## Germany: 1.4 million live on welfare for more than eight years

## Elisabeth Zimmermann 25 October 2016

In September, politicians and the media made a show of celebrating the lowest unemployment figures in Germany for 25 years. Officially "only" 2.6 million, or 5.9 percent, were unemployed.

Another statistic concerning long-term unemployment and the Hartz IV welfare payments paints a different picture, however. Of the 4.2 million jobless deemed fit for work, many have been dependent on the miserable Hartz IV payments for years, facing constant harassment from the job centres. Many of them do not even appear in the official unemployment statistics.

According to a special analysis by the Employment Agency, produced following a parliamentary question by a Left Party deputy, some 1.4 million of the 4.2 million working age Hartz IV recipients have been dependent on welfare for more than eight years, and 2.1 million for more than four years, as of the end of last year.

The figures include 1.82 million long-term unemployed and 1.2 million on so-called "top up" payments whose incomes are so low that they have to claim additional Hartz IV benefits.

Other groups of long-term Hartz IV recipients include single parents, apprentices whose training allowance is not enough to cover their living expenses, and countless people who are dependent on welfare because they are caring for relatives.

Many elderly or people with health problems also claim Hartz IV payments. A study by the Bertelsmann Foundation states: "In Germany, job loss in old age is increasingly a trap from which those affected cannot break free."

Other reasons for long-term unemployment and being stuck in the Hartz IV trap are said to be low qualifications and a poor knowledge of German. While there was much talk of "support and demands" when the Hartz IV system was introduced, the emphasis of the sanctions-based system was, from the beginning, placing "demands" on those in need.

While in the early days, some training was provided for the long-term unemployed, which led to the acquisition of new knowledge and skills, most of this has fallen away in recent years, a victim of the austerity measures. Instead, there are short-term schemes, combined with the lowest wages, such as "one-euro jobs," which mean the long-term unemployed fall out of the statistics.

The state authorities play a big role in the harassment of those forced to rely on welfare. For example, Andrea Nahles (SPD, Social Democratic Party), federal minister for Labour and Social Affairs, has recently introduced a number of stricter sanctions against Hartz IV recipients.

In addition, job centres imposed 457,000 penalties against Hartz IV recipients in the first six months of this year. According to a report in the *Frankfurter Allgemeine Zeitung* (FAZ) this is 8.4 percent fewer than in the same period last year and is the lowest level in five years. However, the number is still huge.

The FAZ reports that almost 77 percent of the sanctions "are imposed due to attendance failures—such as when a recipient misses an appointment at the job centre without good reason. ... Only about 10 percent are imposed because a Hartz IV recipient refuses to take a job."

The dramatic impact of these sanctions for those affected is hard to imagine; a single parent receives just  $\notin$ 404 a month in addition to rent and heating costs. According to the FAZ, penalties in June 2016 resulted in about 132,000 beneficiaries suffering average cuts of 19 percent or  $\notin$ 108.

The chicanery the poor face at the hands of politicians and the legal system is also shown by a judgement of the Federal Social Court, reported by Spiegel Online. A family dependent on Hartz IV payments were forced to sell their self-built property after three of the four children had moved out.

The report states: "Families receiving Hartz IV benefits, and owning a home, must surrender their property if it has become too large after the departure of the children. The home is to be considered an exploitable asset, the Federal Social Court (BSG) in Kassel determined."

The family from the Aurich district of Lower Saxony, whose appeal was rejected by the court, owned a house with just 144 square meters of living space, in which the parents had originally resided with their four children. After three children moved out, the job centre declared the house was unduly large. For four residents, 130 square meters was deemed sufficient, but only 110 was required for three people. Therefore, the house had to be regarded as an exploitable asset.

The family should now sell their house, move into a smaller apartment, and live as long as possible from the proceeds until they can apply for Hartz IV benefits again, it was determined. Until the house is sold, the job centre regards any Hartz IV benefits received as a repayable loan.



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