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## **EUROPEAN SOCIAL CHARTER**

33<sup>rd</sup> National Report on the implementation of the European Social Charter

submitted by

## THE GOVERNMENT OF GERMANY

(Article 1, 9, 10, 15 and 18)

for the period 01/01/2011 - 31/12/2014

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## **CYCLE XXI-1 (2016)**

Berlin, January 2016

**33rd Report** 

## submitted by the Government of the Federal Republic of Germany for the period 1 January 2011 to 31 December 2014 (Article 1, 9, 10, 15 and 18)

to be submitted in accordance with the provisions of Article 21 of the European Social Charter,

the instrument of ratification of which was deposited on 27 January 1965.

In accordance with Article 23 of the European Social Charter copies of this report are to be communicated to

the Federation of German Employers' Associations (Bundesvereinigung der Deutschen Arbeitgeberverbände)

and

the Federal Executive Committee of the Confederation of German Trade Unions (Bundesvorstand des Deutschen Gewerkschaftsbundes)

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## **Preliminary remarks**

The 33rd Report borrows from the previous Reports of the Federal Government on the domestic implementation of the obligations set out in the European Social Charter. It does not refer to the individual provisions of the Charter unless either the remarks of the European Committee for Social Rights of the European Social Charter (by way of simplification hereinafter referred to as "Committee") in the conclusions XIX-3 give reason for this, or the questionnaire makes this necessary or if relevant amendments in the material and legal situation have occurred.

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To the extent that conditions in Germany vary as a result of reunification, the 33rd also differentiates between the old and new Länder. The term "new Länder" covers the Länder of Brandenburg, Mecklenburg-Western Pomerania, Saxony, Saxony-Anhalt and Thuringia as well as the eastern part of the Land of Berlin.

## **Article 1 - The right to work**

### **Paragraph 1 - Full employment**

The German labour market is in good shape. Successes have been achieved over the last ten years which few people previously thought possible. For example, unemployment was reduced by around two million to 2.9 million in 2014. Long-term unemployment was almost halved (from 1.9 million in 2006 to 1.1 million in 2014). This made a vital contribution to the employment upturn in Germany.

The number of people in gainful employment has risen year on year since 2006. Some 42.6 million people were gainfully employed (resident concept) in 2014: that is close on 400,000 people more than in the previous year. This suggests continuing high demand for labour. According to an assessment by the Institute for Employment Research (IAB), this trend may well be even more pronounced in 2015.

During the financial and economic crisis the enhanced regulations on short-time working prevented extensive manpower reductions and further secured the skilled workers who are once again urgently needed in the medium term. IAB analyses show that employment has been relatively unaffected by economic fluctuations since the crisis in 2009. This is due to sectoral change in particular. For example, services have come to represent a greater proportion of economic output over the past decades. The service sector reacts in a less volatile way to the economic cycle than industry does. Accordingly, the greater significance of services means that economic fluctuations have less of an effect on the economy as a whole. Increased labour shortages are a further factor. This prompts businesses to retain and take on more employees as a precautionary measure, irrespective of economic fluctuations.

The supply of labour has risen to date as a result of significant immigration. However demographic change will make a big difference to labour market conditions. Current projections suggest that the number of people of working age will fall by around 5 million in the next 15 years. This could provide opportunities to reduce unemployment even further. To achieve this, unemployed people's potential has to be utilised better. More than ever training and vocational upskilling are the keys to real opportunities on the labour market and for getting closer to the goal of full employment.

The activation rate in Germany (measured as participants in active measures as a percentage proportion of persons wanting to work) – according to Eurostat data – has been about 30 percent in recent years. Details of the various labour market initiatives being offered to jobseekers, of the participants in the different types of initiative and of their outcome in terms of labour market integration are regularly published in Federal Employment Agency statistics, e.g. in an integration results report.

The effectiveness of selected labour market programmes to actively promote employment as a discretionary benefit needs to be assessed against the background of economic framework conditions, the state of the labour market and the individual circumstances of the person taking part in the programme (the skills they already have, their state of health, length of unemployment etc.). A meaningful indicator in this regard is provided by the integration rates which are made available one year later. They register persons in employment subject to compulsory social insurance six months after participation has come to an end and therefore show how many programme participants have taken up employment subject to compulsory social insurance in a reasonable time period following the programme.

It is worth noting, however, that the individual labour market measures vary greatly from one another in both their objectives and their content.

- Consequently, there are measures to support career choice and vocational training aimed at teenagers and young adults who are expected to find it difficult to pass their schoolleaving exams and to make the transition between the general education system and vocational training subject to compulsory social insurance contributions.
- Training and professional development measures should however (re)acquaint their participants with the labour market and open up new perspectives in terms of safeguarding the supply of skilled labour in particular. Furthermore, activation and placement vouchers promote short-term placement and immediate integration into the labour market.
- Measures which create employment in the form of job opportunities are often a first step in helping those participants who have a number of issues to (re)acquire or maintain employability. They help foster social stability as a result.

The differences in the integration and retention rates of the various labour market policy instruments are therefore not to be equated with their varying levels of success. On average, 858,000 people took part in active labour market measures each month in 2013. A good three quarters of all those receiving support belonged to one of the groups of people in particular need of assistance, i.e. they lacked skills, were 50 years of age or older, long-term unemployed, severely handicapped or were coming back to work after a break. In total, 38.4 percent of the 2.33 million people who took part in one of the measures between July 2012 and June 2013 were in employment subject to compulsory social insurance contributions six months later. More recent figures for 2014 will be available in autumn.

#### A significant challenge: Demographic change

Demographic change has far-reaching consequences for the labour market in Germany too. As the population shrinks there is a simultaneous reduction in the number of people of working age, i.e. the available supply of labour. In years to come this reduction will in some cases take place even more quickly than the reduction in the resident population as a whole as large numbers of people of the same age group or age reach retirement age at the same time. In addition, there will be a sharp rise in the proportion of older people of working age within the population.

It is comprehensive demographic changes which constitute labour market framework conditions. These long-term trends are overlaid by economic and structural influences in the current labour market situation.

Despite healthy developments in the labour market the long-term unemployed are still not successfully integrated in the general labour market often enough. The healthy labour market has also benefited the long-term unemployed less than other people lately. This is why, on 5 November 2014, the Federal Government presented its "Creating Opportunities - Safeguarding Social Participation" concept for reducing long-term unemployment. The concept comprises diverse measures, programmes and approaches aimed at improving opportunities for the long-term unemployed and enabling social participation:

In this way an improved level of support is to be offered to the long-term unemployed by means of a **"Network for activation, advice and opportunities"**. Optimised mentoring ratios and skilled staff in job centres will provide the necessary time and know-how for placement services, so as to be able to get the know people better, gain a clearer understanding of their individual issues, strengths and weaknesses, and then offer them something suitable. Based on a guidance principle, the networks should fulfil the role of providing people entitled to benefits with a package of support services, through which social, psychological and health-related obstacles to placement and skill deficiencies can be dealt with, as well as giving them targeted support to become more motivated and better able to cope with the challenges they face in their daily lives. All local stakeholder support services are included here. The **"Networks for activation, advice and opportunities"** are currently in preparation and should be ready to go at the start of 2016.

The **ESF-Federal Programme to Reduce Long-Term Unemployment** represents a further opportunity that the Federal Government is providing to job centres to help people who have been unemployed for a long time, who do not have a viable professional qualification and have little prospect of finding work to integrate into the general labour market. Activities are focused on approaching employers directly and offering advice, providing coaching to employees after they have taken up employment, and making up for low performance/reduced output through degressive wage subsidies. The programme is being funded with around 885 million euros from European Social Fund (ESF) resources (470 million euros) and the integration budget from SGB

II (415 million euros) from 2015 to an expected end date of 2020. The Federal Programme is already underway and is in the implementation phase. 342 job centres are taking part in the ESF Federal Programme. In an initial phase the job centres are looking to integrate around 24,000 participants into the general labour market. As many as 33,000 participants should benefit in total.

The Federal Government has launched the Federal Programme "Social Participation on the Labour Market" as a supplementary measure. This offers publicly-funded employment to the long-term unemployed who are particularly far removed from the world of work and currently have no prospects on the general labour market. The programme's main aim is to facilitate social participation on the labour market. Additionally, it should improve opportunities for getting work that is not subsidised. The programme focuses on people entitled to benefits who need special support due to health restrictions. A second target group is represented by people living with children in a joint household. This support reaches not just the long-term unemployed themselves, but also the children living in the household, who see and learn that employment is an important part of life. Subsidised employment must be in the public interest as well as neutral in terms of competition. To complement this, job centres and the other participating stakeholders, local authorities in particular, are expected to accompany and shore up labour market activation with measures that help people prepare for employment or support them once they are working. The programme will run for three years, involve 10,000 participants and is already underway following the publication of the funding directive and a call for competition. It is being funded with a total of 450 million euros from the SGB II integration budget.

#### Labour market participation of women

Women continue to be disadvantaged on the labour market – with consequences that can be felt right into retirement. The labour market is therefore a major focus for family and equality policies. That is why the Federal Government champions the following:

- equality of participation for women and men on the labour market;
- a work and family life balance shared by mothers and fathers;
- good prospects when returning to working life after time away caring for family members (bringing up children and/or caring for relatives);
- equal access to management positions in business, public administration, science and research;
- equal career opportunities for women and men, mothers and fathers;
- equal pay for the same and equivalent work.

There is still lots to do to achieve this. Because women continue to interrupt their careers more often and for longer than men and are more likely to work part-time, so as to have time to bring up children and/or care for relatives. Although visible progress has been made since the last report date (2008), the 2013 microcensus shows that the employment rate<sup>1</sup> of mothers with a youngest child under the age of three years was just 31.4 percent (2008: 28.6 percent) compared to 81.7 percent for fathers. Just over a quarter of these mothers were working full-time (fathers: 94 percent). It is true that the employment rate of mothers with a youngest child between the ages of three and six years was, at 62.9 percent (2008: 58.6 percent), already more than twice that (fathers: 84.9 percent). But here too only one in four of these mothers were in full-time work (fathers: 94 percent).

On the whole, recent years have witnessed a positive trend with regard to developments in women's labour market participation. According to data from the microcensus the employment rate of women between the ages of 20-64 years has risen from 71.1 percent in 2011 to 72.5 percent in 2013.

Women are frequently working in less well-paid sectors and professions and much less often in management positions – top management in particular. At the same time women make up the majority of people in Germany working in mini-jobs.

In order to increase the labour market participation of women, the Federal Government is focusing its efforts on promoting women's return to work after family-related career breaks, supporting female entrepreneurs with business start-ups and increasing the proportion of women in management positions.

Effective equality policies must thus aim to give women and men the same opportunities in working life. This is a question of social justice. But given the growing skills shortage it is also a vital means of guaranteeing our society's sustainability. To make greater use of women's labour force potential, it is necessary to increase both the labour market participation of women in general and the number of hours they work. The Federal Government is using targeted measures to promote the equality of women and men in working life as well as the career/family/care balance. An improvement in the care/career balance was seen on 1 January 2012 with the introduction of the Family Care Leave Act. Employees have the option of caring for close relatives at home and of reducing their weekly working time to 15 hours for a maximum of 24 months for this purpose. This provision makes it possible for employees to keep working even while caring for a family member and for businesses to retain the skills and know-how of their

<sup>&</sup>lt;sup>1</sup> Employment rate of the active working population: The "active" working population includes all of the working population who had worked in the week the data were collected. Those temporarily away from work (for example, due to special leave, holidays or parental leave) are excluded from the "active" working population.

workforce. Legislation in 2014 improved the balance of family, care and career still further. With effect from 1 January 2015 there is a legal entitlement to family care leave as well as the option to cushion the loss of earnings with an interest-free loan. The loan option now also applies to the care leave lasting a maximum of six months, i.e. the complete or partial leave of absence in order to care for a near relative at home. Furthermore, since 1 January 2015 employees have the option of taking a maximum of 10 days leave from work in an acute situation, during which time they can apply for a benefit to make up for lost wages - the care support allowance. An improved work/life balance resulting from the expansion of support services for children or relatives who are in need of care, the systematic expansion of all-day schooling and the support given to parents to divide family responsibilities more evenly by means of the parental allowance have created the essential preconditions to enable women to participate in working life on an equal footing. The reporting period saw the parental allowance enhanced through the introduction of 'parental allowance plus'. Parental allowance plus gives a wider range of options to parents who are working part-time after the birth of a child and helps them return from leave early as a result. Furthermore, parental allowance plus includes a partnership bonus: this encourages an equitable division of family and professional responsibilities. Because it offers the option of receiving parental allowance plus for a further four months, if mother and father simultaneously work between 25 and 30 hours per week for four consecutive months.

Independent impact studies show that the introduction of the parental allowance and the expansion of childcare<sup>2</sup> led to an increase in the labour market participation of mothers with small children.<sup>3</sup> With the support of parental allowance through the partner months, more and more fathers are taking a career break to spend time with their family and thereby helping mothers return to work.<sup>4</sup>

Alongside compatibility, the Federal Government is also taking measures to ensure more equal pay, decent job prospects after returning to work, a revaluation of the "typical" jobs women do, for example in the caring professions, and the right to move back from part-time working to full-time employment. A new law will give the impetus to reduce wage inequality over the long term. Increased employment potential will not be achieved by a higher female proportion alone, but also by boosting the volume of hours worked by women. To do this, we need targeted incentives to convert mini-jobs into employment subject to compulsory social insurance and part-time into full-time work. The Federal Government is therefore assessing which Federal Employment Agency and social security office activities are suitable for integrating more women into (full-

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<sup>&</sup>lt;sup>2</sup> The take-up rate of childcare for children under three years of age rose from 15.5 to 27.6 percent in the time period 2007-2013. The Federal Government made available a total of 5.7 billion euros for childcare expansion by 2014.

<sup>&</sup>lt;sup>3</sup> e.g. Prognos AG (2014): Overall evaluation of marital and family-related benefits.

<sup>&</sup>lt;sup>4</sup> 29.3 percent of fathers claimed parental allowance for children born in 2012. In 2009 it was 23.6 percent of fathers, and in 2006 just 3.5 percent.

time) employment subject to compulsory social insurance contributions. The "Back-to-Work Perspective" action programme aims for a return to working life that is compatible with one's skills and qualifications and as close to full-time as possible and therefore also promotes employment subject to compulsory social insurance. Particular attention is therefore given to making "time for the return to work", by closely involving partners and ensuring their support for the process of returning to work and by making women returning from leave aware that they can make more time for themselves by utilising family-support services.

If we want to improve employment potential, we need to focus on single-parent families – 90 percent of which are headed by women. They face particular challenges when it comes to reconciling gainful employment with child-raising. More than 40 percent of single parents are in receipt of social security benefits either because they are not in work or do not earn a living wage. In their coalition agreement of 27 November 2013 the parties forming the Federal Government agreed to raise the amount of tax relief for single parents and to scale it according to the number of children. Single parents get to keep more of their income as a result and greater employment support is being offered. This coalition agreement mandate was implemented during the reporting period.

With its nationwide ESF programme "Strong in the job – Getting mothers with a migration background into work", the Federal Government is aiming to make it easier for mothers with a migrant background to get into work and to improve access to existing labour market integration services. Furthermore, labour market stakeholders (businesses and employment services) are to be made aware of the potential in this target group. The programme is expected to be carried out at 90 locations across the country. (Federal Ministry for Family Affairs, Senior Citizens, Women and Youth)

Improvements in equal opportunities for women and men in working life can also be seen in education and dual training opportunities for young women. At 56 percent, girls make up the majority of pupils obtaining the university entrance qualification and therefore leave school with better qualifications on the whole. But when it comes to choosing a career or university course, women still restrict themselves to a relatively small range and avoid technical professions, for example. For this reason the Federal Government and the business community are running joint initiatives to persuade more women with qualifications to opt for the fields of mathematics, IT, the sciences and technology, e.g. with Girls' Days, and this will be dealt with in greater detail later.

As part of its efforts to improve equal opportunities for women and men in working life, the Federal Government is taking measures to **overcome pay differentials between women and men.** The unadjusted wage gap between the average gross hourly wages earned by women and men in Germany has remained at an almost constant 23 percent for some time now.

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This pay differential is thereby an indication of the different levels of participation and unequal earning prospects for women and men on the labour market. Due to the complex nature of its root causes the wage gap can only be reduced in a sustainable way if appropriate measures interact as part of an overall strategy. To be successful therefore, these measures must also be visible and raise awareness, introduce new priorities and bring on board the all-important stakeholders.

To make the "equal pay for equal or equivalent work" principle really mean something, the Federal Government intends to bring more transparency to gender-specific pay structures with a law on wage equality:

- Businesses with more than 500 employees will be obliged to indicate what they are doing to promote women and wage equality within the framework of statutory criteria.
- Employees will have the right to obtain information on an individual basis.
- Businesses are being invited to take on the responsibility of eliminating proven wage discrimination with the help of binding procedures and in collaboration with their employees and with the participation of stakeholders within the company.
- As a complementary measure the Federal Government intends to join with collective agreement partners in starting an initiative to recognize and overcome patterns of structural wage inequality in collective agreements.

Equal Pay Day highlights the extra period of time that women would need to work after the year's end to attain the level of pay earned by their male colleagues in the previous twelve months – in 2015 it fell on 20 March. Since 2011 the Equal Pay Day Forum has supplemented the campaign day with year-round information events with different focal points. The alliance aims to raise awareness, mobilise all stakeholders and, above all, inform about the causes of pay differentials.

Although wage gaps are rarer in those companies in Germany which are bound by collective bargaining than in those that are not, there are still gender-specific wage differentials. A research project sponsored by the Federal Government and carried out by the University of Erlangen-Nuremberg and the Institute for Employment Research is working with social partners to identify potential approaches for removing residual pay differentials in collective wage bargaining. An EVA list (EVA = job evaluation procedures) was also drawn up and this contains a selection of questions to help collective agreement partners review individual job evaluation procedures.

Since 2011 the Federal Government has also been supporting the German Rural Women's Association project "CountryWomenVoices for the Future", which champions fair earning prospects in rural areas. The project is investigating the causes of bigger wage gaps in rural areas and developing courses of action to overcome them. In addition, women are being encouraged to form networks and share experiences in rural self-governing bodies attached to chambers of agriculture, trade, industry and commerce.

The "What Does a Woman Earn? Economic Independence!" project, which the Federal Government is running in collaboration with the national executive of the German Trade Union Federation (DGB), is intended to strengthen women's economic autonomy. Political, union and business stakeholders are involved. Appropriately enough for an approach with a life-long perspective, the project focuses on the upheavals that happen during a lifetime and targets young women who are making the move from education into working life and those who are in transitional states connected with family life. The project runs from September 2014 until August 2016.

Procedures such as "Logib-D" or the wage equality checker "eg-check" are available to help identify hidden pay differentials between women and men within companies and to review the reasons for these. Logib-D stands for "wage equality in the company - Germany" and can be used to determine the extent of, as well as the influences behind and reasons for, the average difference in female and male employees' monthly salaries for a company as a whole and for individual locations. The wage equality checker is a tool to expose and eliminate wage discrimination on the basis of gender. It shows the real reasons for unequal treatment and calculates how much one is financially disadvantaged by means of a test made up of several steps.

The Federal Government has also taken a variety of measures to promote women's role in the workforce in an effective and sustainable way: alongside measures to improve the work/life balance, there are measures aimed above all at improving equal opportunities for women and men in working life.

The Federal Government intends to create fair income perspectives and to boost the employment of women both quantitatively and qualitatively across their whole working lives.

One important component of this work is the "Back-to-Work Perspective" action programme, which the Federal Government has been running in collaboration with the Federal Employment Agency and other partners since March 2008.

As part of this action programme the Federal Government supports women and men who, for family reasons, have taken several years off from working life or have reduced their working hours, by offering various projects and initiatives to help them get back into work with good forward prospects. At the same time companies and businesses are being made aware of the potential being offered by people returning to work - and this against the background of their need to safeguard a skilled employee base.

In the 2007-2013 ESF funding period more than 26,000 women from the so-called "hidden reserve" have received encouragement and advice as part of the ESF programme "Back-to-Work Perspective". Some 7,000 women took advantage of the in-depth support offered at the pilot locations and nearly 70 percent of them were successfully integrated.

The Federal Government is continuing to support people returning to professional life – in jobs which offer (almost) full-time employment and are appropriate to their qualifications and training - in the new European Social Fund funding period (2014-2020) too. The programme called "Back-to-Work Perspective – Tapping potential" which was launched on 1 July 2015 at 23 pilot locations has the following focal points:

- combining the return to work with care responsibilities and avoiding the need for employees to take time off work to care for family members
- maximising the potential of women working in a "mini-job" because of family commitments or who have returned to work in a "mini-job", with the aim of moving them on to employment covered by social insurance
- household support services
- more direct approaches to employers: raising awareness of how women returning to work can be the key to helping them secure the skilled workforce they need
- expansion of online training courses ("PWE-Online") in terms of topics and content at 13 pilot locations.

The action programme is rounded off by an information platform <u>www.perspektive-</u> <u>wiedereinstieg.de</u>, a two-week summer school on setting up a business – which starts in 2015, giving 15 women returning to work the tools to becoming successful independent professionals – as well as academic research in parallel, public relations work and networking across the board (nationally and in the federal states, local authorities, associations, trade unions etc.). The framework conditions for a successful return to work are being improved at a local level. In order to increase the efforts businesses are making to help women and men balance family and career successfully, the Federal Government has been working since 2006 in collaboration with the leading associations in the German economy (Confederation of German Employers' Associations (BDA), Association of German Chambers of Commerce and Industry (DIHK), German Confederation of Skilled Crafts (ZDH)) and the German Trade Union Federation (DGB) to champion family-friendly working conditions in the German economy with the **corporate programme "Families for Success"**. Our aim is to use family-aware HR policies as a strategic management instrument in recruiting and retaining skilled workers and to make the German economy renowned for being family-friendly. Around 5,700 companies committed to family-friendly HR policies have already signed up to the "Families for Success" corporate network. These efforts are bearing fruit: according to the "2013 Family-friendly Business Monitor" (Cologne Institute for Economic Research) 80 percent of company managers consider family-friendly policies to be important (2006: 72 percent; 2003: 46 percent).

The ESF programme "School Truancy - A 2nd Chance" (1 September 2008 - 30 June 2014) targeted pupils who were staying away from school and jeopardising their leaving qualifications in an attempt to get them back into the educational system. Parents and teachers helped to draw up individual support plans on a case management basis. The programme was implemented nationwide at around 200 coordination centres (varying from one funding year to another); approx. 98 million euros from the ESF were made available for its implementation. Since September 2008 the case management system has reached out to more than 19,000 pupils where active or passive truancy was identified. 61 percent of these were successfully reintegrated into the school system.

Likewise funded by the ESF, the "skills agencies" (1 September 2008 - 30 June 2014) provided individual case management to help disadvantaged young people integrate into social and professional life. The skills agencies' contact persons visited the young people, worked with them to agree individual support and training plans, and were on hand to help them put the plans into practice. The programme was implemented nationwide in around 200 skills agencies (varying from one funding year to another); approx. 99 million euros from the ESF were made available for its implementation. Since September 2008 the skills agencies have reached out to more than 110,000 disadvantaged young people and provided help to more than 70,000 of them on a case management basis. More than 70 percent of all the youngsters in case management were successfully supported. They have entered training, started work, taken part in a scheme to prepare them for professional life or decided to get a school-leaving qualification after all.

The ESF pilot programme "Supporting Young People: Active in the Regions" (1 October 2010 - 31 December 2013) was a Federal Government scheme, piloted in 35 local authorities nationwide, aiming to provide troubled and socially-disadvantaged young people with consistent, comprehensive and customised support to help them make the move from school into training or employment. The selected towns and rural regions received some 17 million euros of ESF funding over the trial period lasting a full three years:

- 1. To establish new structures and procedures to enable stakeholders to work together at the interface between school, social security for jobseekers, employment promotion and youth welfare
- 2. To assess gaps in what is on offer and to systematically develop what is available locally
- 3. To interlock stakeholders with what is on offer in a way that transcends jurisdictions and
- 4. To do justice to their management responsibilities for youth social work tasks in a local authority context (§13 Book VIII of the Social Code)

A total of 139 different "gap-filling" projects were initiated, including projects for youngsters playing truant from general-education and vocational schools, measures to provide a daily structure, outreach and mobile counselling services, schemes to stimulate involvement (e.g. a filming or boat-building project) or easily-accessible contact points and advisory centres. During the funding period as a whole, the projects reached more than 7,600 young people who were not able to benefit from previous schemes.

Across the country more than 420 "Youth Migrant Services (JMD)" (the exact number varies during the reporting period) are helping young migrants to integrate in terms of language, school, work and society. This programme forms part of national planning for children and young people. Alongside the social and educational assistance provided during and after the integration courses stipulated by the Immigration Act, the organisations play an active role in creating a network of all the services society provides for migrants. JMD supported 274,800 young people between 2011 and 2014.

#### Women in management positions

The Act on women and men participating equally in management positions in the public and private sectors came into force on 1 May 2015. This Act obliges companies which are listed on the stock exchange and subject to full co-determination rules to comply with a gender quota of at least 30 percent on their supervisory boards from 2016. In addition, from 2015 companies which are listed on the stock exchange and/or subject to co-determination rules must set themselves binding targets to increase the proportion of women as well as time frames to achieve this. These targets must be specified for the supervisory board and the board of management as well as for the uppermost management levels. This only applies to the supervisory board if the fixed gender quota has not already been applied. The draft law updates both the Appointments to Federal Bodies Act (BGremBG) of 1994 and the Federal Equality Act (BMFSFJ) of 2001. The Federal Government will shortly provide the UN Committee on the Elimination of Discrimination against Women (CEDAW) with comprehensive information on the measures Germany took between 2007 and 2014 to increase the proportion of women in management positions.

#### **Expansion of childcare**

A supply of good childcare services adequate to people's needs is vital if we want to promote the employment of women and equal opportunities for women and men in working life. It is also important in helping improve the fairness with which education and opportunities are made available to children.

On 1 August 2013 the Federal Government introduced a legal entitlement to a place in a nursery or daycare centre for all children over the age of one, and in doing so created a landmark in the provision of needs-oriented daycare for children. It complements the law which has been in place since 1996 and in line with which children are entitled to a kindergarten place from their third birthday until they start school.

The national government, federal states and local authorities have made great efforts in recent years to create sufficient places for the under-3s and comply with the legal entitlement which came into force in 1 August 2013. As a result, on 1 March 2014 across the country 660,750 children under three years of age had a place in daycare – which corresponds to a care ratio of 32.3 percent. In 2011 the figure was 514,484 children and 361,623 in 2008.

By the end of 2014 the Federal Government had supported the expansion of provision for the under-3s with a total of 5.4 billion euros and is providing 845 million euros for operating costs each year from 2015 onwards. As the need for care places continues to grow, the Federal Government introduced a further investment programme on 1 January 2015 to create additional capacity and increased the special funding already allotted by 550 million euros to 1 billion euros. Furthermore, the Länder will each receive an extra 100 million euros for running costs for the years 2017 and 2018.

## Paragraph 2 – The employee's right to earn a living through work freely undertaken (nondiscrimination, prohibition of forced labour, other aspects)

There have been no legislative amendments to this topic area in the reporting period. Therefore please refer to the 29th report and previous reports.

In Conclusions XX-1 (2012) relating to Germany the Committee requested a statement on § 2, Paragraph 4 of the General Equal Treatment Act (AGG). In doing so it referred to the Country Report, Germany, written by Professor Dr. Mahlmann of the European network of legal experts in non-discrimination. The following should be noted in this regard:

The rules governing dismissal do not constitute an exception to the prohibition on discrimination.

Discriminatory dismissals are inadmissible both within and outside the scope of the Protection Against Dismissal Act (KSchG). Should they face dismissal by their employer, employees in Germany are protected against discrimination based on race or ethnicity by the provisions on general and special protection against dismissal. § 2, Paragraph 4, AGG does not preclude the application of substantive discrimination prohibitions and their more detailed definitions in AGG. § 2, Paragraph 1, No. 2, AGG defines the inadmissibility of discrimination on one of the grounds mentioned in § 1, AGG and also applies quite expressly to "conditions of dismissal".

#### 1. Dismissals within the scope of the KSchG:

Where the KSchG applies to an employee's contract of employment, the unequivocal wording of § 1, Paragraph 1, KSchG states that a dismissal is invalid if it has no social justification. A discriminatory dismissal can have no social justification and is therefore invalid. Further to the unequivocal wording of the Act, the Federal Labour Court (BAG) clarified this expressly in its ruling of 6 November 2008 (Ref: 2 AZR 523/07).

In this ruling, in which the BAG addresses the regulation in § 2, Paragraph 4, AGG and the way the AGG relates to general and special provisions for dismissal protection, it stresses that the more detailed definition of substantive bans on discrimination in §§ 1 to 10, AGG are to be observed when interpreting the vague legal concept of not being in the social interest (6 November 2008: Ref: 2 AZR 523/07 recital 41).

#### 2. Dismissals not covered by the KSchG

Employees, whose contract of employment is not covered by the general protection against dismissal provided in the Protection Against Dismissal Act (KSchG), are protected against discriminatory dismissals firstly by general clauses §§ 138 and 242 of the German Civil Code (BGB) and secondly by § 134, BGB in conjunction with Article 3 of the Basic Law (GG). Article 3, GG prohibits any discrimination, including that based on gender, ancestry, race and language as well as homeland and origin.

Since the AGG came into force, the bans on discrimination specified in Article 3, GG have been supplemented by prohibitions on discrimination on the basis of age and sexual identity specified in § 1 in conjunction with § 7, Paragraph 1, AGG. This paragraph contains a legal prohibition which forms part of the general provisions for protection against dismissal in conjunction with § 134, BGB. In accordance with German law, the protection against discrimination provided by the AGG also covers dismissals of employees who are not protected against discriminatory dismissals by the application of the KSchG. The AGG is integrated here into the existing regulations for protection against dismissal.

Even where the KSchG is not applicable, an individual should be aware that she or he is protected against a dismissal that violates a ban on discrimination. The provisions in § 134, BGB in conjunction with Article 3, GG or § 7, Paragraph 1, AGG are unequivocal in their wording.

The EU Commission is also of the view that the anti-discrimination guidelines (2002/73/EC; 2000/43/EC; 2000/78/EC) are sufficiently dealt with in German dismissal law. In November

2010 the Commission halted the first initiation of infringement proceedings with regard to implementation in compliance with the guidelines relating to § 2, Paragraph 4, AGG.

Insofar as the Committee notes in Conclusions XX-1 (2012) concerning Germany, that compensation for material loss is granted only if the employer (intentionally or with gross negligence) has acted culpably, and therefore requests further information as to what this provision means in practice, it should be noted as follows in this regard:

Pursuant to § 15, Paragraph 1, Sentence 1, AGG a violation of the ban on discrimination always gives the employee an entitlement to compensation from the employer for the material losses incurred as a result. § 15, Paragraph 1, Sentence 2 makes clear that there is an entitlement to compensation only if the employer is responsible for a breach of duty. The question of whether the employer must be held responsible is determined in line with §§ 276 and 278, BGB. The entitlement to compensation arises therefore when it is the employer who, negligently or intentionally, has behaved in a discriminatory way. Gross negligence need not be proven; mere negligence is in fact sufficient.

Also of significance are those cases in practice where an employer, negligently or intentionally, fails in the obligation to avoid and, where appropriate, to eliminate prohibited discrimination within his/her organisation. § 15, Paragraph 1 states that he/she is similarly liable in such cases. The requirement for the employer to take responsibility for a material compensation claim conforms with European law because in German law too claims for damages generally presuppose the liable party being at fault and because, pursuant to § 15, Paragraph 2, AGG, the employer is liable for compensation for non-pecuniary damages regardless of fault, so that even if the employer violates the ban on discrimination blamelessly, this is not done with impunity.

#### On the general Conclusions XX-1 (2012)

With particular regard to a situation which sees employees being able to work for their company at any time and at any location, in the general Conclusions XX-1 (2012) the Committee requests information about the measures Contracting States are taking to ensure that employers are respecting the private life of employees.

"Constant availability" is an ambivalent phenomenon: on the one hand the working-time flexibility associated with it can increase employees' autonomy and go some way to contributing to a better work/life balance. On the other hand it remains fundamentally important that work and leisure time be separate from each other, to guarantee physical and, above all, psychological rest periods.

Employees are in no way obliged to be available to their employer in their free time. Other rules may apply if there is a contractual agreement to this effect.

If employees are working at the employer's request or with his/her approval or acquiescence, this activity shall be remunerated as working time. This does not apply if employees do work in their free time on their own initiative without the employer's knowledge.

Work done by employees in their free time shall always be judged to be working time according to the Working Hours Act (ArbZG). Therefore when work is done in free time it is particularly important that the Working Hours Act provisions on the maximum time that may be worked in a day (10 hours) and the minimum uninterrupted rest period after work has finished (11 hours) are adhered to.

When free-time work is arranged/condoned by the employer, the works council's codetermination rights regarding the beginning and end of daily working hours inclusive of breaks, the division of working time across individual weekdays and the temporary shortening or lengthening of the usual operational working hours shall always be observed.

Insofar as the Committee asks about statutory provisions to combat inappropriate remuneration of work in family businesses, it should be noted that no other regulations apply to employee salaries in family businesses than those applicable in other companies.

Consequently, the Minimum Wage Act (MiLoG) applies in exactly the same way to these persons insofar as those working in family businesses have been taken on as employees. The same applies to sector minimum wages in line with the Posted Workers Act (AEntG) or within the framework of the Provision of Labour (Temporary Staff) Act (AÜG). There is also no difference between family businesses and other companies with regard to how adherence to the regulations is monitored.

Further protection arises from the Federal Labour Court's judgment that an agreement providing for remuneration which is less that two thirds of the corresponding standard wage is unethical according to § 138, BGB (Federal Labour Court, 22 April 2009 - Ref: 5 AZR 436/08). Pursuant to § 612, Paragraph 2, BGB there is then an entitlement to payment of the standard wage normally paid within the relevant sector.

Regarding the section on domestic staff, it should be noted that in Germany these are subject to the same labour-law conditions as all other employees.

Humane working conditions are guaranteed in Germany by provisions including those in the German Civil Code, the Minimum Wage Act (MiLoG), the Federal Leave Act (BUrlG), the Trade Regulation Code (GewO), the Continued Remuneration Act (EntgFG), the Act on Documenting Essential Conditions for an Employment Contract (NachweisG), the Parental Allowance and Parental Leave Act (BEEG), the Maternity Protection Act (MuSchG), the Youth Employment Protection Act (JArbSchG), the AGG and the Working Hours Act (ArbZG).

Working time is eight hours per day, and this applies at all times to domestic staff and workers in family businesses as well as to all other employees. Daily working hours can be extended to a maximum of ten hours, if the working time extension does not lead to an average of more than eight hours over a six month period. Sunday is the weekly rest day. If approval is given for Sunday work, a day off in lieu must be granted within a two-week period.

The Länder regulatory authorities are responsible for monitoring adherence to the Working Hours Act. Regulatory authority representatives are authorized to enter and inspect works premises during normal operational and working hours; outside of this time or when the place of work, as is routinely the case for domestic staff, is in a place of residence, they may only enter and inspect these to prevent an imminent threat to public safety and order. Permission to enter and inspect the place of work must be given by the employer.

Insofar as domestic staff live in a household, humane living conditions are safeguarded by the provisions of §§ 617, 618, Paragraph 2, BGB in particular. Accordingly, an employer in Germany has a particular duty of care for employees who live as part of his/her household. The employer must therefore e.g. arrange the living rooms and bedrooms and organise the meals, work hours and rest periods as necessary with regard to employees' health, morality and religion.

Insofar as the Committee asks about criminal law provisions which give effective protection to domestic staff who are being exploited and whether there are regulations to protect them from abuse, the following should be noted:

Germany has sufficient legal mechanisms to protect people from abuse, harassment and violence. Laws such as the German Criminal Code (StGB) – bodily harm: § 223 StGB; insult: §§ 185 ff StGB; coercion: § 240 StGB – and the Basic Law (compensation: § 823, Paragraph 1, BGB) are examples of these. Depending on individual circumstances affected parties can therefore be entitled to claim for compensation because contractual obligations have been violated, they have been bodily harmed, their health has suffered or personal rights have been infringed (§ 823, Paragraph 1, BGB).

On the question of whether foreign domestic staff who have been abused have the right to change employer or whether they lose their right to remain if they leave their employer, it should be noted that EU citizens entitled to freedom of movement who are employed as domestic staff have the right to change their employer at any time.

For third-country nationals the basic situation is that their residence permit can subsequently be curtailed if a specific job no longer exists (§ 7, Paragraph 2, Residence Act). A subsequent curtailment of this kind is at the discretion of the Foreigners Registration Office who can take instances of abuse and the existence of a new job into consideration on a case-by-case basis.

At the same time one must bear in mind that § 15c, Employment Ordinance (BeschV) stipulates that approval of foreign domestic staff requires a placement agreement between the Federal Employment Agency and the employment services of the countries of origin. To date, no agreements on the placement of domestic staff have been reached with third countries and neither are there plans for corresponding agreements. Domestic staff from third countries may only therefore work in Germany within the tight constraints of § 13, BeschV (for temporary postings and diplomats). A total of 29 approvals were granted in 2014.

#### Measures to eliminate all forms of discrimination in employment

The support programme "Integration through Training" (IQ) has "intercultural skills development and non-discrimination" as one of its fields of activity. This represents strategies to handle diversity in German society and to introduce more diversity in public administration and in business. It aims to make it possible for people with a migrant background to participate in working life on an equal footing. To achieve this, employers must first take the strategic decision to face up to the challenges of a globalised society characterised by migration. Once this is done the process of so-called diversity management or intercultural openness can get under way, both within and beyond businesses and public administration departments.

The IQ programme supports activities relating to this important topic area, including:

- Intercultural awareness-raising, training and mentoring for staff in social security offices, advisory centres and training facilities,
- Advice and support for companies and labour market institutions,
- Ideas and strategies for diversity management for providers of basic income support,
- Foundation and development of intercultural expertise in statutory institutions and labour market stakeholders through advisory services, education and training, plus
- Networking, technical dialogues and quality enhancement relating to the topic.

Furthermore, the Committee requests confirmation that there are no posts in public service which, because of the kind of tasks involved, are reserved for German nationals. It refers here to the statements in the 29th report. On p.33 f. it says:

"A person working in public service in Germany belongs to one of two status groups: civil servants or employees subject to collective bargaining. The exercise of higher-level authority on a day-to-day basis shall generally be left to civil servants (Article 33, Paragraph 4, GG). In principle, therefore, the duties referred to in the question are performed by employees subject to collective bargaining regulations relating to nationality for employment in public service in Germany, whether at national level or in the Länder or local authorities. Nationals of other Contracting States may therefore be employed in German public service to carry out tasks not involving the exercise of higher-level authority."

At that time the Committee had asked (in the Conclusions of November 2008) whether nationals of other Contracting States were allowed to be employed in public service, municipal administration etc. to carry out activities which were in no way connected to national security, the exercise of higher-level authority or the protection of public order and safety.

The statement in the 29th report which, in the context of the original question relates to tasks not involving the exercise of higher-level authority, can be confirmed.

On the other hand, Article 33, Paragraph 4, GG stipulates that the exercise of higher-level authority on a day-to-day basis shall generally be left to those public service workers who have attained a position of particular status and trust (i.e. civil servants). The position of civil servant is open to anyone who is German according to Article 116, Paragraph 1, GG or is a national a) of another European Union Member State or

b) of another European Economic Area Member State

c) of a third country which has signed a treaty with the Federal Republic of Germany and the European Union granting a corresponding entitlement to recognition of professional qualifications.

Should duties so require, only a German as specified in Article 116, GG may acquire the status of civil servant (e.g. for key management functions in the highest national and federal state authorities or functions involving fundamental state secrecy and/or security interests). Exceptions can be made in particular when there is an urgent official need to make such an appointment.

#### Employment promotion law regulations on what is reasonable

The main aim of balancing processes on the labour market is to employ the "right employee" in the "appropriate position". This constitutes the main focus of employment agencies' placement efforts. So what they try to do above all is to place an unemployed person in an occupation appropriate to his/her experience, and they do this mainly because such a placement is likely to succeed in the long term. However, if this and the individual's own efforts remain unsuccessful, every reasonable step must be taken to end unemployment.

Accordingly, the regulations on what is reasonable with regard to taking up employment do not just relate to the provision in § 121 of the Third Book of the Social Code (SGB III), which is linked to the wage level but also to the general principles laid down in § 1, SGB III: These state that employment promotion services, which also includes work placement, should make special efforts to promote employability through the acquisition of knowledge, skills and abilities as well as to steer employees away from jobs for which they are over-qualified. Employment agency offices must set themselves these targets for their work placement activities in which they strive above all to get unemployed people into jobs appropriate to their skills and qualifications.

Structural change and globalization mean that modern work placement services – reacting to conditions on the labour market – are no longer always able to adhere to an existing pledge that unemployed people are offered work which matches their skill set. It is reasonable to expect that an unemployed person will take other types of job for which he/she is suited, as long as these jobs are appropriately remunerated. The question of whether a job is reasonable for an unemployed person is determined above all by how much the job pays in comparison to that person's previous income.

German law stipulates that a job is reasonable when the salary is no more than 20 percent (in the first three months of unemployment) and no more than 30 percent (in the following three months) lower than the salary on which the amount of unemployment benefit received is calculated. From the seventh month of unemployment it is reasonable to expect that an unemployed person will work for a net salary commensurate with his/her unemployment benefit.

## **Paragraph 3 - Free work placement services**

The statements in the 29th report remain valid.

#### Employment promotion in line with Book Three of the Social Code (SBG III)

#### Employment agencies' placement activities

The statements in the 29th report remain valid.

An illustration of the state employment agency's percentage market share of all recruitment on the labour market, as requested by the Committee, is still impossible due to the lack of data collected on labour market recruitment.

Employment agencies' participation in measures to balance the labour market

The statements in the 29th report remain valid.

Reduction in unemployed and increase in (formerly unemployed) participants in subsidised employment (SGB III legal sphere)

#### Reduction in unemployed in SGB III legal sphere

Germany

Time series

Yearly	Characteristic	Total	In	Employed	Placed by	Employed
total			employment	on regular	FEA/JC	on
				labour		secondary
				market		labour
						market
		1	2	3	4	5
2011	Total	3,570,475	1,778,482	1,571,323	256,841	1,006
	Men	2,011,907	1,071,469	939,801	158,504	686
	Women	1,558,568	707,013	631,522	98,337	320
	Under 25 years	760,063	356,600	335,137	72,601	504
	25 to 50 years	1,921,038	1,075,690	929,955	140,518	198
	50 years and	889,374	346,192	306,231	43,722	304
	above					
2012	Total	3,253,483	1,588,534	1,481,051	233,417	172
	Men	1,825,124	939,616	873,030	140,656	118
	Women	1,428,359	648,918	608,021	92,761	54
	Under 25 years	665,437	302,409	292,448	60,056	91
	25 to 50 years	1,770,300	963,729	889,564	131,456	56
	50 years and	817,745	322,396	299,039	41,905	25
	above					
2013	Total	3,387,522	1,628,446	1,510,982	201,708	58
	Men	1,935,791	975,721	905,053	122,690	41
	Women	1,451,731	652,725	605,929	79,018	17
	Under 25 years	647,818	286,446	277,853	47,121	21
	25 to 50 years	1,873,007	992,621	911,678	114,178	26
	50 years and	866,696	349,379	321,451	40,409	11
	above					
2014	Total	3,403,221	1,618,681	1,498,156	197,918	50
	Men	1,928,205	955,051	882,241	118,612	33
	Women	1,475,016	663,630	615,915	79,306	17
	Under 25 years	619,429	269,305	261,013	44,150	20
	25 to 50 years	1,882,999	987,570	905,482	111,873	20
	50 years and	900,790	361,806	331,661	41,895	10
	above					

Source: Federal Employment Agency, status July 2015

#### Employment agencies' penetration rate

# Reduction in registered jobs subject to compulsory social insurance and start of new employment relationships (start of new job)

Germany Time series

	Reduction in	Persons in new jobs	Penetra	tion rate in %
Year	registered jobs subject to compulsory social insurance	subject to compulsory social i	nsurance	col. 2 / col. 3
	1	2	3	
2011	1,969,836	9,691,378	20.3	
2012	1,920,553	9,372,808	20.5	
2013	1,811,746	9,190,862	19.7	
2014	1,841,486	9,582,824	19.2	

Source: Federal Employment Agency, status July 2015

#### Placement rate (SGB III legal sphere)

Germany Time series

			Placemer	nt rate (SGB III leg	gal sphere)		
Characteristics		2011		2012	2013	2014	
	1		2	3		4	
Total	15.7		15.2		12.7	12.6	
Men	16.3		15.6	-	12.9	12.8	
Women		14.8		14.6	1	2.3	12.2
50 and older	13.0		13.0	)	11.5	11.6	

Source: Federal Employment Agency, status July 2015

#### Length of unemployment in weeks (SGB III legal sphere)

## Reduction in unemployed, length of unemployment in weeks in SGB III legal sphere

Time series

Year	Average completed length of unemployment (total)	Average completed length of unemployment when starting gainful employment
	1	2
2011	19.1	13.6
2012	17.9	12.9
2013	18.4	13.9
2014	18.6	13.9

Source: Federal Employment Agency, status July 2015

#### Employment agencies' work placement organisation

The statements in the 29th report regarding the organisational structure of the employment agencies' work placement services remain valid.

Further to what is stated in the 29th report, it is true that integration efforts have improved in recent years. The Federal Employment Agency realised that whilst work placement still plays a crucial role, greater importance has been attached to advisory services for jobseekers, unemployed people, those needing guidance and employers. Advisory services for both

employees and employers were made more professional and further expanded. With its "Four Phase Pilot" (4PM) integration scheme – which covers a range of legal areas - and its Advisory Plan (BeKo), the FEA has laid the important groundwork for improving these advisory services.

4PM has been giving employment agencies a structured frame of reference for integration work since 2009. It covers a range of legal areas across the whole country. Changes in the labour market and the increasing requirement to improve participation opportunities – particularly where the long-term unemployed are concerned – on the one hand and, on the other, the procurement of additional workforce potential have triggered a growing need for skilful, personal advisory services. Advice and guidance linked with a complementary range of services must do more to offer individuals effective ways of taking their next steps onto the labour market. The Federal Employment Agency's Advisory Plan (BeKo) was implemented within the SGB III legal sphere in 2009 to take these aspects into account, and it is being continually expanded as appropriate.

#### Supporting measures for jobseekers in SGB III legal sphere

The Act on the reorientation of labour market policy instruments (ArbMINAG) came into force on 1 January 2009 and aimed to make job placement processes more efficient and more effective.

The Act on improving integration opportunities on the labour market came into force on 1 April 2012 and has brought us closer to this goal. It made the regulations for labour-market policy instruments simpler, clearer and more transparent. There was a reduction in the number of instruments for active employment promotion without limiting the effective scope of active labour-market policies. Instruments with similar aims were pooled together.

As a result, further to the 29th report, there was more access to schemes to activate people and integrate them professionally thanks to the introduction of activation and placement vouchers. Moreover, jobseekers facing unemployment and unemployed people without legal entitlement can also get this support if they need it to integrate professionally. The opportunities for completing a scheme or parts of schemes with an employer were extended from four to six weeks. Alongside the opportunities for provision provided by the awarding of contracts, a voucher system was introduced which helps those looking for training or a job become more skilled, more motivated and better placed as participants in one of the schemes by giving them the chance to choose the provider themselves. A decision on whether the specific support needed in an individual case is provided by assignment to a project resulting from a tender or by redeeming a voucher in an authorised scheme is taken by the employment agency on the basis of the suitability and personal circumstances of the person entitled to this support.

#### Supporting measures for jobseekers (SGB III legal sphere)

<b>Participants in selecte</b> Germany 2011-2014; data status:					5			0.1	•							
2011 2017, unu status	Figure (yearly average)								New entrants (yearly total)							
Labour market policy	2014	2013	2012					2014 2013 2		2012 2011		Change on previous year in %				
instruments	2011	2010	2012	2011	2014		2012	2011	2010	2012	2011	0 1		2012		
motramento	1	2	3	4	5	6	7	8	9	10	11	12	13	14		
Activation and	25,761	24,815	24,757	34,831	3.8	0.2	- 28.9	958,743	988,893	1,073,098	1,356,908	- 3.0	- 7.8	- 20.9		
professional																
integration,																
including																
Placement budget	-	-	-	-	Х	Х	Х	529,840	576,105	697,960	910,201	- 8.0	- 17.5	- 23.3		
Activation and	25,263	24,267	24,232	34,276	4.1	0.1	- 29.3	425,976	409,485	361,974	420,041	4.0	13.1	- 13.8		
professional																
integration measures																
incl. with an employer	4,874	4,956	4,506	4,935	- 1.7	10.0	- 8.7	211,727	201,578	181,540	194,423	5.0	11.0	- 6.		
Placement in work	-	-	-	-	Х	X	Х	17,062	17,760	9,285	-	- 3.9	91.3	У		
subj. to comp. soc.																
insurance (placement																
vouchers used, 1st																
instalment approval)																
Workplace trial for	499	548	525	554	- 9.0	4.4	- 5.3	2,775	3,174	3,163	3,365	- 12.6	0.3	- 6.		
disabled people								-	-							
Employment	-	-	-	-	X	Х	Х	152	129	123	145	17.8	4.9	- 15.		
assistance for disabled																
people																
Placement vouchers	-	-	-	-	Х	Х	Х	-	-	9,878	23,156	Х	- 100.0	- 57.		
used - 1st instalment																
approval - (remainder)																
Employment taken	59,023	55,544	124,639	201,247	6.3	- 55.4	- 38.1	108,750	103,840	87,915	242,327	4.7	18.1	- 63.		
up, including																
Paid employment	32,787	36,465	55,614	73,247	- 10.1	- 34.4	- 24.1	77,879	77,181	67,594	108,508	0.9	14.2	- 37.		
support																
Integration subsidy	27,314	26,034	29,443	38,499	4.9	- 11.6	- 23.5	72,256	71,458	59,846	76,434	1.1	19.4	- 21.		
Integration subsidy for	5,473	5,608	6,634	7,803	- 2.4	- 15.5	- 15.0	5,623	5,723	6,087	6,615	- 1.7	- 6.0	- 8.		
severely disabled																
people with particular																
needs																
Salary protection for	-	4,709	16,734	22,809	- 100.0	- 71.9	- 26.6	-	-	668	19,983	X	- 100.0	- 96.		
older people		-														

(remainder)														
Integration voucher	-	113	2,804	4,132	- 100.0	- 96.0	- 32.1	-	-	993	5,474	Х	- 100.0	- 81.9
(remainder)														
Support for self-	26,237	19,079	69,025	128,001	37.5	- 72.4	- 46.1	30,871	26,659	20,321	133,819	15.8	31.2	- 84.8
employment														
Start-up subsidy	26,237	19,079	69,025	128,001	37.5	- 72.4	- 46.1	30,871	26,659	20,321	133,819	15.8	31.2	- 84.8

Source: Federal Employment Agency, status June 2015

#### Basic Income Support for Jobseekers according to Book II of the Social Code (SGB II)

The statements in the 29th report remain valid.

It should be noted in addition that increased efforts were also made to improve integration work with regard to basic income support for jobseekers. With its "Four Phase Pilot" (4PM) integration scheme - which covers a range of legal areas - and its Advisory Plan SGB II (BeKo SGB II), the Federal Employment Agency has also laid the important groundwork for improving this advice work in SGB II. Please see the above comments on 4PM in the SGB III legal sphere. BeKo SGB II is a skills and training scheme to help improve the quality of advice given by integration specialists in those joint centres offering a range of services. BeKo SGB II is targeted at the requirements of basic social security for jobseekers and, together with 4PM and skills assessment services, is a specialist component in the support of integration procedures in employment or training and is also intended to help the long-term unemployed make their way back onto the labour market.

BeKo SGB II has been introduced nationwide (on a voluntary basis) since the autumn of 2013. The decision on whether to launch it in a jobcentre is taken by a service provider meeting as part of its training planning and HR development as per § 44c, Paragraph 5, SGB II. Around 90 percent of the joint centres have taken up the offer and bought in the training provided. The scheme is being introduced in waves until the end of 2016.

#### Jobcentre participation in measures to balance the labour market

In 2014 the agencies supplying basic income support for jobseekers placed 107,283 unemployed people covered by SGB II on the mainstream labour market.

The placement rate, which shows the extent to which the range of choice offered by work placement services has contributed to getting unemployed people into work, stood at 13.9 percent. However, this figure does not paint a full picture of everything the employment agencies are doing to balance out the labour market. The work shared by employment agencies and basic social security providers in getting someone into a new job is more than mere "placement". In the traditional sense this means a choice of jobs on offer, but increasingly there is more to it than that: the Federal Employment Agency's self-service information centres, advisory services, the "job exchange" information platform, third party involvement and various types of financial assistance for jobseekers, plus the activation and placement vouchers for taking up employment.

#### **Reduction in unemployed in SGB II legal sphere**

Germany Time series

Yearly	Characteristic	Total	In	Employed	Placed by	Employed
total			employment	on regular	FEA/JC	on
				labour		secondary
				market		labour
						market
		1	2	3	4	5
2011	Total	4,873,999	1,332,994	932,479	165,201	347,567
	Men	2,682,976	835,314	590,754	113,301	209,303
	Women	2,191,023	497,680	341,725	51,900	138,264
	Under 25 years	779,625	193,866	123,175	23,979	62,579
	25 to 50 years	3,023,497	905,602	674,972	115,529	193,872
	50 years and	1,070,763	233,525	134,331	25,693	91,116
	above					
2012	Total	4,462,488	1,049,703	753,753	125,649	247,582
	Men	2,413,966	637,639	458,539	81,970	148,920
	Women	2,048,522	412,064	295,214	43,679	98,662
	Under 25 years	680,320	134,820	95,727	17,492	33,423
	25 to 50 years	2,740,113	717,612	542,932	87,029	141,482
	50 years and	1,041,758	197,265	115,090	21,127	72,676
	above					
2013	Total	4,356,286	956,469	723,367	110,235	185,225
	Men	2,358,136	585,171	441,884	71,221	114,091
	Women	1,998,150	371,298	281,483	39,014	71,134
	Under 25 years	653,244	112,717	89,412	14,648	18,027
	25 to 50 years	2,663,645	658,220	520,129	76,206	106,551
	50 years and	1,039,188	185,526	113,821	19,380	60,647
	above					
2014	Total	4,356,150	935,670	724,087	107,283	170,089
	Men	2,362,033	569,970	439,499	68,920	104,579
	Women	1,994,117	365,700	284,588	38,363	65,510
	Under 25 years	636,224	105,921	85,068	13,367	15,621
	25 to 50 years	2,671,929	646,219	521,299	74,717	97,343
	50 years and	1,047,810	183,528	117,718	19,199	57,125
	above					

Source: Federal Employment Agency, status June 2015

## Placement rate (SGB II legal sphere)

#### Germany Time series

Thile Series											
Placement rate (SGB II legal sphere)											
Characteristics 20	11	2012	2013		2014						
	1	2	3		4						
Total	17.1	15.9		14.4	13.9						
Men	18.8	17.2		15.4	14.8						
Women	14.3	13.9		12.9	12.5						
50 years of age and older	18.4	17.4		16.1	15.3						

Source: Federal Employment Agency; status July 2015

#### Length of unemployment in weeks (SGB II legal sphere)

#### **Reduction in unemployed, length of unemployment in weeks in SGB II legal sphere** Germany

Time series

Year	Average completed length of unemployment (total)	Average completed length of unemployment when entering employment
2011	51.1	41.0
2012	52.3	41.7
2013	53.0	41.0
2014	54.1	42.0

Source: Federal Employment Agency, status July 2015

#### Supporting measures for jobseekers in SGB II

The objectives of the Act to Improve the Chances of Integration in the Labour Market also apply to basic income support for jobseekers. In addition to the referral provision in § 16, SGB II the integration services in SGB III also apply to SGB II: please refer to the above comments on the SGB III legal sphere in this respect.

The Act to Improve the Chances of Integration in the Labour Market also takes into account the specific interests of long-term benefit claimants in SGB II.

- To activate benefit claimants who face particular problems in integrating into working life because it is extremely difficult to get them a placement, measures for activation and professional integration should be designed in such a way that they take into account the fact that these people need more stability and support. These measures can therefore be very basic (e.g. for motivation purposes or to help structure one's day).
- And there is more support available to the long-term unemployed: those who find it particularly hard to integrate into working life because of the extreme difficulties in getting them a placement. Employers will take them on for work experience periods of up to twelve (or otherwise six) weeks.
- Those who have such serious problems with regard to placement that it is impossible for them to take a job even in the medium term can be offered publicly-subsidised employment (work opportunities) as part of a longer-term integration scheme.

# Participants in selected labour-market policy measures – by origin of funding for participants in SGB II legal sphere Germany 2011-2014; data status: June 2015

				re (yearly ave				New entrants (yearly total)						
Labour market policy	2014	2013	2012	2011	Change on pr			2014	2013	2012	2011		revious year ii	
instruments					-		2012							2012
	1 136,802	2 136,740	3 120,354	4 127,157	5 0.0	6 13.6	7 - 5.4	8 1,824,601	9 1,853,849	10 1,935,478	11 2,140,593	12 - <b>1.6</b>	13 - <b>4.2</b>	14 - 9.6
Activation and	130,802	130,740	120,354	127,157	0.0	13.0	- 5.4	1,824,001	1,000,049	1,935,478	2,140,595	- 1.0	- 4.2	- 9.0
professional														
integration,														
including														
Placement	-	-	-	-	Х	Х	Х	1,003,419	1,077,558	1,169,371	1,324,341	- 6.9	- 7.9	- 11.7
budget														
Activation and	136,593	136,580	120,167	126,996	0.0	13.7	- 5.4	820,104	775,418	750,614	781,210	5.8	3.3	- 3.9
professional														
integration														
measures														
incl. with an	6,146	6,298	6,120	6,808	- 2.4	2.9	- 10.1	168,035	167,464	168,984	202,687	0.3	- 0.9	- 16.6
employer														
Placement in	-	-	-	-	Х	Х	Х	22,518	25,000	14,999	-	- 9.9	66.7	Х
work subj. to														
comp. soc.														
insurance														
(placement														
vouchers used,														
1 <sup>st</sup> instalment														
approval)														
Workplace trial	209	161	187	161	29.9	- 14.2	16.1	1,050	841	1,014	866	24.9	- 17.1	17.1
for disabled														
people														
Employment	-	-	-	-	X	X	X	28	32	112	38	- 12.5	- 71.4	194.7
assistance for									52		20	-3.0		
assistance 101														

disabled people														
Placement	-	-	-	-	Х	Х	Х	-	-	14,367	34,138	Х	- 100.0	- 57.9
vouchers used -														
1 <sup>st</sup> instalment														
approval -														
(remainder)														
Employment	53,894	56,416	67,268	92,690	- 4.5	- 16.1	- 27.4	129,401	120,317	131,300	156,828	7.6	- 8.4	- 16.3
taken up,														
including														
Paid	47,295	48,568	59,745	84,670	- 2.6	- 18.7	- 29.4	110,325	98,954	110,896	139,347	11.5	- 10.8	- 20.4
employment														
support														
Integration	30,777	32,310	41,398	56,350	- 4.7	- 22.0	- 26.5	77,032	74,111	83,663	110,861	3.9	- 11.4	- 24.5
subsidy														
Integration	3,610	3,727	4,291	4,998	- 3.1	- 13.1	- 14.2	3,222	3,250	3,373	4,260	- 0.9	- 3.6	- 20.8
subsidy for														
severely disabled														
people with														
particular needs														
Introductory	8,646	7,230	6,516	7,198	19.6	11.0	- 9.5	30,071	21,593	23,325	21,056	39.3	- 7.4	10.8
allowance for														
employment														
subj. to comp.														
social insurance														
Employment	4, 262	5,297	7,529	16,003	- 19.5	- 29.6	- 53.0	-	-	517	2,982	Х	- 100.0	- 82.7
subsidy														
(remainder)														
Personnel service	-	-	-	53	Х	Х	-100.0	-	-	-	151	Х	Х	-100.0
agencies														
Training subsidy	-	-	0	59	Х	- 100.0	- 99.3	-	-	-	16	Х	Х	- 100.0
for younger														

employees														
Integration	-	4	11	10	- 100.0	- 63.1	12.1	-	-	18	21	Х	- 100.0	- 14.3
voucher														
(remainder)														
Support for	6,599	7,848	7,524	8,019	- 15.9	4.3	- 6.2	19,076	21,363	20,404	17,481	- 10.7	4.7	16.7
self-														
employment														
Introductory	3,409	4,308	5,801	8,019	- 20.9	- 25.7	- 27.7	4,717	5,872	7,860	11,238	- 19.7	- 25.3	- 30.1
allowance for														
self-employment														
Services to	3,190	3,541	1,723	-	- 9.9	105.5	Х	14,359	15,491	12,544	6,243	- 7.3	23.5	100.9
integrate self-														
employed people														

Source: Federal Employment Agency, status June 2015

#### **Private employment agencies**

As part of its public service role, the Federal Employment Agency has a duty to society as a whole to bring about a quick and sustainable balance of supply and demand on the labour market. According to SGB III, the FEA will carry out this task itself, but third parties can also be involved.

As regards their involvement, several labour-market policy instruments are available to the FEA, including the promotion of next-step vocational training in line with § 81 ff, SGB III and activation and professional integration measures in line with § 45, SGB III. The Act to Improve the Chances of Integration in the Labour Market, announced on 20 December 2011, rules - amongst other things - that all providers of employment promotion measures must be certified. Since 6 April 2012 providers and measures must be certified on the basis of SGB III and the Accreditation and Certification Ordinance -Employment Promotion (AZAV). The general certification process in respect of employment promotion should bring about sustainable improvements in both the quality of labour-market service provision and, as a result, the capability and effectiveness of policies supporting working life. To achieve this aim, the certification process for the promotion of next-step vocational training, which has been a labour-market policy success for several years, was broadened and applied to all providers and measures. The demands on providers who carry out employment promotion measures themselves or have them carried out on their behalf are conclusively specified in § 178, SGB III and given more substance in § 2, AZAV. Certification means that in their role supplying services to promote activation and vocational integration, as stipulated by each measure's criteria, private employment agencies are on an equal footing with other providers of active employment promotion. Furthermore, placement vouchers - a temporary means of support hitherto - were validated in line with 421g SGB III (previous version) for activation and vocational integration measures pursuant to § 45 SGB III. By including the former placement vouchers in activation and vocational integration measures, the relationship between jobseekers requiring placement, private recruitment services and the Employment Agency, as well as the way they work together, has been put on a new footing. Private employment agencies now have the option to offer further measures in line with § 45, SGB III, e.g. to bring people onto the training/labour market or to assess, reduce or eliminate obstacles to getting a placement, and to be remunerated for their efforts by redeeming an activation and placement voucher (AVGS) accordingly.

The statements in the 29th report concerning the deregulation of private employment services, the corresponding protective regulations and the quality standards within the sector remain valid.

## Involvement of employer and employee representatives in the organisation and work of employment placement services

The statements in the 29th report remain valid.

## Paragraph 4 - Careers advice, vocational training and reintegration into working life

#### Careers advice

Career counselling is something which employment agencies, in line with § 29 ff., SGB III, are obliged to offer to all those seeking advice. Changes in relation to the last report are discussed in the comments on Article 9.

#### Vocational training

Between 2011 and 2014 there were various legal amendments affecting the promotion of vocational training.

As a result of the Act to Improve Integration Opportunities on the Labour Market of 20 December 2011, the measures to help people prepare for professional life and choose a career were restructured and made more flexible and transparent. This took place on 1 April 2012. Services for young people are summarised in a section dealing with a variety of circumstances.

Significant content changes resulting from this or subsequent laws:

Since 1 April 2012 the promotion of measures relating to **careers counselling** and preparation for career choice (careers counselling measures) is regulated exclusively by SGB III, which also benefits young people attending a jobcentre. This avoids the possibility of stigmatisation and duplications during the transition between school and working life.

Furthermore, consideration was given to the special requirements of school pupils with a severe disability and of those with special educational needs.

The regulation limiting careers counselling measures to four weeks was rescinded from 1 January 2013.

Since 1 April 2012 mentoring for the transition to working life has been a SGB III provision with no time limit. It is aimed at less-able pupils who are expected to struggle in their school-leaving exams and are also therefore at risk of making a poor start to their working life. To minimize this risk, the less-able pupils are to be assisted by mentoring to help them move between school and a job. Coaching should motivate the pupils, whilst

networking (parents, businesses, chambers of commerce, agencies) is there to support them. The mentoring begins in the penultimate year at school and ends after the first six months of vocational training or after a maximum of 24 months if an individual remains stuck in the transition zone.

The measure's aims are:

- acquisition of a school-leaving certificate;
- better career counselling and better career choice;
- smoothest-possible entry into vocational training; and
- stable vocational training conditions.

In the 2014-2020 ESF funding period, and starting in 2015, the Federal Government is providing a total of one billion euros, including around 500 million euros from Federal Ministry of Labour and Social Affairs (BMAS) ESF funds and from Federal Employment Agency resources. This means finance is guaranteed for school-leavers until 2018/19. Support is being provided for approximately 113,000 pupils at some 3000 lower secondary level schools. Participating schools were selected in consultation with the Ministry of Education and Cultural Affairs in each of the Länder.

The prerequisites for being granted **out-of-house vocational training** were thereby made more flexible, as participation is no longer dependent on having previously completed a career-preparation course. It is left to the discretion of the authorities locally to decide whether preliminary work is needed first of all. This can result in a more speedy transition between school and vocational training on a case-by-case basis.

As a result of the 25th amendment to the German Federal Training Assistance Act (BAföG) the start of the 2016/2017 academic year will see a 7 percent across-the-board increase in entitlements and the allowances for income from other sources (vocational training benefits, training allowances for persons with a disability). This increase also applies to access qualifications and the subsidy for apprenticeship pay during out-of-house vocational training as appropriate. An extra 62 million euros annually have been made available to this end.

### **Article 9 - The right to vocational guidance**

#### Access to services and offering sectors:

There are no changes compared to the 29th Report.

#### Measures to improve career guidance services:

The Federal Employment Agency sees the further strengthening of advisory competence of its placement and advisory staff as a key to successful integration work. Individual, professional and expert advice will provide job seekers solutions for the next steps in the training and labour market in conjunction with broader service offerings. To take account of these aspects, the Federal Employment Agency has developed an advisory plan. This instrument basically has three levels: the design of advisory services as a process, the use of methods and techniques, and the elaboration of values and principles for action that are conducive to the advisory services. The advisory plan is geared to the abilities of the guidance-seekers, strengthens their personal responsibility and actively and respectfully includes them in the integration work. The Federal Employment Agency continuously expands its methodological repertoire as required.

Furthermore, a mandatory basic qualification process has been established for all new advisory and placement staff that ensures that staff turnover does not lead to deterioration in the quality of advisory services.

#### Measures of vocational guidance for disabled

All career guidance offers are also free of charge and available nationwide to people with disabilities in accordance with §§ 29 ff. SGB III. The barrier-free content is being continuously expanded by the Federal Employment Agency. In addition to an internet site where information is available in easy language and in sign language, texts on career choice are also offered in easy language.

Nationwide there are around 850 highly qualified Federal Employment Agency professionals specifically trained for this group of people available for career guidance and professional orientation. They assist people with disabilities during their schooling, training and permanent integration into work. They work closely with schools and training and employment companies. They are supported by specialised placement professionals. The Federal Employment Agency is guided by the idea of inclusion. People with disabilities should find training and employment that is as workplace-related as possible. The Federal Employment Agency supports them through new assistance instruments such as "workplace accompanied training". Moreover, wide-ranging and proven funding opportunities are available.

Almost all school graduates with special needs make use of the advisory services of the Federal Employment Agency.

#### 1. Number of beneficiaries of advisory services

Number of persons with whom at least one discussion of the choice of profession was carried out in employment agencies and job centres in common means during the specified period:

Advised persons	October 2010 to Octobe September 2011 Septem		October 2012 to Octo September 2013 Sept	
	1	2	3	4
<b>Total</b> 1.109.468	1.186.149	1.143.830	1.111.457	
<b>Male</b> 573.137	604.134	579.034	569.236	
<b>Female</b> 536.331	582.015	564	1.796 542.2	221

Source: Source: Statistics of the Federal Employment Agency, Nuremberg, Advised persons, June 2012

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#### Number of persons entrusted with career guidance tasks and

Expenditure on career guidance (based on personnel and material costs)

#### **Career advisers at the Employment Agency**

There are no decimal places given so that (partial) sums do not always added up the calculated total. **Full Time Equivalents** 

Germany

Report years 2011 to 2014 (the month of May)

		<u>2011</u>	2012	2013	2014
Total result	Activity level	3.845	3.830	3.832	3.829
Degree-level occupations	5				
Advisors for degree-level	III	834	842	870	859
occupations					
Rehabilitation/severely of the second s	disabled				
Advisors (Focus on	IV	868	852	855	854
Rehabilitation)					
Under 25s					
Advisors U-25s	IV	2.143	2.137	2.106	2.116
(Career guidance)					

#### Expenditure in the field of career guidance

Calculation of total expenditure on the basis of average personnel costs and lump sum material costs of a workplace including IT share

#### Amounts in millions of euros

Germany

Report years 2011 to 2014 (the month of May)

	2011	2012	2013	2014
Not including rehabilitation and severely disabled advisors	237	249	262	267
including rehabilitation and severely disabled advisors	303	318	335	340

Source: Federal Employment Agency headquarters, financial section (CF 2)

#### <u>Career guidance to promote occupational and social advancement - measures concerning</u> the career advancement of adults

#### Services for employees:

The statutory mission of the Federal Employment Agency for career guidance in accordance with §§ 29 and 30 SGB III also includes adults.

With its approach to integration that spans legal spheres, the "four-phase model", and the advisory plan, the Federal Employment Agency has set down important foundations for improving counselling. Reference is made to the comments concerning Article 1 (3) ESC.

#### Services of the (joint) employer service of the Federal Employment Agency:

The legal mandate for the employer consultancy of the employment agencies in Germany is set out in the SGB III. The employment agencies provide services for employers in accordance with § 2 SGB III. Advisory services are a core task of the Federal Employment Agency done to promote employment and anchored in

§§ 29 ff SGB III. The basis of the set-up of employer support can be derived from §§ 34, 35, 39 and 40 SGB III (employment counselling, training and job placement, as well as statements concerning the duties of cooperation of the employer during the mediation by the Federal Employment Agency).

The central goal and guiding principle of the (joint) employer service of the Federal Employment Agency is to optimize the balance on the training and labour market (§ 1 SGB III). The Federal Employment Agency sets itself the standard of providing a professional job market consulting and pronounced orientation towards employers. This is intended to increase the market share in the realisation of training and employment relationships, to quickly and permanently fill working and training positions and create new employment opportunities. The business processes and service standards of the employer orientation were defined in the guiding concept for the joint employer service that spans legal spheres.

On 1 July 2013, the Federal Employment Agency introduced the qualification counselling in all employment offices nationwide. Qualification consulting is a service offering of the (joint) employer service, which is primarily aimed at small and medium-sized enterprises (SMEs) in order to sensitize them with regard to a systematic, strategic forward-looking personnel planning and development and thus strengthen their competence to meet the demand for skilled labour.

As part of the qualification consulting ad hoc internal funding instruments of the Federal Employment Agency are used such as the program "training low-skilled workers and working seniors in companies". Under certain conditions, the program provides financial support for the training costs and a wage subsidy for training-related excused periods of employees.



### Article 10 - The right to vocational training

## **Paragraph 1 - Promotion of technical and vocational training**

In Germany, vocational training is dominated by the dual vocational training system which combines in-company training and school-based training. More than 520,000 new training contracts are concluded every year. On average, approximately 67 per cent of all individuals who completed their training in 2013 were hired by the company that provided the training. This means that two out of three trainees make a seamless transition into employment. In those cases where a seamless transition is not possible, the conditions are at least favourable for making the transition to working life after a period of job hunting when the individual has a vocational qualification. Young employees are more often employed on a fixed-term basis. However the share of precarious employment decreases as work experience increases.

Parallel to the dual vocational training system, Germany also has school-based training paths, primarily for occupations in healthcare and social services. Furthermore, young people with university entrance qualification have the option of tertiary education. Dual study programmes have seen strong growth in recent years. Special assistance is provided for young people with disabilities and disadvantaged youths to help them earn vocational qualification.

On 12 December 2014, the Federal Government, leading industry organisations, trade unions, Germany's *Länder* governments and the Federal Employment Agency agreed upon an Alliance for Initial and Continuing Training which supersedes the previous National Pact for Training and Young Skilled Workers (also called the Training Pact). The partners in this new "alliance" want to work together to strengthen vocational training. Every individual who is interested in undergoing vocational training is to be shown a path that can lead him as quickly as possible to formal vocational qualification. In-company vocational training has priority in this connection. The partners in this "alliance" have all committed themselves to making concrete contributions in order to achieve these goals. They have agreed to offer up to 10,000 training places for Assisted Vocational Training for the 2015/2016 training year. The Assisted Vocational Training instrument will be used for a limited period of time: until the 2018/2019 training year, in other words, for four first-year cohorts. In addition, the circle of young people who can receive training-related assistance has been extended. In future, training-related assistance will be available to all young people needing this type of assistance in order to begin and subsequently complete a vocational training programme. Training-related assistance offers trainees help with remedying language or educational deficits and with acquiring theoretical knowledge during their in-company vocational training. The Federal Government will provide Assisted Vocational Training and more training-related assistance in future to support on a broader basis young people undergoing in-company vocational training provided through the dual vocational training. The changes in the law went into force on 1 May 2015.

In 2015, the private sector wants to offer 20,000 more training places than in 2014, plus 500,000 internship positions every year for vocational orientation purposes. They have pledged to make three offers for in-company vocational training for each youth who wants to undergo vocational training but has not yet found a training place as of 30 September. Working together with the Federal Government, the *Länder* governments will reorganise the transition from school to working life. Upper secondary school level students are also to be provided more information in future about dual vocational training as an equally good alternative to university studies. All partners in the "alliance" additionally want to take part in a joint campaign that they will use to promote vocational training nationwide.

## **Paragraph 2 - Promotion of in-company** vocational training

On 12 December 2014, the Federal Government, leading industry organisations, trade unions, Germany's *Länder* governments and the Federal Employment Agency agreed upon an Alliance for Initial and Continuing Training which supersedes the previous National Pact for Training and Young Skilled Workers (also called the Training Pact). The partners in this new "alliance" want to work together to strengthen vocational training. Every

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individual who is interested in undergoing vocational training is to be shown a path that can lead him as quickly as possible to formal vocational qualification. In-company vocational training has priority in this connection. The partners in this "alliance" have all committed themselves to making concrete contributions in order to achieve these goals. They have agreed to offer up to 10,000 training places for Assisted Vocational Training for the 2015/2016 training year. The Assisted Vocational Training instrument will be used for a limited period of time: until the 2018/2019 training year, in other words, for four firstyear cohorts. In addition, the circle of young people who can receive training-related assistance has been extended. In future, training-related assistance will be available to all young people needing this type of assistance in order to begin and subsequently complete a vocational training programme. Training-related assistance offers trainees help with remedying language or educational deficits and with acquiring theoretical knowledge during their in-company vocational training. The Federal Government will provide Assisted Vocational Training and more training-related assistance in future to support on a broader basis young people undergoing in-company vocational training provided through the dual vocational training system. Enterprises can also receive assistance through Assisted Vocational Training. The changes in the law went into force on 1 May 2015.

In 2015, the private sector wants to offer 20,000 more training places than in 2014, plus 500,000 internship positions every year for vocational orientation purposes. They have pledged to make three offers for in-company vocational training for each youth who wants to undergo vocational training but has not yet found a training place as of 30 September. Working together with the Federal Government, the *Länder* governments will reorganise the transition from school to working life. Upper secondary school level students are also to be provided more information in future about dual vocational training as an equally good alternative to university studies. All partners in the "alliance" additionally want to take part in a joint campaign that they will use to promote vocational training nationwide.

2. <u>Number of young people in extra-company training who received some form of assistance</u> <u>during the reporting period</u>

Due to the continued positive developments seen in the training place market, the number of individuals taking up extra-company training has declined since 2011.

Number of persons commencing extra-company vocational training, by age at the time of commencement and the rehabilitee's status under Section 19, Book III of the Social Code Germany (Territorial boundaries as of the respective reference date)

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#### 2011 - 2014, data version: May 2015

Age upon commencement	Rehab case (under Section 19, Book III, Social Code)	2011	2012	2013	2014
		1	2	3	4
Total		31,734	27,626	24,121	21,919
Of which:					
Yes		2,405	1,895	1,337	1,236
Νο		29,329	25,731	22,784	20,683
Total		30,308	25,991	22,438	20,113
Subtotal under 25	years of age				
Yes		2,303	1,792	1,244	1,143
No		28,005	24,199	21,194	18,970

Source: Statistics of the Federal Employment Agency, Number of persons commencing extra-company vocational training, by age at the time of commencement and the rehabilitee's status under Section 19, Book III of the Social Code, Nuremberg, June 2015

## Number of young people who received a vocational training grant during the reporting period

Vocational training grants are a means-based cost-of-living allowance for trainees who are undergoing in-company training. There is a legal right to the vocational training grant. This benefit is funded pursuant to employment promotion law from unemployment insurance contributions.

The following chart shows the total number of young people undergoing vocational training who receive a vocational training grant and a breakdown of the total, according to whether the individual is undergoing rehabilitation or not:

## Vocational training grant ('BAB') with / without rehabilitation – total and number of persons under 25 years of age

Germany

Annual averages 2011 to 2014

	2011	2012	2013	2014
	1	2	3	4
BAB	160,694	141,972	122,718	110,144
Total				
Without rehab, training for disabled persons	155,883	137,883	119,666	107,936
With rehab, training for disabled persons	4,810	4,088	3,053	2,208
Total BAB				
BAB Under 25	137,644	118,438	99,907	87,853
Without rehab, training for disabled persons	133,257	114,772	97,251	85,966
With rehab, training for disabled persons	4,387	3,666	2,655	1.887
Including Total				
BAB	36	21	10	9
Only travel / course costs Under 25				
BAB	33	20	9	8

Source: Statistics of the Federal Employment Agency, Vocational training grant ('BAB') with / without rehabilitation - total and number of persons under 25 years of age, Nuremberg, June 2015

#### Total amount of public expenditure for measures to promote vocational training

#### Annual expenditure in thousands of euros

Germany (jurisdiction of the Books II and III of the Social Code, without approved municipal providers) Financial years 2011 - 2014

	2011	2012	2013	2014
	Total			
Vocational training in extra-company training facilities ('BaE')	822,083	617,496	476,324	384,892
Assistance to support training ('AbH')	95,022	94,989	95,264	94,111
Socio-educ. support and training management		710	354	98
Vocational orientation measures	60,782	59,215	49,162	36,329
Career entry support	60,250	53,303	65,625	77,737
Preventative special measures for youths -				
Discretionary assistance (Section 10, Book III, Social Code)			71	5
Youth residence funding			1,405	964
Introductory training, Section 54a, Book III, Social Code	64,738	50,721	41,321	37,823
Vocational training grant (w/o vocational training grant rehab)	540,144	453,717	390,282	356,144
Course costs – pre-vocational training programme				
(w/o pre-vocational training rehab)	293,048	241,438	221,084	208,856
Vocational training bonus	31,613	21,095	11,677	1,430
Rehab vocational training in extra-company training facilities ('Ba	aE')	2,730	12,947	19,300
Rehab training-related assistance		405	2,158	4,591
Rehab vocational training grant	35,530	31,157	23,934	18,470
Rehab – course costs - pre-vocational training programme	46,619	40,992	33,355	23,774
Rehab-specific measures/ assistance	483,131	466,045	452,228	457,361
Training grants for in-company initial and further				
training for persons with disabilities	34,155	32,384	31,688	31,902
Training allowance ('Abg.')	192,093	182,750	171,764	167,867
Total	2,759,989	2,348,796	2,080,376	1,921,550

Source: Head office of the Federal Employment Agency, Finance division

Regarding the Committee's question of which measures the Federal Government has taken to enable access to higher technical and university education, based solely on individual aptitude (such as the number and level of scholarships or the number of persons who received free training during the reporting period): Federal Training Assistance, as provided for in the Federal Training Assistance Act ("BAföG"), is public sector assistance for the individual's training. The government provides the individual trainee the financial resources needed to cover the cost of his/her living expenses and training. The ceiling on BAföG assistance for university students was €670 during the period 2011 to 2013. The average amount of BAföG assistance paid to students was approximately €450. The number of recipients increased from 615,000 in 2011 to 620,000 in 2013.

In the case of semester fees / tuition fees, it is necessary to distinguish between (A) the semester fee which usually comprises a fee for student services, a fee for the student union ("AStA" and similar bodies) and possibly a charge for a semester pass for public transportation on the one hand and (B) tuition fees on the other. Seven Länder still charged general tuition fees during the years 2008 to 2010 (Bavaria, Baden-Württemberg, Hamburg, Hesse, Lower Saxony, North Rhine-Westphalia and Schleswig-Holstein, up to €500 per semester). Lower Saxony did away with general tuition fees starting with the first-semester students beginning with the 2014/2015 winter semester. It was the last Land to do so. Tuition fees are still quite common for postgraduate studies, second degrees and long-term students and for courses that are not a mandatory part of a degree programme.

Girls' Day – Mädchen-Zukunftstag has been a very successful initiative for expanding the training and occupational spectrum of young women. The Federal Government together with the ESF has promoted the nationwide Girls' Day – Mädchen-Zukunftstag since 2001. Every year in April girls in Year 5 to Year 10 are offered opportunities to become acquainted with occupational fields in which women have been underrepresented to date, such as the natural sciences and engineering. A steadily growing number of firms and institutions take part in Girls' Day, offering activities for a total of more than one million girls to date. As a result of Girls' Day, the range of occupations chosen by young women has already expanded. Ten per cent of firms have already recruited young female employees due to their Girls' Day activities. Furthermore, repeated participation in Girls' Day has a positive impact on company culture and leads to a measurable increase in awareness of gender equality issues. During the period 2014-2017 €1.2 million in funding will be made available for Girls' Day. Since the first Girls' Day in 2001, more than 1.5 million girls nationwide have participated in approximately 100,000 Girls' Day activities.

**Boys' Day – Jungen-Zukunftstag** was held nationwide for the first time in 2011 with assistance from the Federal Government and ESF funding with the aim of expanding the training and occupational spectrum of young men. The voluntary activities offered on Boys' Day target all boys in Year 5 to Year 10 of school. A total of 34,526 pupils took part in the first Boys' Day on 14 April 2011. Measured in terms of the total number of pupils in these grades, the participation rate was 1.4 per cent. A diverse array of activities provided participating boys insights into occupations that they otherwise seldom take into consideration, such as occupations in the education, nursing and social services fields.

Lastly, the Federal Government's **Supporting Young People** (Jugend Stärken) initiative supports and promotes the social, educational and occupational integration of disadvantaged young people with or without a migrant background.

The occupations young men choose most frequently include motor vehicle mechatronics technician, management assistant for retail services, industrial mechanic, chef and electronics technician. The most frequently chosen occupation among young women is

salesperson followed by management assistant for retail services, office clerk, medical assistant and hairdresser.

In 2010 the **National Pact for Training and Young Skilled Workers** was extended until 2014. The substance of the Pact was also adjusted to reflect changes in the underlying conditions that had taken place over the years. Key measures under the new agreement include the Federal Government's new initiative Graduation and Continuation – Education Chains Up to Vocational Training Qualification and the provision of in-company introductory training specifically for 10,000 youths who are in need of assistance (EQ Plus). In order to secure an adequate supply of skilled labour, the new agreement also aims to recruit more high-achieving youths for in-company vocational training. In December 2014 Germany's Federal Government, the private sector, trade unions and *Länder* signed the new Alliance for Initial and Further Training. This agreement underscores the importance and attractiveness of dual vocational training.

Most significantly, all the partners in this alliance undertook extensive commitments.

For example, it was agreed to:

- show each individual who is interested in undergoing vocational training a "**path**" that can lead him/her as quickly as possible to formal vocational qualification This is being done in connection with the training guarantee set forth in the Coalition Agreement.
- reduce on a lasting basis the **problems involved in matching up** applicants and enterprises at regional and occupational level,
- further reduce the number of young people in the **transition phase** and gear the transition phase as much as possible to state-recognised occupations that require completion of formal in-company vocational training,
- continually improve the **quality** of training, and
- strengthen **further training** in general and upgrading training in particular.

For the private sector, this specifically means that they will

- offer **20,000 more training places** in 2015 than the number of training places reported to the Federal Employment Agency in 2014 and subsequently maintain this level in the following years as well;
- make three offers for in-company vocational training to each youth who wants to undergo vocational training but has not yet found a training place as of 30 September;
- offer **500,000 internship positions** for vocational orientation purposes every year and
- make 20,000 places available every year for introductory training.

The Federal Government promotes innovation in vocational education and training (VET) with the **JOBSTARTER** programme for structural development in VET. JOBSTARTER consequently makes an important, flanking contribution to the activities undertaken

through the Training Pact. The Federal Government allocated €125 million in funding for the programme until 2013. This amount included funds from the ESF. JOBSTARTER provides funding for projects which help to create additional in-company training places in the individual regions and recruit suitable trainees. Improved collaboration between local stakeholders strengthens regional responsibility for vocational education and training and, at the same time, contributes to structural development. During the fifth funding period, JOBSTARTER is directing particular attention to securing a lasting supply of skilled labour by providing in-company vocational training, opening up the German VET system to Europe, and by making dual vocational training even more attractive.

Some 56,700 training places have been generated in connection with the JOBSTARTER programme to date. As of November 2011, nearly 39,000 of them were filled with candidates who were an exact fit for the respective opening. In addition to acquiring additional training places, the regional training situation was improved in both qualitative and structural terms. For example, training structures for new or updated occupations in future-oriented industries were developed. Projects that offer part-time vocational training were also implemented, creating training opportunities for young parents. In addition, projects have been funded that have led to the establishment of foundations in the vocational education and training field. Other projects focus on strengthening European training collaboration. Another area of focus is the provision of funding for projects that recruit self-employed persons with a migrant background to provide in-company vocational training in their establishments and that support them in connection with the provision of this training.

JOBSTARTER began in 2006 and will be continued under the name "JOBSTARTER plus" during the 2014-2020 ESF funding period. An overview:

JOBSTARTER Project duration: 2006-2016 (6 funding periods) Funding volume: €104,017,981.90, including €59,170,000 from ESF sources JOBSTARTER plus Project duration: 2015-2020 funding: €108.8 million, including €61 million from ESF funds

During the first phase of JOBSTARTER a total of 310 regional projects were funded since 2006 in the course of six funding periods; in addition to the capacity-building activities, approximately 63,000 new training places were generated throughout the country. The training places were created primarily in SMEs, many of which provided in-company training for the first time ever. The External Training Management (EXAM) system provided services to help SMEs prepare and conduct the training. In structural terms, the programme's transfer of innovative training concepts (such as part-time vocational training, coordination service points for vocational training and migration (KAUSA service points), in-company training preparation, training modules, additional qualifications that can be acquired during initial vocational training, European-level collaborative vocational training and foundations for vocational education and training) into operational practice has ensured that many firms are able and willing to provide training. Thematic and regional networking has additionally made a vital contribution toward strengthening regional responsibility for vocational education and training. As a result of being geared to the respective regional conditions, the projects have, together with their partners on location,

created structures that bring about a lasting improvement in the regional training market situation.

The 6th JOBSTARTER call for proposals was issued in 2012, with the projects to start in January 2013 without ESF co-financing. A new phase of project funding with expanded objectives began in May 2014 with a call for proposals for JOBSTARTER plus. The 51 projects selected during the first funding period were launched in early 2015. These projects are aimed at increasing the level of SMEs' willingness and capacity to provide vocational training and at tapping additional potential for skilled labour. Funding is being provided for projects during the new funding period based on the following four areas of focus:

- The provision of comprehensive support and guidance to companies taking up and conducting in-company vocational training for youths who require assistance, using instruments from the external vocational training management field, and if necessary, preceded by in-company vocational training preparation.
- As a second thematic focus, seven more service points in Bonn, Delmenhorst, Essen, Gießen, Hamburg, Kassel and Osnabrück – are to be set up by the service points attached to JOBSTARTER in order to increase the share of self-employed persons with a migrant background who provide vocational training and to improve the chances youths with a migrant background have of accessing dual vocational training.
- JOBSTARTER plus projects also have the task of increasing the level of willingness to be mobile among youths who are seeking a training place and of motivating them to accept a training place outside the region where they live. To achieve this, the projects – together with relevant stakeholders in the vocational education and training field – are to build vocational training networks between the individual regions in Germany.
- The fourth focus of this funding period is on helping firms in their efforts to recruit university drop-outs for dual vocational training.

In coordination with the *Länder* governments, the Federal Government launched the initiative **Graduation and Continuation – Education Chains Up to Vocational Training Qualification** in the year 2010 in order to better mesh secondary school education, the transition system and dual vocational training. This initiative was designed to prevent individuals from dropping out of school, avoid "holding patterns" in the transition system, and ensure a supply of young skilled workers through vocational training. Three interleaved funding instruments are used for this:

- 1. potential analyses from Year 7 onwards
- 2. practice-driven vocational orientation measures from Year 8 onwards, and
- 3. career entry mentors who continuously, over a period of several years, mentor and guide individual pupils who require assistance.

Germany's *Länder* governments have designated approximately 1,000 secondary general schools and special needs schools that actively participate in the special programme. Up to 30,000 pupils who require support as they make their way to vocational training are to receive guidance and supervision at these schools. In the meantime, around 700 of the approximately 1,000 planned career entry mentors have begun their work. In addition, approximately 1,000 senior experts (practitioners with professional experience) are being deployed to provide supervision and guidance during vocational training and to help keep individuals from dropping out of training. In addition to these activities, the Federal Employment Agency funds approximately 1,200 career entry mentors who work at some 1,000 other schools. This funding is provided pursuant to Section 421 s of Book III of the German Social Code.

All in all, approximately €481 million in federal funding was allocated up to 2014 for the "education chains" initiative.

The Federal Government has continued to systematically implement the Graduation and Continuation – Education Chains Up to Vocational Training Qualification initiative in accordance with the underlying core principles. In the process, it is purposefully following the innovative approach of coordinating the services and options offered by the various federal and *Länder* departments and agencies.

At the same time, the Federal Government stepped up its involvement last year with, in some cases, significant use of funds. For instance, in connection with the Education Chains initiative it launched the ESF/federal programme for co-financing career entry support which is funded by the Federal Government and the ESF. As a result, a total of approximately 113,000 young people at nearly 3,000 schools offering lower secondary school certificates or special needs school certificates can be assisted through the provision of career entry support for up to nearly four years, starting in the penultimate year of schooling from 2014/2015 to 2018/2019. The programme has a total funding volume of approximately €1 billion, including funding provided by the Federal Employment Agency.

For schools with career entry support, the Federal Government also offers the possibility of receiving financial assistance for conducting analyses of individual pupils' potential. Other such analyses and the provision of practical vocational guidance at workshop days are funded by the Federal Government through the Vocational Orientation Programme ("BOP").

The primary objective of this initiative is the conclusion of federal-*Länder* agreements with all 16 of Germany's *Länder*. The Federal Government has approached the *Länder* 

governments in this matter and is striving to conclude bilateral agreements of this type with each *Land* by the end of 2016 at the latest. Its aim is to systematise the transition from secondary school to vocational training. All the tools used for this - from vocational orientation activities to support measures that are provided during vocational training - will be examined and then brought into line with a consistent promotion structure. Incompany vocational training is given priority in this connection.

### **Paragraph 3 – Vocational retraining of adult** workers

The Federal Government is engaged in a wide range of activities aimed at ensuring an adequate supply of skilled labour by, among other things, providing initial and further training for more individuals. As one example, the Federal Government adopted in June 2011 a Skilled Labour Concept with a total of five pathways, including the priority area of initial and further training. Promotion of further training pursuant to Book III of the Social Code is a key element in active labour market policies and makes an important contribution to ensuring an adequate supply of skilled workers and to maintaining or improving the individual's employability. The provisions governing the promotion of further training also apply to the basic benefits for job seekers due to the reference contained in Book II of the Social Code.

This assistance also includes the possibility of further training that leads to a vocational qualification (retraining). The special programme Initiative to Flank Structural Change ("iFlaS") which the Federal Employment Agency launched in 2010 supports lowskilled workers with the aim of helping them acquire a recognised vocational qualification or a partial qualification that can be built on to acquire vocational qualification. During the reporting period, some 117,400 further vocational training measures were financed through this programme. A total of €350 million in funding was allocated for this in 2011. Some €400 million were made available in the years thereafter. In order to making greater use of the potential for "second chance" qualification by young adults between the ages of 25 and 35 who have no formal vocational qualification, the Federal Government and the Federal Employment Agency agreed to create the joint initiative Training Works - Late Starters Wanted (AusBILDUNG wird was - Spätstarter gesucht). This programme aims to convince a total of 100,000 young people in the years 2013 to 2015 to undergo training that leads to a formal qualification. From the start of the campaign in 2013 through December 2014 more than 66,000 young adults began a training programme that will lead to a vocational qualification. The initiative targets unemployed as well as employed low-skilled workers.

Workers can receive assistance when further training is necessary in order to integrate them into a job in the event that they are unemployed or in order to avoid the threat of unemployment or because they do not have vocational qualification.

When the prerequisites for assistance are met, workers receive an education voucher from the relevant employment agency or Jobcenter. This voucher lists the training goal, the period of time required to achieve the goal, and the geographical area in which the voucher is valid. The holder can, under the conditions laid down in the training voucher, redeem the training voucher at a licensed (certified) provider of his or her choice. This provider must be licensed for providing further training promotion schemes. The actual training programme must also be accredited for the further training promotion.

The licensing (certification) of training providers and their programmes is carried out by expert bodies (certification agencies). These bodies must be accredited by Deutsche Akkreditierungsstelle GmbH (DAkkS), Germany's national accreditation body. The German Ordinance Regulating Accreditation and Approval within the Employment Promotion Programme (AZAV) governs the details of the process and the prerequisites for the licensing of providers and accreditation of employment promotion measures.

Since the provision of further training for <u>employed workers</u> is primarily the responsibility of the respective employer and employee, assistance for further training is limited to support for specific groups of persons. The promotion of further training pursuant to Books II and III of the Social Code was progressively developed and refined during the reporting period:

The Act to Improve the Chances of Integration in the Labour Market which went into force on 1 April 2012 removed the time limit in the regulations governing the employment agencies' provision of further training assistance for older employed workers (45 years of age or older in SMEs with fewer than 250 employees) and made these rules more flexible with regard to the amount/scope of the assistance.

In addition, a possibility for providing assistance for workers who are under the age of 45 and are employed by an SME was established. As a requirement for this assistance, the employer must bear at least 50 per cent of the training programme costs. This arrangement expires at the end of 2019.

Access to retraining assistance for workers who have been employed in a field other than their trained occupation for many years was made easier. Periods of unemployment as well as care-giving and child-raising leave are now taken into account, alongside periods of employment in unskilled or semi-skilled jobs.

Employers who release from work low-skilled workers while continuing to pay their wages so that these employees can acquire vocational qualification as an adult can receive grants from the Federal Employment Agency for the wages that apply to the time spent receiving training. The Federal Employment Agency has continued its special Continuing Vocational Education and Training for Low-Skilled Workers and Older Employees in Companies ("WeGeBAU") programme on the basis of the expanded legal provisions (see above): during the reporting period approximately 60,400 cases were financed through this programme in connection with assistance measures for further vocational training. A total of €250 million was allocated for this in 2011 and subsequently €280 million a year for the years 2012 to 2014.

The Federal Government supported the efforts undertaken by the social partners to increase the further training participation rates of employees and enterprises through the promotion programme it set up in connection with the ESF Social Partner Directive (duration: 2009-2014). This programme funded, firstly, measures to improve the general conditions for in-company further training and, secondly, further vocational training measures in firms. The programme additionally flanked the activities undertaken by the social partners in connection with the implementation of sector-specific collective agreements on training and the initiation of new social partner agreements. It was also possible to open up individual sectors for the subject of "further training" which had shown little active involvement in it in the past.

During the programme, 207 projects throughout Germany were assisted on the basis of 43 collective agreements on training and 69 newly concluded social partner agreements. More than 100,000 employees and over 2,500 enterprises benefited from the programme.

As part of the *Rückenwind* – For Workers in the Social Economy programme which ran until the end of 2014 and was financed with federal and ESF funding, non-profit bodies tested innovative personnel development projects and promising methods and tools for personnel development in actual practice. Special attention was paid to care-intensive jobs which require adjustments in working conditions in response to ageing employees' limited physical or mental ability to tolerate stress. One hundred and thirty-one projects in a variety of fields were conducted in the course of six funding periods.

Regarding the Committee's question of how the training measures are broken down by the different types of occupations:

The presentation used in the Classification of Occupations ("KldB") underwent a change with the KldB 2010. Further information regarding KldB 2010 is available in the statistics section of the Federal Employment Agency's website:

http://www.statistik.arbeitsagentur.de/Navigation/Statistik/Grundlagen/Klassifikation-der-Berufe/KldB2010/KldB2010-Nav.html.

Regarding the Committee's question whether the described measures apply for all groups of employees who could benefit from training and retraining options and who also need them: It is in principle possible to assist all unemployed workers in connection with further vocational training through the assumption of the further training costs under Book III and Book II of the German Social Code.

Regarding the Committee's question about special measures that have been taken to help adult women take up or resume employment:

Since 1 January 2011 there is a representative for equal opportunities on the job market in every Jobcenter, as was also the practice in the employment agencies that fall under Book III of the Social Code. This person supports the respective Jobcenter's management and experts in connection with the development of integration strategies which are committed to the principle of equality of opportunity of women and men, the legal mandate to promote women and the reconciliation of work and family life.

Representatives for equal opportunities on the job market under Book II of the Social Code are also active in the project Part-time Training/Part-time Studies for Young Single Parents under Book II of the Social Code which the Federal Employment Agency likewise initiated

in 2011. This project supports young single parents who fall under Book III of the Social Code when they take up vocational training. However the representative for equal opportunities on the job market also actively watches over the promotion of part-time training in connection with the That Helps Me Progress (Das bringt mich weiter) campaign that the Federal Employment Agency started in October 2011. This campaign is scheduled to run until the end of 2015.

In addition, as outlined above, the Act to Improve the Chances of Integration in the Labour Market from 20 December 2011 has expanded the option women have for further training assistance through the improved recognition of periods spent raising children or caring for family members. In future the Federal Employment Agency's Initiative to Flank Structural Change (IFlaS) will also target persons who are re-entering the labour market or returning to work. As part of IFlaS, skill development measures that are tailored to the individual regional labour market will be promoted in order to improve the situation of persons who are re-entering the labour market or returning to work plus low-skilled workers on the labour market and to prevent a noticeable scarcity of skilled workers in individual fields and regions.

## Article 15 – The right of physically or mentally disabled persons to vocational training, rehabilitation and social resettlement

## Paragraph 1 – Education and training for persons with disabilities

Regarding the question of what criteria apply to the granting of disabled status, the estimated number of persons with disabilities and the number of disabled people of working age, the following information is provided:

Section 2 subs. 1 of Book IX of the Social Code defines "disability" as follows: People are disabled if their physical function, intellectual ability or mental health will very probably deviate for longer than six months from the state which is typical of their age, thus impairing their participation in life in society. They are at risk of disability if the impairment is to be anticipated. The definition of severe disability is based on this (section 2 subs. 2 of Book IX of the Social Code), but is additionally dependent on a particular severity of the disability.

In the law on severe disability, the degree of disability is used as a measure of the physical, intellectual and mental consequences of the functional impairment. The impact of the functional impairments is reflected as the degree of disability in steps of ten, from 20 to 100. A person is considered to have a severe disability if he or she has a degree of disability of at least 50 and has his or her place of residence, habitual residence or regular employment in Germany.

The finding that a person has a severe disability is made by the pension office or by the authorities which are competent in accordance with *Land* law, at the request of the person concerned. These authorities ascertain the degree of the disability and whether health-related criteria are met which entitle the applicant to benefit from measures compensating for disadvantages. This takes place in particular using medical findings obtained or made

by the authority, as well as reports relating to rehabilitation, those drafted on release from rehabilitation and social reports and comparable documents. The pension office or the authority competent in accordance with *Land* law notifies the applicant of how he or she has been categorised in a notice, whilst at the same time issuing him or her with a severely disabled person's pass, which is intended to document the disability vis-à-vis authorities, employers, etc.

People with disabilities whose established degree of disability is below 50 but at least 30 can be given equivalent status to persons with severe disabilities under certain conditions. Equivalent status is granted on request by the employment agency.

Persons with severe disabilities enjoy special protection and support in working life. Vocational participation is protected and promoted through the following regulations, amongst others:

- The mandatory employment system and compensatory levy (see more detailed information provided in relation to Article 15 paragraph 2 ESC)
- Persons with a severe disability and people whose disability is classified as equivalent to a severe disability enjoy special protection against dismissal. They may only be subject to ordinary or summary dismissal if the integration office has given its prior approval.
- Persons with a severe disability are entitled to five days' additional paid leave in each leave year. This does not apply to people whose disability is classified as being equivalent to a severe disability.
- Depending on the degree of the disability and whether certain health-related criteria are met, tax concessions (e.g. flat-rate deductions), exemption from road tax or free use of public transport may be claimed.

There are around 9.6 million persons with disabilities in Germany. More detailed information can only be provided for those individuals who have been established as having a severe disability. The statistics kept by the Federal Statistical Office on persons with a severe disability show the following, as at the end of 2013:

	Total	Female
Total number of persons with severe disabilities	7,548,965	3,697,397
No. of working-age persons with severe disabilities	3,329,474	Not available
(working age is defined as between 15 and 65)		
Source: Federal Statistical Office		

#### Persons with severe disabilities (as at: December 2013):

Source: Federal Statistical Office

The equivalent figures for the end of 2014 are not yet available.

Regarding the question of the requirements in relation to measures to support people with disabilities and the implementation of these measures, the following information is provided:

The vocational training of persons with disabilities is of great importance, given that this is where the stage is set for the future. Successful training forms the basis for equal participation by persons with disabilities in working life. The vocational training of young women and men with disabilities is built on a broad foundation:

Even before children leave school, the Federal Employment Agency, supported by specialist integration services, provides individual advice to schoolchildren with disabilities and their parents about the vocational training opportunities that are available. The Federal Employment Agency offers targeted pre-vocational training programmes for young people with disabilities who are not yet ready to undergo training when they leave school.

State subsidies are available for employers who train persons with disabilities, in particular towards the training costs and towards setting up the workplace to suit a person with disabilities. If, despite the state subsidies, training in the dual system is not possible because of the nature or severity of the disability, other options are available to persons with disabilities, in particular specialised training centres.

To ensure that those concerned are aware of this aspect, too, and that it is put into practice, the Federal Government launched the "Jobs Without Barriers" initiative (*job – Jobs ohne Barrieren*) in mid-2004 to help improve the situation faced by disabled and severely disabled people in working life. Besides improving the employment opportunities of persons with severe disabilities, particularly in small and medium-sized enterprises, and strengthening the prevention of workplace injuries and illnesses, this initiative also focused

on promoting the training of disabled young people. It aimed to encourage companies to increasingly also train young people with disabilities.

Numerous partners participated in the "Jobs Without Barriers" initiative: employers, trade unions, associations and organisations representing people with disabilities, the Federal Employment Agency, rehabilitation providers, integration offices, rehabilitation services and facilities, and the Advisory Council for the Participation of Persons with Disabilities and other organisations. The initiative ensured that information was provided about the legal parameters relating to the promotion of the training and employment of disabled and severely disabled people, and the prevention of workplace injuries and illnesses. Examples of best practice were provided.

The initiative resulted in the creation of numerous training places and jobs for persons with disabilities. More than a third of its projects are being continued without further financial resources from the initiative.

The initiative expired on 31 December 2006. As there was still a significant need for information and education to be provided about the opportunities to train and employ people with disabilities, and about strengthening the prevention of workplace injuries and illnesses, the "Job4000" initiative was launched in the autumn of 2007, building on the experience of the "Jobs Without Barriers" initiative.

Job4000 has the following three priorities:

Employment:

Employers who additionally hire a severely disabled person who faces particular difficulties in working life receive financial support from the integration office. The exact amount and duration of the support are determined on a case-by-case basis. On average, it is possible for employers to receive up to 600 euros a month for up to 5 years. The target group includes severely disabled persons without a vocational qualification or with an intellectual or mental disability, for example. The programme is intended to create a minimum of 1,000 new jobs for these individuals.

Training:

Employers who create an additional training place for a severely disabled young person receive a payment of up to 3,000 euros from the integration office. After the young person in question has completed the training and been taken on in a position with compulsory social insurance coverage, a further payment of up to 5,000 euros is made. The aim is for at least 500 new training places to be created for young people with severe disabilities.

Support:

Specialist integration services are available to support the training and employment of people with severe disabilities. The main target group is school leavers with severe disabilities. The specialist integration services receive a monthly sum of up to 250 euros for each person they support. The programme is intended to provide funding for at least 2,500 people to receive support.

The Federal Government is making around 30 million euros available from the national rehabilitation fund for the implementation of "Job4000". The *Länder*, Germany's federal states, are providing roughly another 20 million euros. The *Länder* are responsible for implementing the "Job4000" initiative. The integration offices are the point of contact for interested employers.

Through the "Jobs Without Barriers" initiative launched in 2004, the Federal Government had already made a lasting contribution to improving the training situation for young people with severe disabilities in the open labour market. The follow-up initiative "Job4000" will continue to raise employers' awareness in future while at the same time providing support for training places and jobs, and this will ensure the continuation of the course which has been successfully embarked upon.

Regarding the request that details be provided about:

- a. the number and type of the most important special facilities which provide suitable training and the total number of places available;
- b. the number of people who receive such training;
- c. the total number of staff and their qualifications

the following information is provided:

#### I. Specialised training centres

#### Re a) and b)

Specialised training centres (*Berufsbildungswerke*) are supraregional institutions which primarily enable young people with disabilities to work towards a first vocational training qualification. There are 52 specialised training centres nationwide, offering a total of roughly 13,000 training places for approximately 230 different occupations and offering qualified vocational training to young people with disabilities. In addition to these training places, there are a large number of places in pre-vocational training programmes.

Knowledgeable staff in the specialised training centres, as well as accompanying services, support the young people with disabilities in their personal and vocational development.

Through their holistic concept comprising a training establishment, school, boarding school, leisure activities and specialist guidance, specialised training centres provide optimum conditions for training. They also support young people undergoing rehabilitation in their transition to employment. The goal is to enable trainees with disabilities to participate, without limitations, in working life and the life of the community.

#### <u>Re c)</u>

No detailed information is available concerning the total number and the qualifications of the staff of the specialised training centres.

#### II. Vocational training centres

#### Re a) and b)

The vocational training centres (*Berufsförderungswerke*) are social services seeking to integrate adults with disabilities into the labour market. To this end, these facilities provide those concerned with a wide variety of flexible services tailored to their needs. These services range from information and advice, to trial employment and assessment, to skills development and assistance in taking up work in a company. These services boost vocational skills and self-confidence.

The nationwide network of 28 vocational training centres offers a broad range of skills development measures, with roughly 15,000 places. The adults undergoing

rehabilitation have more than 180 courses of training leading to a recognised qualification at their disposal.

<u>Re c)</u>

No detailed information is available concerning the total number and the qualifications of the staff of the vocational training centres.

#### III. Workshops for persons with disabilities

#### Re a) and b)

Despite the instruments that are available to provide support, not all young people can be employed in the open labour market because of the nature or severity of their disability, and not all of them are able or yet able to complete training. These people have at their disposal the initial stage and vocational training stage in workshops for persons with disabilities. In this context, the workshops fulfil the statutory mandate to offer suitable vocational training to these persons with disabilities, aiming to integrate them into the workshop's work stage or the open labour market.

The aim of the initial procedure is to ascertain whether the workshop is the right facility to enable a person with disabilities to participate in working life, and which areas of the workshop and which services for integration into working life can be considered. Furthermore, an integration plan is to be drawn up. The initial procedure is followed by the vocational training stage. During this stage, individual measures and training courses are to be implemented to improve participation in working life and to encourage personal development. The goal is for persons with disabilities to be able to perform a minimum of economically productive work after completing the vocational training stage. The duration of the vocational training schemes is generally two years. They are approved for one year in most cases and extended for another year if the capabilities of the person with disabilities can be enhanced or restored.

The content of the vocational training aims to nurture the individual person with disabilities and to enhance their vocational and personal skills on the basis of their individual potential for learning and development. The aim is for them to be able to perform a minimum of economically productive work on completion of the training.

There are 701 recognised workshops for persons with disabilities in Germany. As the table below shows, approximately 10% of the persons in employment there are in the initial procedure or undergoing training.

	2012	2013
Total number at the end of the year	302,629	305,466
(initial procedure, vocational training and work stage)		
Persons entering the initial procedure and the	14,543	13,780
vocational training stage		

#### Persons in employment in recognised workshops

Sources: Federal Ministry of Labour and Social Affairs, Federal Employment Agency, Länder

#### <u>Re c)</u>

No concrete information is available regarding the total number of staff in the recognised workshops. The ratio of specialists for vocational rehabilitation in the vocational training and work stages depends on the number of persons with disabilities and the composition of the group, as well as the nature of the employment and the technical equipment in the work stage. In principle, the staffing ratio should be 1:6 in the initial procedure and vocational training stage and 1:12 in the work stage.

The head of the workshop should have a qualification from a university of applied sciences (*Fachhochschule*) in a commercial or technical field or an equivalent level of education, as well as sufficient professional experience. The specialists for vocational rehabilitation should be skilled workers (*Facharbeiter*), journeymen (*Gesellen*) or master craftsmen (*Meister*), and have at least two years' professional experience. Additionally, the staff of the workshops for persons with disabilities must have suitable pedagogical skills and have an additional qualification in special needs education. This can be acquired, firstly, through the recognised qualification "certified specialist for vocational rehabilitation in workshops for disabled persons". This specific qualification is not, however, a prerequisite for working as a specialist in a workshop. The necessary additional qualification in special needs education can alternatively also be acquired by other means, for instance by attending suitable further training.

In response to the Committee's request for up-to-date information about special pedagogical promotion in schools in the Federal Republic of Germany, the following information is provided:

With the recommendation on "Inclusive Education of Children and Young People with Disabilities in Schools" (decision of the Standing Conference of the Ministers of Education

and Cultural Affairs of the *Länder* in the Federal Republic of Germany, 20 October 2011)<sup>5</sup>, the extension of inclusive educational provision in qualitative and quantitative terms has become a priority in the actions of the *Länder* in the field of education policy. The aim is to identify and overcome barriers and to ensure equal access to education for all, while taking into consideration the provisions of the UN Convention on the Rights of the Child and the UN Convention on the Rights of Persons with Disabilities. In addition, in its decision of 6 December 2012, the Standing Conference of the Ministers of Education and Cultural Affairs of the *Länder* adapted the framework agreements on training and examination which apply for the six types of teacher to reflect the requirements of inclusive education, and also ensured that the training which prospective special needs teachers receive at universities and higher education institutions of equivalent status is geared in a more targeted manner to the requirements of inclusive education in all types of school (continuation of the decision of 20 October 2011). At the same time, skills and course content on the subject of inclusion are to be anchored in the training of all types of teacher.

A key obligation in the implementation of the UN Convention on the Rights of Persons with Disabilities is, in particular, the creation of an inclusive education system which allows disabled and non-disabled children, young people and adults to learn together with equal success. This aim was the focus of the national conference "Shaping Inclusion together. competently. professionally." (Inklusion gestalten - gemeinsam. kompetent. professionell), organised by the Federal Government and the Standing Conference of the Ministers of Education and Cultural Affairs of the Länder, with the participation of associations representing people with disabilities. The conference, which was held in Berlin on 17-18 June 2013, focused on the subject of "Professionalisation of workers specialising in inclusive education". The national programme to improve the quality of teacher training agreed by the Joint Science Conference on 12 April 2013 will also contribute to the implementation of the UN Convention on the Rights of Persons with Disabilities. This programme, whose aims include updating teacher training with regard to the requirements of heterogeneity and inclusion, is receiving up to 500 million euros in funding from the Federal Government over a ten-year period, which began in 2014. In addition, funding is also to be provided for diagnosis research projects specified in the National Education Report, which is funded jointly by the Federation and the Länder. The Länder regularly provide information about the progress made in the process of implementing inclusive education in the bodies of the Standing Conference of the Ministers of Education and Cultural Affairs of the Länder, and via an annually updated overview (Standing Conference overview on "Implementation of inclusive education in the Länder" (Umsetzung der inklusiven Bildung in den Ländern), 13 January 2015). In response to the Committee's request for more information on the implementation of the principle of integrative education in the Länder, and in particular for information about what is the procedure and to whom belongs the final decision on the choice of educational establishment for a child with disabilities, and whether such a decision can be appealed against, the following information is provided:

With regard to the right to non-discriminatory access, two aspects in particular can be highlighted:

Article 3 of the Basic Law (the German constitution) stipulates that no person may be disfavoured because of disability. With regard to schools, this means that, in principle, parents have the right for their child to attend a mainstream school. Even before 1997, the Federal Constitutional Court ruled that parents can demand that their children attend a

 $<sup>^{5}\</sup> http://www.kmk.org/fileadmin/veroeffentlichungen_beschluesse/2011/2011_10_20-Inklusive-Bildung.pdf$ 

mainstream school (rather than a special needs school) if this can reasonably be achieved (for example with special needs support). New standards have been set by administrative practice and legislation as a result of Article 24 of the UN Convention on the Rights of Persons with Disabilities.

In Germany, all young people with disabilities have access to school education. Exceptions may only be made for pupils who are temporarily unable to attend school due to illness. Statistics show that it is not yet possible to offer all children all types of schooling in mainstream schools. However, they provide evidence of a significant increase in the proportion of schoolchildren with special educational needs who attend mainstream schools.

The Federal Government is not responsible for the interpretation of this right. Legal practice shows varying interpretations. As far as school education is concerned, implementation is above all a matter for the *Länder* and local authorities, in line with the division of competences enshrined in the Basic Law. Article 24 of the UN Convention on the Rights of Persons with Disabilities establishes a state obligation regarding school education, which is subject to progressive realisation. This means that the realisation cannot be achieved within a short period of time and that the obligation is competing with other state tasks of equal status. The implementation of the UN Convention on the Rights of Persons with Disabilities is thus a complex project for the whole of society, and is designed to take place step by step over the longer term. Subjective entitlements are only established by legislative acts of transposition.

In Germany, parents whose request for inclusive school education has been denied can go to court (an Administrative Court, or *Verwaltungsgericht*). The courts do not keep statistics on how often this occurs, and the authorities in the *Länder* responsible for supervising schools do not collect data on this either. When queried, one of the largest German administrative courts (Cologne) stated that the number of such proceedings has declined significantly in recent years and is now in the low single figures.

This is confirmed by a survey of the ministries of the *Länder* with responsibility for schools, which indicated that only a small number of schoolchildren are affected. This demonstrates the commitment of schools and the authorities responsible for supervising them to guaranteeing the right to inclusive school education to the best of their ability. There are no known cases where parents have taken legal action to ensure their child is accepted at a special needs school.

The Committee requested more details with regard to measures taken (at national and *Land* level) in order to improve access and participation of children with disabilities in mainstream education. The Committee would also like to know whether the conditions and quality of education of students with special educational needs is monitored and how the State ensures equality in access to mainstream education between *Länder*.

The education of schoolchildren with special needs is subject to the general regulations on school supervision and quality assurance in the *Länder*, which apply to all schools.

#### Participation in institutional education in early childhood

The first and most important sphere of education for children, spanning life phases, is the family. The new right to a child day care place for children from the age of one, introduced in 2013, entitles children with and without diagnosed disabilities to use a day care service already at this age.

Despite an increase in the preceding years, in 2013 only a small proportion -0.6 per cent - of children under the age of three in child day care centres received integration assistance provided through the day care centre (Table H3-2A). It remains to be seen whether this will change significantly for children receiving integration assistance following the entry

into force of the legal entitlement. An age-dependent increase can be observed for threeyear-olds, four-year-olds and five-year-olds in 2013 (Figure H3-1).

The difference in the numbers of boys and girls receiving integration assistance is both clear and stable: across all ages in 2013, far more boys than girls received integration assistance in child day care centres, at a ratio of 2:1 from the age of four (Figure H3-1, Table H3-2A). The proportion accounted for by boys rises steadily until the age of six, reaching 68 per cent.

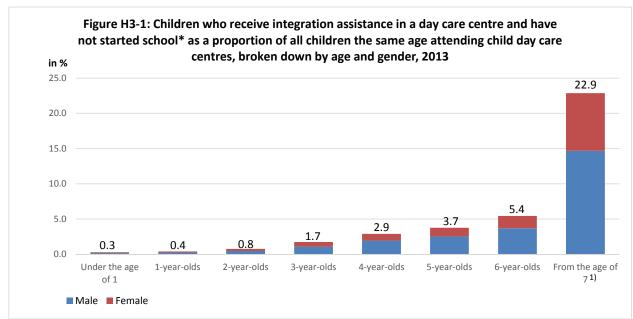
Looking at the group of school-age children who have not yet started school, it is noticeable that the proportion of children receiving integration assistance in child day care centres rises significantly: to 5.4 per cent of the six-year-olds and 22.9 per cent of the around 1,500 children over the age of six (Figure H3-1).

					ana na 10 10				
	Total no. of			Children recei	ving integration a	Children receiving integration assistance in child day care centres	y care centres		
	children attending					Of which:	ch:		
	centres	Both male	both male and female		Male			Female	
					ir	in %		in	in %
Age groups	Number	ē	ni %	Number	As a proportion of all children attending day care centres	As a proportion of all children receiving integration assistance in day care centres	Number	As a proportion of all children attending day care centres	As a proportion of all children receiving integration assistance in day care centres
Total	2,752,612	76,219	2.8	50,316	1.8	66.0	25,903	6.0	34.0
Under the age of 3	503,926	3,151	9.0	1,849	0.4	58.7	1,302	0.3	41.3
3 to school entry	2,248,686	73,068	3.2	48,467	2.2	66.3	24,601	1.1	33.7
Under the age of 1	12,203	33	0.3	19	0.2	57.6	14	0.1	42.4
1-year-olds	161,578	635	0.4	348	0.2	54.8	287	0.2	45.2
2-year-olds	330,145	2,483	0.8	1,482	0.4	59.7	1,001	0.3	40.3
3-year-olds	593,685	10,145	1.7	6,340	1.1	62.5	3,805	0.6	37.5
4-year-olds	661,014	19,171	2.9	12,696	1.9	66.2	6,475	1.0	33.8
5-year-olds	672,615	25,147	3.7	16,886	2.5	67.1	8,261	1.2	32.9
6-year-olds	314,962	17,139	5.4	11,604	3.7	67.7	5,535	1.8	32.3
From the age of 7	6,410	1,466	22.9	941	14.7	64.2	525	8.2	35.8
* Not including children in special needs nurseries and preschools.	cial needs nurseries al	nd preschools.							

Table H3-2A: Children who receive integration assistance in child day care centres and have not yet started school\*, broken down by age and gender, 2013

Not including children in special neeus nurseries and prescrioois.

Source: Federal Statistical Office and statistical offices of the Länder, child and youth welfare statistics 2013, own calculations



\* Not including children in special needs nurseries and preschools.

1) Refers to around 1,500 children aged 7 and older who have not yet started school. Source: Federal Statistical Office and statistical offices of the Länder, child and youth welfare statistics 2013, own calculations

#### Transition to school

The granting of integration assistance in early childhood education depends on the degree of disability and potential restrictions on participation. This changes at primary level, where the focus is primarily on the question of special needs and on the effects of a disability on learning in school. This shift in perspective makes it more difficult to compare those children who receive integration assistance in child day care centres or attend special needs preschools or nurseries, with those children who have been established as having special educational needs at school level. Nonetheless, a comparison of conditions for the participation of children with disabilities at these two educational stages is informative: while in early childhood education just under a third of children of different ages who receive integration assistance or have special educational needs start school directly at a special needs school.

No statistics are kept on the annual number of assessments to establish whether a child has special educational needs, but the number of schoolchildren who receive special needs support is tracked (see Figure H1-1). There are 493,200 schoolchildren receiving special needs support in Germany. The number has remained largely stable since 2000/01, but a decline in the total number of schoolchildren has meant that the proportion receiving support has risen from 5.3 to 6.6 per cent (see Table H1-4web). This proportion is four times higher than the proportion of the population aged 6 to 15 who have been found to have a (severe) disability as defined in the Social Code; in other words, it is clear that in Germany forms of special needs support are being given to schoolchildren who are not entitled to integration assistance benefits. Children with learning difficulties continue to make up the largest group of schoolchildren with diagnosed special needs, at 197,000 people in total (i.e. 40 per cent of all schoolchildren with special educational needs), while there are 79,000 schoolchildren with special needs relating to their intellectual development, i.e. 16 per cent of the total number of schoolchildren with special educational needs.

There has been a marked shift in the types of special needs for which schoolchildren receive support over the past decade. While the number of children with learning difficulties receiving support was around 61,000 lower in 2012/13 than in 2000/01 (= a reduction of 24 per cent), the number of schoolchildren receiving support for almost all other types of need had increased, with the number of children receiving support for needs relating to "emotional and social development" actually doubling to 70,000. It is also noticeable that, in almost all of the Länder, more schoolchildren have been starting school at schools for children with special needs relating to intellectual development in recent years (Table H3-14web, Table H3-15web). At the same time, around 5,600 more children with special educational needs started school at other kinds of general-education schools in 2012 than was the case in 2006 (Table H3-3A). The proportion of children with special educational needs starting school who are participating in integrative education has thus risen significantly, from 19 to 34 per cent. The number of children starting school directly at special needs schools declined by 4,500 between 2006 and 2012, to 23,000 (Table H3-3A). The proportion they account for among all children starting school has remained constant, however, at 3.3 per cent – primarily due to demographic changes.

## **Paragraph 2 – Placement activities for persons** with disabilities

The self-determined participation of persons with severe disabilities in the life of the community and in working life is the goal of the Federal Government's policy. Work is an essential element of social participation for persons with and without disabilities alike. For this reason, the Federal Government is strongly seeking to strengthen the vocational integration of persons with disabilities, and in particular their vocational activities in the open labour market.

With regard to the efforts to improve the vocational integration of persons with severe disabilities, a large number of tools to promote and safeguard employment play a major role:

Mandatory employment and compensatory levy

The mandatory employment system and the compensatory levy play a central role in this context. Employers with at least 20 positions are required to employ persons with severe disabilities in at least 5 per cent of these positions. If this obligation is not complied with, or not met in full, employers are obliged to pay a compensatory levy to the integration offices.

The aim is to motivate enterprises to take on more persons with severe disabilities (incentive function). If this goal is not met, the compensatory levy is imposed as a secondary priority. This is intended to compensate for the uneven distribution of expenses between those employers who meet their obligation and those who do not (compensatory function). The compensatory levy is a special levy which serves solely to promote the employment of persons with severe disabilities, and hence serves a specific material purpose.

The compensatory levy is based on the degree of compliance with the obligation to employ persons with severe disabilities. The higher the degree of non-compliance, the higher the compensatory levy. Accordingly, an employer must pay a monthly compensatory levy per unoccupied mandatory job amounting to

- 115 euros, if their employment rate for persons with disabilities is 3 per cent or higher but less than 5 per cent,
- 200 euros, if their employment rate is 2 per cent or higher but less than 3 per cent, and
- 290 euros, if their employment rate is less than 2 per cent.

Special, less stringent provisions apply to employers with fewer than 60 positions.

Following the introduction of the scaled compensatory levy rates, the number of mandatory jobs which were filled by persons with disabilities increased and the compliance rate (real rate) rose markedly:

	2011	2012	2013
Total no. of mandatory jobs filled	964,457	995,717	1,016,065
Real rate	4.6	4.6	4.7

#### Number of mandatory jobs filled

Source: Federal Employment Agency

#### **Integration subsidies**

The employment agencies and the institutions providing basic income support for jobseekers can pay integration subsidies to employers if they employ persons with disabilities (as a rule up to 70 per cent of the eligible wage for up to 24 months, or potentially longer in the case of older people). Training pay can also be subsidised. The following figures can be provided in this context:

#### Integration and training subsidies

	2012	2013
Cases	68,283	56,939
Expenditure	510.4 million euros	441.5 million euros

Source: Federal Employment Agency

#### Benefits provided by the integration offices

The integration offices of the *Länder* are responsible for providing accompanying assistance in working life with the aim of ensuring that persons with severe disabilities are employed in jobs in which they can make full use of and develop their skills and knowledge. This assistance includes, above all:

- setting up workplaces and training places to suit people with disabilities (e.g. fitting a Braille display to a computer workstation or ensuring barrier-free access, for instance by installing ramps or lifts)
- benefits in the case of exceptional expenses (wage cost subsidies as compensation for reduced performance)
- and work assistance (e.g. personal assistance for persons with severe physical disabilities, reading assistants for people who are blind or have a severe visual impairment, or sign-language interpreters for deaf people).

The trends with regard to these financial benefits provided to employers, which make a major contribution towards maintaining and safeguarding jobs, are set out in the overviews below (no data is available yet for 2013):

2010		2011		2012		
Million euros	No	o. of cases	Million euros	No. of cases	Million euros	No. of cases
24.68		8,848	28.57	9,379	30.13	9,963

Setting up workplaces and training places to suit people with disabilities

Source: Federal Association of Integration Offices and Central Welfare Offices

#### Benefits in the case of exceptional expenses

2010		2011		2012	
Million euros	No. of cases	Million euros	No. of cases	Million euros	No. of cases
89.33	27,364	97.51	29,344	105.62	31,707

Source: Federal Association of Integration Offices and Central Welfare Offices

#### Work assistance

20	010	20	)11	2012		
Million euros	No. of cases	Million euros	No. of cases	Million euros	No. of cases	
16.17	2,283	17.47	2,425	19.29	2,474	

Source: Federal Association of Integration Offices and Central Welfare Offices

With regard to the question of how many people with physical, intellectual or mental disabilities found paid employment outside or within special institutions during the reference period, the following information is provided:

It is only possible to provide information about the number of persons with severe disabilities who work for employers subject to mandatory employment (i.e. those with 20 or more positions). The following trends are being observed here (no data is available yet for 2014):

2011			2012			2013			
Total	Women	in %	Total	Women	in %	Total	Women	in %	
932,156	404,910	43.4	964,650	421,686	43.7	986,724	434,408	44.0	
Source: Feder	Source: Endered Employment Agency statistics drawn from the reporting presedures under section 90 subs. 2 of Pools IV of the Social								

#### Persons with severe disabilities working for employers with at least 20 positions

Source: Federal Employment Agency statistics drawn from the reporting procedures under section 80 subs. 2 of Book IX of the Social Code

The number of people with disabilities who are employed in workshops outside the open labour market has developed as follows:

#### Persons in employment in workshops for persons with disabilities

2011	2012	2013
297,214	302,629	305,466

Source: Federal Ministry of Labour and Social Affairs (Va1)

In response to the Committee's question about the impact of the "workplace integration management" obligation, the following information is provided:

Employers' obligation to engage in workplace integration management has, due to the decisions of the labour courts, developed into an important form of protection against dismissal for employees suffering from illness. It is difficult for employers who have not engaged in workplace integration management with an ill employee to enforce a dismissal on the grounds of illness in court.

In addition, the Federal Government is commissioning a representative study to examine the uptake and implementation of workplace integration management, beginning in October 2015. The first results are expected at the end of 2016.

Studies into the progress made on implementation (e.g. Niehaus et al.: *Betriebliches Eingliederungsmanagement, Studie zur Umsetzung des Betrieblichen Eingliederungsmanagement* [Workplace Integration Management: Study of the Implementation of Workplace Integration Management], Cologne 2008) make clear that there is still significant need for optimisation in relation to the quality of the way in which workplace integration management is carried out. Only around half of the enterprises studied offer their staff workplace integration management.

## Article 18 – The right to engage in a gainful occupation in the territory of other Parties

## **Paragraph 1 – Applying existing regulations in** a spirit of liberality

On 31 August 2014, 7,401,000 inhabitants of Germany were of a foreign nationality. This represents a total share of 9.1 percent of the total population.

For the reporting period, the statistics show the following figures on issued and rejected work permits and residence permits issued for gainful employment:

	Work permits for		Residence permits issued to third-country nationals for gainful employment			
	from the acceding	g countries				
	Granted work	Denied work	Residence	Residence	Denied	
	permits	permits	permits	permits	residence	
			granted based	granted based	permits	
			on	on self-		
			employment	employment		
2011	Federal Ministry	Federal	65,996	3,831		
	of Labour and	Ministry of			not included*	
	Social Affairs	Labour and				
		Social Affairs				
2012	Federal Ministry	Federal	62,714	3,988		
	of Labour and	Ministry of				
	Social Affairs	Labour and				
		Social Affairs				
2013	Federal Ministry	Federal	62,974	4,430		
	of Labour and	Ministry of				
	Social Affairs	Labour and				
		Social Affairs				
2014	Federal Ministry	Federal	65,978	4,773		
	of Labour and	Ministry of				
	Social Affairs	Labour and				
		Social Affairs				

\*Note: As a result of the subsidiary administrative structure in Germany the responsibility for implementing the legislation on aliens is not centralised at the national level, but mainly decentralised in the 16 Länder. The granting of residence permits takes place at the municipal level, also decentralised, at around 620 local competent immigration authorities. Applications for and refusal of residence permits are, however, not recorded for statistical purposes at the municipal level, at the Länder level or the national level. The introduction of a nationwide regular survey of applications for and refusal of residence permits for third-country nationals for employment or self-employment in Germany would, if at all possible, be accomplished only by expending considerable technical, financial and human resources, whereby such expenditure would be out of proportion to the expected value.

## **Paragraph 2 - Simplifying existing formalities** and reducing dues and taxes

In Germany the "one-stop-government" introduced on 1 January 2005 continues to be in use. It replaced the previous parallel application for work and residence permits with a single residence permit. Reference is made to the relevant passages in the 25th report on the application of Article 18.

Foreigners require a residence permit for entry and residence. The Residence Act provides for five different residence permits: the general residence title, the EU Blue Card, the permit for permanent residence - EU, the settlement permit and the visa. General residence titles, the EU Blue Cards and visas are each granted for a limited time. The the settlement permit and the permit for permanent residence - EU do not have limitations. The essential difference between the settlement permit and the permit for permanent residence - EU includes the right to resettle in another EU Member State. A residence permit grants the right to pursue economic activity, insofar as this is specified in the Residence Act or the residence permit expressly allows it.

The permit for permanent residence - EC, which was introduced in implementation of the Directive concerning long-term residents corresponds largely to the settlement permit in its effects within the country. As a rule, it is required for a residence permit, inter alia, that the livelihood be secured, the identity and nationality of the foreigner be clarified and the passport obligation be fulfilled.

Statistical information on the duration of the processing in the issuance of residence permits is not available.

Fees and costs are charged for administrative acts performed pursuant to the Residence Act. The Federal Government sets chargeable services and both the fees and charges as well as the exemptions and reductions, in particular for cases of need, in the Ordinance Governing Residence, which requires the consent of the Bundesrat. The individual rates are set down in the current version of the Ordinance Governing Residence in §§ 44ff. Pursuant to this, fees of 100 euros will be charged for issuing a residence permit or an EU Blue Card valid for a period of up to one year and 110 euros for a period of more than one year. Fees of 135 euros will be charged for the permit for permanent residence - EU. For the granting of a settlement permit the charges are between 135 and 250 euros.

### **Paragraph 3 – Liberalising regulations**

Reference can be made to the comments of the 29th report.

# Paragraph 4 – Leaving the country for the purpose of gainful occupation in another country

Reference can be made to the comments of the 29th report.