



Federal Ministry
of Labour and Social Affairs

Social Security Compass

Social security in comparison

Accompanying information to the database



6th Edition
2015



Federal Ministry
of Labour and Social Affairs

Social Security Compass

Social security in comparison

Accompanying information to the database

6th Edition December 2015



Contents

Introduction Europe on the move 5

Data on the European Union	6
“Social Security Compass for Europe”	20

Part I - Social Security in Europe 35

Fundamental Social Rights in Europe	36
EU Charter of Fundamental Rights	68
Financing and Structure	82

Part II Social Europe for All 109

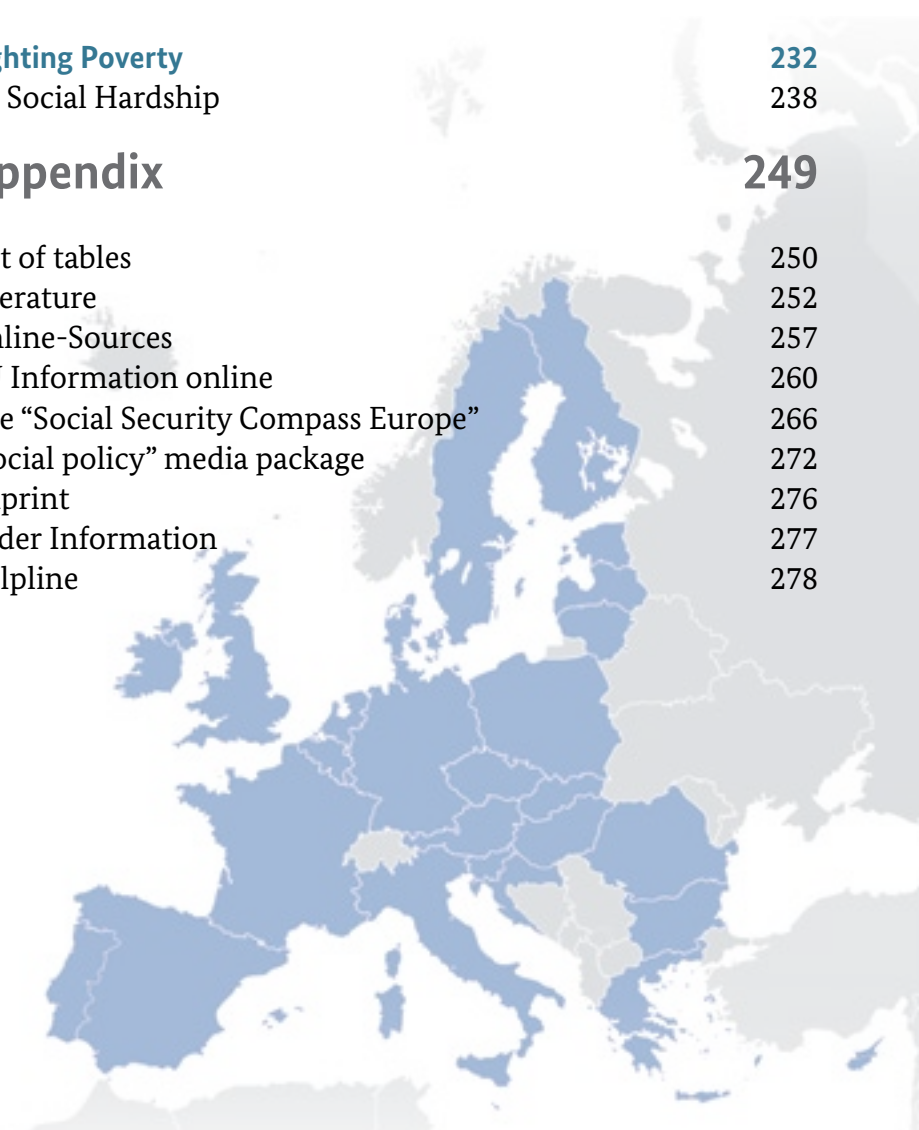
Social Security System Coordination	110
1. Family	122
2. Maternity Leave	128
3. Illness	132
4. Care	140
5. Continued Pay	148
6. Disabilities	152
7. Unemployment	168
8. Accidents in the Workplace	176
9. Invalidity	180
10. Ageing	184
11. Surviving Dependents	198

Working in Europe	204
12. Termination of Employment	216
13. Co-determination	220
14. Labour Disputes	226

Fighting Poverty	232
15. Social Hardship	238

Appendix **249**

List of tables	250
Literature	252
Online-Sources	257
EU Information online	260
The “Social Security Compass Europe”	266
“Social policy” media package	272
Imprint	276
Order Information	277
Helpline	278







Introduction

Europe on the move

Today, many member countries of the European Union are re-considering where national responsibilities end and European decisions take precedence. How much Europe do we need – or even want? It is a critical and urgent question, and the answer may dictate more about the future of our continent than ever before. The question is also highly relevant in the light of the major challenges facing EU member nations today.

Data on the European Union

In addition to economic and financial policy, today's greatest challenges involve Europe's foreign and security policy. They include the financial crisis in Greece, the EU's relationship with Russia, and the inflow of asylum seekers and refugees to the European Union.

In his State of the Union address to the European Parliament in Strasbourg on 9 September 2015, President of the European Commission Jean-Claude Juncker made the following statement: "We Europeans should remember well that Europe is a continent where nearly everyone has at one time been a refugee. Our common history is marked by millions of Europeans fleeing from religious or political persecution, from war, dictatorship, or oppression... It is Europe today that represents a beacon of hope, a haven of stability in the eyes of women and men in the Middle East and Africa."

Juncker pointed out that the nearly 500,000 people who have made their way to Europe since the beginning of the year made up just 0.11 percent of the total population of the EU. The President appealed to the delegates of the European Parliament: "We need more Europe in our asylum policy. We need more Union in our refugee policy."¹

A good 20 years after the establishment of the European Union on 1 November 1993 in the Dutch city of Maastricht, Europe is at a special point in its history. The solidarity of member

¹ Jean-Claude Juncker, State of the Union 2015: Time for Honesty, Unity and Solidarity, Speech to the European Parliament in Strasbourg, 9 September 2015




nations is at stake, but there is much more to consider. There are widely differing opinions on the correct course to take for the future of Europe and the Union, leading to heated discussions between the individual member states.

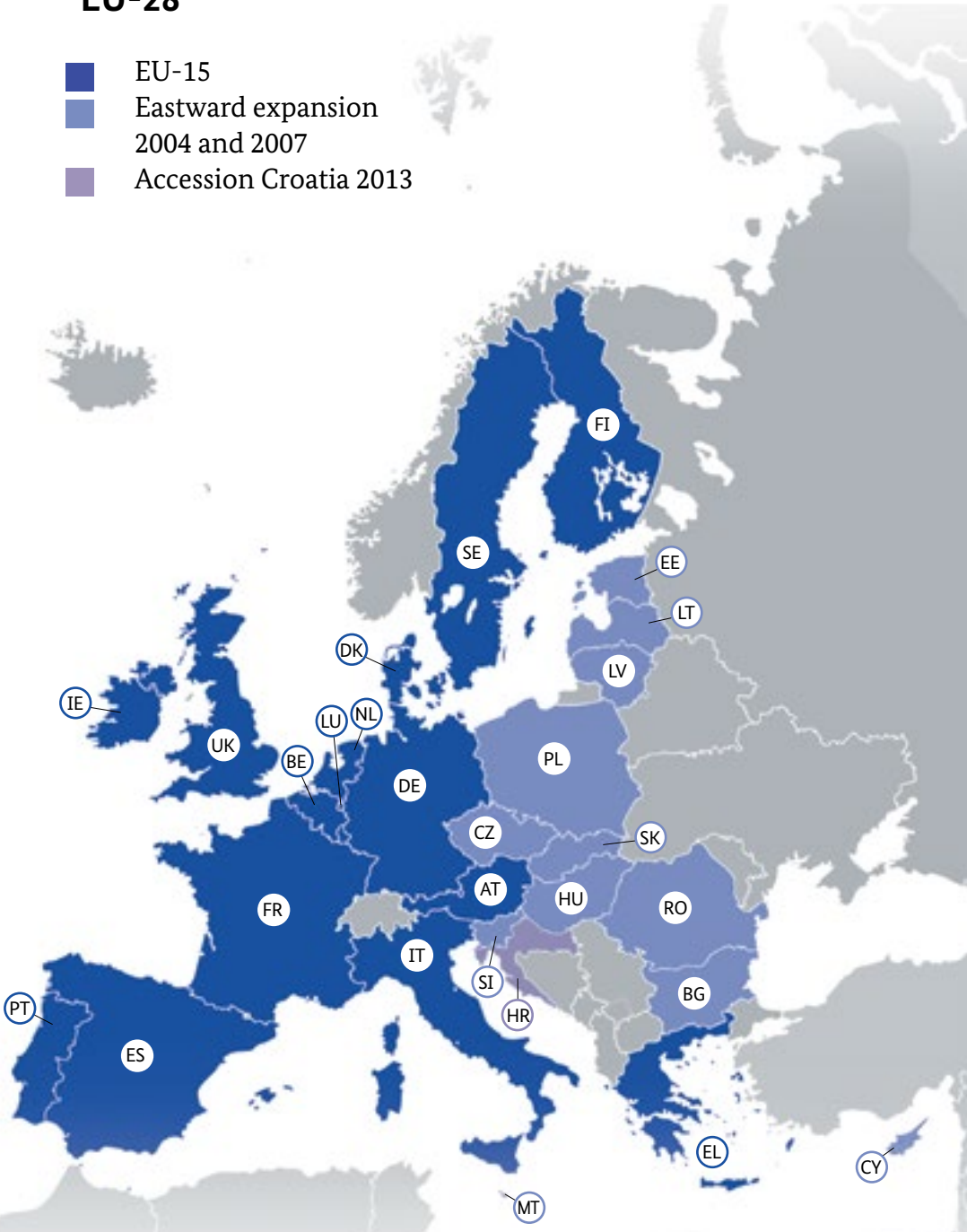
The European Monetary Union had just emerged from its first tough test, providing “rescue packages” for Ireland, Portugal, Cyprus and Spain, when the focus returned once again to Greece. The crisis is still ongoing, and normalisation has still not been achieved despite the approval of the third bail-out in August 2015. This has also become a major test for the euro, our shared currency.

Since 1 January 2002, more and more EU citizens are using the euro. Today, 19 nations have introduced the common currency, most recently Lithuania on January 1, 2015. Nonetheless, the catchphrase “euro crisis” has overshadowed many people’s perceptions of the long-term merits and global necessity of a continuously merging Europe. The United Kingdom in particular is focusing specifically on the integration of the single market, fostering uncertainty among other member nations.

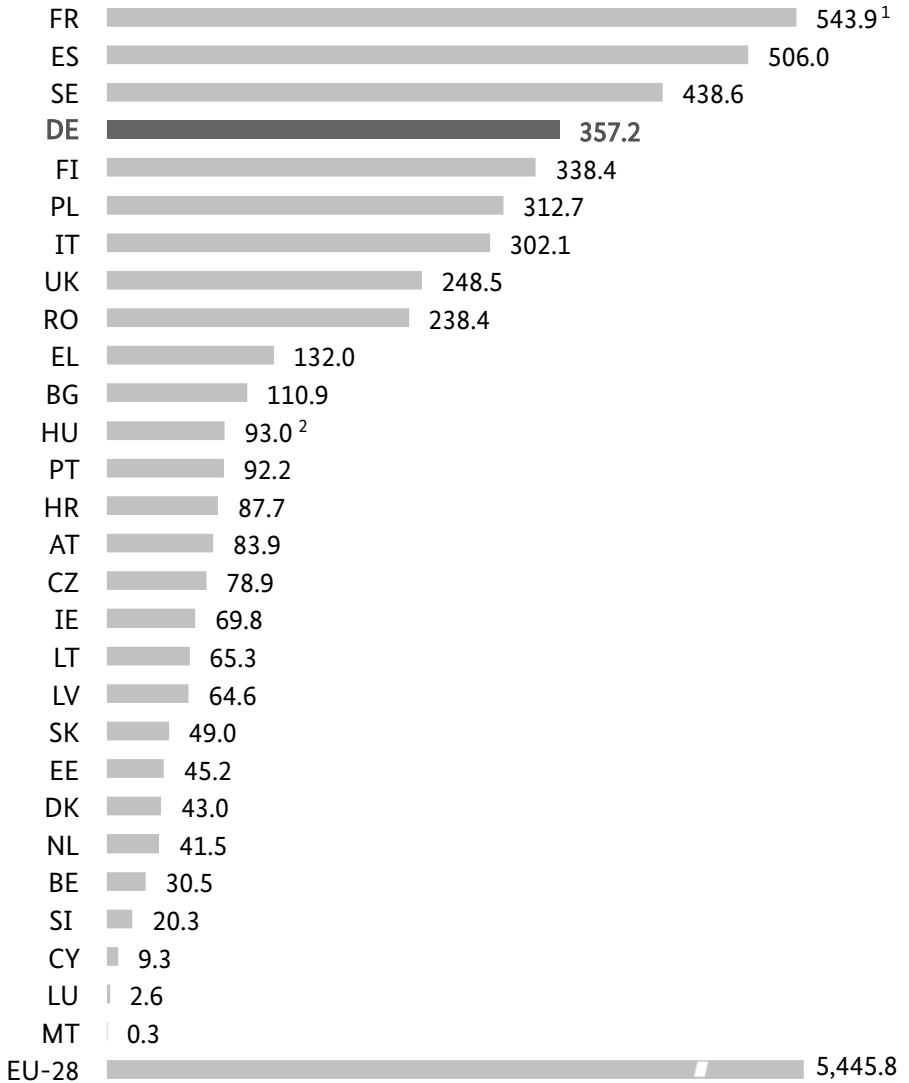
Since the beginning of the Crimean crisis, the eastern borders of the European Union have been marked by political uncertainty triggered by Ukraine’s desire to grow closer to the EU both politically and economically. This has negatively impacted the EU’s relationship with Russia.

EU-28

-  EU-15
-  Eastward expansion
2004 and 2007
-  Accession Croatia 2013



Area of EU countries 2013

1,000 km²¹ Overseas territories not included² Data from the Federal Statistical Office

Data as of July 2015

Source: Eurostat



Despite these major challenges, we cannot ignore that the Europe of 28 is our reality. It is the norm – so much so that an alternative barely seems possible or logical. This doesn't just apply to the shared economic policy. Europe has grown even closer together especially in the areas of social and labour market policy. The European social model is not the subject of major headlines – but this does not make it any less significant. Residents certainly notice its considerable expansion. Harmonising European social security systems is increasingly important in a global world in which Europe bears growing political and economic responsibility.

International migration in Europe as well as the rest of the world is playing an ever greater role in this process. People long for the prosperity and social peace they expect in the European Union. As a result, the inflow into the EU is rising along with moves between member states.

The economic and social prosperity as well as political stability throughout EU countries has a strong appeal to people outside of the union. It also attracts large numbers of primarily young people from mostly southern member countries, such as Spain and Portugal, to wealthier nations with lower unemployment rates, especially Germany.

In 2013, around 3.4 million people immigrated to one of the EU member countries – the same as the previous year – and 2.8 million left the EU. Of these 3.4 million people, 1.4 million were from outside of the EU, and another 1.2 million came from a different European Union country. Around 800,000 people immigrated to an EU country in which they had citizenship – either citizens of a member state born abroad, or former residents returning home.

As the EU's most populous country, Germany welcomed the highest number of immigrants in 2013, totalling around 692,000 people, 100,000 more than the previous year. This was followed by the United Kingdom with around 526,000, France with 333,000 and Italy with around 308,000 immigrants. Spain had the most emigrants at 532,000 people, followed by the United Kingdom with 320,000, France with 301,000, Poland with 276,000 and Germany with around 259,000 people leaving the country. In 2013, 16 of the 28 EU nations welcomed more immigrants than emigrants.²

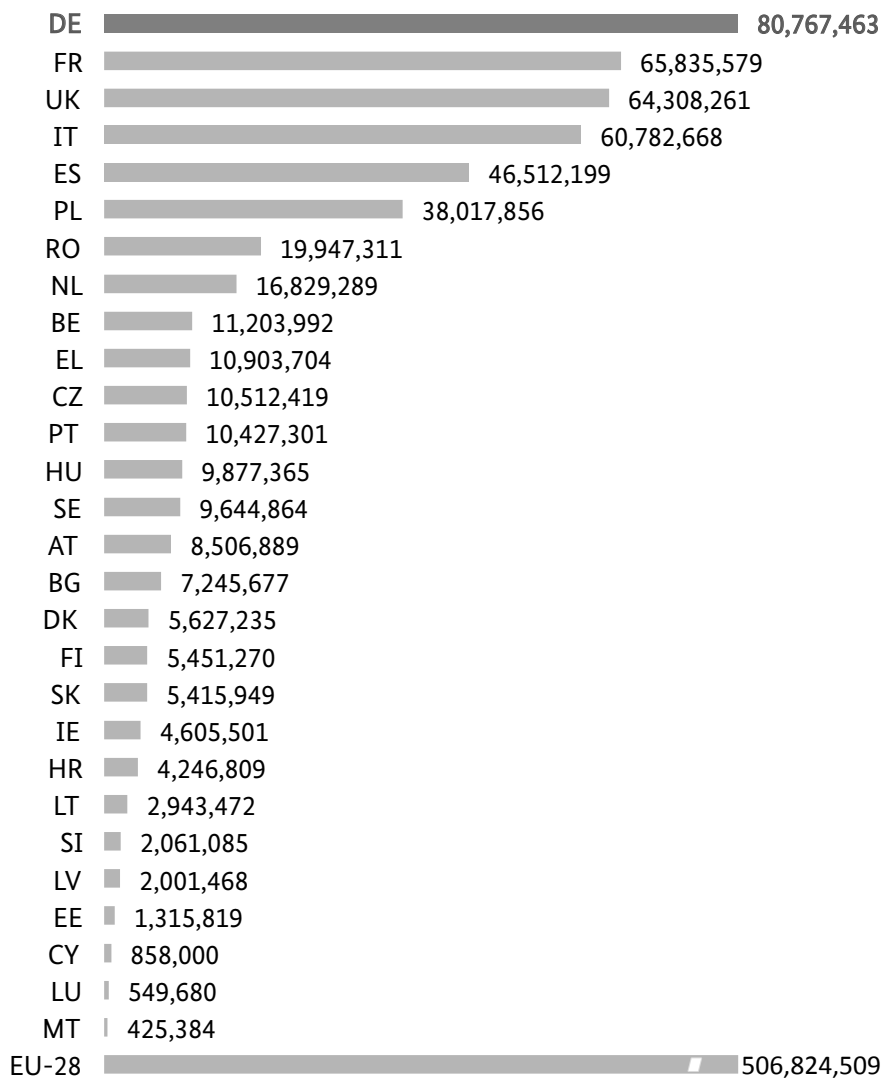
The countries of the European Union are attractive employers for immigrants from other countries, especially Germany, France and the United Kingdom. Around 70 percent of all mobility movements in Europe are to these three countries.

² See Eurostat, epp.eurostat.ec.europa.eu English version

12 Introduction

Population of EU countries 2014

Total number of inhabitants

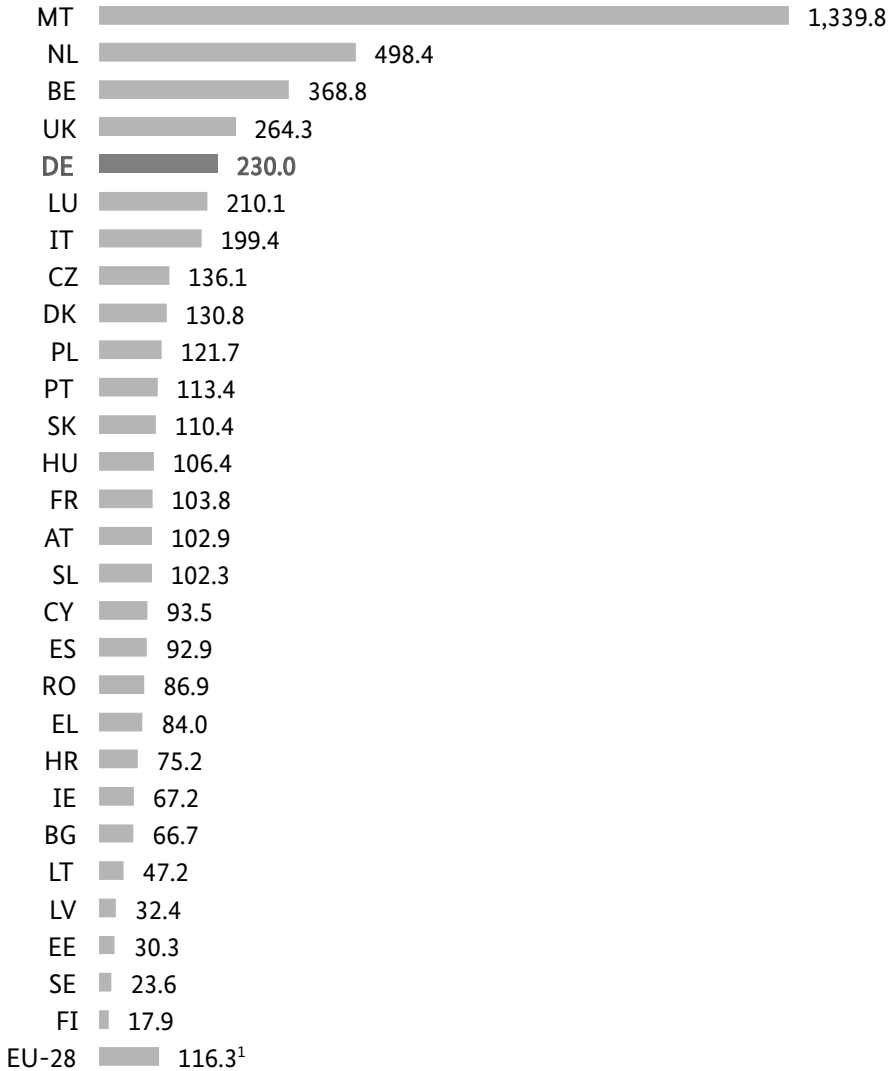


Data as of July 2015

Source: Eurostat

Population density in EU countries 2013

Inhabitants per km²



¹ Eurostat estimation for the year 2012, no data available for 2013

Data as of July 2015

Source: Eurostat

14 Introduction

The workforce within the European Union overall is not very mobile, however, despite the over 2.2 million vacant positions available today. In 2012, only 6.6 million EU citizens made use of their right to free movement and worked in a different member nation – just over one percent of the total population of the European Union. More mobility within Europe, however, is a key to ensuring a politically and economically strong Europe in future.³

Despite the many political and economic problems facing the EU, some of which are very serious, the community is always becoming more attractive – which also means increased social responsibility in the world. This world has been global for many years now, and younger people especially consider themselves citizens of the European Union first, and then of their respective member country. Educational opportunities in neighbouring countries and scholarships like those offered by the Erasmus Programme have helped here, along with more accessible transportation networks, discount airlines and high-speed trains.

Especially for the younger people on our continent, the issues of education and job choice, life, work and family have taken on a European dimension. For many people, important life decisions such as studying in a neighbouring European country, searching for a job in another, starting a family or entering into a domestic partnership with a partner from a different member nation have become much easier to manage and perfectly normal for years now. These developments make the process of social harmonisation throughout the

³ See *Harnessing European Labour Mobility*, study conducted by Bertelsmann Stiftung, 2014



16 Introduction

EU increasingly important. To ensure peace and security, it is essential for all of Europe to have functional and attractive social systems.

This aspect rarely receives enough attention in the public discourse on the future of Europe – but is currently driving the impetus to answer one important question: what should Europe’s shared future look like? It is almost impossible to imagine life today without Europe. It has kept the peace on our continent for 70 years. The convergence of people in Europe, especially in terms of labour and social policy, plays an important, yet often overlooked role in this development.

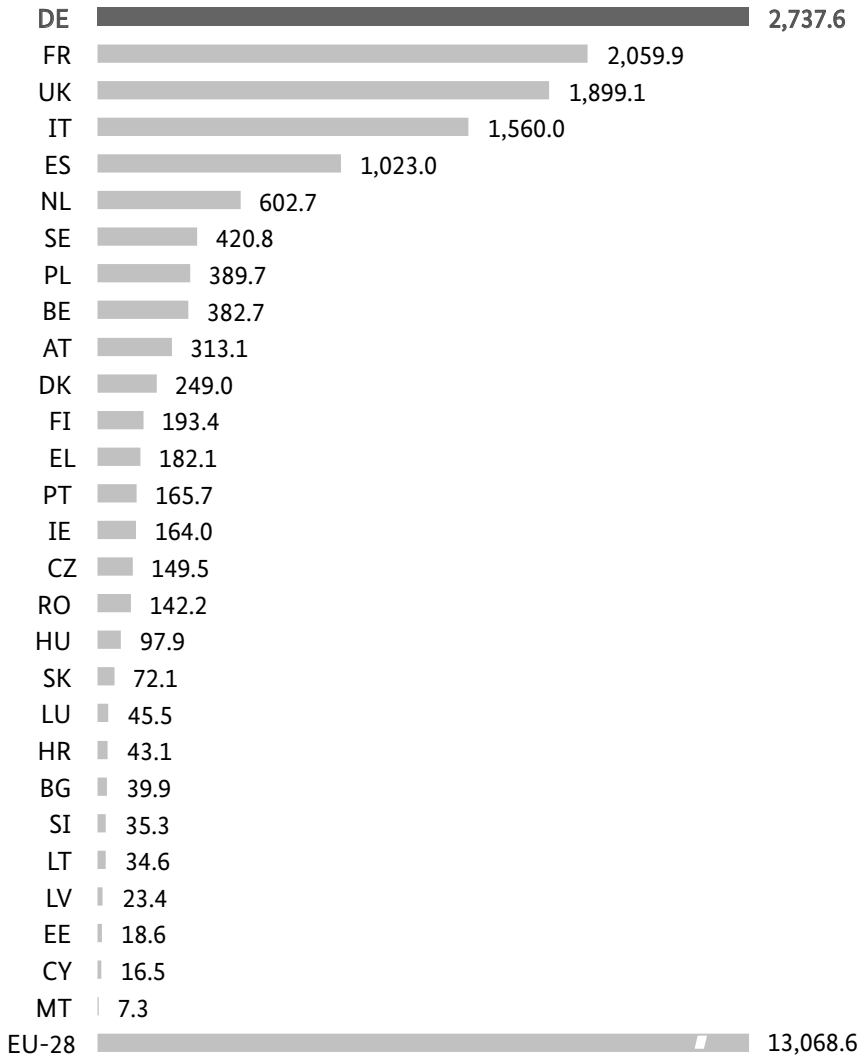
A strong economic region

The European Union represents an economic area of about a half billion people. The countries are just as diverse in their economic power as they are in terms of size, population, natural resources and technical know-how.

The table containing the gross domestic products of the 28 EU countries makes this very clear. Germany tops the list with a GDP of €2,737.6 billion. It leads a group of industrial powers, followed by France at €2,059.9 billion, the United Kingdom at €1,899.1 billion, Italy (€1,560.0 billion) and Spain (€1,023.0 billion). The newer and smaller members of the EU are at the end of the list: Lithuania (€34.6 billion), Latvia (€23.4 billion), Estonia (€18.6 billion), Cyprus (€16.5 billion) and Malta (€7.3 billion).

Gross domestic product of EU countries 2013

In respective prices, billions of EUR



Data as of July 2015

Source: Eurostat

18 Introduction

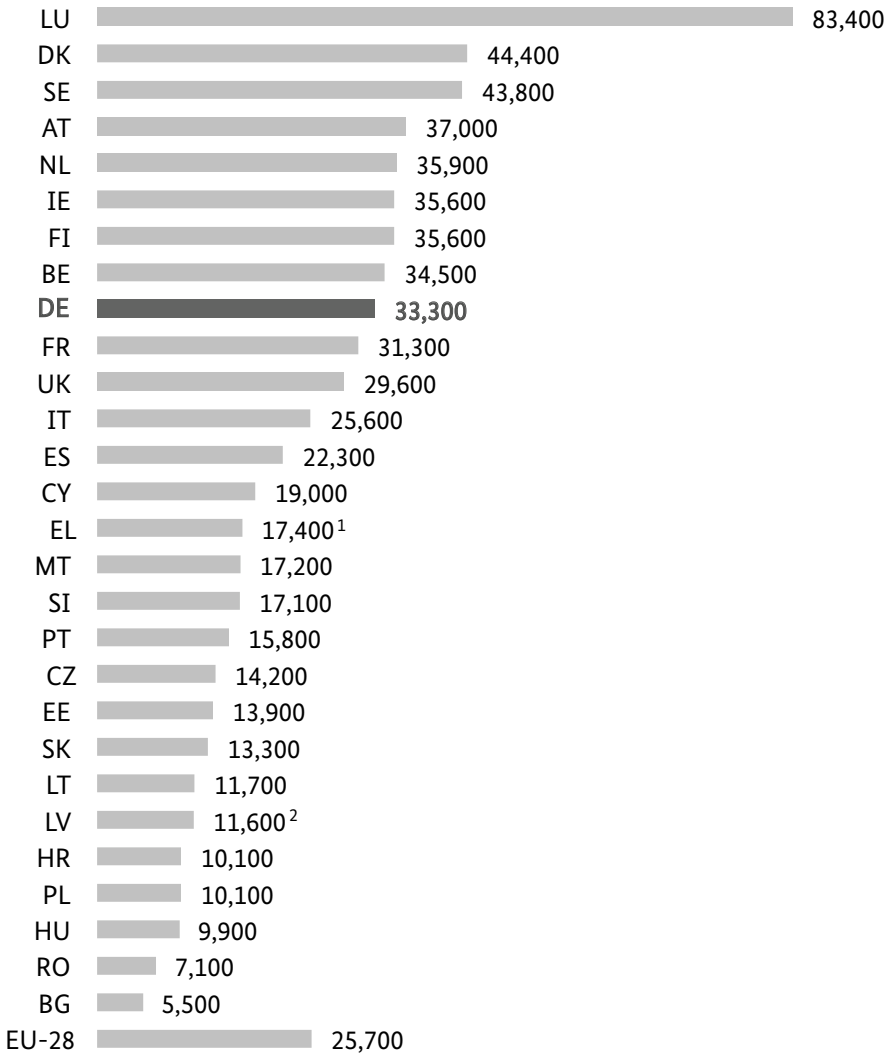
The order changes when the GDP is calculated in terms of economic performance per individual: Luxembourg is at the top (€83,400), followed by Denmark (€44,400), Sweden (€43,800), Austria (€37,000) and the Netherlands (€35,900).

This shows the impact of social security systems in Scandinavian countries – Finland is in sixth place with €35,600. At the same time, it also shows the potential of the smaller European Union member nations: Finland is on par with Ireland, also at €35,600.

In this analysis, Germany is ranked ninth in the table with a per capita GDP of €33,300 per year. The countries that joined the European Union in 2004, 2007 and 2013 are at the end of this list: Latvia (€11,600), Croatia (€10,100), Poland (€10,100), Hungary (€9,900), Romania (€7,100) and Bulgaria (€5,500).

GDP per capita 2013

in EUR

¹ Data for 2012, data for 2013 not available² Break in series

“Social Security Compass for Europe”

The “Social Security Compass for Europe” from the German Federal Ministry of Labour and Social Affairs – the fifth edition of the database and companion publications – is designed to provide valuable information, facts and figures from throughout social Europe to its citizens. The publication will make this important dimension of European integration more transparent for everyone. Today, people are passing up far too many opportunities. While countries like Germany have a labour shortage, other nations have unemployment rates which are far too high. Often, we don’t know enough about our neighbours, or the prospects and possibilities open to us in other European countries. In the process, we miss valuable chances to help Europe truly grow closer together.



The European Union has expanded considerably in the past several years, totalling 28 members as of July 2013. A total of 13 new members have joined the union since the start of the millennium. Following its eastern enlargement – completed on 1 January 2007 with the accession of Bulgaria and Romania, and continuing with Croatia, which joined on 1 July 2013 – these 28 countries now shape the EU. Together, all of these countries impact the EU’s various policy areas, ranging from economic policy to foreign and security policy, and certainly social policy. The member states cover some 4.3 million km² and have a combined population of over 500 million. They all want peace and social security, both for themselves and for future generations.

While the European Union has become more cohesive in the decades since its foundation, its recent expansion has meant that members old and new need to make a tremendous effort to keep the integration process going. The differing cultures and traditions in the EU member states demonstrate the Community’s cultural and historic riches, but they also pose an ongoing challenge in finding and establishing common standards and rules to enable the peoples and the states to live in harmony.

The challenge of bringing different geographic, historic and economic conditions, political systems as well as traditions and mindsets together to work effectively is what makes every day European policy so unique. These efforts were and continue to be shaped by the problems and crises mentioned earlier – especially for the 19 members of the Eurogroup.

22 Introduction

People in Europe face a serious dilemma. On the one hand, it is only possible to bring the nations of Europe closer together if they gradually and consistently align their political systems, and solidarity shapes European co-existence. This also includes the economic and financial systems of these member nations. Great European leaders, such as Konrad Adenauer and Jacques Delors, pointed this out early on. On the other hand, such mergers also involve a convergence of cultures and traditions for all of the countries involved. This process will occupy Europe for many years. At the same time, it presents the opportunity for the continent to grow together as a stronger, more sustainable union – a true community.

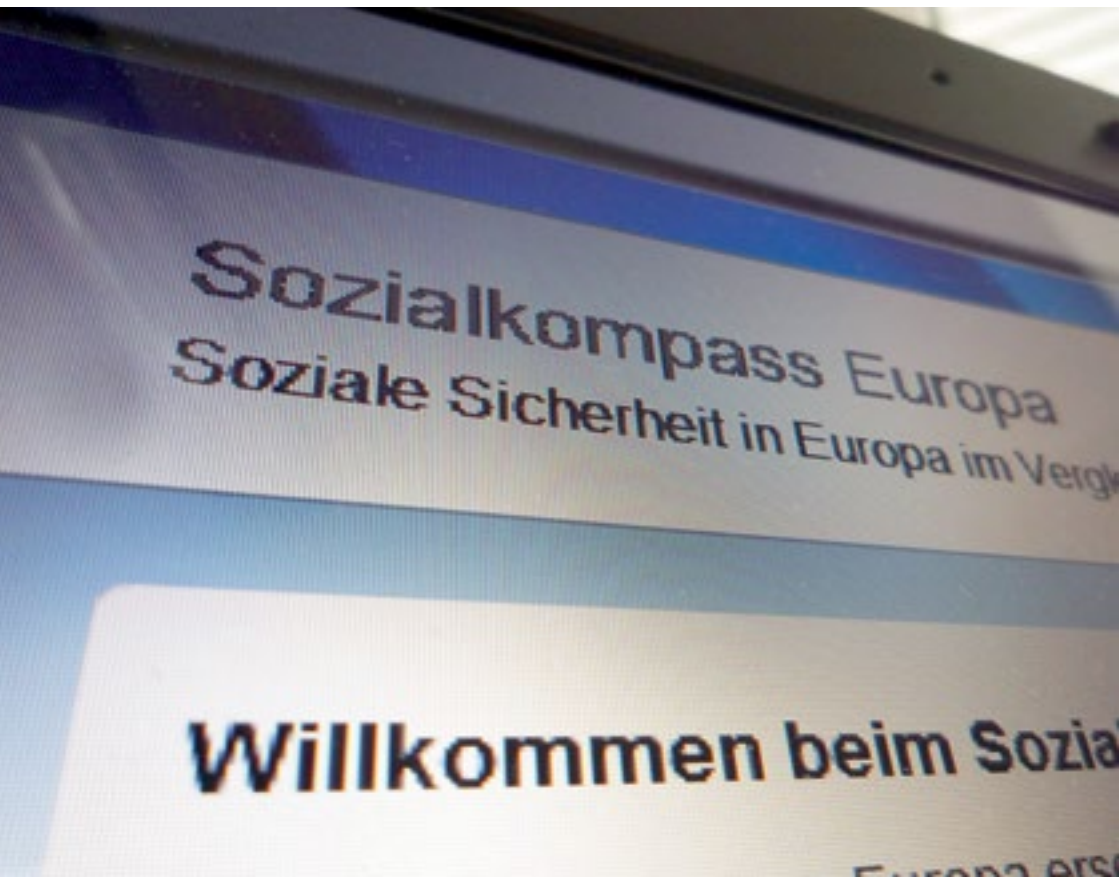
In addition to business and financial policy, the differences in traditions, political systems, and economic opportunities and conditions are perhaps no more visible than in matters of social policy. In some EU countries, social protection has long been and still is shaped by cultural tradition, economic trends and historical events. It is thus the aim of the European Union to coordinate and harmonise the differing systems in place to ensure social protection and social security for people throughout Europe.

The very different social systems in the 28 member states today are slowing and complicating the integration process for the people of Europe. It is important to remember, however, that Europe currently faces a truly enormous challenge in aligning these diverse economic and socio-political systems.

The “Social Security Compass for Europe” highlights the special features and differences in the social security systems, explains how they are financed and describes the working conditions in the EU’s member states – the ultimate aim

being to make them more transparent and easier to compare. Listing the legal provisions in the various member states allows a comparison of the differing laws and administrative procedures. Given the often highly complex regulations and provisions, it is not possible to provide such comparison down to the smallest detail or to elaborate on special cases.

To ensure a quick response to changes in a rapidly developing and increasingly complex Europe, the tabular comparisons set out in the Social Security Compass for Europe are published in a database. Version 5.0 of the “Social Security Compass for Europe” (SKE) database was released online and on DVD in December 2015, along with this brochure.



24 Introduction

The database is updated annually, although important changes are made when necessary. It is available online at www.sozialkompass.eu and can be downloaded here in its entirety. The “Social Security Compass” can also be installed and used from the separately released DVD if no internet connection is available.

The comparison of European social systems conducted by the Federal Ministry of Labour and Social Affairs in the “Social Security Compass for Europe” offers readers and users two complementary layers of information.

Companion publications

This publication, titled “Social Security Compass for Europe: Social Security in Comparison”, is available in brochure form or as a PDF for downloading. The first section, titled “Social Security in Europe”, gives a brief historical summary of how the EU received its social dimension, followed by an overview of how social protection is financed in the various member states. This analysis is based on the 2012 or 2013 data available on the individual member countries from the statistical office of the European Union (Eurostat) by the editorial deadline in July 2015. Eurostat did have data from 2013 at this time, but most of this was incomplete, preliminary or only estimated. For this reason, the editors considered the 2012 data to be the most reliable and complete by the editorial deadline. Due to the very major differences between institutional organisations for social security in each individual country, these compilations take into account a variety of different social areas and risks.

Part II, “Social Europe for All”, provides overviews on the elements of social security systems throughout the European Union. These are described in a series of 15 short introductory texts on various social security topics – ranging from “Family” to “Social hardship”. These descriptions document the status of Eurostat data from 2012 and include further developments where available.

The following help and companion texts are also available in print or PDF format for downloading from the “Social Security Compass for Europe” database website, as well as for interactive use on the DVD. An overview of all publications developed for the “Social Security Compass for Europe” is provided at the end of the brochure.

The “Country key figures” on the website and DVD provide basic information on the 28 EU member states and the European Union overall. These were primarily made accessible to use the “Social Security Compass for Europe” for educational purposes. They clearly illustrate the diversity of the European Union. This information on each country and its population provides a solid basis for comparing social security systems throughout Europe. The BMAS also issues this clearly structured information in a separate publication titled “The Countries of Europe. Facts and key figures” (see pp. 266).

People who use the database on the website and DVD can also access an extensive “Glossary”, which explains the most important basic terms in European social policy, as well as general European and social policies. This glossary is a valuable reference for breaking down and comparing the many

26 Introduction

complex interconnections between Europe's different social systems, and provides interested database with a quick point of reference. The glossary can also be consulted as a resource wherever the "Social Security Compass for Europe" is used for teaching and educational purposes. The online version of the glossary on the European social security systems will also be continuously updated and expanded. It is also available as a separate BMAS publication titled "Social Europe from A-Z: A glossary of basic sociopolitical terms".

Starting with this edition of the "Social Security Compass for Europe", the companion publications now include an extensive collection of online links and references. This group of over



1,200 links are available on the website as well as the DVD. It is also available in print form in the series of companion publications, titled “Europäische Sozialpolitik. Ein Online-Wegweiser” (in German only). This publication is also updated and expanded on a regular basis, especially the online version.

The help text on “The database”, featured on the website and DVD, explains how to use the “Social Security Compass for Europe” database as well as its functions, focusing specifically on the output and further application of this data. It is also possible to access explanations about the help texts and videos about the SKE database in “easy-to-read format” and “German sign language” under the corresponding buttons. These are available online as well as on the “Social Security Compass for Europe” DVD. Print versions are also available of the “Rat-Geber für Menschen mit Behinderungen in der Europäischen Union in Leichter Sprache“ as well as “Rat-Geber für Menschen mit Behinderungen in Leichter Sprache” (both in German), which covers this topic specifically in Germany.

The SKE database

The main element of the “Social Security Compass for Europe” is an extensive collection of figures and data. This wealth of information is presented in clearly structured tables and compiled in a single database (SKE database). It gives users the option to compare individual aspects of social life in a quick, easy and straightforward way. The database is available on the separately released DVD and can also be downloaded from the internet at sozialkompass.eu.

The comparison is based in part on data released every six months by the Mutual Information System on Social Protection (MISSOC), created on the initiative of the European Commission. The editors of the “Social Security Compass for Europe” ensured that all data and facts were checked for accuracy, supplemented, proofread and edited, and revised to aid understanding and enhance readability.

The important topic of “Disability”, which is essential to a thorough and differentiated examination of European social policy but not included in the MISSOC database, was researched and written based on numerous international database and publication sources. Especially helpful resources here include the ANED (Academic Network of European Disability Experts) network established by the European Commission in 2007.

The editors also added three issues related to labour law (termination of employment, co-determination and labour disputes) as these were also not covered by MISSOC.

The other social areas and fields in the SKE database are presented, explained and arranged in line with the MISSOC data structure to ensure clear comparisons and transparency.

This version 5.0 of the “Social Security Compass for Europe” database includes data from all 28 EU member countries from 1 January 2015.



The SKE database is thus divided into 15 subject areas:

1. Family
2. Maternity Leave
3. Illness
4. Care
5. Continued Pay
6. Disability
7. Unemployment
8. Accidents in the Workplace
9. Invalidity
10. Ageing
11. Surviving Dependants
12. Termination of Employment
13. Co-determination
14. Labour Disputes
15. Social Hardship

These 15 subject areas are further broken down as follows: Information on the individual topics is categorised in the SKE database according to the prevailing insurance and administration systems, scope of applicability, and the type of financing and assistance involved. The respective legal basis is also described. The names of the individual key terms and social services are also included in the corresponding national languages to provide a clearer point of reference for interested users.

The data, notably percentages and specific figures is valid as of 1 January 2015 (SKE database editorial deadline). For better comparison and transparency, entries have been retained in the national currencies used outside the eurozone (EU-19). Calculation into euros is based on the exchange rate valid on 1 January 2015.

Comparison of social systems

When comparing the different European social systems, it is important to note that there is no single pattern for all EU member states, even though the structure of the database might suggest so. In fact, a number of individual social areas, assistance fields or risks are assigned to very different segments of social security in the 28 member states. For example, some member states do not classify parental or child-rearing benefits as family-related assistance, but as maternity benefits.

Plus, many countries still lack standardised terminology in referring to such issues. Once again, the difficulties in creating this type of European database in many ways reflect

the realities of national social policies. They also reveal the necessity to further align these different systems.

In some states, individual functions are overblown by a range of special, exceptional and supplementary provisions. As such, it is often extremely difficult to make the thrust of the provisions and structures clear to the user. The more flexible form of presenting a database, now available in its new edition and regularly updated, has the advantage that individual conditions, changes and reclassifications can be portrayed more or less as they happen.

Social policy is increasingly important in a Europe facing the urgency of continuing the peaceful integration of people and nations throughout the continent. It shapes and decides all other policy fields, and will be instrumental in future success.



32 Introduction

Thus, extending the spotlight beyond our national border to look at conditions in neighbouring countries is a key component of policy information, particularly in regard to social affairs. In this context, the “Social Security Compass for Europe” from the Federal Ministry of Labour and Social Affairs is designed to make a lasting contribution in its dual role as both a database/online publication and informational brochure/PDF, along with its companion publications and resources.

Country abbreviations

The following abbreviations are used for the 28 European Union member nations in the tables in this brochure:

Abbr.	Country	Abbr.	Country
AT	 Austria	IT	 Italy
BE	 Belgium	LV	 Latvia
BG	 Bulgaria	LT	 Lithuania
HR	 Croatia	LU	 Luxembourg
CY	 Cyprus	MT	 Malta
CZ	 Czech Republic	NL	 Netherlands
DK	 Denmark	PL	 Poland
EE	 Estonia	PT	 Portugal
FI	 Finland	RO	 Romania
FR	 France	SK	 Slovakia
DE	 Germany	SI	 Slovenia
EL	 Greece	ES	 Spain
HU	 Hungary	SE	 Sweden
IE	 Ireland	UK	 United Kingdom

Source: <http://publications.europa.eu/code/de/de-370100.htm>



A person in a dark blue t-shirt is walking away from the camera on a paved sidewalk. They are carrying a large white bag over their shoulder and a European Union flag. The background is blurred, showing a street scene with buildings and trees. The text is overlaid on a white rectangular area in the lower half of the image.

Part I

Social Security in Europe

The Europe of the 28 is doing more and more to shape its social dimension. People in Germany are experiencing a very different Europe in 2015 than they did just a few decades ago: a single currency, almost non-existent national borders, free movement on the labour market, common cornerstones in economic policy, and increasingly aligned security and foreign policies. All of these aspects and many more impact the everyday lives and self-images of people in Germany and throughout all of the European Union.



Fundamental Social Rights in Europe

Studying in the United Kingdom, working and living in France, popping across the border to shop in Poland, Denmark or Luxembourg: people in Europe can opt to do any of these things with the least of difficulty. Now boasting some 28 member states, Europe is far more cohesive and is increasingly viewed by those outside the EU as a common policy, economic and social area. As citizens of the member states, we are all citizens of Europe.

For over 60 years, people in Europe have worked hard to foster the process of European unification following the devastating experiences of World War II. The increasing integration of member states, cultures, economic systems and community life is now seen as an irreversible trend helping to guarantee peace, freedom, wealth and social security for the peoples of Europe. The desire of other European countries to grow closer to and collaborate with the European Union on issues of economics, security policy, labour policy and freedom shows how attractive the EU is and emphasises its growing significance in the world today.

Peace in Europe

The great expansions of the European Union in 2004 and 2007 and the entry of Croatia in 2013 gave European integration a new focus. Europe is a political construct which reconciles old differences, makes borders disappear, and creates new structures in many areas of life. The countries of Europe benefit from one another, but at the same time they are more dependent on each other than ever before.

Europe's journey has been long and not always easy, and there are still many challenges to be faced. What the history of European unification shows is the early juncture at which the desire was expressed for a supranational order to oversee Europe's nations and their peoples.

Great philosophers and poets have paved the way for a unified Europe since the 17th century, and their words were repeatedly heard. Among them were Englishman William Penn with "An Essay Towards the Present and Future Peace of Europe" (1682),



and Frenchman Abbé de Saint-Pierre with his “Project for an Everlasting Peace in Europe” (1712), who then influenced the philosophers Jean-Jacques Rousseau and Immanuel Kant.

Many poets spoke out in favour of European cohesion in the 19th century. Examples include Wieland and Novalis on the German side, and Victor Hugo on the French. They mainly saw the opportunity for lasting political peace in a Europe whose foundations lay in social peace.

United States of Europe?

Directly after World War II, British Prime Minister Winston Churchill revived and cemented this vision in a speech he gave in September 1946: “If Europe were once united in the sharing of its common inheritance, there would be no limit to the happiness, to the prosperity and glory which its three or four hundred million people would enjoy. We must build a kind of United States of Europe. In this way only will hundreds of millions of toilers be able to regain the simple joys and hopes which make life worth living.”¹

Just years later, in Paris in 1951, the European Coal and Steel Community (ECSC) was founded following a proposal by French Foreign Minister Robert Schuman. The ECSC, which has since been disbanded, is seen as the prototype for the European Economic Community (EEC). German Chancellor Konrad Adenauer had been quick to take up the French proposal because the primary task after World War II was to secure peace in Europe by achieving economic integration

¹ <http://www.churchill-society-london.org.uk/astonish.html>

between its peoples. Of equal importance was, however, the hope of achieving social justice and prosperity for all.

People on both sides of the Rhine River and across Europe as a whole began to focus on their common roots and traditions as they set about creating a borderless area for work and prosperity.

It was in 1957, when the European Economic Community (EEC) was founded with the signing of the Treaties of Rome by the six member states of the ECSC – Germany, France, Italy, Belgium, the Netherlands and Luxembourg – that Konrad Adenauer spoke his now famous words: “The unity of Europe was the dream of a few. It became the hope of many. Today it has become a necessity for all.”

The European Community (EC), which took in the EEC, the ECSC and the European Atomic Energy Community (EURATOM) and later became the European Union (EU), was expanded several times – in 1973, 1980, 1986, 1994, 2004, 2007 and, most recently, 2013 – and now comprises 28 member states. The accession of new states met both hopes and needs.

Common social policy: The beginnings

Nonetheless, back in 1957, the German Chancellor had already stressed that while Europe needed alignment in many policy areas, and harmonisation in some, such actions never could or should replace national responsibility or independence: “European integration should not be rigid but as flexible as we can possibly make it. It should not be a straightjacket for the people of Europe but should be their common mainstay, a common support for the healthy, individual development of each of them. The institutions I have in mind need not all be

supranational in character; let us choose forms of integration which will not discourage any nation from joining. On the other hand, the functions and the efficacy of such a federation should not be subject to the will or the alleged interests of any single one of its members. I am convinced that it will be possible to find a middle course between these two extremes.”²

Although social policy remains a fundamental responsibility of the member states, leanings towards a common social policy were evident as early as in the Treaties of Rome. The Treaty Establishing the European Coal and Steel Community (ECSC) in 1951 contained social policy provisions, as did the EEC Treaty in 1957 which also took in the improvement of working and living conditions as a goal of European integration.

The EEC received only marginal social policy authority in the early days. The only provisions involved “freedom of

² Konrad Adenauer, 25 September 1956 in Brussels



42 Social Security in Europe

movement for workers” (in Article 48 of the Treaty of Rome – now Article 45 of the Treaty on the Functioning of the European Union (TFEU), with “measures ... to bring about ... freedom of movement for workers” (Article 49 Treaty of Rome, now Article 46 of the TFEU), and in Article 51 of the Treaty of Rome (now Article 48 of the TFEU), the “system to ensure entitlements and services”, which states that: “The Council shall, acting unanimously on a proposal from the Commission, adopt such measures in the field of social security as are necessary to provide freedom of movement for workers.” Finally, equal pay for women and men (Article 119 Equal Pay) was secured in the Treaty of Rome (now Article 157 of the TFEU).

Promoting dialogue

Because the EEC member states were largely responsible for their own social policy, the task of the EEC was to promote cooperation and coordination between them. The establishment of the European Social Fund (ESF) was agreed as part of the EEC Treaty to facilitate this process. The ESF served to promote measures towards vocational education and training, retraining, and job creation in post-war Europe.

The European Social Fund was formally set up four years later, in 1961. While its primary objective was to increase employment rates, this objective was repeatedly realigned to meet prevailing needs. In the initial years, the issue of labour migration within Europe was the main area of focus. It was the time of the “economic miracle” in the then West Germany, and many “guest workers” flocked there from neighbouring countries.

Later, the European Social Fund focused strongly on combating unemployment among young people and low-skilled workers. But it took many steps, small and large, and many more years before the European social area took on the form we know today.³ The first European Social Budget was presented in 1974, some 13 years after the ESC was founded.

The European Social Charter

The European Council also adopted the European Social Charter in 1961, at an official ceremony in Turin on 18 October. Entering into force in 1965, the Charter's purpose was to protect fundamental economic and social rights. Articles 1 to 19 of the European Social Charter set out fundamental rights concerning:

- The right to work
- The right to just conditions of work
- The right to safe and healthy working conditions
- The right to a fair remuneration
- The right to organise
- The right to bargain collectively
- The right of children and young persons to protection
- The right of employed women to protection
- The right to vocational guidance
- The right to vocational training
- The right to protection of health
- The right to social security
- The right to social and medical assistance
- The right to benefit from social welfare services

³ Eichenhofer 2007, pp. 68-96

44 Social Security in Europe

- The right of physically or mentally disabled persons to vocational training, rehabilitation and social resettlement
- The right of the family to social, legal and economic protection
- The right of mothers and children to social and economic protection
- The right to engage in a gainful occupation in the territory of other Contracting Parties
- The right of migrant workers and their families to protection and assistance

Many years later, in the preamble to the Single European Act (SEA) of 1987, the member states referred to the fundamental rights set out in the Social Charter, notably freedom, equality and social justice. This reference can also be found in the preamble to the Treaty on the European Union. The European Court of Justice (ECJ) also refers repeatedly to the Social Charter in its judgements.⁴

Social policy case law

Along with the Convention for the Protection of Human Rights and Fundamental Freedoms signed in Rome in 1950, the Social Charter served the ECJ as a template and benchmark for its judgements. They later provided the model for much of the EU Charter of Fundamental Rights, which was introduced with official ceremony⁵ in 2000 and became binding when the Treaty of Lisbon entered into force.

⁴ See www.eufis.de

⁵ Stefan Hobe, Otto Kimminich, Einführung in das Völkerrecht 2008, p. 448.



But until the adoption of the first social policy action program, social policy was really restricted to the European Social Fund. The Social Policy Action Program was subsequently adopted by the European Council (the highest decision-making body in the EU, whose summit meetings gather the heads of state and government from countries in the European Union) in Paris in 1974. In the mid-1970s, European policy focused largely on job protection and safety in the workplace, the promotion of equal employment opportunities for women, and the integration of disadvantaged groups into the labour market. The first equal opportunities directive concerning equal pay for women and men came in 1975.

Initial authority

Apart from the provisions of the EEC Treaty outlined earlier, there was still no specific legal framework around which EEC social policy could be built at this time. Social policy



programmes required unanimous decisions from the Council of the European Community. The Community's social policy authority was then expanded under the Single European Act (SEA) of 1986: With the addition of Article 118a (improvements to the working environment; minimum requirements) by the SEA into the EEC Treaty, the Community received express authority to issue minimum requirements for work safety. And with Article 118b of the EEC Treaty (dialogue between management and labour), the Commission was able to promote dialogue between employers and the unions at the EU level.⁶

More important again was the discussion on the “social dimension” of the EC, which was set in motion under the SEA in connection with the single market project. Once the single market was in place, European integration accelerated and numerous barriers between the national markets fell away. There were, however, concerns – especially among the unions – that this could weaken social protection.

The European Council specifically stressed the connection between economic progress and social organisation two years later. At this 1988 summit in Hanover, the fundamental decision was made that common social policy should not result in cuts in social services. This policy statement laid the foundations for further decisions by the European Council, in which the Community gave social issues the same status and value as economic matters.

⁶ Däubler, in: Weidenfeld 2004a, p. 275

The new Social Charter of 1989

The European Community (EC) agreed on a more comprehensive social focus in 1989 with the adoption of the EU Charter on Fundamental Social Rights, also known as the “social charter”. The new social charter was a key step on the road to converging the social systems in the member states. Workers’ rights were laid down in twelve chapters, ranging from freedom of movement vocational education and training, occupational safety and health, to the integration of people with disabilities into society and the labour market. The social charter eventually provided major impetus for EU legislation.

Along with the clear advancements in occupational safety and health and in the achievement of equal opportunities, the adoption of the Directive on the European Works Council during Germany’s EU presidency in 1994 sent out a far-reaching message. It contained employees’ rights to information and consultation in companies operating in more than one EU country.

From then on, European social policy was clearly a core area of EU policy in general. This trend can be seen in the action programmes of the European Commission on implementing the social charter and the adoption of a canon of central workers’ rights in the EU Charter of Fundamental Rights.

The journey towards the EU Charter of Fundamental Rights

At the initiative of the German government, the European Council in Cologne in June 1999 gave a mandate to the specially convened European Convention to develop a European Charter of Fundamental Rights. In just under a year, they drew up a draft charter which then formed the basis for the European Social Charter mentioned earlier. Headed by the then German president Roman Herzog, the convention comprised a number of government representatives, but was largely made up of members of what were then the fifteen national parliaments of the EU member states along with members of the European parliament. The German Bundestag and Bundesrat (upper and lower houses of parliament) each had one representative.

The EU Charter of Fundamental Rights was announced in an official ceremony at the EU Council Summit in Nice on 7 December 2000 by the presidents of the European Parliament, the EU Council and the EU Commission.⁷ It became binding in 2009 with the entry into force of the Treaty of Lisbon.

Another convention met in spring 2002 under the chairmanship of former French President Giscard d'Estaing. The Convention on the Future of Europe, or the European Convention, was organised with the aim of propose EU reform and an EU constitution. In an official ceremony held in Rome on 29 October 2004, the EU Treaty establishing a constitution for Europe (EU Constitution) was signed by the heads of state and government of the EU member states.

⁷ See: Thomas Läufer, *Der Vertrag von Nizza*, 2004, pp. 199



It was to have entered into force on 1 November 2006, and the Charter on Fundamental Rights drawn up by the convention was to be an integral part of the treaty. Germany supported this goal. However, with the EU Constitution referenda held in France (May 2005) and the Netherlands (June 2005), the ratification process began to falter and the treaty did not pass into legislation (at least not at first).

This did not, however, mean that the project designed to make fundamental rights legally binding was put away and forgotten about. At the Brussels Summit in June 2006, the heads of state and government of the 25 EU member states agreed to resurrect the debate on the EU constitution under Germany's presidency of the EU Council in the first half of 2007.

Finally, the heads of state and government of the now 27 EU member states signed and adopted the Treaty of Lisbon on 13 December 2007, which as an international agreement between the EU member states reformed both the Treaty on the European Union (EU Treaty) and the Treaty Establishing the European Community (EC Treaty). The Treaty of Lisbon subsequently entered into force in December 2009.

Along with the treaty, the EU Charter of Fundamental Rights and the workers' rights it contained also became binding. With a reference in Article 6 of the EU Treaty in the version amended by the Treaty of Lisbon, the Charter was declared binding for all member states with the exception of the United Kingdom and Poland. In 2009, the European Council agreed with the Czech Republic that this opt-out clause would be extended to cover the Czech Republic by means of a supplementary protocol which was to be ratified with the next reform of the treaty.

Thus, after the failure of the Treaty Establishing an EU Constitution, the EU Charter of Fundamental Rights entered into force on 1 December 2009 along with the Treaty of Lisbon. The Charter is thus legally binding.

Advancements in social policy with the Treaties of Maastricht and Amsterdam

Still, despite the various debates on a European constitution, European social policy had progressed in many areas. Most notable are the Treaty of Maastricht (1992) and the Treaty of Amsterdam (1997). At the same time, these treaties broadened the decision-making authority of the European Council (with

a clear majority), taking it beyond pure occupational safety and health.⁸ Another outcome was that the European Parliament would no longer be consulted, but would be included in decision making. Since then, a majority vote has determined working conditions, instruction and consultation of employees, and vocational integration and equal opportunities for women and men in the labour market.

Areas such as social security and social protection of workers, and the collective representation of employers and employer interests must, however, be agreed by unanimous decision of the EU Council; remuneration, and the right to form a coalition, and to strike and lock-out remain the responsibility of the member states.

With the Treaty of Amsterdam, the concept of a minimum standard was confirmed as an overarching social policy structure. It also fostered social dialogue, giving the European social partners the opportunity, by means of self-initiated agreements, to play the part of EU legislator (right of way for the social partners).

The Treaty of Amsterdam also provided a new option which allowed a qualified majority to agree measures to combat social exclusion and, with a unanimous vote, to enact legislation against discrimination. This legal framework gave rise to four EU antidiscrimination laws between 2000 and 2003. Germany transposed these into national law with a single General Act

⁸ On this and the development of EU social policy from Maastricht to Amsterdam, see Otto Schulz, *Maastricht und die Grundlagen einer Europäischen Sozialpolitik*, Köln, Berlin, Bonn, München 1996, and *ibid.*, *Grundlagen und Perspektiven einer Europäischen Sozialpolitik*, 2003

on Equal Treatment (Allgemeines Gleichbehandlungsgesetz, or AGG). The Act bans discrimination – both under labour law and civil law – on grounds of race, ethnic origin, gender, age, disability or sexual preference. Under labour law the ban also takes in discrimination on grounds of religious beliefs or world view. This principle of non-discrimination (or equal treatment) is a key EU principle and a driving force in the development of EU law.

Of particular importance is the chapter on employment, which has been part of the Treaty on the Functioning of the European Union (TFEU) (Articles 145-150) since 1 December 2009 and has since proven invaluable. It paved the way for a coordinated European employment strategy which the European Council – from Luxembourg (1997) via Cologne (1999) and Lisbon (2000) to Laeken (2002) – linked ever-more closely to vocational education and training, further education and training, and lifelong learning. The Community has since followed this line unflinchingly with the core aim of safeguarding existing jobs and creating new ones.

As early as 2001, the Treaty of Nice had consolidated all EU social policy. Like EU law in total (known as *acquis communautaire*), it had to be adopted – including by the new member states emerging from the various expansion talks – and transposed into national law.

Building a social Europe

Building a social Europe involved a long journey with many stages, obstacles and advancements. This journey stretched across half a century: from the European Social Charter adopted by the European Council in Turin in 1961 to the EU



Charter on Social Fundamental Rights for Workers of 1989, to the integration of fundamental socio-political principles into the EU Charter of Fundamental Rights (EU Fundamental Rights Charter of 2000), and its entry into force under the Treaty of Lisbon on 1 December 2009.

This success is a visible expression of the joint will of the European Parliament, the European Council and the European Commission. An ongoing strengthening of Europe's social dimension is vital to further cohesion of its peoples and nations, and for lasting acceptance of common policy-making

institutions. The European economic and monetary union needs a social pillar.

Economy and welfare

At the European Council Summit in Brussels in 2006, the heads of state and government agreed to resurrect the “Lisbon Strategy” objective defined in 2000: By 2010, the EU was to become the most competitive and dynamic economic area in the world, and this was to be achieved through innovation, the creation of a knowledge society and social cohesion. Conditions for young people were a primary focus.

Specific benchmarks were set for these goals: The number of people leaving school prematurely was to be cut to 10 percent. Another requirement was to create clear opportunities for 85 percent of 22-year olds in the EU, meaning that they should have completed upper secondary education. Another ambitious goal was to provide every unemployed school leaver with a job, an apprenticeship, enrolment in continuing education and training, or other relevant measures to prepare them for the working world by the end of 2007.

Convergence of the welfare systems

The structure of the European economic and monetary union also brought about a convergence in welfare systems, particularly with regard to employment and social law in the Community. Unlike EU economic and monetary policy, this was not about harmonising or aligning the various national social systems. Instead, the goal in the European social area was and had to be far-reaching coordination, or a convergence

in the systems. That this goal took on a new meaning with the eastward expansion of the EU goes without saying.

It is, however, fully evident that this convergence cannot occur in all areas of EU social policy at the same pace and to the same extent. Europe's strength lies in its diverse histories, cultures, languages, and national traditions. Any levelling out of this diversity in the name of harmonisation would be wrong.

United in diversity. This applies to the whole of Europe, and especially to social policy. Achieving greater unity while retaining and strengthening the diversity of the very different social lifestyles also means applying and enforcing the subsidiarity principle when putting EU social law into practice.

Self-initiative before state intervention: The subsidiarity principle

The principle of subsidiarity places self-initiative before state intervention. Where state responsibilities are concerned, the subordinate, local instances such as cities, municipalities and communities must take responsibility for solving problems and implementing measures. If the subordinate level is able to tackle the problems and responsibilities independently, it should do so in line with the notion of subsidiarity. It is, however, vital that the smallest entity in the chain is not over-challenged – the overarching level must provide support when needed.

The subsidiarity principle is thus part of the framework on which the European Union is built. It helps leave fundamental decisions to the member states and restricts the EU bodies to addressing the main issues in EU legislation. In so doing, it helps avoid bureaucracy.

In line with the notion of subsidiarity, EU social policy provisions must be carried by an inner necessity which justifies making them binding for the now 28 member states.



United in diversity

Unity in diversity is the backdrop against which progress in achieving social standards in Europe must be evaluated. In this regard, the greatest advancements have been made in occupational safety and health, including employment protection. Minimum standards have been agreed and laid down in numerous directives and regulations.

This has also given new impetus to the enforcement of equality between women and men in the workplace and the labour market. Generally referred to as “gender mainstreaming”, gender equality has become a broad-based principle in general policymaking within the member states (see Article 8 of the TFEU), and thus in social and employment policy. Worthy of note in this regard are the national action plans introduced by the European Council in Luxembourg in 1997, which must be revised annually based on employment policy regulations issued by the EU.

The EU has also achieved a number of impressive victories in the field of labour law, which usually requires unanimous decisions. These include the adoption – after almost 30 years of debate on co-determination – of a Directive on the Statute for a European Company concerning the involvement of employees (2001) and the revised version of the European Works Councils Directive (2009). This significantly boosts the rights of workers in companies with cross-border operations.

Europe has already become an economic union with a single currency valid in many member states. Unity in diversity and the convergence of the social systems in Europe also mean that two specific issues are becoming more important as Europe continues to grow more closely together:

First, Europe needs to think about securing the social protection systems which are being put to the test in all member states.

Second, it is necessary to promote the exchange of information and best practice models between the member states – a growing focus across Europe today. Much can be done here without having to interfere with the structures of the various social systems.

The “Open Method of Coordination”

One of the tasks of the Social Protection Committee (SPC), founded in 2000, is to modernise the social systems at the European level. The aim is to learn from one another – how to best plan reforms in pension and healthcare policy in the face of demographic changes, how to develop shared goals, and how to use indicators to monitor the achievement of these objectives.

The so-called “Open Method of Coordination” (OMC) provides the necessary policy tools and action framework. At the EU Summit in Lisbon in March 2000, the European Council introduced a new procedure for European cooperation in economic, financial and social policy. For the first time, this “Open Method of Coordination” aimed to achieve greater

60 Social Security in Europe

cooperation between the member states in order to exchange experience and best practice methods in social protection, and to learn from one another.

In this connection, and in consideration of national responsibilities, various social policy areas are evaluated using jointly agreed goals and indicators. The member states are provided with instruments with which they can attempt to solve their common problems together.

The open coordination of social policy is used in three areas: social integration (since 2000), security in old-age (2001), and healthcare and long-term care (2004). The social goals were also



revised and consolidated with the review of the Lisbon Strategy in 2005. Since 2006, these have formed the OMC framework for social protection and social integration:

1. Alleviation of poverty and social exclusion;
2. Securing reasonable and sustainable pensions, and
3. Providing accessible, qualitative and sustainable healthcare provision and long-term care

The OMC for social protection and social integration has had a positive impact: Social dialogue and the involvement of many players have increased at the European level, and there is a heightened awareness of social problems across Europe. OMC has also helped encourage balanced discussions of the financial sustainability and current and future adequacy of pensions and provisions for the elderly in light of the sociodemographic trends and macroeconomic risks involved.

European Globalisation Adjustment Fund (EGF)

In December 2006, the EU heads of state decided to establish a “European Globalisation Adjustment Fund 2014-2020”. This fund provides support to people who lose their jobs as the result of the globalisation of the business world.⁹

Support is available for people who lose their jobs in major dismissals - generally at least 500 at a time - as well as those who lose or leave their positions as the result of major restructuring in world trade patterns due to globalisation or global financial

⁹ See: Der Europäische Globalisierungsfonds in Deutschland: Eine Untersuchung und Bewertung seiner Umsetzung und Potenziale, Forschungsbericht 426, BMAS, Berlin 2012

62 Social Security in Europe

and economic crises. It applies to employees as well as self-employed people.

Participants in EGF initiatives benefit from additional offers in labour market policy, such as further training and coaching. The aim is to help people find and accept a new position in the labour market, or to make them more employable. So far, around 30,000 beneficiaries have received support from the fund across the entire European Union. Up to 150 million euros are available for EGF projects each year during the second funding period, which runs from 2014-2020.



Europe 2020

The Europe 2020 Strategy for intelligent, sustainable and integrated growth, the successor to the Lisbon Strategy, seeks to achieve a greater balance between economic, employment and social policy issues. The goal: To bring at least 20 million Europeans out of poverty and social exclusion by 2020. The employment rate of people ages 20 to 64 should be increased to 75 percent. The European platform against poverty and social exclusion has supported the Europe 2020 strategy and Agenda for new skills and jobs since 2010.

This means greater focus on the social dimension of Europe – something emphasised by the new cross-sector social clause in the Lisbon Treaty (Article 9 of the Treaty on the Functioning of the European Union). Here, the open method of coordination offers numerous opportunities to show the extent to which sustainable growth, better employment levels, environmental responsibility and social cohesion are mutually dependent as a “magic” policy triangle.

Social protection, social integration and social security are thus a component both of sustainable growth and of employment strategies in a social market economy. In this way, OMC makes it possible to effectively apply the subsidiarity principle in everyday policymaking.



A more cohesive Europe

Learning from our neighbours is not only increasingly important to central policymaking in Brussels and the capitals of the member states. Across Europe, we can all learn from each other if we take a closer look at the answers and solutions our neighbours have found to key social policy issues.

Despite the historical and cultural differences, the problems faced in the various states of the European Union are increasingly similar in many areas. In a globalised world of media, mobility and high-tech communication, work processes – and opportunities in sectors like medicine and social welfare – are converging as a matter of course and at an ever-increasing pace.

We have observed an apparent paradox in recent European history: since 1990, there has been a “tangible process of convergence” in economic living conditions between the countries of eastern and western Europe, as well as between north and south - despite all of the economic and sociopolitical differences between these regions. “Looking at standard of living and income distribution isn’t enough. The decisive drivers of this progressive alignment resulted primarily from sociocultural similarities that shape the everyday and overall lives of people throughout Europe. These include attitudes about family and gender relations, growing consumerism and increased mobility, which has led Europe to shrink in size.”¹⁰

¹⁰ Wirsching 2012, p. 270

In a globalised world of media, mobility and high-tech communication, work processes – and opportunities in sectors like medicine and social welfare – are also converging almost automatically, often unnoticed, and at an ever-increasing pace.

Cross-border relationships and partnerships are now part of European reality, while mobility within Europe is on the increase. Europe thus continues to become more cohesive, and its people work and live with their European neighbours in an ever-closer alliance.

The situation is similar when seeking answers to the issue of social security in our modern world. The more we know about our neighbours, and the more accurate their answers to topical questions, the better Germany can develop solutions and proposals and plot the course for social policy of the future.

Over time, a glance across the border in the direction of our European neighbours will increasingly be like looking in a large mirror. The reflection we see can teach us a lot: not just about our neighbours, but about ourselves.





EU Charter of Fundamental Rights

The EU Charter of Fundamental Rights was introduced in 2000 with official ceremony; in an amended version it later became an integral component of the Lisbon Treaty and was thus made binding. The Charter comprises a preamble and some 54 articles distributed across seven chapters and was published in the Official Journal of the European Union on 30 March 2010 (O.J. C83/389). The chapters are entitled Dignity, Freedoms, Equality, Solidarity, Citizens' Rights, Justice, and General Provisions. The protection of human dignity as a fundamental right in Article 1 is very similar to the provision in the Basic Law of the Federal Republic of Germany which states that: "Human dignity shall be inviolable. To respect and protect it shall be the duty of all state authority." This integration of key social rights emphasises both the social dimension of the EU and the inseparability of fundamental rights. The following sets out the socially focused chapters of the EU Charter of Fundamental Rights.

CHAPTER I HUMAN DIGNITY

- Article 1 [Human Dignity]
Human Dignity is inviolable. It must be respected and protected.
- Article 2 [Right to Life]
- Article 3 [Right to Integrity of the Person]
- Article 4 [Prohibition of torture and inhuman or degrading treatment or punishment]
- Article 5 [Prohibition of slavery and forced labour]

CHAPTER II FREEDOMS

- Article 6 [Right to liberty and security]
- Article 7 [Respect for private and family life]
- Article 8 [Protection of personal data]
- Article 9 [Right to marry and right to found a family]
- Article 10 [Freedom of thought, conscience and religion]
- Article 11 [Freedom of expression and information]
- Article 12 [Freedom of assembly and of association]
- Article 13 [Freedom of the arts and sciences]
- Article 14 [Right to education]
(1) Everyone has the right to education and to have access to vocational and continuing training.
(2) This right includes the possibility to receive free compulsory education.
(3) The freedom to found educational establishments with due respect for democratic principles and the right of parents to ensure the education and teaching of their children in conformity with their religious, philosophical

and pedagogical convictions shall be respected, in accordance with the national laws governing the exercise of such freedom and right.

Article 15 [Freedom to choose an occupation and right to engage in work]

(1) Everyone has the right to engage in work and to pursue a freely chosen or accepted occupation.

(2) Every citizen of the Union has the freedom to seek employment, to work, to exercise the right of establishment and to provide services in any Member State.

(3) Nationals of third countries who are authorised to work in the territories of the Member States are entitled to working conditions equivalent to those of citizens of the Union.

Article 16 [Freedom to conduct a business]

The freedom to conduct a business in accordance with Community law and national laws and practices is recognised.

Article 17 [Right to property]

(1) Everyone has the right to own, use, dispose of and bequeath his or her lawfully acquired possessions. No one may be deprived of his or her possessions, except in the public interest and in the cases and under the conditions provided for by law, subject to fair compensation being paid in good time for their loss. The use of property may be regulated by law in so far as is necessary for the general interest.

(2) Intellectual property shall be protected.

Article 18 [Right to asylum]

Article 19 [Protection in the event of removal, expulsion or extradition]

CHAPTER III EQUALITY

Article 20 [Equality before the law]

Article 21 [Non-discrimination]

(1) Any discrimination based on any ground such as sex, race, colour, ethnic or social origin, genetic features, language, religion or belief, political or any other opinion, membership of a national minority, property, birth, disability, age or sexual orientation shall be prohibited.

(2) Within the scope of application of the Treaty establishing the European Community and of the Treaty on European Union, and without prejudice to the special provisions of those Treaties, any discrimination on grounds of nationality shall be prohibited.

Article 22 [Cultural, religious and linguistic diversity]

Article 23 [Equality between men and women]

Equality between men and women must be ensured in all areas, including employment, work and pay. The principle of equality shall not prevent the maintenance or adoption of measures providing for specific advantages in favour of the under-represented sex.

Article 24 [The rights of the child]

Article 25 [The rights of the elderly]

Article 26 [Integration of persons with disabilities]

The Union recognises and respects the right of persons with disabilities to benefit from measures designed to ensure their independence, social and occupational integration and participation in the life of the community.

CHAPTER IV SOLIDARITY

Article 27 [Workers' right to information and consultation within the undertaking]

Workers or their representatives must, at the appropriate levels, be guaranteed information and consultation in good time in the cases and under the conditions provided for by Community law and national laws and practices.

Article 28 [Right of collective bargaining and action]

Workers and employers, or their respective organisations, have, in accordance with Community law and national laws and practices, the right to negotiate and conclude collective agreements at the appropriate levels and, in cases of conflicts of interest, to take collective action to defend their interests, including strike action.

Article 29 [Right of access to placement services]

Everyone has the right of access to a free placement service.

Article 30 [Protection in the event of unjustified dismissal]

Every worker has the right to protection against unjustified dismissal, in accordance with Community law and national laws and practices.

Article 31 [Fair and just working conditions]

(1) Every worker has the right to working conditions which respect his or her health, safety and dignity.

(2) Every worker has the right to limitation of maximum working hours, to daily and weekly rest periods and to an annual period of paid leave.



Article 32 [Prohibition of child labour and protection of young people at work]

The employment of children is prohibited. The minimum age of admission to employment may not be lower than the minimum school-leaving age, without prejudice to such rules as may be more favourable to young people and except for limited derogations.

Young people admitted to work must have working conditions appropriate to their age and be protected against economic exploitation and any work likely to harm their safety, health or physical, mental, moral or social development or to interfere with their education.

Article 33 [Family and professional life]

(1) The family shall enjoy legal, economic and social protection.

(2) To reconcile family and professional life, everyone shall have the right to protection from dismissal for a reason connected with maternity and the right to paid maternity leave and to parental leave following the birth or adoption of a child.

Article 34 [Social security and social assistance]

(1) The Union recognises and respects the entitlement to social security benefits and social services providing protection in cases such as maternity, illness, industrial accidents, dependency or old age, and in the case of loss of employment, in accordance with the rules laid down by Community law and national laws and practices.

(2) Everyone residing and moving legally within the European Union is entitled to social security benefits and social advantages in accordance with Community law and national laws and practices.

(3) In order to combat social exclusion and poverty, the Union recognises and respects the right to social and housing assistance so as to ensure a decent existence for all those who lack sufficient resources, in accordance with the rules laid down by Community law and national laws and practices.

Article 35 [Health care]

Everyone has the right of access to preventive health care and the right to benefit from medical treatment under the conditions established by national laws and practices. A high level of human health protection shall be ensured in the definition and implementation of all Union policies and activities.

Article 36 [Access to services of general economic interest]

The Union recognises and respects access to services of general economic interest as provided for in national laws and practices, in accordance with the Treaty establishing the European Community, in order to promote the social and territorial cohesion of the Union.

Article 37 [Environmental protection]

A high level of environmental protection and the improvement of the quality of the environment must be integrated into the policies of the Union and ensured in accordance with the principle of sustainable development.



Article 38 [Consumer protection]
Union policies shall ensure a high level of
consumer protection.

CHAPTER V CITIZENS' RIGHTS

Article 39 [Right to vote and to stand as a candidate at elections to the European Parliament]

Article 40 [Right to vote and to stand as a candidate at municipal elections]

Article 41 [Right to good administration]

Article 42 [Right of access to documents]

Article 43 [Ombudsman]

Article 44 [Right to petition]

Article 45 [Freedom of movement and of residence]

(1) Every citizen of the Union has the right to move and reside freely within the territory of the Member States.

(2) Freedom of movement and residence may be granted, in accordance with the Treaty establishing the European Community, to nationals of third countries legally resident in the territory of a Member State.

Article 46 [Diplomatic and consular protection]

CHAPTER VI JUSTICE

Article 47 [Right to an effective remedy and to a fair trial]

Article 48 [Presumption of innocence and right of defence]

Article 49 [Principles of legality and proportionality of criminal offences and penalties]

Article 50 [Right not to be tried or punished twice in criminal proceedings for the same criminal offence]

CHAPTER VII GENERAL PROVISIONS

Article 51 [Scope]

(1) The provisions of this Charter are addressed to the institutions and bodies of the Union with due regard for the principle of subsidiarity and to the Member States only when they are implementing Union law. They shall therefore respect the rights, observe the principles and promote the application thereof in accordance with their respective powers.

(2) This Charter does not establish any new power or task for the Community or the Union, or modify powers and tasks defined by the Treaties.

Article 52 [Scope of guaranteed rights]

(1) Any limitation on the exercise of the rights and freedoms recognised by this Charter must be provided for by law and respect the essence of those rights and freedoms. Subject to the principle of proportionality, limitations may be made only if they are necessary and genuinely meet objectives of general interest recognised by the Union or the need to protect the rights and freedoms of others.

(2) Rights recognised by this Charter which are based on the Community Treaties or the Treaty on European Union shall be exercised under the conditions and within the limits defined by those Treaties.

(3) In so far as this Charter contains rights which correspond to rights guaranteed by the Convention for the Protection of Human Rights

and Fundamental Freedoms, the meaning and scope of those rights shall be the same as those laid down by the said Convention. This provision shall not prevent Union law providing more extensive protection.

(4) In so far as this Charter recognises fundamental rights as they result from the constitutional traditions common to the Member States, those rights shall be interpreted in harmony with those traditions.

(5) The provisions of this Charter which contain principles may be implemented by legislative and executive acts taken by institutions, bodies, offices and agencies of the Union, and by acts of Member States when they are implementing Union law, in the exercise of their respective powers. They shall be judicially cognisable only in the interpretation of such acts and in the ruling on their legality.

(6) Full account shall be taken of national laws and practices as specified in this Charter.

(7) The explanations, drawn up as a way of providing guidance in the interpretation of this Charter shall be given due regard by the courts of the Union and of the Member States.

Article 53 [Level of protection]

Nothing in this Charter shall be interpreted as restricting or adversely affecting human rights and fundamental freedoms as recognised, in their respective fields of application, by Union law and international law and by international agreements to which the Union, the Community or all the Member States are party, including the European

Convention for the Protection of Human Rights and Fundamental Freedoms, and by the Member States' constitutions.

Article 54 [Prohibition of abuse of rights]

Nothing in this Charter shall be interpreted as implying any right to engage in any activity or to perform any act aimed at the destruction of any of the rights and freedoms recognised in this Charter or at their limitation to a greater extent than is provided for herein.





Financing and Structure

Human welfare and personal freedom are unthinkable without a social security system. Social safety nets provide security for citizens throughout the EU. To ensure these are sustainable, they must constantly be adapted to changing conditions. As seen in several member nations, not just in southern Europe, following the global economic and financial crisis, a country's economic situation impacts significantly on welfare budgets and on how social security systems are structured.

The following illustrates very important findings: the 2012 Eurostat database figures show that in terms of revenue – meaning the contributions made by employees and employers, and by the state – the costs involved in providing a social security system vary greatly between the individual countries.

Social protection and social benefits

Furthermore: in order to understand the basis for the tables shown here, it is essential to understand the difference between “social protection” and “social benefits”:

“Social benefits” are expenditures made for the functions listed above. In other words, this refers to the money spent by the state directly received by the beneficiaries (families, retirees, unemployed people, etc.).

In contrast, “social protection” refers to the total revenues and expenditures for social security in EU member nations. It consists of social benefits as well as administrative costs and other expenditures, and is basically funded by contributions from employees, employers and the state.

Example: in 2012, Germany spent around €755 billion for social benefits, and a total of around €785 billion for social protection overall in the same year. A comparison one decade later is also interesting: in 2003, Germany spent €62.9 billion on social benefits, and €65.3 billion on social protection.

The tables on financing social expenditures in part 1 of this publication are generally based on social benefits. Only a few

overviews make reference to social protection in accordance with the available data from Eurostat, e.g. total per capita payments or the percentage share in the gross domestic product.

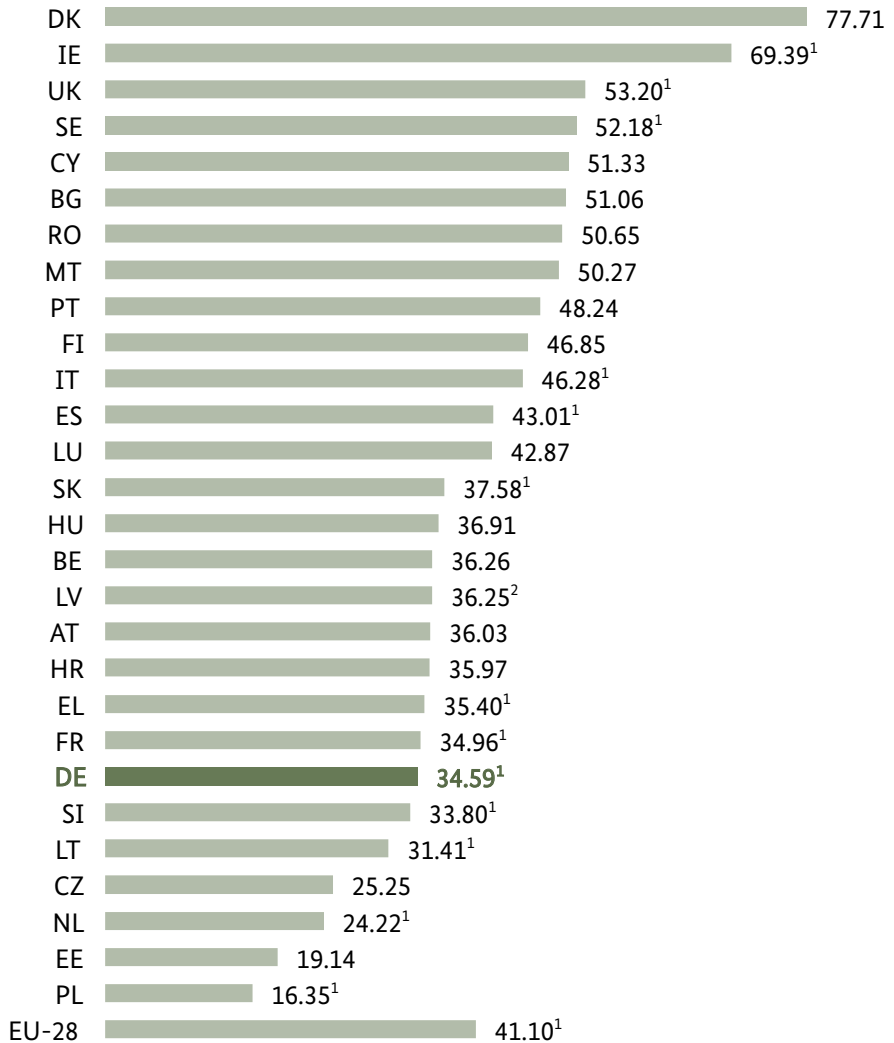
State benefits

The state share in financing the social protection systems, meaning the assistance funded from tax revenue, varies from 77.7 percent in Denmark to Poland at the other end of the table with 16.4 percent, the country with the smallest state share. Denmark is followed by Ireland (69.4 percent), the United Kingdom (53.2 percent), Sweden (52.2 percent) and Cyprus with 51.3 percent. Poland is at bottom of this list, after Estonia with 19.1 percent, the Netherlands with 24.2 percent, and the Czech Republic with 25.3 percent. Germany is in the middle of EU countries with 34.6 percent.

On average, the 28 countries in the European Union spent 41.1 percent of their revenues on state contributions to social protection systems.

General government contributions 2012

% of total receipts



¹ Provisional value

² Estimated value

Data as of July 2015 | Source: Eurostat



Employers' shares

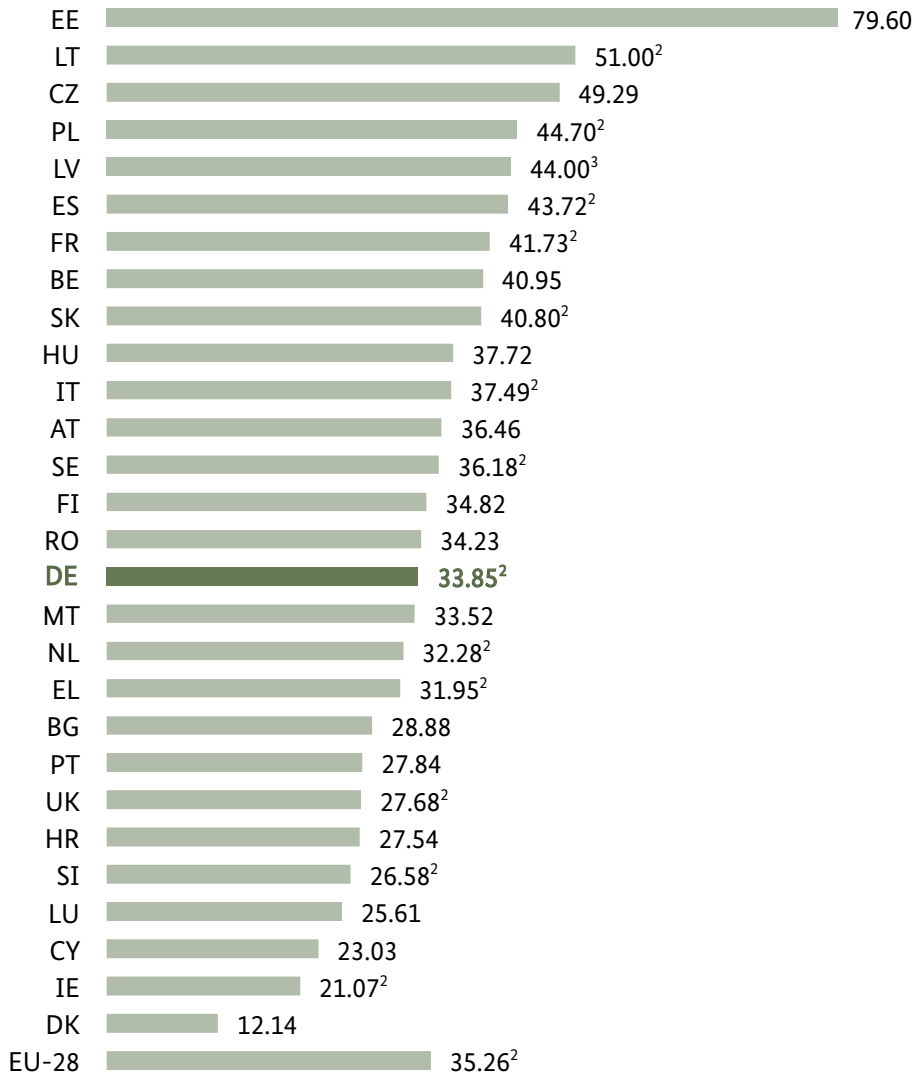
There are significant differences in the employers' share, meaning the contributions regularly paid into the social security systems in connection with gross wages and salaries. Far different from the state contribution list, the leaders in this field are Estonia, Lithuania, the Czech Republic and Poland.

Estonia leads the EU by far, with employers contributing 79.6 percent towards social protection, followed by Lithuania with 51.0 percent, the Czech Republic with 49.3 percent and Poland with 44.7 percent.

At the other end of the scale, employers in Denmark contribute only 12.1 percent followed by Ireland with 21.1 percent and Cyprus with 23.0 percent

Employers' social contribution¹ 2012

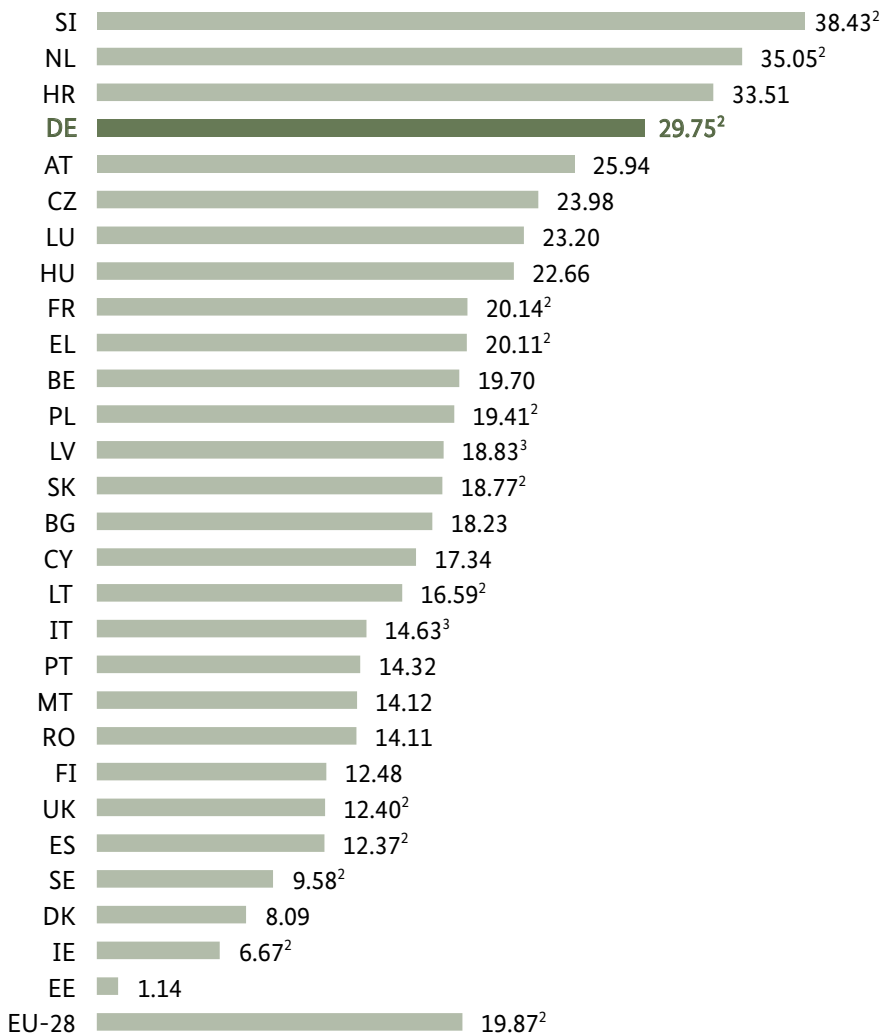
% of total receipts

¹ Including imputed contributions (e.g. for civil servants)² Provisional value | ³ Estimated value

Data as of July 2015 | Source: Eurostat

Employees' social contribution¹ 2012

% of total receipts



¹ Including contributions from self employed persons and pensioners

² Provisional value | ³ Estimated value

Data as of July 2015 | Source: Eurostat

With the EU 28 average at 35.3 percent Germany ranks near the middle with 33.9 percent

Employees' shares

Financial contributions made by employees are also very different throughout the EU. The numbers speak for themselves. With 38.4 percent, 35.1 percent and 33.5 percent respectively, employees in Slovenia, the Netherlands and Croatia pay the biggest share. Denmark (8.1 percent), Ireland (6.7 percent) and Estonia (1.1 percent) make the lowest employee contributions to their social protection funds.

The EU 28 average is 19.9 percent. At 29.8 percent, German employees pay the fourth highest contributions. The United





Kingdom and Spain are significantly lower than the EU average with 12.4 percent. At 20.1 percent, France is slightly above the average for the EU 28.

Social benefit structure in the EU

While the financing systems behind the social security schemes vary greatly, the actual structures seem very similar at first glance. Upon closer examination, however, the differences are quite startling.

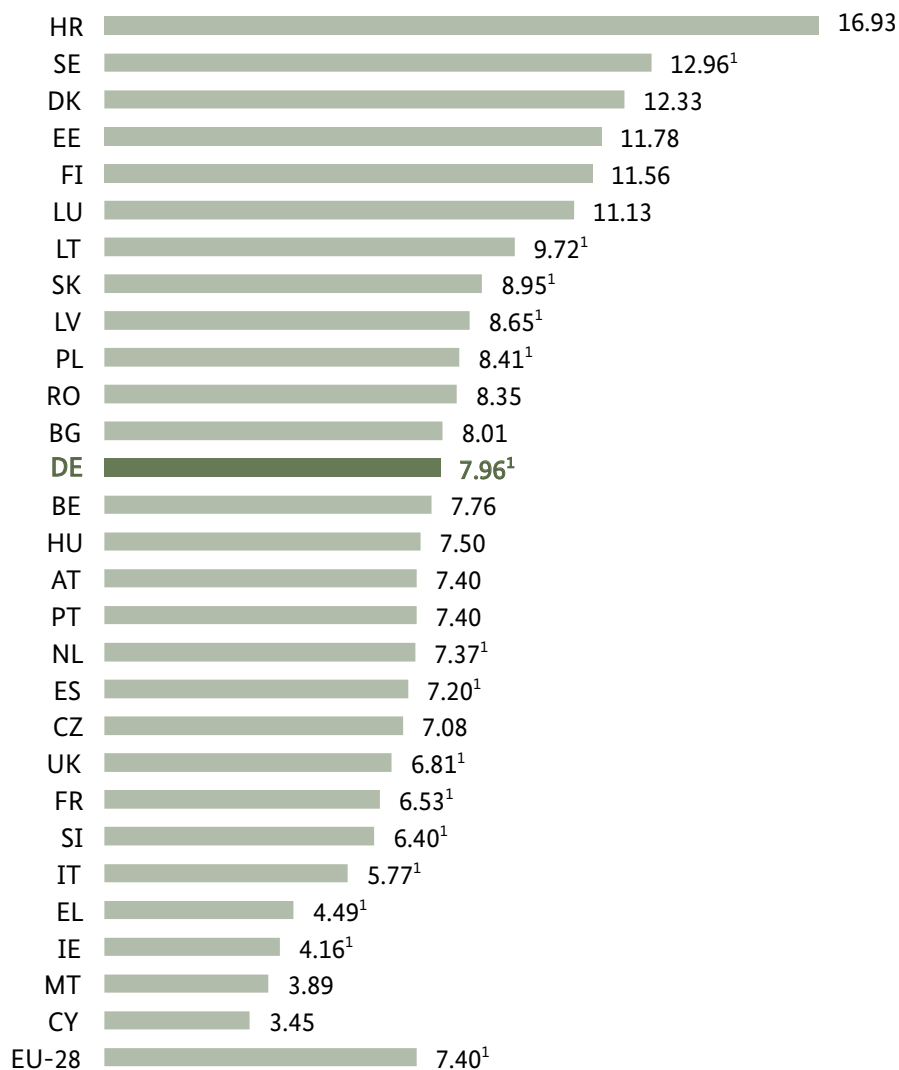
In all countries, expenditures for old age and illness are by far the highest among social benefit payments. In the EU 28 average, the share for old age benefits lies at 40.6 percent, and at 29.6 percent for illness/healthcare provision.

The share of social benefit payments for pensioners in each member state can be arrived at by adding the figures for old age and surviving dependants.

The result shows that with 61.9 percent, Italy ranks highest, followed by Poland with 60.1 percent and Greece with 59.3 percent, while Ireland has the lowest expenditure at 22.3 percent. This is far exceeded by Croatia with 38.0 percent and Luxembourg with 37.9 percent. The EU 28 average in 2012 was 46.2 percent. Germany lies below the average at 40.1 percent.

Social benefits by function 2012: Invalidity

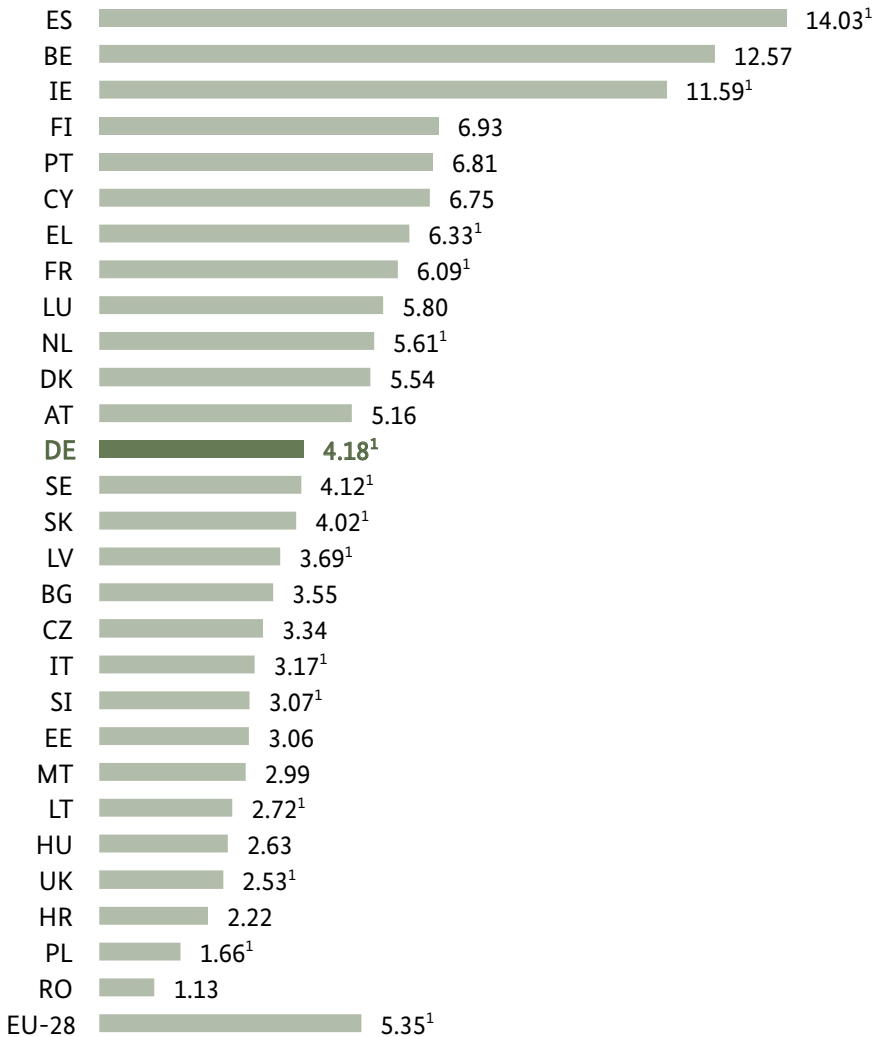
% of total benefits



¹ Provisional value
 Data as of July 2015
 Source: Eurostat

Social benefits by function 2012: Unemployment

% of total benefits



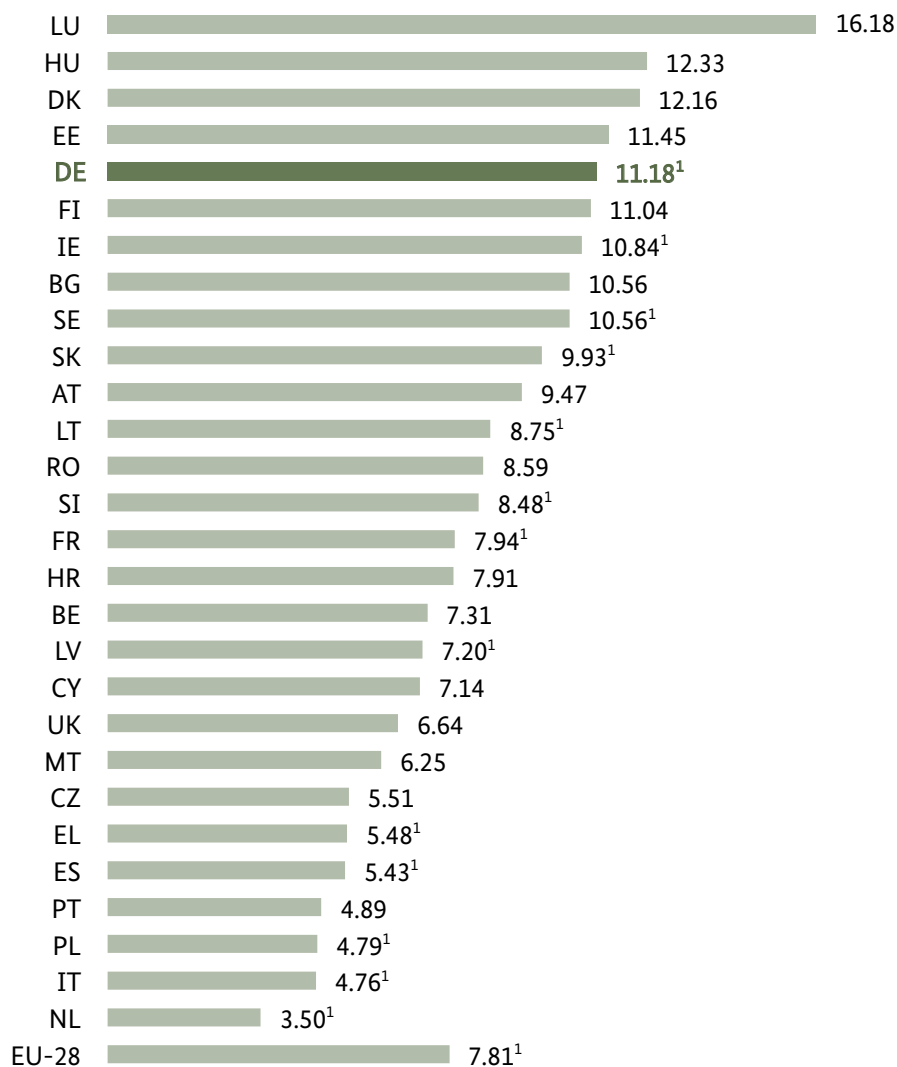
¹ Provisional value

Data as of July 2015

Source: Eurostat

Social benefits by function 2012: Family/Children

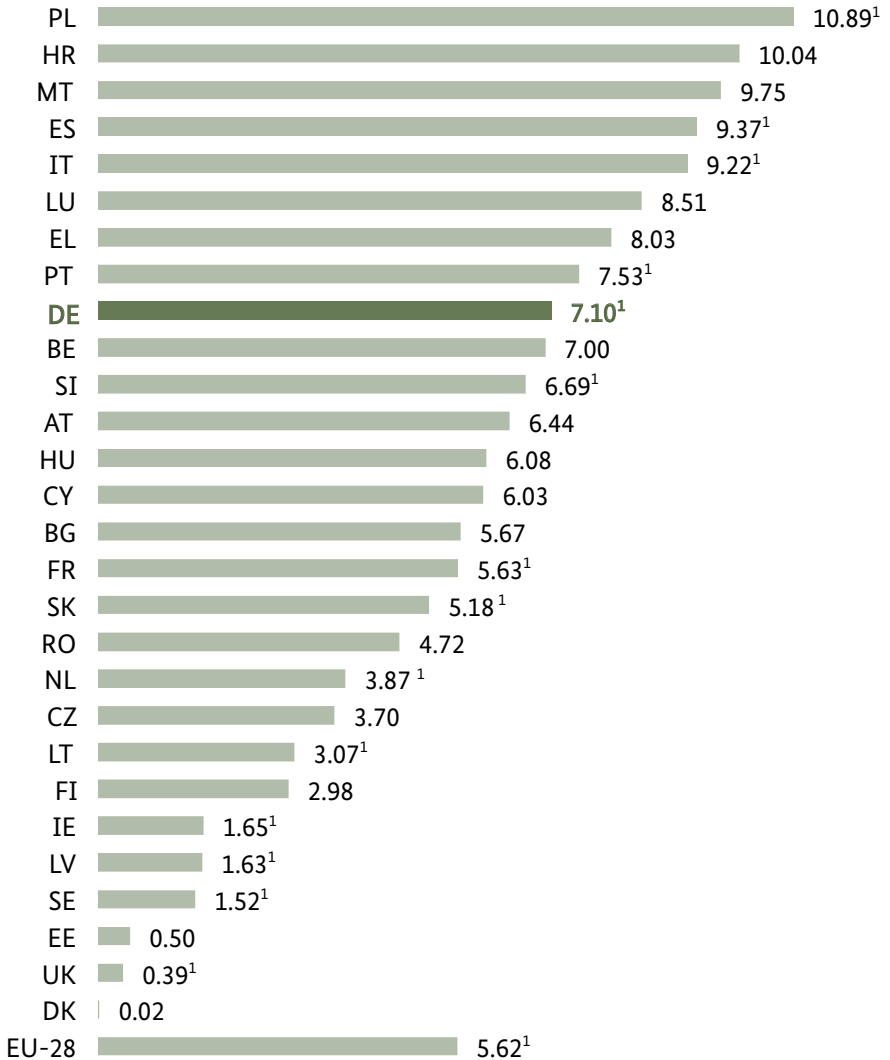
% of total benefits



¹ Provisional value
 Data as of July 2015
 Source: Eurostat

Social benefits by function 2012: Surviving dependants

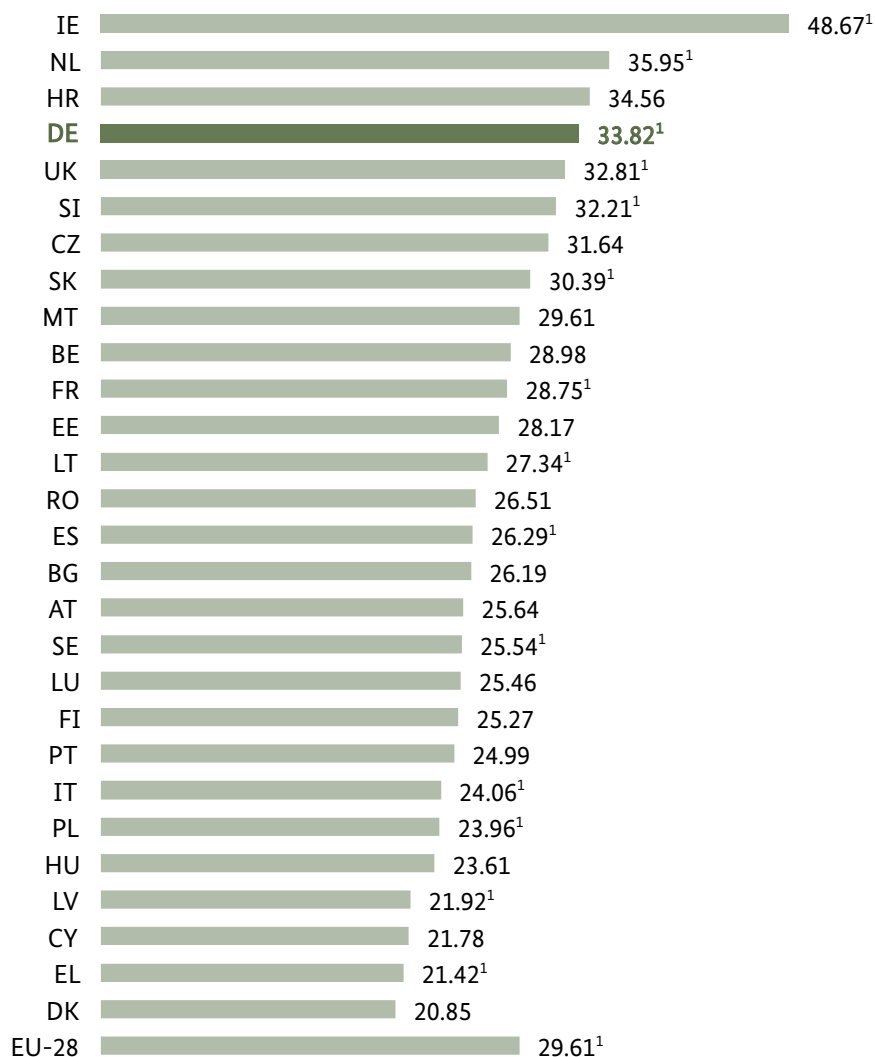
% of total benefits



¹ Provisional value
 Data as of July 2015
 Source: Eurostat

Social benefits by function 2012: Illness

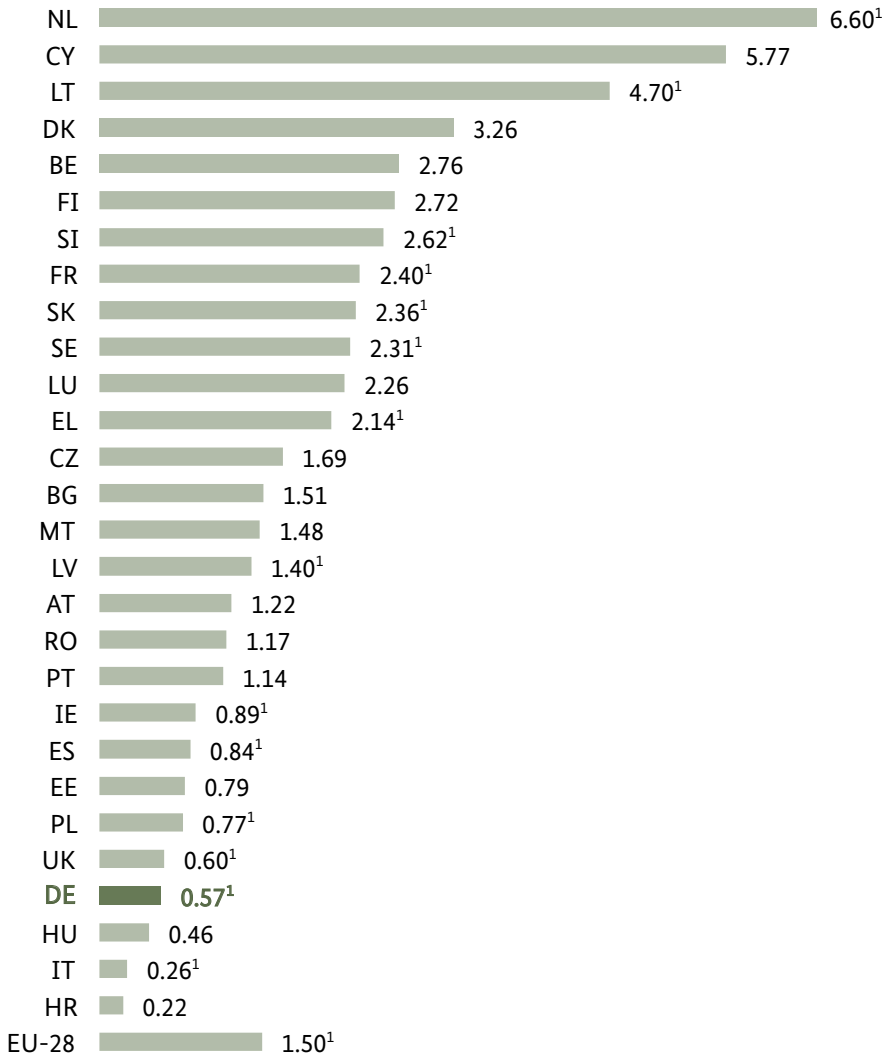
% of total benefits



¹ Provisional value
 Data as of July 2015
 Source: Eurostat

Social benefits by function 2012: Social exclusion

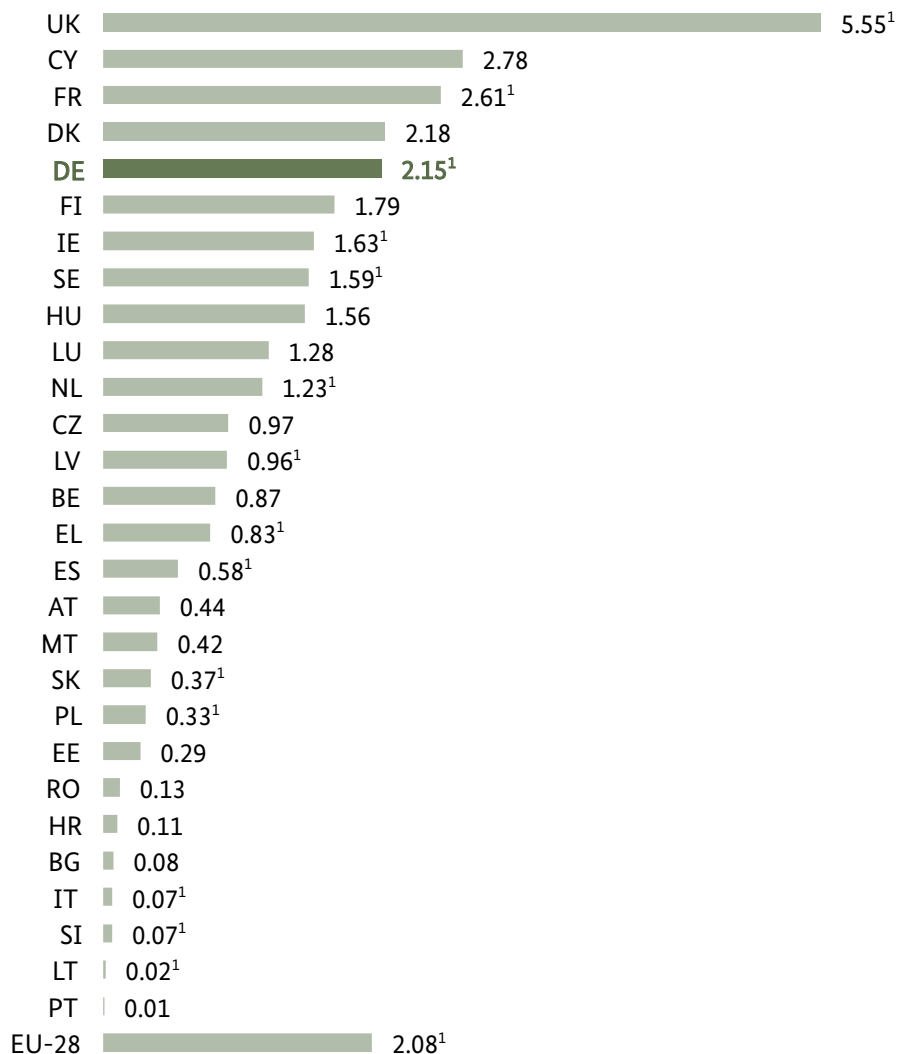
% of total benefits



¹ Provisional value
 Data as of July 2015
 Source: Eurostat

Social benefits by function 2012: Housing

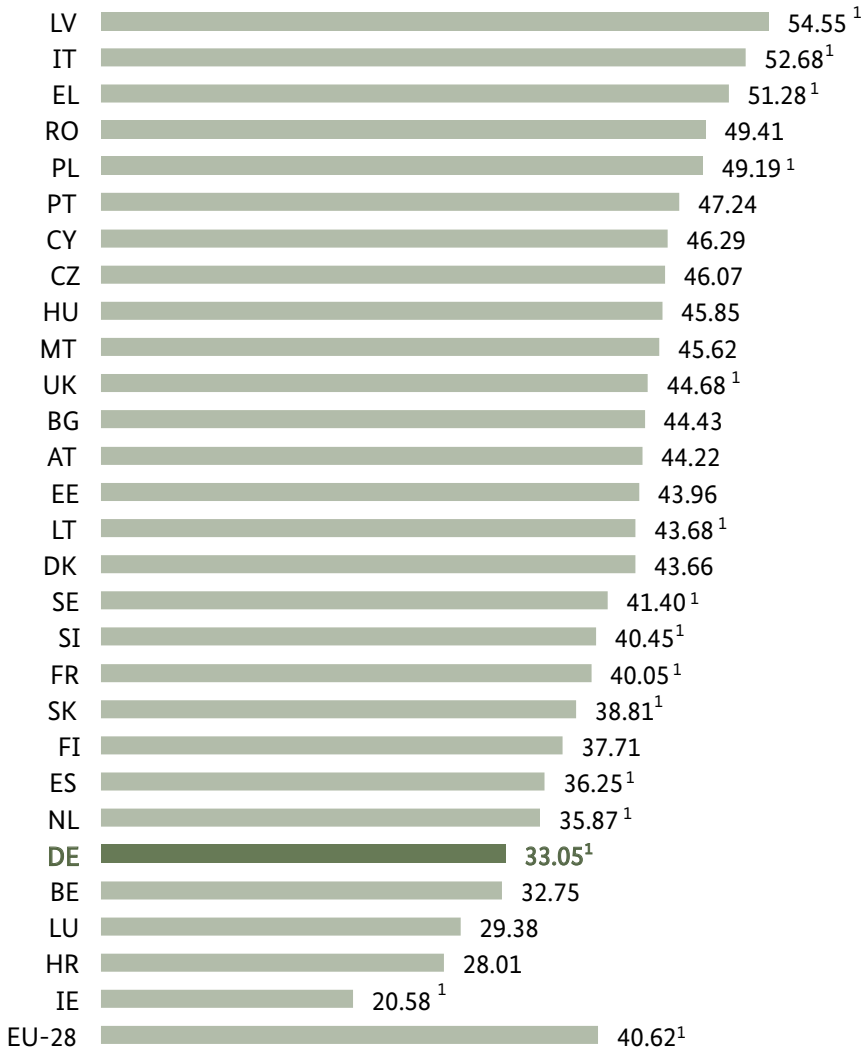
% of total benefits



¹ Provisional value
 Data as of July 2015
 Source: Eurostat

Social benefits by function 2012: Old age

% of total benefits



¹ Provisional value
 Data as of July 2015
 Source: Eurostat



Social benefits for retirees, or ageing and surviving dependants, are followed by expenditures for illness (29.6 percent) in 2012, and are clearly ahead of the cost items for families (7.8 percent), invalidity (7.4 percent) and unemployment (5.4 percent).

Luxembourg heads the field in family benefits, contributing 16.2 percent, followed by Hungary and Denmark with 12.3 percent and 12.2 percent, Estonia (11.5 percent) and Germany (11.2 percent). The Netherlands is at the lower end of the scale with 3.5 percent, just below Italy, Poland, Portugal, Spain, Greece and the Czech Republic, all under 6 percent. Germany's contribution of 11.2 percent is among those that exceed the EU 28 average of 7.8 percent, ranking fifth.

It is also revealing to examine social security expenditures in relation to the gross domestic product (GDP). Leading the list are Denmark with 34.6 percent, France (34.2 percent) and the Netherlands (33.3 percent). Germany is in 11th place in this table, spending 29.5 percent of its GDP for social protection. The bottom of the table ranged from Malta (19.3 percent), Slovakia (18.4 percent), Poland (18.1 percent), Bulgaria (17.4 percent), Latvia (16.5 percent), Romania (15.6 percent) and Estonia (15.5 percent), to Lithuania, which has the lowest expenditures at 14.0 percent. The average percentage of EU 28 states in 2012 was 29.5 percent.

Behind the rather similar social protection structures are significant material differences. These are especially evident in the total amount paid for social security in euros per capita. This shows that 11 of the 13 member states that entered the EU between 2004 and 2013 rank 18 to 28 on the list. Slovenia and Cyprus rank higher than Portugal, which joined in 1986.

With an EU 28 average of €7,566 per capita, ranging from Luxembourg (€18,862), Denmark (€15,178) and Sweden (€13,048) at the top, down to Bulgaria (€952) and Romania (€1,024) at the bottom. Per capita payments in Lithuania (€1,530), Poland (€1,811) and Latvia (€1,818) are still below the €2,000 mark per resident. Germany takes tenth place with €9,766.

The differences are less dramatic, however, if one examines the total per resident expenditures for social security and bases the respective per capita comparisons on data calculated using so-called purchasing power parity (PPP). For example, Slovenia (€5,301) and Cyprus (€5,323) as newer members lie slightly ahead of Portugal's €5,071.

Germany (€9,715) is in the top section of the table along with Austria (€9,923), Denmark (€10,462) and the Netherlands (€10,698). Luxembourg is well ahead of this group, leading the table at €13,820. According to this analysis, Luxembourg's per capita expenditures are nearly twice as high as the United Kingdom (€7,460).

And the ratio between the country with the highest social security expenditures (Luxembourg with €18,862) and the lowest (Bulgaria with €952), which in absolute terms results in a ratio of around 20 to 1, is reduced to a factor of 6.3. In the PPP table, Bulgaria spends €2,202 compared with Luxembourg's €13,820. If we exclude Luxembourg, which is so far ahead of the rest of the EU in the per capita analysis, the ratio between the second-highest country in the PPP table, the Netherlands (€10,698) and Bulgaria (€2,202) is around 5 to 1.



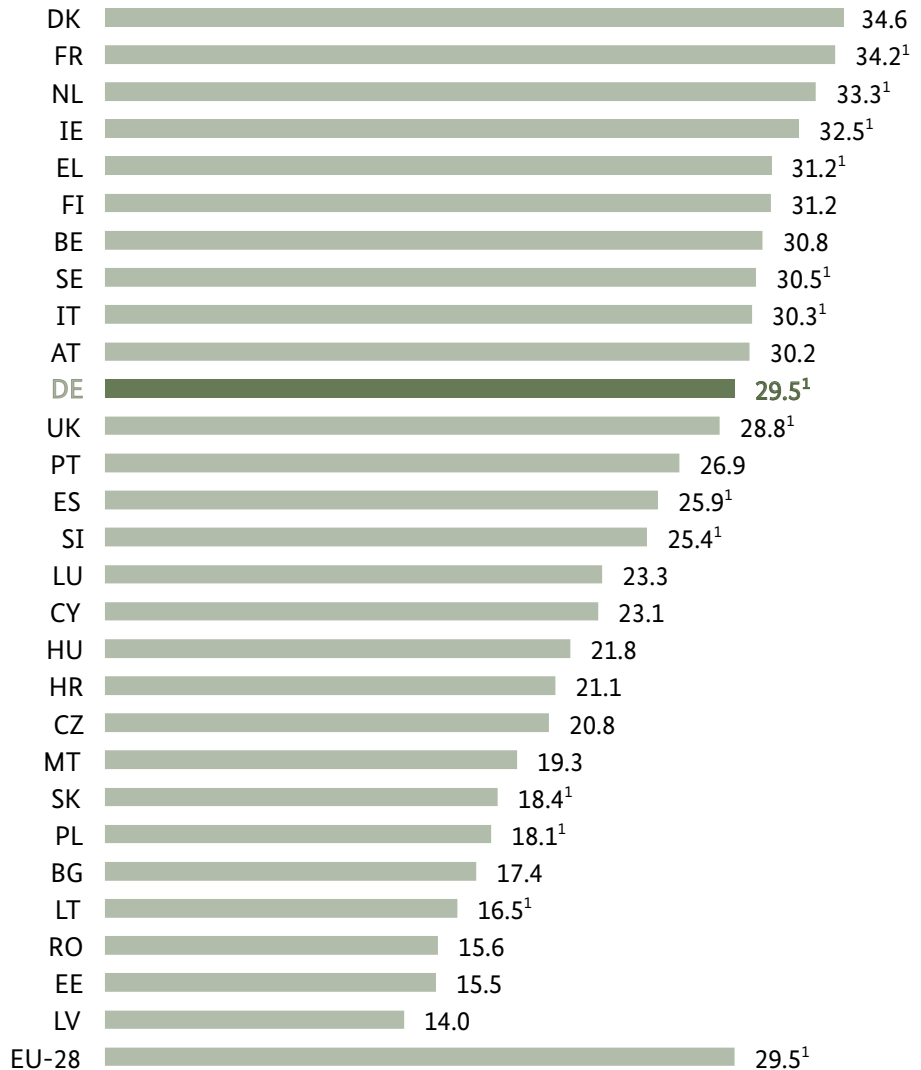
Examining how social systems in EU member states are financed reveals a series of common elements in the structure and focus of these systems. It also shows the differences that shape the face of social Europe in the 28 member countries. The amount of money spent on social systems in the EU states is not the only consideration. Of course, this is based on a wide range of factors, especially economic and historic elements.

The second part of the publication compares the individual fields of social protection across Europe. It is only possible to provide a brief overview of the many figures and data listed in detail in the “Social Security Compass for Europe” database. These national differences and respective special features may receive greater emphasis than the table figures indicate. The social systems of the EU member states are deeply rooted in the history and development of each country – a fact that makes European convergence in this important political issue so special.



Total expenditure on social protection 2012

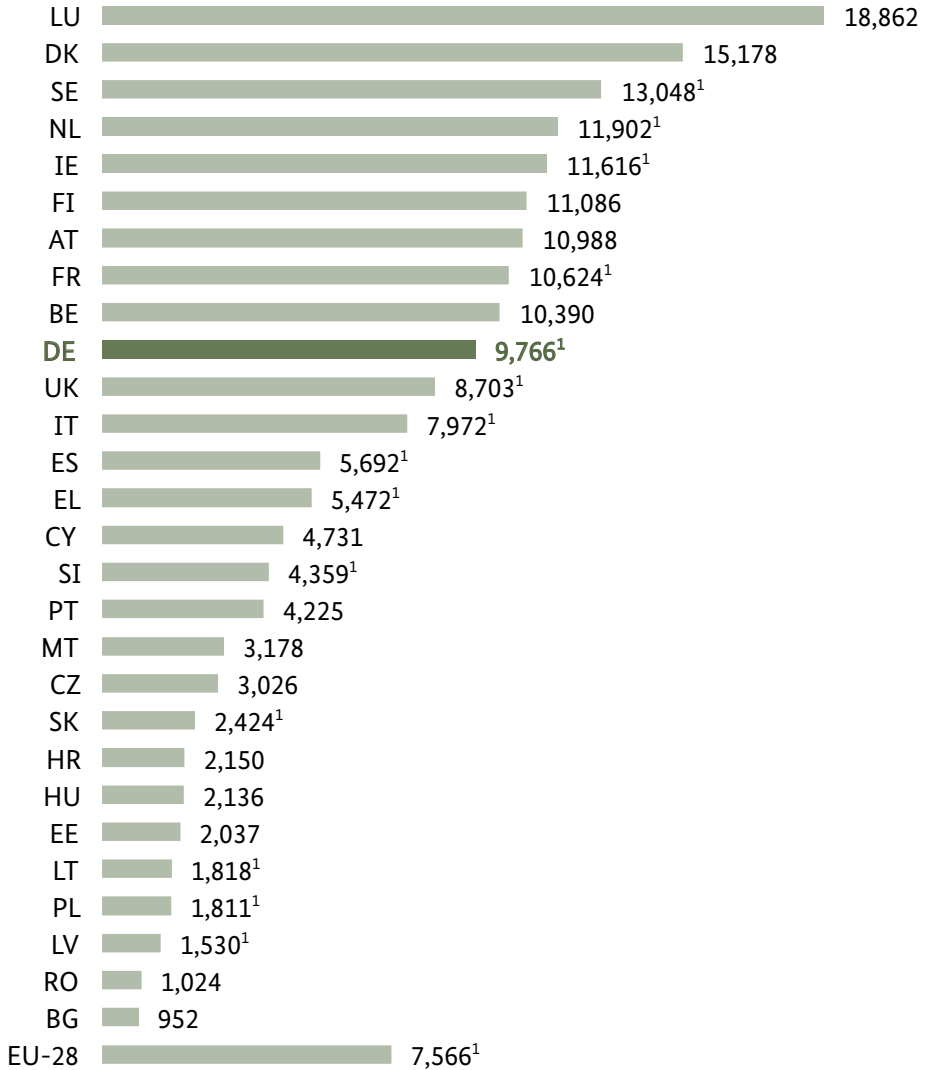
% of GDP (current prices)



¹ Provisional value
 Data as of July 2015
 Source: Eurostat

Total expenditure on social protection 2012

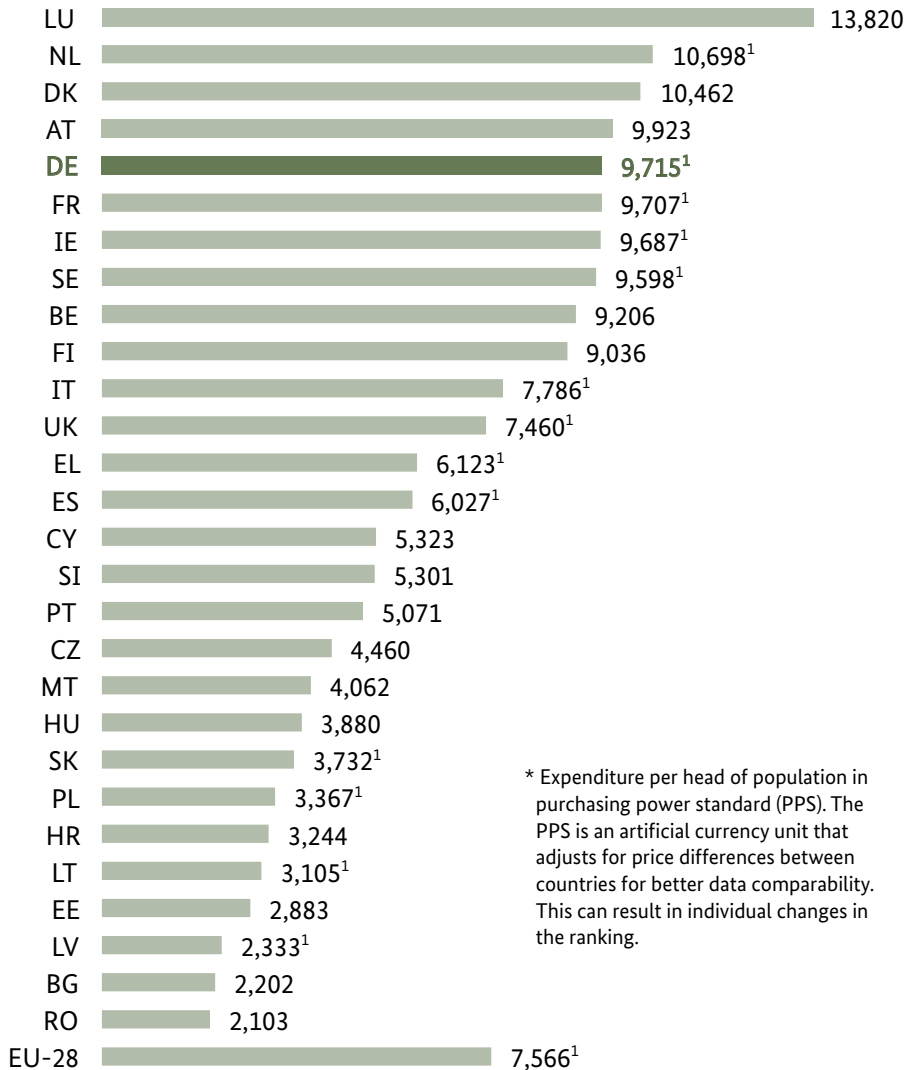
Per head of population (EUR)



¹ Provisional value
 Data as of July 2015
 Source: Eurostat

Total expenditure on social protection 2012

Per head of population (PPS*)



* Expenditure per head of population in purchasing power standard (PPS). The PPS is an artificial currency unit that adjusts for price differences between countries for better data comparability. This can result in individual changes in the ranking.

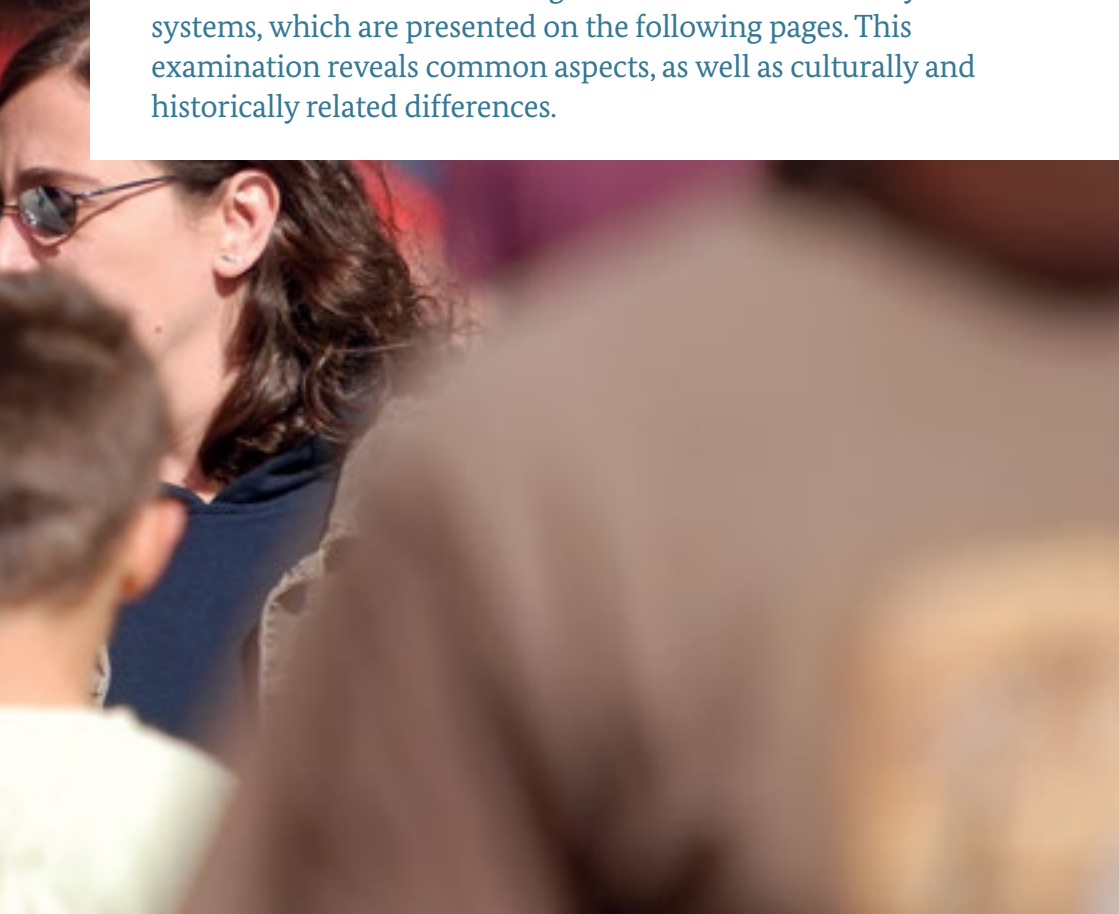
¹ Provisional value
Data as of July 2015
Source: Eurostat



Part II

Social Europe for All

For many years, the European Union has worked to harmonise the social security systems of the individual member states while trying to establish minimum standards. Social security guidelines are enacted for EU citizens at the European level. They are translated into national regulations by the individual countries, and cover social areas ranging from unemployment to illness, maternity to pensions, and support for surviving dependants. Most member countries guarantee additional services to their citizens through individual social security systems, which are presented on the following pages. This examination reveals common aspects, as well as culturally and historically related differences.



Social Security System Coordination

Freedom of movement for EU citizens

Since the 1950s, Europe has become more and more cohesive, especially as an economic power. This is why it is increasingly important to have free movement of labour throughout the Europe of 28, and to ensure social security for these workers throughout the entire European Union as laid down in the European Social Charter signed in Turin.

Under the provisions of various EU treaties, full freedom of movement is granted to employees from EU member states and their dependants. They may take up employment in any member state and are treated in the same way as domestic employees in matters like pay and other work-related issues. This also applies to all social insurance benefits.



Several EU countries still have transitional provisions in place specifically for Croatia, which joined the European Union on 1 July 2013: Since 1 July 2015, Croatian citizens no longer need special permission to work or do an internship in Belgium, Cyprus, France, Germany, Greece, Italy, Luxembourg or Spain. Croatian residents now have unlimited access to the job markets in these countries. Austria, Malta, the Netherlands, Slovenia and the United Kingdom will retain their restrictions on freedom of movement for workers from Croatia for another three years.

Coordination of social security systems

Regulations to coordinate national social security systems in the member states have been in place since 1959. Since these social security systems differed so greatly in structure, they were coordinated to ensure that so-called migrant workers, or people who moved from one member state to another for work, and their dependants were not disadvantaged. Nonetheless, social security structures remain the responsibility of the member states. The enactment of European law does not alter this.

Acting as a social protection agreement between member states of the EU, the European Economic Area (EEA) and Switzerland, these coordination regulations prevent problems arising from taking up employment or becoming self-employed in another member state and the associated switch to another social security system.

The current “Regulation on the coordination of social security systems” and the corresponding implementing regulation have been in effect since 1 May 2010.¹ They not only apply for EU migrant workers and their families, but for all nationals of all EU member states, stateless persons and refugees who reside in a member state. These apply to so-called third-country nationals in certain cases as a result of the third-country regulation². However, a cross-border element, or a relationship to at least three member states, is necessary in all cases.

Migration within the EU

The main idea of these regulations is that employees retain their social security cover when going to work in another member state, say in relation to pension entitlements. This is designed to break down barriers for mobility. The corresponding regulation states:

“The rules for coordination of national social security systems fall within the framework of free movement of persons and should contribute towards improving their standard of living and conditions of employment. It is necessary to respect the special characteristics of national social security legislation and to draw up only a system of coordination.

Due to the major differences existing between national legislation in terms of the persons covered, it is preferable to lay down the principle that this Regulation is to apply to nationals of a Member State, stateless persons and refugees resident in the territory of a Member State who are or have

¹ EG no. 883/2004 and EG no. 987/2009

² EG no. 1231/2010



been subject to the social security legislation of one or more Member States, as well as to the members of their families and to their survivors.

The general principle of equal treatment is of particular importance for workers who do not reside in the Member State of their employment, including cross-border commuters. The coordination rules must guarantee that persons moving within the Community and their dependants and survivors retain the rights and the advantages acquired and in the course of being acquired.”³

³ EG no. 883/2004



Ongoing alignment to social trends

Regulations on the coordination of social security systems and their ongoing development have far-reaching implications on the lives of many people in Europe because they govern health insurance, unemployment benefit, child benefit, and pensions. Among other things, they have given rise to the introduction of the European Health Insurance Card (EHIC). Their aim is to break down barriers to mobility.

Scope of applicability and underlying principles

These regulations apply in all EU member states, as well as in Iceland, Liechtenstein, Norway and Switzerland. They describe national regulations in the following areas:

- Sickness benefits
- Maternity benefits and similar paternity benefits
- Work-related accidents
- Work-related illness
- Invalidity benefits
- Old age pensions
- Surviving dependants' pensions
- Death benefits
- Unemployment benefits
- Family-related assistance
- Pre-retirement benefits

Four underlying principles apply:

1. People covered by these regulations are subject to the laws of one country only, and thus pay social security contributions in one country only.
2. They have the same basic rights and obligations as the citizens of the country in which they are insured. This follows the principle of equality or non-discrimination.
3. If they claim assistance, their previous periods of insurance coverage, employment and residence in other countries are taken into account.
4. If they have an entitlement to monetary benefits in one country, they may receive these if they live in a different country. This is known as the principle of exportability.

In addition to these principles, the following regulations apply for the individual areas of the social insurance systems:

Health insurance and maternity benefit

Employees, pensioners and their dependants may receive health and, where appropriate, long-term care insurance if they live in a different country to the one they are insured in. The social security catalogue of the country of residence applies.

Tourists receive care and assistance deemed medically necessary within the territory of another member state relative to the type of assistance and the expected length of stay. The situation is slightly different in respect of monetary assistance



like sickness benefit and long-term care benefit. These are provided according to prevailing national law in the country in which the person is insured regardless of their current place of residence or travel. In other words, the benefits can be exported.

Pension and accident insurance

In the case of state pension insurance and state accident insurance, entitlements or claims accrued may not be lost by taking up employment in another EU state. This is ensured

in the first instance by the fact that periods of insurance in different countries are added together to allow the required waiting periods to be fulfilled. It is also guaranteed that migrant workers may not be placed at a disadvantage compared with employees who work continually in their country of origin when calculating pension payments. Finally, when an employee ceases to work having reached pensionable age, their pension may be exported to any other EU member state in the full amount.

Unemployment insurance

Special rules apply with regard to unemployment insurance. Unemployed migrant workers receive unemployment benefit and employment promotion assistance for the same length of time as domestic workers. This is on the condition that they remain in the current country they were employed in. It is, however, possible for them to export unemployment benefit to another EU country for up to six months. Here, the condition is that migrant workers must seek work in that country during the respective period and meet all requirements laid down by the local employment office. Different conditions apply for cross-border commuters: If they become unemployed, they receive unemployment benefit from their country of residence.

Child benefit

One exception regarding the territorial principle (see box) applies to child benefit. The laws of several states grant an entitlement for family-related assistance for dependent children living in the country of origin of a migrant worker or retiree. In these cases, the maximum payable amount of

Territorial Principle

The social security systems in the EU member states cover the respective sovereign territories. Entitlements to social benefits are based on national law and are tailored to the conditions in a specific country. They do not cover circumstances which occur within another sovereign territory. This is known as the territorial principle, which governs social security law in Germany and in other member states. The result is that assistance provision can only be exported to another country if this is expressly regulated, as is the case with pension entitlements. The regulations contain provisions which limit the scope of the territorial principle. Such limitation must be explicitly laid down, as for example with non-contribution based assistance.

family-related assistance is paid as provided for by law in those countries. For example, for any dependent children left behind in Spain, a Spanish national employed in Germany receives German child benefits, which are significantly higher than those paid under Spanish law. However, any child benefit payments received in Spain must be reported and deducted from the payments made in Germany.

Invalidity/reduced earning capacity

Calculating benefits occurs in accordance with the national laws of the countries in which people are or were insured. For insurance periods in specific countries in which the amount of invalidity pension paid in the respective country is not coupled to the length of time a worker is insured, separate pensions or rather a separate pension is paid which covers the periods



of insurance and residence in those other countries. The social insurance carrier of the country in which a person was insured determines the level of invalidity, which in most countries governs the amount of pension received.

The term “invalidity” is used in this brochure as well as all publications relating to the “Social Security Compass for Europe” database. The term “verminderte Erwerbsfähigkeit” (“reduced earning capacity”) is usually used in Germany. Since “invalidity” is the term most commonly used in most other countries used in the EU to describe the entire spectrum of a

partially or completely reduced earning capacity for a variety of reasons, it is also used in the companion publications to the “Social Security Compass for Europe.” The database also includes an extensive chapter on the subject of disability, which also addresses the issue of reduced earning capacity.

Detailed information on the coordination of social security systems in the EU and on the resulting rights and obligations in EU states is available from the Directorate General for Employment, Social Affairs and Inclusion, both on the website and in booklet form. These cite numerous special rules for cross-border commuters, meaning employees who work in one EU member state and live in another.

Online:

<http://ec.europa.eu/social>

Broschure:

**“EU Provisions on Social Security”, available as a PDF for downloading from the above website or from the EU bookshop:
<http://bookshop.europa.eu>**



1. Family

Child benefit and other family-related assistance

Children are the foundation on which society grows and an investment in the future. This is why the welfare state provides a safety net for children and their parents to help new families cope with the associated risks and additional expense. All EU member states recognise and reward the financial and social contributions families make to society, but in different ways. While direct payments of child benefit remain the main policy focus, other services such as the child-raising allowance or parental benefit play an increasingly important role.

EU citizens who are employed in a different member state to the one they originated from are entitled to welfare benefits paid in that country. This naturally includes an entitlement to family-related benefits. All EU member states with the exception of Greece pay child benefit. They also provide indirect assistance, mostly in the form of tax concessions for people with dependent children, as are offered in Germany. The payment of child benefit is regulated by law in all EU states except for Greece, but is not necessarily paid as a state benefit.

Taxation or social insurance contributions?

Financing of child benefit generally involves two very different systems. Most EU member states fund child benefit from the state coffers, meaning from tax revenue. In Italy, employers primarily finance child benefit through the contributions they pay into the social insurance system. The few countries in which the child benefit is not completely financed through tax revenue use a combination of the two: in Malta, costs are shared between employers, employees and the state. While in France, Austria and Luxembourg, both employers and the state provide the funds (although the state reimburses employers in Luxembourg). Due to austerity measures, Greece has not paid child benefit since 1 July 2014.

Child benefit is the most important form of family assistance provided. The key factor in assessing payments is whether the parents provide for their child; this is handled differently in the various member countries. The assessment frequently takes in such factors as the child's age and current phase of education.

Child benefit: Number and age of children decide

In most EU states, the amount of child benefit paid is graduated according to the number and ages of the recipient's children. In some countries, payment is income-related. This also applies for Croatia, the newest EU member. Given the fact that in addition to the traditional nuclear family structure other forms of cohabitation between partners with dependent children are increasingly being practised, many member states recognise the situation by, for example, paying benefit supplements to single parents. In many countries, families with disabled children receive higher benefits or other allowances; this also applies for multiple birth siblings. This benefit is unlimited for children in Germany who are incapable of working.



Many member states adjust child benefit payments annually relative to the general cost of living or wage trends. But in just as many others, payments are subject to review and regular increase by government or parliament.

To ensure that families are not disadvantaged by the work-related mobility of one or other of the earning members of the household, the EU member states have agreed coordinating rules. If family-related benefits are lower in the country of employment than in the country of residence, the difference is borne by the country of residence.

Child-raising and parental benefit

Over half of the EU member states now provide child-raising benefits for young children in differing amounts and for differing periods if a parent ceases to work altogether or switches from full-time to part-time employment. Child-raising, parental and childcare benefits for home-based care help young families reconcile work and family life, and can also provide an incentive for women to consider starting a family. This makes it an important social policy instrument given the constantly low birth rates in many EU countries.

In Germany, parental benefit is paid in a minimum amount of €300 and a maximum €1,800 per month for 14 months after the birth of a child. Those entitled to parental benefit are people in paid employment, the self-employed, apprentices and trainees, and also students, the unemployed and parents who stay at home to care for older children.

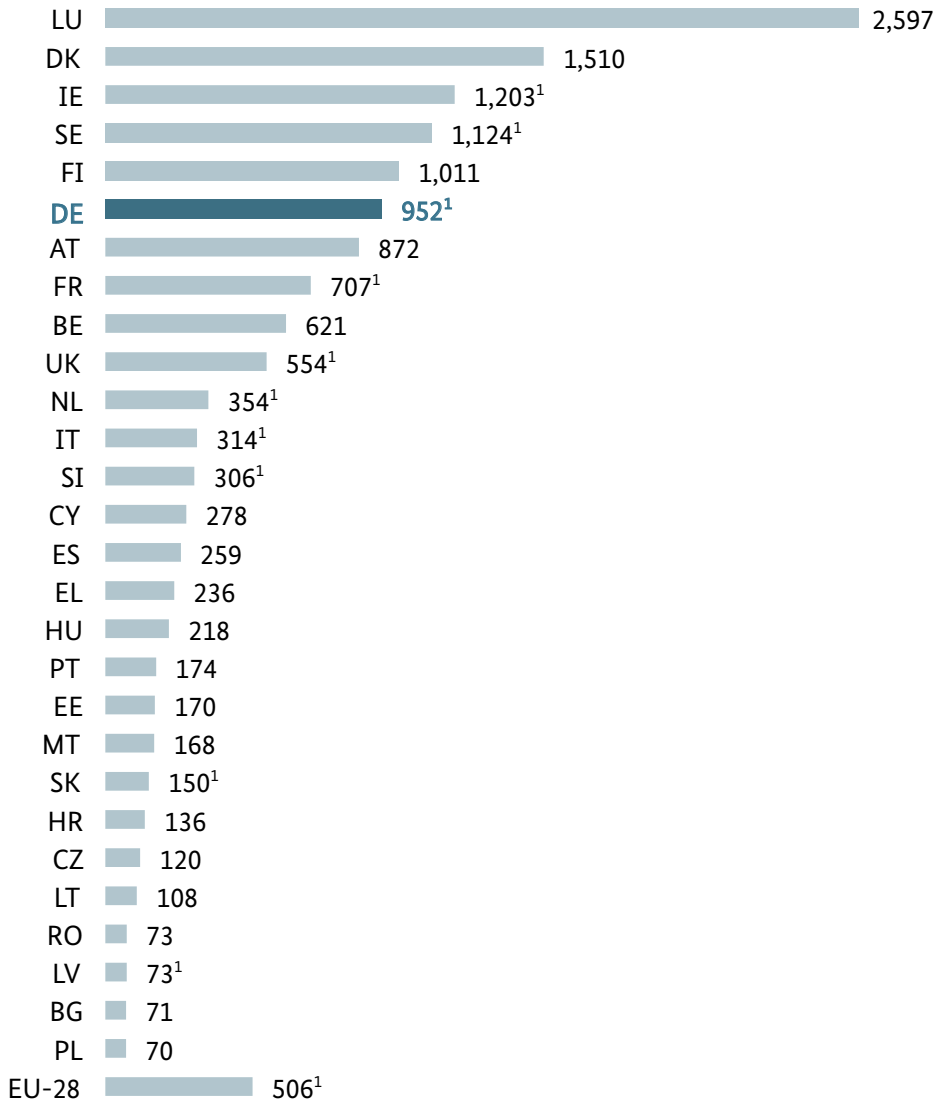
Anyone who works more than 30 hours per week during parental leave or has a joint taxable income of €500,000 (for single parents €250,000) in the calendar year prior to the birth of their child loses their entitlement. Parental benefit replaces the former net income from paid employment of one parent. It starts at 65 percent (for higher incomes) and can range to as much as 100 percent (for low incomes). One parent can receive benefit for a minimum two months and a maximum twelve. An additional two months' parental leave and benefit may be claimed by the other parent. This optional two-month period is designed to encourage fathers to take time away from work to look after their child at home.

EU countries that pay the childcare benefit include Finland, Austria and Sweden. Germany introduced a family benefit on 1 August 2013. On 21 July 2015, the German Federal Constitutional Court ("Bundesverfassungsgericht") deemed the law unconstitutional. As part of family policy, the childcare benefit falls under the responsibility of the individual German states, not the federal government.

Further details can be found on the Federal Ministry for Family Affairs, Senior Citizens, Women and Youth website:
www.bmfsfj.bund.de

Benefits family/children 2012

Per head of population (EUR, constant 2005 prices)



¹ Provisional value
 Data as of July 2015
 Source: Eurostat



2. Maternity Leave

Maternity assistance during and after pregnancy

The European Union has operated a pro-active policy to protect the rights of pregnant women and mothers for over 20 years. To ensure their safety and welfare in the workplace, special regulations were introduced which apply to all working women during and after pregnancy. These guarantee minimum standards throughout the EU, including paid maternity leave, for example. Fathers can also take several weeks of paternity leave in increasing numbers of countries.

These principles were laid down by the European Parliament and the Council in 1992¹. This Directive provided the basis for the individual countries to define national regulations to protect pregnant women and their unborn children in the workplace.

Depending on the EU member state in question, provision can come in the form of material or financial assistance. Material assistance comprises medical care during pregnancy, and also during and after the child's birth. This applies in all member states. In addition to the minimum provisions provided across the EU, rules on maternity assistance can differ from country to country – as can be seen in the amount of maternity benefit paid.

Minimum 14 weeks maternity leave

Maternity benefit payments are designed to compensate for the loss of pay during periods such as statutory maternity leave. In the EU, this means a period of at least 14 weeks, although many member states have extended this minimum period. Poland, for example, allows mothers to take 20 weeks maternity leave and up to 37 weeks for multiple births. In Croatia, maternity leave starts 28 days prior to the birth of the child and ends when the child is six months old. The mother can return to work earlier if she wishes, though. Ireland allows 26, and the Czech Republic a generous 28 weeks. It is also possible to receive additional leave in certain circumstances. However, neither Poland nor Ireland, for example, provide for “paid parental leave” immediately following maternity leave.

¹ See EU Directive 92/85 EEC

The amount of financial assistance, usually referred to as maternity benefit, differs between the various member states. The prevailing EU Maternity Leave Directive ensures financial security during maternity leave, either with continuation of wage payments or the provision of welfare benefits in an amount equal to sick pay. Estonia, the Netherlands, Slovenia, Spain, Austria and France pay 100 percent of the mother's previous income (although the Netherlands, France and Austria may apply a maximum ceiling).

Germany provides for 14 weeks of maternity leave (known as the "protective period") and maternity benefit amounting to 100 percent of the mother's previous income. In contrast to the likes of Poland and Ireland, Germany also provides additional financial security in the form of parental benefit for 12+2 months, meaning twelve months standard parental leave and benefit plus two additional optional months for the partner (see chapter "Family"). The financial assistance paid during Germany's protective period comprises actual maternity benefit (up to €13 per calendar day) plus the employer's contribution towards maternity benefit (the difference between €13 and the average net pay per calendar day).

Financing

Most EU member states finance assistance for pregnant women and mothers through their respective social insurance schemes. In Spain, Ireland, Italy and Sweden, material costs are borne by a taxation-funded healthcare system. Maternity benefit is paid from the responsible social security or welfare fund. This can be the statutory health insurance fund.

In most EU states, receipt of these benefits is subject to the recipient having paid into the social insurance scheme, albeit it for a relatively short time. Some countries, such as Denmark, Ireland and Portugal, stipulate permanent residence in the country as a criterion for the provision of material benefits. In Germany, maternity benefits are paid partly through the social insurance scheme, and partly from tax revenue. They may also be funded by means of employers' contributions.





3. Illness

Non-monetary and monetary assistance in times of illness

From preventative healthcare to diagnostic procedures, treatment and medication: A social society built on solidarity ensures its citizens all have access to healthcare services. In every EU member state, preventative healthcare as a safeguard against the risk of sickness is a focal point of social security provision.

Apart from old-age pensions, statutory provisions on social protection in times of sickness are among the oldest forms of assistance provided. In some countries, they go back two centuries. In Germany, health insurance for workers was introduced by Otto von Bismarck in 1883.

Today, irrespective of whether an employee working in an EU member state is actually insured, if they become ill they are entitled to receive the non-monetary healthcare assistance provided in their country of residence. The country in which the employee is insured is responsible for providing any monetary assistance.

Rising costs result in reform

Across the EU, considerable differences exist in the way the various healthcare systems are organised and in the type of assistance they provide. This is despite the fact that comparable conditions in EU countries are resulting in similar (cost-saving) trends. Rising costs are the downside of medical advancement and human longevity. To cope with the situation, the healthcare systems around the EU, including in Germany, have long been subject to constant reform.

Rising healthcare costs have led to tangible cuts in services and/or patient contributions in almost all member states. This is certainly the case regarding medication. But surcharges and patient contributions to the cost of doctors' visits and in-patient treatment in hospitals are now the norm in many countries. When it comes to dental work involving crowns or dentures, and also to aids and remedies, services are often extremely limited or have been withdrawn altogether.

Two financing systems

On the whole, it can be said that in EU member states with a public health service, the financing of healthcare costs is usually based on a combined system: Non-monetary assistance and services are largely financed from tax revenue, while monetary assistance is invariably funded by patient contributions. In countries with full-cover statutory health insurance schemes, non-monetary assistance is mostly provided on a contributions basis.

A number of countries – Belgium, Cyprus, Estonia, the United Kingdom, Ireland, Lithuania, Malta, Portugal and Spain – finance certain health risks on a needs basis via universal contributions for all branches of the social security system.

Non-monetary and cost-reimbursement principle

The more or less full-cover non-monetary assistance and services provided by the healthcare system usually cover medical treatment, hospital stays and the provision of medication, aids and remedies.

The non-monetary principle, meaning direct services to patients, has also become established in systems involving statutory health insurance. Only Belgium, France and Luxembourg continue to apply the cost-reimbursement principle, meaning that the patient pays for the treatment up front (advance payment) and is then reimbursed taking account of any mandatory contribution or surcharge. In Germany, the cost reimbursement principle also applies to private health insurance.

In many EU countries, rules governed by insurance law have emerged alongside the state or municipal structures. The National Health Service (NHS) introduced in the United Kingdom following World War II served as the model for this structure.

Thus, in the 1970s and 1980s, Ireland, Denmark, Portugal, Italy and Spain all introduced a public healthcare system. In Finland and Sweden, such systems have a long tradition. Four of the younger member states – Lithuania, Malta, Slovakia and Cyprus – operate such universal systems.

Funding of these public health services, which usually only covers non-monetary assistance and services, largely involves public funding. In Italy, employers alone fund the system by paying contributions. In Slovakia, employers, employees and the self-employed all pay contributions into the system. Global payments are necessary in Malta.

By way of contrast, the statutory health insurance schemes – which are operated in 16 countries and are thus the second most dominant healthcare structure in the EU – are mainly financed from contributions from the insured (employees and in many cases self-employed persons) and the employer.

Monetary assistance: Safeguard against loss of pay

Apart from non-monetary assistance, all EU member states provide monetary assistance to replace any loss of earnings caused through sickness. The amount paid out depends how much the insured person earned prior to becoming incapacitated. Exceptions exist in the United Kingdom, Ireland and Malta, where fixed sums are paid out.

All EU countries operate systems which are funded by mandatory contributions to cover the costs of monetary assistance, where both non-monetary and monetary assistance are not financed by the statutory health insurance schemes.

Even in Denmark, the only member state to finance its entire healthcare system from tax revenue only, monetary assistance is also provided via contributions – albeit indirectly. The contributions that employees and self-employed persons pay into a labour market fund cover the associated public expense. The public purse is essentially refinanced from the fund contributed to by the insured.



In Germany, along with the mandatory provision of continuation of pay for members of the statutory healthcare system, privately insured persons have the option to take out additional insurance cover to provide an amount of sick pay per day of sickness to cover any loss of earnings.

Waiting periods

As all member states operate either a statutory or at least a collective bargaining agreement on continuation of pay in times of sickness (see the chapter “Continuation of Pay”), once continuation of pay has ceased, the period of entitlement to the services provided by the healthcare funds varies from country to country.

For employees in 16 of the 28 member states waiting periods apply before the assistance or services begin: Belgium, Lithuania and Sweden stipulate one day, while Estonia, France, Greece, the United Kingdom, Italy, Malta, Austria, Portugal, Spain, the Czech Republic and Cyprus as a rule make the insured wait three days. It takes six days for benefits to start in Ireland, and two days in the Netherlands. Different waiting periods apply for self-employed people than for salaried employees in some countries, such as Denmark, Croatia and Finland.

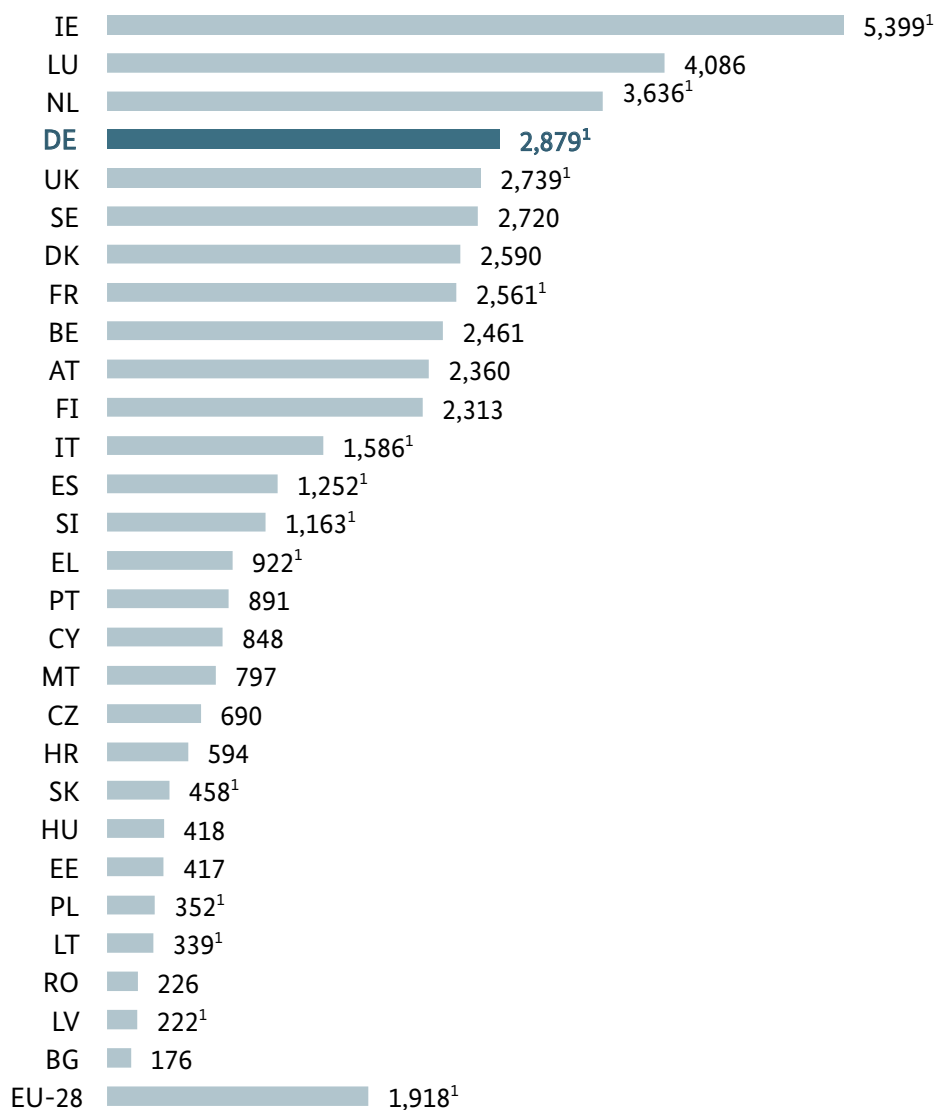
Germany does not have a waiting period. Continued pay is effective the day on which an employee receives an incapacity to work certificate from his/her doctor.

As additional monetary assistance, most countries pay death benefit or provide assistance towards the cost of funerals in cases where it is not provided by another branch of the social security system, notably dependent survivors’ benefit (see the chapter “Dependent Survivors”).



Illness/health care 2012

Per head of population (EUR, constant 2005 prices)



¹ Provisional value
Data as of July 2015
Source: Eurostat



4. Care

Individualised care and a wide range of services

Many people in our modern society rely on long-term or even life-long care, and are especially dependent on social welfare. EU member nations have either developed their own individual social insurance systems or a combination of different systems which work together to give people in need the social and medical support they need.

Care is as diverse as the needs of its target groups. The elderly, people with physical or mental disabilities, or those with psychological or chronic illnesses are dependent on various types of care and support. Care services, in the form of payments and non-monetary benefits, are organised very differently throughout the EU due to this very wide-ranging target audience.

The right type of care is chosen for each individual person: from home care and hourly treatments to living in a special facility. Most countries attempt to find a solution that allows people to live in their usual environments as long as possible.

Many EU member countries have created their own statutory regulations for care, but only a few have mandatory contribution-financed long-term care insurance. Germany, Luxembourg and the Flemish communities of Belgium have such systems in place. In most EU nations, these benefits are covered by health, disability or pension insurance. In Germany, all people covered by statutory health insurance are required to hold long-term care insurance – and the privately insured need to arrange long-term care insurance with their private health insurance companies. As of January 2013, the state has also subsidised additional private insurance for long-term care to reduce any additional financial obligations on the part of recipients.

Individual care needs

One of the basic principles of care is that it is individually tailored to each recipient. This is why the need for care services is reviewed before the specific benefits are selected.

Trained specialists, such as a doctor or social worker, evaluate each care to decide how much care is needed in the areas of personal hygiene, nutrition, mobility and household help. In Bulgaria, for example, the ability to work or level of disability is decisive. Some countries, such as the Netherlands and Spain, use the World Health Organisation's (WHO) International Classification of Functioning, Disability and Health (ICF) for this purpose. In several EU nations, such as Germany, Spain, Portugal and Austria, the need for care is classified according to care levels based on the extent of the person's limitations. This assessment is repeated regularly, and at the request of the care recipient in some countries.

In addition to professional specialists, it is possible for family caregivers to provide the necessary care to their loved ones. These can include parents, spouses or other relatives who care for their family members in their homes. Some EU member nations offer support for the caregivers for quality assurance purposes. In Germany, home care is provided by relatives, outpatient care services or individual caregivers, even volunteers. Care courses are offered to assist family caregivers with their duties. In Latvia, family members can participate in training courses organised by local governments and even receive psychological advice.

Some EU countries have already started assistance programmes for people in need of care in which non-professional caregivers help affected people handle the challenges in their everyday lives.



A wide variety of benefits

Care services provided in EU countries are divided into home, inpatient and day patient care. Each EU country regulates these individual types of care differently. People who receive home care may receive benefits such as “meals on wheels” and handyman services, as well as help with personal hygiene and shopping. In Germany, these services are grouped together as basic care and household assistance.

Day patient care is designed to prevent neglect while keeping people from being completely reliant on a full-time care and living situation in a specialised facility. Depending on the person's needs, day patient services provided at a facility for a few hours during the day or night may be an ideal supplement to home care.

Full inpatient care offers a protected living environment with constant care for people with the greatest care needs, due to old age or a permanent disability, for example. In Germany, long-term care insurance covers such care-related expenses, medical treatments and social support.



Some EU countries, such as Germany, Latvia and Bulgaria, also provide any needed technical aids as part of their care services. The social insurance systems in all EU countries cover care services up to a certain limit. If beneficiaries are able to pay for part of the costs, they are required to pay a deductible. In most countries, the affected person's closest relatives, including the spouse/partner or biological children, are required to pay if the person in need cannot afford to. Social welfare is generally available in cases of hardship to guarantee the necessary support in financial crises, as is the case in Germany.

Freedom of choice

People in need of care in many EU countries can apply for monetary benefits in order to pay for their own care services. In Germany, people who receive home care are paid a so-called care allowance. Under certain circumstances, people with disabilities may get the personal budget for this purpose.

Beneficiaries in many EU countries have the freedom of choosing the specific services they wish to receive. For example, they can decide to either hire a personal assistant, or use this money to employ a relative or non-professional caregiver. Germany offers the choice between inpatient and home care to ensure the patients' rights to self-determination. It is also possible to get a combination of monetary and non-monetary benefits. People in need of care in Germany may receive only some non-monetary benefits; in this case, a proportionate care allowance is paid as well.

An important topic

All EU member countries have recognised the importance of this issue in modern social systems. In order to achieve full inclusion for people with disabilities and deal with the effects of ageing societies across the continent, it is necessary to develop flexible, multifaceted care services. Germany and Luxembourg are pioneers in this field with their mandatory long-term care insurance systems, and other EU nations are making steady progress. The personal budget, now offered to people with disabilities in more and more countries or introduced as a pilot project, is a good example of such efforts.

It is essential that people never overlook or ignore the dignity and self-determination of those dependent on care. Most EU countries support this by offering a freedom of choice between non-monetary benefits and payments, as well as support for relatives providing home care. These measures allow people to stay in their homes as long as possible.





5. Continued Pay

Income support in times of sickness

Continued pay is an integral part of the social security system for workers in the EU. In all EU member states, employees who become ill and are unable to work receive financial compensation for their loss of earning. In the initial phase of incapacity, sick pay is usually paid by the employer (continued pay). If an illness continues over a prolonged period, payments are then made by the employee's social insurance fund. The amount of sick pay, the length of time it is paid and the legal basis for such payment varies across the EU.

In most member states, including Germany, the United Kingdom, Croatia and the Netherlands, continued pay during illness is governed by statutory provision. In countries that have not enacted such legislation, continued pay is regulated by collective bargaining agreement. Typical examples are Belgium, Ireland and France, which all have binding national agreements.

Supplementary collective bargaining agreements also often play an important role in countries where continued pay is enshrined in law. The legislature usually only prescribes minimum standards which must be complied with. For example, by means of voluntary agreements and employment and collective bargaining agreements, it is possible in Germany to extend the legal period in which continued pay is granted.

Differing amounts and periods of entitlement

The period in which the employer continues to pay an employee's wages or salary varies between the member states. In Romania, the employer only pays up to five days of sickness, while in Germany they continue pay for six weeks and in the Netherlands for two years. After this phase, financial assistance usually comes in the form of sick pay paid by the health insurance fund (see chapter "Illness"), although the amount paid is usually lower than the continued pay paid by the employer.

No universal standards exist in the EU concerning the actual amount paid. It can range from 100 percent of pay in Germany, Luxembourg and Malta, down to 80 percent in Poland and



Sweden, and on through to 25 percent in Slovakia. Bonuses agreed in collective bargaining can increase the overall amount received. For example, in the Netherlands, the legal amount of 70 percent of a person's wage or salary is increased to the upper limit of the daily pay as specified in collective agreements.

In almost all EU member states, a doctor's note is required before any continued pay can be granted. Again, there are vast differences in how this is governed: In many countries (Greece or Lithuania) a doctor's note must be submitted to the employer on the first day of sickness, and after the third day in Croatia. In Finland, a note is required from the ninth day.

Employers pay

As a rule, continued pay is exclusively financed by employers – but there are also differences here: In Luxembourg, for example, employers can receive compensation for the financial burden caused by continued pay from a separate insurance policy. In Germany, employers with less than 30 employees can claim back up to 80 percent from the statutory health insurance.

Continued pay is therefore not a social insurance benefit but comes under labour law. It does form part of social protection for employees in the EU in a sense, however, because it is granted in advance of and, in some countries, in addition to sick pay.



6. Disabilities

Compensating for disadvantages and promoting inclusion

Around 80 million people with disabilities live in the European Union today. All EU countries aim to establish good conditions for people with and without disabilities to enjoy an equal quality of life. Social security systems and other special measures should be designed to include the disabled and allow them to be fully integrated members of society. National regulations in all EU member countries as well as the United Nations Convention on the Rights of Persons with Disabilities ensure that the disabled can lead a self-determined life, free of discrimination.

Living with disabilities often involves additional expenses and a need for assistance. For this reason, people with disabilities have access to special financial resources in addition to the social services available to all EU citizens. There are some differences between countries, including waiting periods and the length of time these services are available. Most social welfare systems offer such services.

In all EU countries, a variety of different measures and national programmes allow people with disabilities to participate more in society, by integrating them into the workplace and making the environment handicapped-accessible. The barriers confronting people with disabilities are in no way limited to just physical obstacles. Societal attitudes can do just as much to keep people from making full use of their rights.

This is why the UN Convention on the Rights of Persons with Disabilities provides an important point of reference. All EU institutions are required to comply with this convention, which was adopted on 3 May 2008. It clearly defines the fundamental human rights that apply to everyone and strengthens the rights of people with disabilities in a wide range of areas, including non-discrimination, equality of opportunity, education, health, access to justice and participation in political and public life.

The UN Convention honours disabilities as part of human diversity and urges everyone to be more inclusive. The goal is to give all people full access to all activities in the society in which they live. This is to be achieved by making all public areas accessible to people with disabilities – not by expecting

people with disabilities adapt to them. This also means that nations which have signed the convention are committed to creating measures to inform people and increase public awareness for an inclusive society.

To be legally binding, the member states need to adopt the convention as national law. Germany signed this into law on 26 March 2009.

The Equal Treatment of Disabled Persons Act (BGG), which took effect in Germany on 1 May 2002, is also designed to help people with disabilities be part of society by achieving complete access without any barriers. This involves more than just eliminating obstacles for people with limited mobility or in wheelchairs. It also includes communication for the blind as well as the visually and hearing impaired. At the same time, the law prohibits discrimination against people with disabilities.

The regulations in the Act on Mainstreaming Persons with Disabilities specify how people with hearing impairments and speech impediments can communicate with German federal authorities through interpreters, and how notifications and forms can be made accessible to the blind and visually impaired. All German federal government websites must be designed in such a way to allow people with disabilities unlimited access to all features and functions.

What is a disability?

In Germany, the term “disability” is defined as follows: A person has a disability if his/her bodily functions, mental abilities or emotional health negatively impact his/her ability

to participate in society for longer than six months. Disabilities are divided into nine different levels (in intervals of 10, ranging from 20 to 100). Severely disabled persons with a disability level of at least 50 receive a disabled person's ID, which authorises them to utilise certain forms of compensation. Only a few other EU countries, like Lithuania and Portugal, have special disabled person's IDs.

Each EU country has its own definition of "disability". Most are similar to that used in Germany, which is based on the difficulty involved in taking part in society due to physical or mental aspects. Sweden's definition is the exact opposite: Instead of being considered one of a person's attributes, a disability only comes about when a non-accessible environment keeps a person from doing something.



Financial assistance

Financial assistance designed specifically for people with disabilities underscores their right to self-determination – the personal budget. This lump payment allows people with disabilities to decide how they wish to use specific services (e.g. health insurance, care insurance, pension insurance), as well as the time and provider involved. The personal budget is not (yet) available in all EU countries; the Netherlands, Luxembourg, Belgium, England and Romania already offer it. People with disabilities in Germany have a legal right to this service.



Building accessibility is especially important for people with physical disabilities. Many EU nations subsidise handicapped accessible home renovations to help people live self-determined lives in their own homes. In Ireland, this work is financed through subsidies, and Finland reimburses people for the costs of such renovations.

Many people with disabilities need assistance in financing care services, medications and other resources because their earning capacity is often greatly reduced. Health insurance usually provides some help. In Germany, for example, health insurance covers the costs of purchasing, repairing, maintaining and learning how to use hearing aids, prosthetics and other similar products. In Latvia, the state pays for the costs of renting and distributing technical resources not covered by national health insurance.

To help the parents of children with disabilities, some countries – like Estonia and Bulgaria – offer higher child benefit rates. In Germany, the child benefit rate is the same for all children, but there is no age limit for child benefits for people with disabilities who are unable to work if the disability has occurred prior to age 25.

Shared education and professional integration

Inclusion should start during childhood, which is why it is a top priority in education. Children with and without disabilities attend the same classes in many EU countries as increasing numbers of states do away with special

needs schools. Today, students with special educational needs receive extra support from integration and personal assistants as well as sign language interpreters in regular schools. They can also benefit from provisions to compensate for their disabilities, such as resources and additional time for taking tests, for example.

Each state in Germany has different rules for these types of situations, but they all grant students with disabilities and/or specific learning disabilities a general right to provisions to help compensate for these conditions in test-taking scenarios. In the Czech Republic, students with disabilities are given an individual and legally-binding lesson plan that defines education goals for each specific student, identifies the necessary organisational adjustments to the learning material, and defines the form of the exercises the student will perform.

Many EU nations support people with disabilities who wish to work despite their limitations. In addition to a wide range of national measures – including the Bulgarian national training and employment programme for people with permanent disabilities and labour market training for employment market authorities in Estonia – many countries offer specific types of work: The most common forms are the secure job and the workshop for people with disabilities, and these vary from country to country. In Ireland, for example, secure jobs are similar to internships, and do not include typical employee benefits.

In Germany, a job in one of the around 700 recognised workshops is a legal relationship similar to other employees. Such positions are designed to prepare employees for the general labour market when possible. Many EU nations have a quota in place to ensure that people with disabilities are given jobs in the general labour market. The government will usually finance any necessary adaptations that need to be made to the workplace, and sometimes subsidise part of the salaries through the employment agencies, for example.



Living without disadvantages

All EU citizens should have the opportunity to live equally well. Specific types of compensation are available to help people with disabilities lead a self-determined life in dignity. These cover all areas of everyday life, including mobility, leisure time and culture. Many countries prohibit discrimination in leisure activities. In Germany, for example, discrimination is not allowed in hotel bookings and restaurants. An example of an EU-wide form of compensation for people with disabilities is the standard blue parking permit, available since 2001. It eases mobility while driving by allowing holders to use designated handicapped parking spots.

Financial compensation is also provided in the form of discounted fees and tax deductions to mitigate the additional costs relating to people's disabilities. In Germany, people with greatly limited mobility may receive free public transportation or a motor vehicle tax exemption. People with disabilities or limited mobility also benefit from various forms of compensation in air travel. Airports, airlines and tour operators are required to provide special support and information services free of charge to assist in travel preparations. Modes of public transportation in many EU countries are already handicapped-accessible, or specific plans are in place for their conversion. Track markings, Braille lettering on seats and acoustic announcements can also help the blind travel or be mobile independently.

Accessibility

When it comes to helping people with disabilities overcome their limitations, ensuring accessibility while travelling is really just a first step. Inclusion is only possible when every person can reach every location without being hindered by obstacles. Many people with disabilities depend on wheelchairs or have limited mobility. This is why most public and educational buildings in the EU are already handicapped-accessible, including toilets. An initiative of the CBF Darmstadt self-help association led to the development of a Europe-wide locking system for handicapped-accessible toilets in 1986. Anyone with a corresponding ID can order the so-called Euro toilet key. There are currently over 12,000 such public toilets in Germany, Switzerland, Austria and other European countries accessible exclusively to key holders.

Architectural barriers are not the only hurdle for people with disabilities. People who have mental or learning disabilities in particular are often confronted with comprehensive difficulties – although they have a right to equal access to information according to the UN Convention on the Rights of Persons with Disabilities. “Easy-to-read” should remedy this situation. Easy-to-read texts are written in plain, simple language which people can clearly understand. They feature short sentences as well as clear, large type sizes and explanatory illustrations.

In 1998, the ILSMH (International League of Societies for Persons with Mental Handicap) developed the first European guidelines for creating easy-to-read information for people with mental disabilities. The “Inclusion Europe” organisation

used this as the basis for the first easy-to-read rule book in 2009. People from eight EU countries – Germany, Finland, France, the United Kingdom, Ireland, Lithuania, Austria and Portugal – were involved in this process.

In Germany, many government institutions already offer easy-to-read informational materials. These feature the blue “Inclusion Europe” signet. Government order BITV 2.0 also guarantees unrestricted access to information on all federal government websites.



Several easy-to-read informational and help texts have been published about the “Social Security Compass for Europe” database from the Federal Ministry of Labour and Social Affairs is published. Corresponding videos are also available in German Sign Language (DGS). These ensure that everyone can understand the instructions on how to install and use the database, as well as the latest information on socio-political topics. The texts and videos are available on the SKE database website as well as on the DVD. People using the downloaded version can watch the German Sign Language videos with an active internet connection

References are also made to the two BMAS publications, “Rat-Geber für Menschen mit Behinderungen in Leichter Sprache” (“Easy-to-read Guidebook for People with Disabilities”), 2015, and “Rat-Geber für Menschen mit Behinderungen in der Europäischen Union in Leichter Sprache” (“Easy-to-read Guidebook for People with Disabilities in the European Union”), 2015. Ordering information is provided at the end of this publication.

The video “Sprache leicht gemacht” (“Language Made Easy”) shows how people write easy-to-read texts. It also explains why the Federal Ministry of Labour and Social Affairs provide easy-to-read information. The video is available for viewing on the BMAS website: <http://www.bmas.de/DE/Leichte-Sprache/inhalt.html>

Note: The publications and video are only available in German.



Deaf people and the hearing-impaired primarily use sign language to communicate. Introduced in Germany in 2002, the Equal Treatment of Disabled Persons Act (BGG) guarantees deaf people access to sign language interpreters. This applies at public authorities, the police department, in court and also in the workplace, and also covers other communication aids, such as speech-to-text-interpreters.

In line with BITV 2.0, official website content is increasingly translated into German Sign Language (DGS) and offered in the form of videos online. These are usually marked with the DGS symbol. In Sweden, Swedish Sign Language “Svenskt teckenspråk” was officially recognised as a minority language in 1981.

A variety of different national programmes

The declared goal of all EU countries is to enable their citizens with disabilities to lead self-determined lives. This is why the governments of all member nations have adopted programmes and action plans to continuously improve the living situations and inclusion efforts for people with disabilities. These initiatives are just as diverse as the inclusion process, areas of life and living conditions of people with disabilities.

On 15 June 2011, Germany passed a national action plan designed to implement the UN Convention on the Rights of Persons with Disabilities on a long-term, sustainable basis. The German government is committed to promoting an inclusive society with over 200 projects, campaigns and initiatives – such as the public campaign “Behindern ist heilbar” (“Obstacles are Curable”), the integrative project work of the Federal Ministry of Family Affairs, Senior Citizens, Women and Youth (Bundesministerium für Familie, Senioren, Frauen und Jugend), as well as the labour market programmes launched by the Federal Ministry of Labour and Social Affairs.

EU works towards inclusion

A specific example for the inclusion process at the EU level is the approval of the “European Parliament resolution of 25 October 2011 on mobility and inclusion of people with disabilities and the European Disability Strategy 2010-2020”¹ as part of Europe 2020, the EU’s growth strategy. This resolution emphasises the importance of and connections between

¹ P7_TA-PROV(2011)0453

barrier-free environments and mobility to promote the social integration of people with disabilities.

On 15 November 2011, the European Commission passed the “European Disability Strategy 2010-2020: A Renewed Commitment to a Barrier-Free Europe”². This strategy is designed to introduce a process that gives people with disabilities more opportunities to participate in society.

Inclusion is a process that has as many facets as modern society itself – and this applies to every one of the 28 EU member states. While enforcing the UN Convention on the Rights of Persons with Disabilities is mandatory for the entire EU, there are still major differences in the ways these countries implement these rights and resources. The current national programmes in all EU countries as well as recent changes and decisions in legislation, such as the 2010 update in Latvia’s laws for people with disabilities, the journal of laws on the assumption of costs for sign language schools passed in Poland in 2012 and the official recognition of Danish sign language in May 2014 show that the European Union is constantly becoming more inclusive.

² See KOM(2010) 636 final





7. Unemployment

Assistance in the event of unemployment

Helping people who have lost their job to maintain a reasonable standard of living has a long tradition in most EU countries. All European Union member states have social insurance schemes that provide unemployment benefits. In most member states, the constant high numbers of people out of work and the fact that fewer and fewer people who pay mandatory contributions to the social insurance scheme have to fund greater numbers of unemployed have led to fundamental reforms of the unemployment schemes throughout the EU.

In most EU member states, anyone in paid employment is insured under the social insurance scheme by law and must pay mandatory contributions. Only Denmark and Sweden operate voluntary insurance schemes. In both countries, most employees and most self-employed persons belong to those schemes. In Luxembourg, unemployment benefit is paid from a public employment fund which is exclusively financed from tax revenue.

First level: Unemployment benefit

Social insurance assistance comprises income replacement benefits which are paid as unemployment benefit to entitled employees and in some cases to self-employed persons for a limited period. In many EU states, these are either replaced or supplemented by public support systems such as unemployment benefits or basic support for job seekers (as operated in Sweden since 1998, and in Germany in the form of unemployment benefit II (“Arbeitslosengeld II”) under Book II of the German Social Code since 2005), or as emergency benefit (Austria).

Financing of unemployment benefit primarily comes from employee and employer contributions to the social insurance schemes. Public funds are drawn on to cover any deficits, especially in times of above-average unemployment. Only in Estonia, Croatia, the Netherlands, Portugal, the Czech Republic, Hungary and the United Kingdom is unemployment benefit not funded by public means. If supplementary benefits become necessary in addition to unemployment benefits, most EU countries fund them exclusively from tax revenues.

Active participation required

In all EU countries, an entitlement to unemployment benefit is subject to specific requirements:

- Registration with the responsible job centre.
- Proof of paid employment and payment of associated mandatory contributions to the social insurance scheme for a minimum period prior to unemployment.
- The willingness of the unemployed person to accept all reasonable types of work.
- Active participation in the search for work and, for example, participation in measures to enhance employability, including customised action plans.
- Finally, unemployment must have occurred involuntarily, neither sought nor caused by the employee.

Recipients who breach the prevailing legal provisions face sanctions ranging from benefit deductions and suspension of benefit payments for a specific period, to complete loss of entitlement, reimbursement of benefits received to the employment agency, and legal consequences (fines or imprisonment).

Income-related benefit

Only in the United Kingdom, Ireland, Malta and Poland are fixed amounts paid without reference to previous income. In most countries, the amount of benefit paid depends on the income earned prior to unemployment and the length of time unemployment benefit will be paid out. The income-related portion to which the unemployed person is entitled to receive as unemployment benefit differs significantly from country

to country. In Denmark, for example, unemployed persons for the time being receive up to 90 percent of their previous income. Workers in Estonia receive only 50 percent of their reference income for up to 100 calendar days, and 40 percent afterwards. Most countries apply a ceiling which limits benefit payments up to a maximum amount.

It is helpful to look at the amounts of unemployment benefit paid per capita in the individual EU states. These differ significantly. While Ireland tops the list with an annual per capita payment of €1,285, the opposite end of the scale includes Estonia with €45, Croatia with €38, Latvia with €37, Lithuania with €34, Poland and Bulgaria with €24, and Romania with €10. Germany pays €356 per capita per annum in employment benefit, exceeding the EU-28-average of €347.

Unemployment benefits are largely unrelated to income in most EU member states. However, the entitlement to unemployment assistance in Germany (basic benefit for job seekers) is usually subject to a needs-based assessment and available assets.

Duration of unemployment benefits limited

The EU states also differ in respect of how long recipients of unemployment benefit must have paid into the social insurance scheme to accrue an entitlement. In most countries, recipients must have paid mandatory social insurance contributions for at least one year to be able to claim an entitlement. Some countries have shorter waiting periods. In Sweden, for example, six months of employment is sufficient.

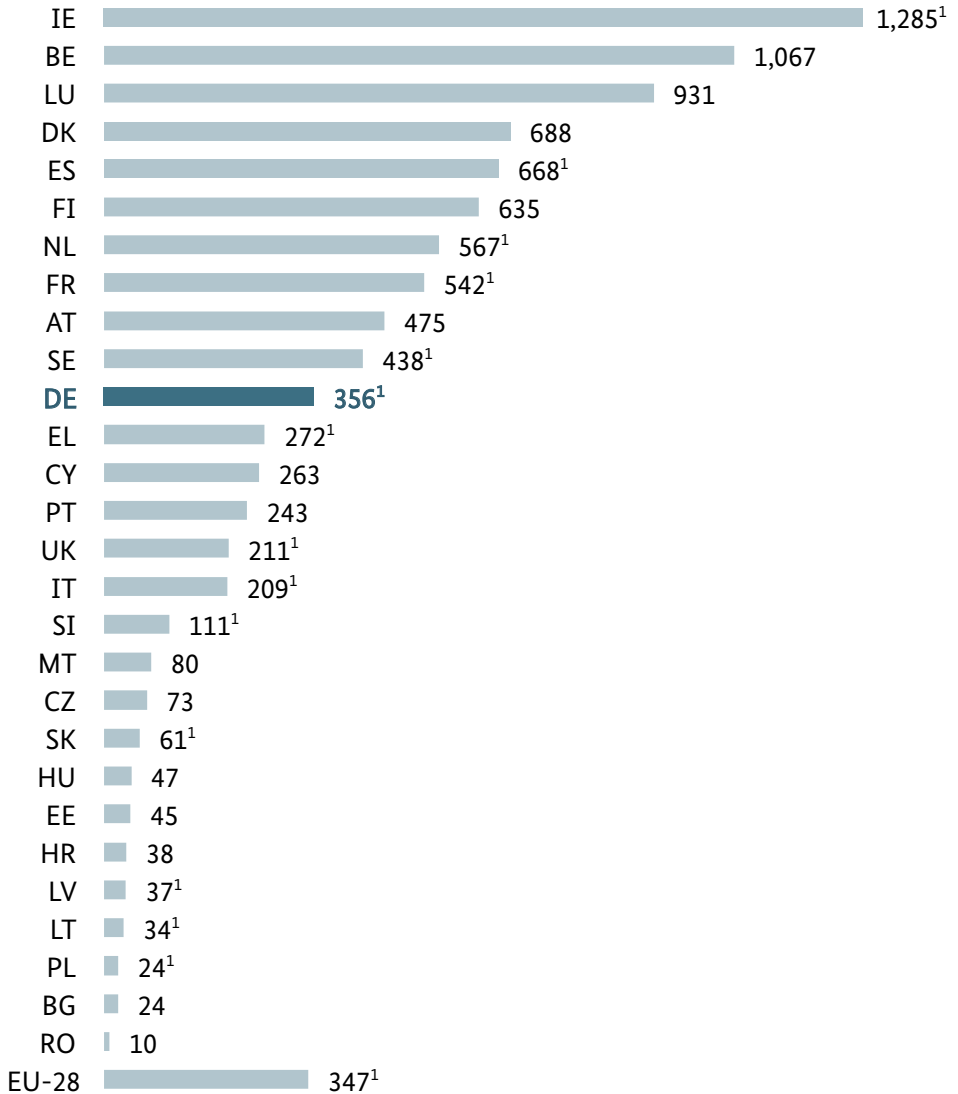
Unemployment benefit payments are limited to a specific period in all EU countries except Belgium. A large group of member states pay unemployment benefit for a maximum of one year (up to eleven months in the Czech Republic depending on the age of the recipient). In an equally large group, payments are limited to nine months or less; Malta and Cyprus lie at the lower end of the scale with a 156 day period (approximately five months). Some states, including Germany, provide for a maximum two years of unemployment benefit. The leaders in this area are France (up to three years) and the Netherlands (up to three years and two months).

In many countries, the older an unemployed person is and the longer they have paid into the insurance scheme, the longer they receive unemployment benefit – in some cases right up to the time they reach pensionable age. This approach acknowledges the fact that finding employment becomes increasingly difficult as people get older. Almost half the EU member states offer early retirement or partial retirement as a way to help older people who are unemployed.

Payment of unemployment benefit falls to the country in which the unemployed person last worked. If they live in a country other than the one they last worked in, responsibility lies with the employment agency in the country of residence unless the claimant travelled home less than once a week while employed; the claimant may then choose either to register as unemployed and claim benefit in the country of employment or in their country of residence.

Expenditure on the unemployed 2012

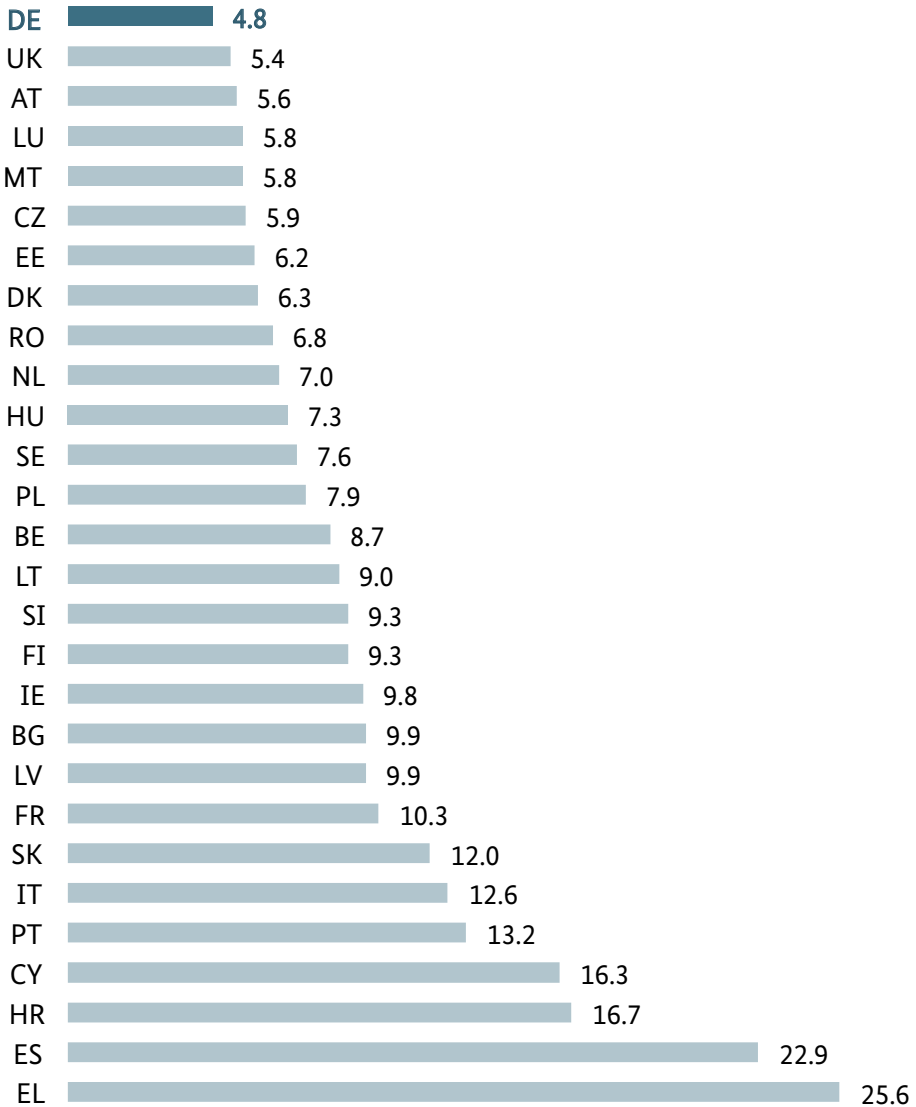
Per head of population (EUR, constant 2005 prices)



¹ Provisional value
Data as of July 2015
Source: Eurostat

Harmonised unemployment rates March 2015 – Total

% (seasonally adjusted)

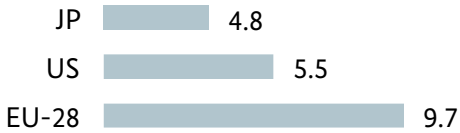


Data as of July 2015

Source: Eurostat

Harmonised unemployment rates: International comparison March 2015 – Total

% (seasonally adjusted)



Annotation:

JP = Japan

US = United States of Amerika

Data as of July 2015

Source: Eurostat



8. Accidents in the Workplace

Social insurance mitigates risk

Anyone who works can also be exposed to dangers that result in work-related illness or accidents. In certain circumstances, employees can even sustain injuries in jobs considered harmless. In such cases, the 28 EU member states have initiated various measures to improve occupational safety and reduce risks in the workplace. They have also established a number of social organisations to support employees who are unable to work.

To keep the workplace as risk-free as possible, all EU member states have legislation in place to protect workers. In June 1989, the EU enacted Framework Directive 89/391/EEC on the introduction of measures to encourage improvements in the safety and health of workers at work. It sets out EU safety standards covering activities like operating machinery, working with visual display units, lifting heavy loads, handling chemical substances, exposure to fine dust, and noise abatement.

This has resulted in an EU-wide reduction in workplace accidents. Between 2002 and 2004, a 17 percent drop in fatal accidents in the workplace was recorded and a 20 percent reduction was achieved in work-related accidents involving an absence from the workplace for three days or more. In 2013, Germany recorded 875,000 incidents – the lowest number of reported work-related accidents in the country’s history, representing a 1.2 percent drop over the previous year.¹

More occupational safety measures

Despite this success, work-related accidents remain a constant in working life. Certain work-related illnesses are on the rise, including back pain, joint problems, and stress-related ailments. To afford better protection for workers, the European Commission developed the new “Strategic Framework for Health and Security in the Workplace 2014-2020” as the successor to the European Strategy for a Safe and Healthy Workplace from 2007 to 2012. This new strategic framework set an important political signal. It should help promote

¹ Source: German Statutory Accident Insurance (Deutsche Gesetzliche Krankenversicherung)

improvements in occupational safety and further strengthen the EU's leadership role in establishing these standards. The ageing labour force is also taken into account.

There is still room for improvement, however. The topic "Health and Safety at Work" will play a major role in future EU economic growth strategies and the Agenda Europe 2020, specifically protecting employees from musculoskeletal injuries, stress and death caused by work-related cancer diseases.

This highlights the importance of providing employees with adequate protection against danger in the workplace. For the most part, such protection is provided by the statutory accident insurance funds. But there are some countries in which no independent accident insurance fund exists. In Greece and the Netherlands, the risk of accident is covered by the health insurance, invalidity insurance and surviving dependants' insurance funds. In Slovenia, coverage is provided – amongst others - via the pension insurance funds, while the United Kingdom uses tax revenue.

Country-specific financing methods

With few exceptions, accident insurance coverage is financed through employee contributions. In most countries, companies are classified into danger categories and are required to pay differing contributions according to their respective category. This usually takes the form of a specific percentage of an employee's wage or salary. Most insurance funds cover employees not only in the case of work-related accident and illness, but also for accidents that occur on the way to and from the workplace.

In all EU countries, the accident insurance funds also cover work-related illness. However, proof must be provided that the employee became ill as a result of workplace influences. To ease this process, EU Commission Recommendation 90/326/EEC contains a list of occupational diseases, which was replaced in 2003 by list 32003H0670. This is updated at regular intervals.

In the case of a work-related illness or an accident which occurs either in the workplace or on the way to or from work, material and monetary assistance is provided. Material assistance includes such things as hospital stays and visits to the doctor, which the insurance funds in nearly all countries finance in full. Monetary assistance is usually based on an employee's gross pay prior to or at the time they became ill (in some cases with deductions). In Ireland and Malta, fixed income-based amounts are paid. Many countries, like Denmark and the Netherlands, provide monetary assistance in the same way as for illness-related absences from work: the employee receives continued pay for an initial period, after which the social insurance fund steps in (see chapter "Continued Pay").



9. Invalidity

Anyone who is unable to work because of illness or disability is covered by the social insurance system

A chronic illness or a disability can result in an employee or a self-employed person being unable to carry out their work either in whole or in part. In such cases, the social security schemes in the various EU member states provide insurance cover. The methods used to assess the degree of disability and the assistance provided as a result differ from country to country. Rules and regulations are also in place throughout the EU to protect the rights of migrant workers.

Most EU member states cover situations such as invalidity (referred to as “reduced earning capacity” (“verminderte Erwerbsfähigkeit”) in Germany) with insurance funds also dedicated to state pensions. Exceptions exist in Belgium and France, where the statutory health insurance funds also cover invalidity. Thus, financing of insurance cover in the event of invalidity is also provided by the schemes mentioned (see chapter “Ageing”).

Trend away from “all or nothing” principle

In contrast, the Netherlands had a separate invalidity insurance system in place until 2005, but no accident insurance. At the beginning of 2006, the government introduced a completely new invalidity insurance system which focused less on income security and more on rehabilitation to create more of an incentive for people to take up work.

In the United Kingdom, the “Employment and Support Allowance” scheme introduced in 2008 focuses on employability and replaced both invalidity benefit and income support provided in the case of reduced earning capacity. Many EU member states are now moving away from the “all or nothing” approach and instead offer opportunities for partial invalidity benefit for people who are still able to play an active role in the labour market.

Denmark is the only country to finance its invalidity benefit/pension scheme using tax revenue. Most EU member states operate a combination of tax-funded and contribution-funded insurance cover.

Level of disability the deciding factor

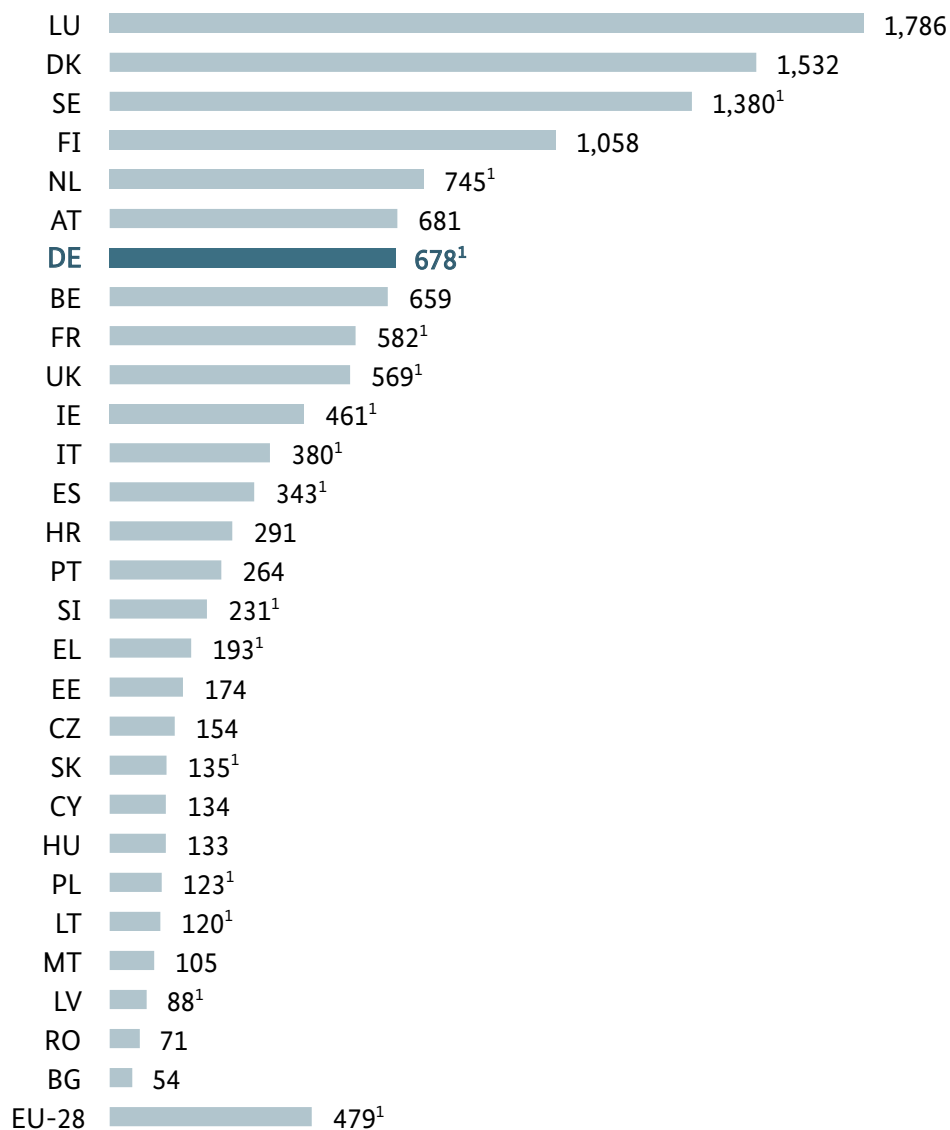
A key prerequisite in approving a benefit claim is a medical examination. In all countries, the type and amount of assistance provided depends primarily on the level of disability. This means the ability of the affected person to continue in their former job or to perform another type of work to a certain degree or not at all over a prolonged period of time.

In all other cases, the invalidity pension is calculated – where no standard rates or minimum contributions are prescribed – in a similar way to old-age pension. And most countries (exceptions: the Netherlands and Romania) have prescribed waiting periods, although these are usually shorter than for old-age pension).

In most EU member states, invalidity pension is replaced by old-age pension when the individual involved reaches the age of retirement, or the insured can choose the best option of the two. The (usually annual) adjustment of invalidity pensions occurs in line with the provisions and rates applied to old-age pensions. People with disabilities can also take advantage of a wide range of benefits to help them participate in society and while providing financial help (see chapter “Disabilities”).

Invalidity benefits 2012

Per head of population (EUR, constant 2005 prices)



¹ Provisional value

Data as of July 2015

Source: Eurostat



10. Ageing

Pension systems offer social protection at the end of people's working lives

Old-age pensions – along with health and accident insurance – are some of the oldest social insurance institutions in the European Union as well as in the history of all social security systems. They aim to help workers be socially secure and able to live without worry when they retire. Pension schemes exist in all EU member states, and they are as diverse as they are many.

Despite the differences in their pension structures, the EU member states face one and the same challenge: to provide people in an increasingly ageing society with a reliable level of social security when they retire from working life. This is a difficult task given the demographic change seen across the EU, which results in fewer insured paying contributions into the system and growing numbers of ageing pensioners.

Pressure for reform

The share of old-age pension payments in total social security expenditures clearly mirror this trend: In 2012, almost half (46.24 percent) of social expenditures in the 28 EU member states fell to old age provision and surviving dependant pensions. The share for old age alone amounted to around 40.62 percent. Latvia has the highest share in old age pensions (54.55 percent), closely followed by Italy (52.68 percent), Romania (49.41 percent) and Poland (49.19 percent). Ireland (20.58 percent) spends by far the smallest amount on its pensioners. In 2012, EU-wide per capita expenditure amounted to an average €3,027.

Old-age pension systems face the same kind of increasing financial pressure as health insurance schemes, and urgently require forward-looking solutions. Many countries are in a state of reform, while others are either planning reforms or have already implemented them. When adjusting pensions, Germany applies a sustainability factor to its calculations. This takes into account the trends in the ratio between pension recipients and insured employees. A safeguarding clause in the sustainability factor keeps the monthly pension amount from being reduced.

Contribution-based financing

Despite their many differences, the various old-age pension systems have all converged. In earlier times, there were basically two main approaches: statutory systems providing universal basic provision and largely financed using tax revenue, and contribution-based state pension schemes which operated along the insurance principle. Today, the proportion of insurance contributions in financing old-age pension schemes far outweighs the state share.



Where contributions are paid, countries use one or other of two systems: The employee and employer pay a universal amount for the entire social insurance system, of which portions are used for pensions as needed. This applies, for example, in the United Kingdom, Belgium and Ireland. Alternatively, what happens in most countries – including Germany – is that the various branches of the social insurance systems are financed individually, meaning that separate contributions must be paid into the pension scheme.

In most EU member states, employer contributions significantly exceed those of employees. Exceptions exist in Luxembourg and Poland, where employee and employer shares are equal. In Germany, too, both parties pay the same rate of 9.35 percent. The Netherlands takes a different approach, with contributions for old-age and surviving dependants' pensions exclusively funded by employees.

State pensions on the decline

Only a few countries still operate a basic pension that is fully financed using tax revenue. But most of these also offer the option of a contributions-funded pension supplement.

Denmark and Estonia operate this type of statutory system (state pension), as do Italy and Spain in cases involving a non-contribution based social pension (Italy also has an early retirement pension). In Finland, the state and guaranteed pensions are funded by tax revenue.

There is a general tendency towards the state only covering deficits via variable grants. In some countries, like Luxembourg, fixed amounts are used. In the Czech Republic,

the state has completely withdrawn from co-financing of old-age pensions. France is also in this group – the state limits its provision of funding to compensating for the labour policy-related exemptions to mandatory contributions.

Dual pillar system

One ongoing trend involves the dual pillar system. Apart from pay-as-you-go and tax-funded pensions, it also includes a pension supplement funded via private savings. Membership in both types of pension insurance fund is thus mandatory.

Initially introduced in Scandinavia, this system has since been adopted by a number of EU member states such as Bulgaria, Estonia and Slovakia. In many countries, the state does not contribute to pension supplements, and often restricts its involvement to grants or additional payments which have seen constant decline in recent years. Poland and Hungary abolished private savings-based pension supplements a few years back in response to the economic and financial crisis.

Standard retirement age under debate

In all EU member states, the provision of old-age pensions is subject to certain conditions. The most important include ceilings on the standard retirement age, waiting periods – a specific number of months or years in which insurance contributions must have been paid (exceptions exist in Belgium and the Netherlands) – and length of residence: in the three Scandinavian countries, an entitlement to old-age pension is linked to a minimum period of residence.

The standard retirement age for men in most member states is now 65; this is sometimes slightly earlier or later. The situation regarding women is different: In many countries, they are entitled to receive a pension a few years earlier than men. In most EU countries, however, the standard retirement age for women has been aligned with that of men. The United Kingdom plans to gradually increase the retirement age for women to 66 from 2018 to 2020. Estonia is also extending the number of years women are required to work before receiving a pension in 2016.

To cope with the impact of demographic change, the EU member states are currently looking at a general extension of working life. Since 2012, Germany has gradually increased the retirement age for men and women born in and after 1947 to 67. People born after 1964 already have a standard retirement age of 67. Many other member countries have decided to gradually increase the age at which people can start collecting their pensions. Denmark is raising the retirement age to 67 by 2027, and also plans to couple this age with the national life expectancy. Other EU member countries that plan to gradually raise the general age of retirement include Hungary, Romania, France and the United Kingdom.

Flexible start to retirement

In most cases, the age ceilings for pension entitlements allow for some flexibility. There are numerous reasons why the age of retirement might be lowered for certain individuals, including cases of disability and reduced working capacity.

If they so wish, workers can take early retirement and collect their old-age pensions. With the exception of the United Kingdom, Ireland, Finland, Sweden, Denmark and the Netherlands, the EU member states allow pensions to be drawn early. This only happens under certain circumstances, however, and mostly in connection with a person's date of birth, a specific cut-off date or the number of years contributions have been paid. Anyone taking early retirement must expect to take a significant cut in the amount of pension they receive. In Poland, only people born before 1 January 1949 are allowed early retirement.

Because many people choose to take early retirement, EU citizens tend to end their working lives considerably earlier than intended standard retirement age in some countries. In 2013, people in the EU worked longest on average in Romania (up to age 65.5), followed by Croatia (65), Sweden (64.7), Bulgaria and the United Kingdom, with people retiring at age 64.1 years in both countries. It was shortest in Luxembourg, where the average retirement age was 59.4. Germany lies mid-field with 62.6 years.

It is also possible for people to delay drawing a pension (exceptions in Ireland and the Netherlands). This is usually rewarded with additional payments on top of the standard pension. In some countries such as Germany, further flexibility has been achieved using collective bargaining agreements on semi-retirement. A deferral is not possible in Romania, but the monthly points for the pension formula increase by a fixed percentage if a retiree continues to work. In Luxembourg, anyone working over the age of 65 receives his/her employee contributions at the end of each year.



Pensions mostly wage-related

The amount of pension paid not only differs significantly from country to country, but is also frequently based on very different requirements. In some cases, as in the Netherlands and the United Kingdom, all pension recipients receive a fixed pension amount. In many other countries the actual pension received is linked to a person's marital status.



There are also wage-related pensions, where the amount payable is calculated based on the individual's wage or salary and varies accordingly. And in some countries, a baseline wage is used in the calculation: this is usually the wage earned in the last few years prior to retirement.

Germany is an exception: A person's gross annual income across their entire period of insurance – meaning the whole of their working life – provides the basis for pension calculation, although productivity growth is taken into account in the pension formula.

Almost all EU member states – with the exception of Lithuania, Slovakia and Estonia (2nd pillar) – have introduced a minimum pension. And although Germany has no minimum pension, it does guarantee tax-funded basic support in old age and in the case of reduced earning capacity to ensure a dignified subsistence level for people who are unable to accrue enough pension entitlements to secure their livelihoods in old age due to long-term unemployment, low-paid work or reduced earning capacity over a prolonged period of time.

The amount of pension paid is usually aligned with economic trends each year. The alignment is based either on the cost of living or on wage trends (as is the case in Germany).

Retiree income

When comparing average annual incomes of people over the age of 65 in the 28 EU member nations, Luxembourg is far ahead of the rest with €35,396, followed by Denmark (€21,053), France (€20,603) and Austria (€20,596). Latvia and Lithuania are at the opposite end of the spectrum, with average annual

incomes of retirees just over €3,500, and Bulgaria and Romania averaging under €2,300. Germany is in the top third of the EU with €17,729.



Deductions and surcharges

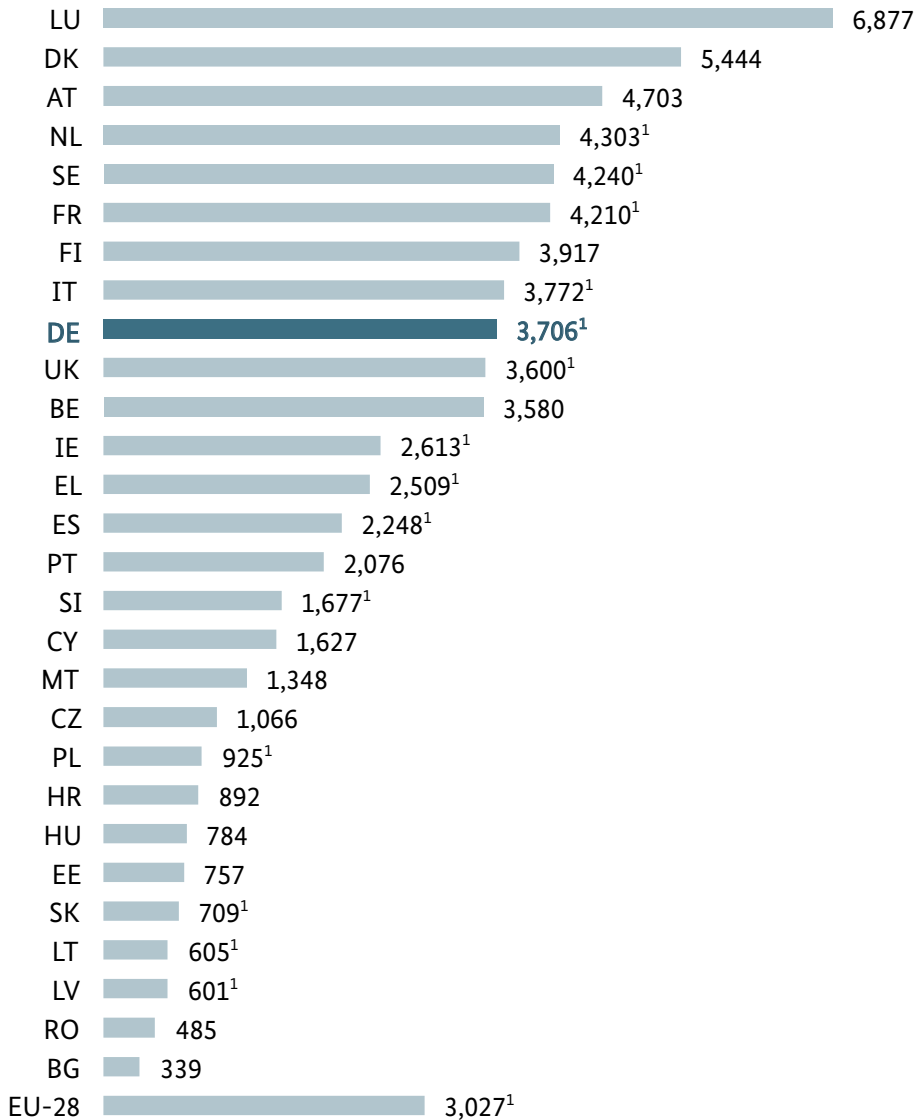
Despite the convergence of the old-age pension schemes across the EU, the diverse rules and regulations allow for only rough comparison. This is made even more difficult by the fact that – depending on very different rates – the member states tend to tax pensions and in some cases also levy social welfare contributions such as health insurance contributions.

Even fewer similarities can be drawn when it comes to calculating income. In most EU countries, there are no restrictions on earning additional income while drawing an old-age pension. Some member states restrict additional earnings to a maximum amount, while yet others prohibit it altogether. In Spain, pension payments are usually withdrawn as soon as a person earns an income in a job that is subject to mandatory social security contributions.

Many countries pay pension bonuses or supplements based on different factors such as the recipient's marital status, health and age.

Expenditures for pensions 2012

Per head of population (EUR, constant 2005 prices)



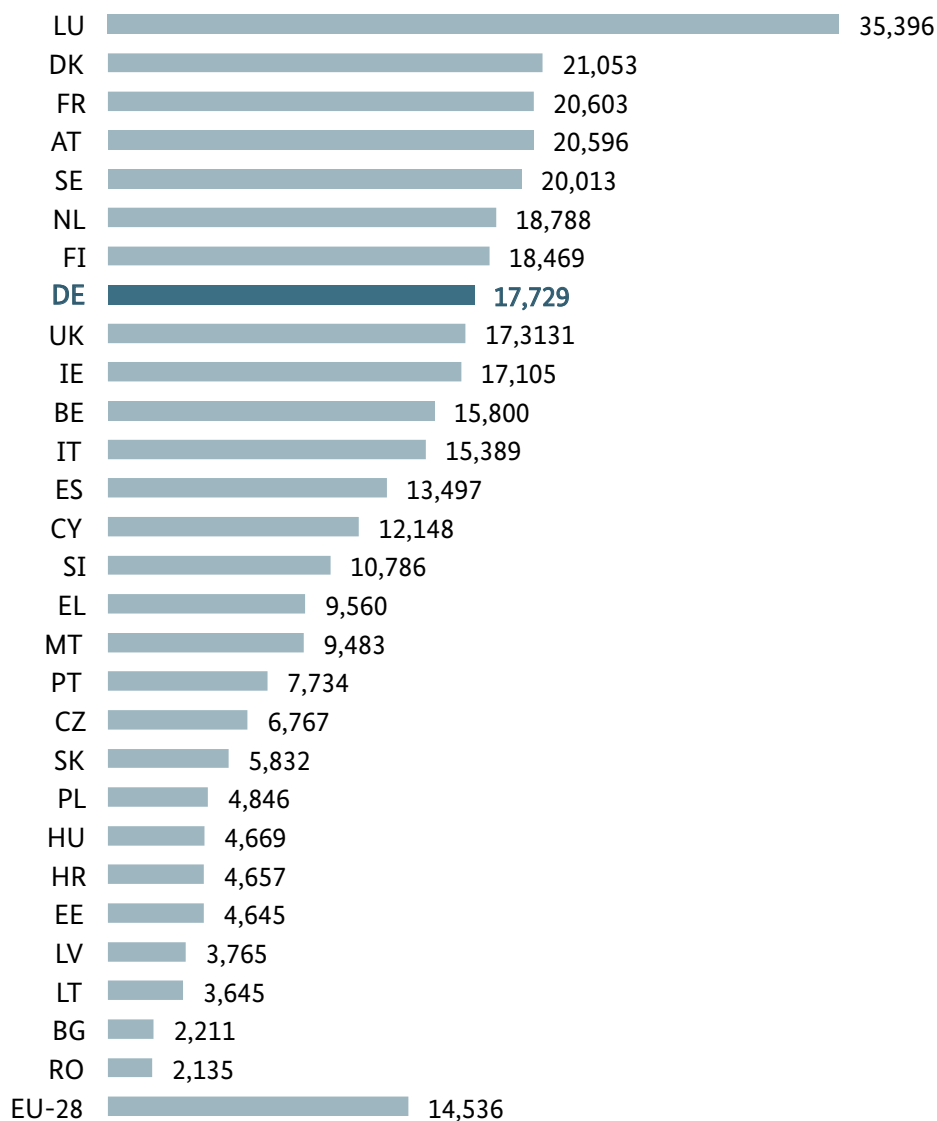
¹ Provisional value

Data as of July 2015

Source: Eurostat

Average income of seniors over 65 in 2012

Per head of population (EUR, constant 2005 prices)



¹ Break in series

Data as of July 2015

Source: Eurostat



11. Surviving Dependants

Surviving dependants receive financial support in the event of a death

When someone dies, the surviving dependants often find it difficult to cope with everyday life. In addition to the emotional strain, financial worries can make the situation even worse and plunge the family into unexpected hardship. This is why all EU member states have social security schemes in place to assist surviving spouses and children.

Most of the social insurance schemes in EU countries use their old-age pension systems to address the needs of surviving dependants. Hence, financing is provided by means of contributions and state funds (see chapter “Ageing”).

In cases where pensions are not funded using tax revenue or where contributions are levied universally or for most branches of the social security system with needs-based allocations to the individual functions – as in Spain, Estonia and Portugal – the statutory pension arrangements usually feature joint contributions to cover the risks of old-age and surviving dependants, and often include invalidity benefit.

Exceptions exist in the Netherlands and Sweden, which operate their own independently financed social security schemes for surviving dependants. Poland has also chosen a different approach and levies joint contributions for surviving dependants and invalidity.

Eligibility criteria

As with all other branches of the social insurance system, eligibility for assistance depends on certain criteria. In some cases, these apply to the deceased, while in others they must be fulfilled by the dependants.

In all member states, it is necessary for the deceased to have paid into the insurance fund for a specific length of time in order for the surviving dependants to receive a pension. Such regulations do not apply in Bulgaria, however. In the Netherlands, membership of the social insurance scheme at the time of death is the deciding factor, but not the length of time contributions were paid.

The criteria applied to surviving spouses vary from country to country. In most cases, a legally recognised marriage is a prerequisite for the provision of assistance. There are, however, some exceptions, such as Cyprus, where the spouse only receives payments if they were financially dependent on the deceased at the time of death.

Eligible persons

In EU member states, the social insurance funds provide assistance not just for surviving spouses, but also to children and divorced spouses. In some countries assistance extends to parents, siblings and grandchildren. In most cases, certain criteria must be met (as with spouses). These include the need for dependants to have lived in the same household as the deceased or to have been financially dependent on the deceased. Increasing numbers of EU member states also recognise non-married partners. This applies in Germany, but they must be part of a registered partnership for at least one year in order for the partner to receive a pension.

If the surviving spouse or registered partner remarries, the surviving dependants' pension is immediately revoked in almost all EU countries. Exceptions exist in Estonia, where pensions are paid for an additional year, and in Poland, where they are paid for an unlimited period. Malta also pays pensions after remarriage, but at smaller amounts. Some countries make at least lump-sum pay outs of varying amounts are made: in Cyprus, this means the equivalent of one year's pension. Germany and Italy pay two years, and Austria 35 months. Luxembourg pays five years (for people up to age 50; those

over 50 receive only three years). In Finland, three years of pensions are paid as compensation if the surviving spouse remarries before turning 51.

Between 40 and 80 percent for spouses

The amount of assistance paid is usually based on the pension the deceased would have received or actually received before they died. As a rule, widows' or widowers' pensions lie somewhere between 40 and 80 percent of the reference amount.

They often fluctuate, however, based on several factors. These include the age of the surviving dependant, whether or not



the surviving person works, and if there are any underage children to be cared for. The countries in which marriage-like partnerships are recognised pay the surviving partners the same amount of pension as a legal spouse. One-off payments such as death benefit occur in only a few countries and are becoming increasingly rare.

Orphans' pension up to age 18

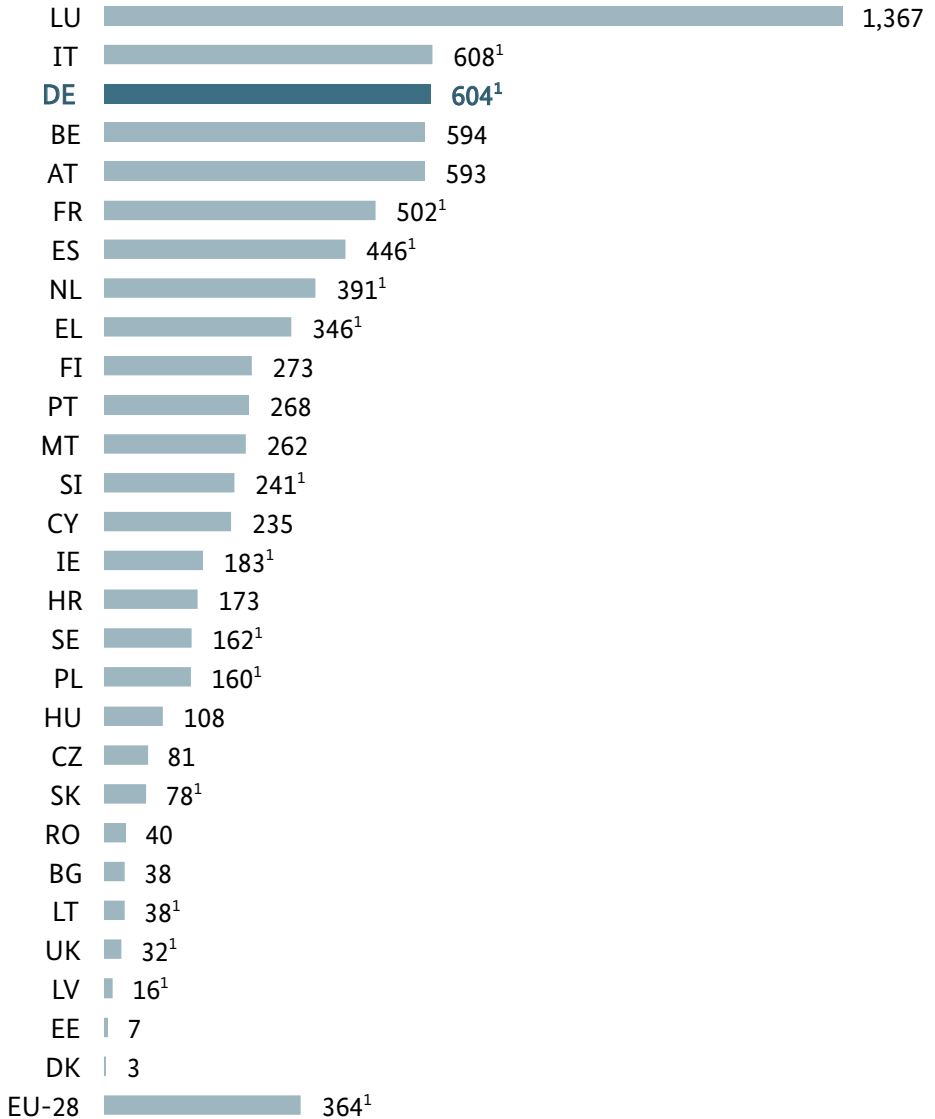
For children with one deceased parent, between 20 and 50 percent of the reference amount applies; for orphans the amount is often significantly higher. Also, orphans' pension is usually cumulated with the general child benefit payments. In some countries, such as Belgium, no orphans' pension is paid, but instead family welfare assistance provides for an amount per child to be paid in the form of age-related supplements. In France, children with one or two deceased parents are taken into special account when calculating the amount of support paid in the form of child benefit.

Cyprus, for example, also has similar policies in place: Here, pensions for surviving spouses are topped up by means of special family supplements. Denmark takes a different approach in the case of a death, paying special assistance and also providing for a lump-sum payment.

In all EU member states, payment of orphans' pensions or the equivalent family supplements is subject to the same prescribed periods as those for child benefit – usually up to the time the child reaches the age of 18. These periods may be extended temporarily or permanently under certain circumstances, e.g. if the child starts vocational education or training, or has a disability.

Surviving dependants' benefits 2012

Per head of population (EUR, constant 2005 prices)

¹ Provisional value

Data as of July 2015

Source: Eurostat

Working in Europe

Legal traditions dictate national labour law

Overall, the legal provisions in the various EU member states provide for minimum employment standards. The key stakeholders, meaning those who determine and practice employment conditions in the EU, are the unions and the employer associations. The weighting afforded to and the numbers of individual stakeholders differ greatly from country to country. This has historical and sociocultural origins, but is also based on the differing legal systems in place.

Although the legal systems in the EU member states differ greatly as regards their traditions and practices, there are strong signs of convergence. This is also the case with labour law: apart from the increasing exchange of information and experience, and the adoption of best practice models from within the Community, it is also the desired outcome aimed for with the enactment of European law.

In the past, this had helped underpin employees' rights within companies, not least in countries that have been hesitant in adopting cooperative company structures (see chapter "Co-determination").

Three legal traditions in Europe

Historically, there are three legal traditions that have influenced labour law in the various EU member states.

1. Germany follows Romano-Germanic law, as do nine other member states in the EU-15 (prior to the 2004 accessions) and most of the countries that have joined the EU since then. This tradition is characterised by written legal principles, of which constitutional law is the highest instance and in most cases guarantees people's fundamental rights and freedoms. As a rule, the state provides for public order by means of special legislation.

2. Great Britain and Ireland follow the principle of unwritten law, known as common law. Great Britain has no written constitution and thus no officially anchored fundamental rights or freedoms. In this Anglo-Irish legal system, the



courts play a key role in designing and applying unwritten law (*casus omissus*). The so-called doctrine of precedence prevails, whereby the courts, as the first instance, are bound to the judgments of higher courts within the same area of jurisdiction.

3. Nordic law applies in Denmark, Finland and Sweden, and also covers Norway and Iceland, which are not EU members. Promoted by collaboration within the Nordic Council, it has developed relatively homogeneously in all five countries. Nordic law is extremely practice-oriented, a typical example being the institution of ombudsmen.

Romano-Germanic system: State-prescribed minimum requirements

In countries like Germany that operate under Romano-Germanic law, the state prescribes the necessary minimum requirements concerning individual employment relationships (working hours, breaks, holiday entitlement, night work, and, in some countries, pay). The state also lays down the employment conditions for certain employee groups (such as women, children, youths, older people, people with disabilities and workers from other countries).

By means of legal provisions on collective bargaining, union activities, and the structure of works councils and other employee representations, the state sets out the underlying institutional infrastructure. In general, it intervenes in the relationship with the social partners, the aim being to protect, regulate, promote and advise. An exception is seen in Italy,

where legal provisions for collective bargaining between employers and employees are rare.

Collective bargaining agreements generally provide the most important basis for employment conditions, although their validity is restricted by mandatory and statutory minimum requirements. In most cases, it is only the employers, employer associations and their combines on the one hand and the unions and their combines on the other that are legally authorised to negotiate and sign collective bargaining agreements.

Anglo-Irish system: Voluntary collective bargaining process

In contrast to the United Kingdom, Ireland has a written constitution which provides for equal treatment and the freedom to form a coalition, but it plays only a subordinate role in the design of relationships between the social partners. Until the late 1970s, states in the Anglo-Irish law group refrained from intervening in the purely voluntary-based relationships between the social partners, and took a very selective approach to regulating the rights and obligations arising from contractual relationships. In the 1980s, the United Kingdom's legal provisions concerning the voluntary system of collective bargaining were reduced.

Neither the United Kingdom nor Ireland has legally prescribed bodies to represent the workforce of a company. Protective provisions concerning working conditions are extremely selective. However, by establishing codes of conduct, both countries are expanding workers' rights on information and

consultation. With the Directive on “Informing and consulting employees in the European Community” in March 2002¹, these countries also enhanced workers’ rights and placed them on a firm legal footing.

In both countries, prevailing legislation focuses largely on health and safety in the workplace, the employment of children, youths and women, severance pay, and issues related to union organisation, collaboration, employment contracts, and labour matters covered by EU legislation.

Collective bargaining agreements are key in determining wages and other employment conditions. In the United Kingdom, company agreements or occupation-specific agreements play an increasingly important role, while in Ireland they can be supplemented with national-level agreements.

Nordic system: Cooperation and consensus

Countries that follow Nordic law are shaped by a decades-long high degree of social partnership, primarily through the practice of company cooperation and consensus in social and labour issues. Collective bargaining agreements are traditionally the cornerstone of the Nordic law system.

Because the majority of the workforce enjoys union representation – around two-thirds of the employees in Denmark, Sweden and Finland – these contracts automatically cover the majority of the national workforce. Nonetheless, the degree of unionisation in all three Scandinavian EU countries is lower now than it was a few years ago.

¹ 2002/14/EC



Collective and individual labour law

A basic differentiation needs to be made between individual and collective labour law in all European legal traditions. The most important principles governing legal relationships between unions and employers or their associations, so-called collective labour law, are determined in cross-sector agreements. These cover situations such as strikes and lockouts, the right to union membership, and employer rights as regards hiring, termination, work organisation, and so on. In practice, these rights mean that the freedom of a company management is restricted by statutory regulations, which include EU law and collective bargaining agreements.





In contrast to individual labour law, in which an employment contract is arranged between an individual employee and an employer, the universal collective bargaining agreement between the union and employer association is binding for both contracting parties, and applies equally to all employees irrespective of whether they belong to a union.

Collective bargaining in comparison

Collective bargaining between employees or unions and employers or their representatives is a key instrument of employee representation in all EU countries. The percentage of employees covered by collective bargaining varies greatly throughout the EU – ranging from 98 percent in France to 15 percent in Lithuania. Just behind France at the top of the list are Belgium (96 percent), Austria (95 percent), Portugal (92 percent), Finland (91 percent) and Slovenia (90 percent). Following Bulgaria at 30 percent is the United Kingdom

(29 percent), Poland (25 percent) and, in last place, Lithuania (15 percent). Germany is right in the middle at 59 percent. On average, over six of every ten employees (62 percent) in the EU are covered by collective agreements.

Scope of collective agreements

Traditionally, bargaining parties in all EU countries negotiate across all industries and at all levels: within a sector, a company and a location. Germany is an exception to the rule, as cross-industry contracts are very rare here. Sectoral industry contracts, which are still very common in most countries, are increasingly overlapped by additional agreements made at lower hierarchical levels. In Austria, employers and employees are “mandatory members” of the national Chamber of Labour, or Chamber of Commerce, which has collective bargaining powers. Collective agreements in Belgium, France and Luxembourg are generally binding for all employees.

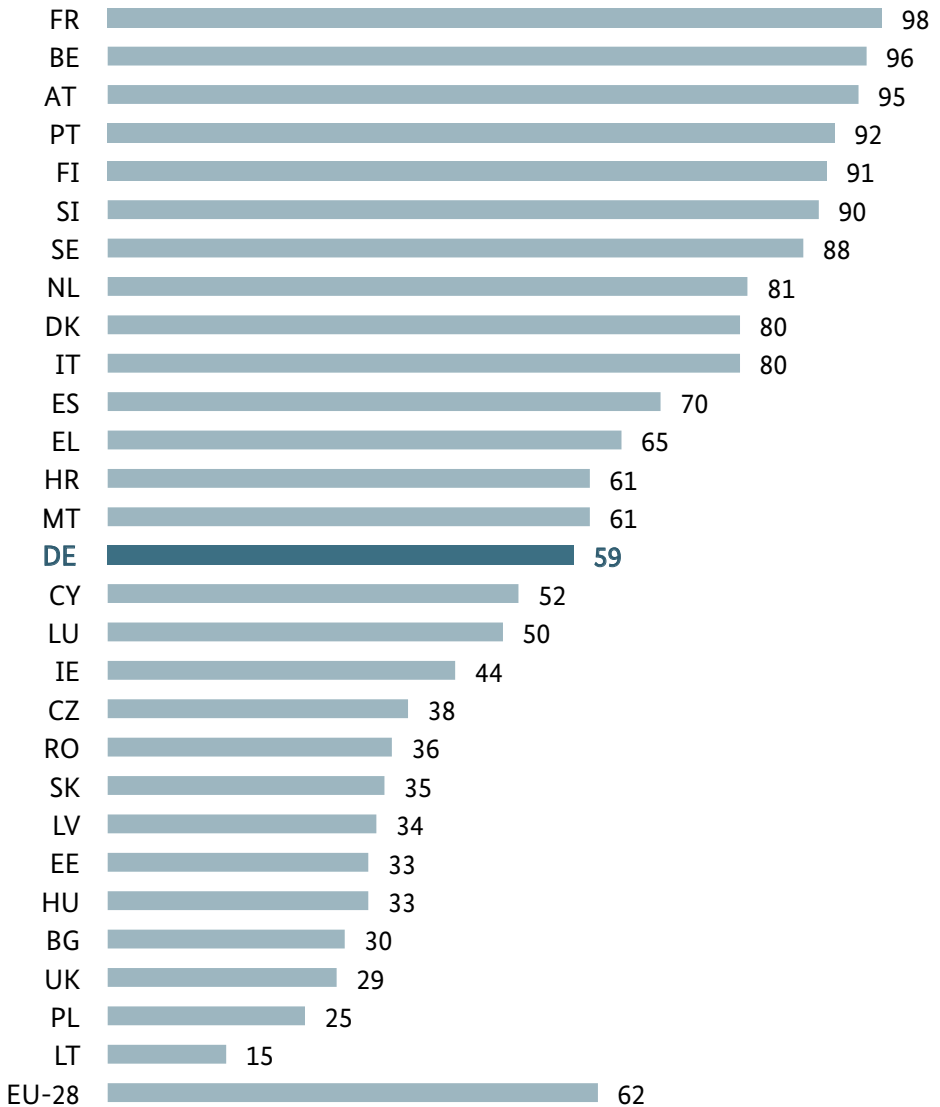
For example, they are only binding for the relevant organisations and their members in Germany, the Netherlands, Portugal and Greece. Collective agreements are only binding for employers in Italy, which essentially means that they are universally applicable. Before state regulations can be passed on working conditions, it is necessary to first organise a hearing with the social partners.

Recently, the European trend towards decentralised collective bargaining agreements has reflected a transition in European labour law. This process was accelerated through the effects of the global economic crisis over the past few years.²

² Compare in detail and with regard to collective bargaining systems: www.worker-participation.eu

Collective bargaining coverage 2013

% of employees

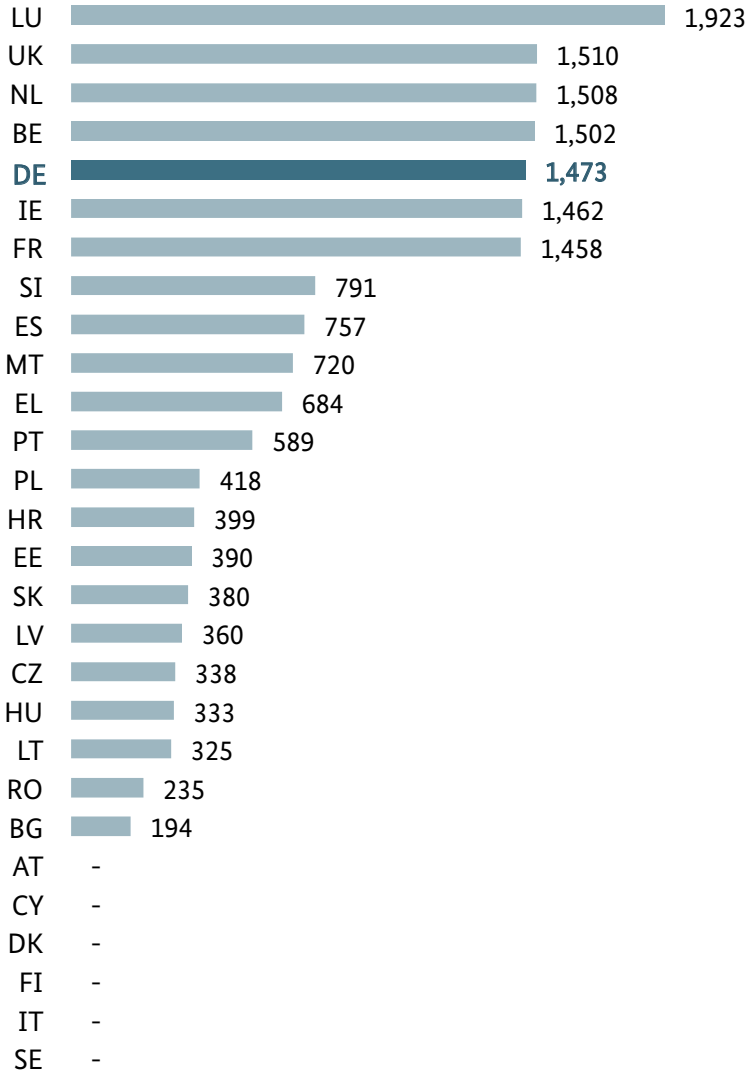


Data as of August 2015

Source: Fulton (2013) Worker representation in Europe. Labour Research Department and ETUI. See www.worker-participation.eu

Minimum wage in the EU 2015

in EUR per month



- = This country has not established a minimum wage

Data as of July 2015

Source: Eurostat

Minimum wages in the European Union

We have also observed a second development in the working lives of Europeans in the past several years: The number of EU member states with a mandatory minimum wage has increased dramatically. Only six EU countries have not implemented a minimum wage so far: Denmark, Finland, Italy, Austria, Sweden and Cyprus.

These minimum wage rates – some of which calculated based on hourly wages – are very different and reflect the economic situation of each individual country. The EU country with the highest minimum wage as of 1 January 2015 was Luxembourg with €1,923 per month, and the lowest was Bulgaria with €194. Germany (€1,473), France (€1,458) and the United Kingdom (€1,510) are also at the top of the list of monthly minimum wages for employees.



12. Termination of Employment

Termination of an employment contract is governed by applicable legislation or the provisions of collective bargaining agreements

Quitting or being terminated from one's job is always a decisive moment in a person's life. Economic and social situations both play a role here. This transition affects more than the individual employees, but also their family and friends, and often their entire environments. Entire regions can stagger from the effects of company closings and mass dismissals. Providing a cushion and effective assistance for those people involved are the most important goals of social services in this area throughout all EU member states.

Release from an employment relationship and protection of workers in relation to termination of employment is handled differently across the member states. This is especially clear in the provisions governing termination of indefinite employment contracts by the employer (individual terminations).

In all EU member states, termination of an indefinite employment contract must comply with the period of notice laid down in applicable legislation or in the respective collective bargaining agreement. A range of procedural requirements must also be observed and these differ considerably from country to country. The notice period may be shorter if the employee terminates the employment relationship, which is the case in Germany, Luxembourg and Lithuania.

Some countries differentiate between workers and salaried employees. In France, Portugal and Romania, for example, managers and executives are granted longer notice periods. In contrast, Swedish law requires a minimum notice period of one month for both the employee and employer. The length of employment also plays a key role.

Protection against dismissal exists in every country for certain groups such as pregnant women and women on maternity leave, employees taking parental leave, people with disabilities, and employee representatives (members of the works council or union representatives). Because these apply without exception, they are not addressed in the database.

Consultation of employee representatives

In most member states, before an employment contract is terminated – either in line with legal provisions or those of a collective bargaining agreement – the employee representation must be consulted (in Germany and Austria, the works council). Without such consultation the termination is invalid.



The requirement to inform and consult was introduced into EU law back in 1975 in anticipation of mass layoffs. Modified in 1992, the respective Directive¹ has also had a positive effect on employees' right to consultation.

Most countries also provide for severance payments except in the event of justified behaviour-related terminations. Severance packages are usually based on the length of employment and the status of the employee. In Malta, employees who terminate an employment relationship earlier than the mandatory notice period are required to pay damages to the employer. Employees in Sweden may also be required to make payments to their employers.

Sanctions are applied in cases of unlawful dismissal, and include enforced re-employment of the employee, declaration of the termination as invalid, and the payment of severance pay – the latter being the most frequent outcome. Again, the legal provisions and the practices vary significantly from country to country. This applies both to the ten accession states that joined the EU in 2004 and also to Bulgaria, whose provisions are largely based on those laid down in legislation and collective bargaining agreements in the EU 15 states.

¹ See Directive 92/56/EEC



13. Co-determination

Workers have a right to a say in company decisions

Europe has a long tradition when it comes to co-determination, even if this varies significantly in the different EU member states. Employees have a right to be informed, to be heard, and to participate in decision making at the operational and company levels, as well as in various bodies throughout the company. Once again, the individual member countries have very different traditions and functions here as well – especially when it comes to employee representation in Europe.

A first attempt at harmonisation within the EU came in autumn 1994 with the Council Directive on the Establishment of a European Works Council¹. In 2001, the position of transnational works councils in European companies was specified further.² Finally, in 2009, it was possible to establish measures which secure the right of employees to be informed and consulted on Community-scale activities and at promoting the establishment of new European works councils.³

The high standard of employee information and consultation provisions in Germany was long the subject of intense debate in respect of the Europe-wide convergence of workers' rights to participation and co-determination. One reason was the lack of awareness of the benefits of cooperative management structures.

Germany's long tradition of co-determination plus the different cooperative approaches in Austria, Benelux and Scandinavia have prevailed in times of business restructuring and globalised markets. Germany sees this as a locational advantage in attracting business investments. While this is now widespread knowledge, a number of member states still choose to do things differently. Nonetheless, they have contributed to the consensus across Europe and, after many years of stagnation, have enabled workers' rights to be strengthened throughout the EU.

¹ See RL 49/95/EC

² See VO 2157/2001/EC and 2001/86/EC

³ See RL 2009/38/EC

In years of consultations on the highly controversial subject of employee participation in European companies, Germany and the other member states with high co-determination standards have managed to secure existing co-determination rights in negotiation processes.

Differing co-determination practices

The Europeanization of company and works-level industrial democracy offers a new opportunity for employee participation. This benefits Europe as an economic area. With the various EU directives and regulations on information, consultation and co-determination, the success story known as co-determination can develop into a cross-border business culture and be put to the test in practice across Europe.

The debate underway in Germany on reform of co-determination policy aims to retain the tried and tested instruments of employee participation and make them sustainable in the face of globalisation. The database provides



a comparison of the key arrangements and practices in the various member states – to the extent possible given the differing employment and social policy frameworks, and also the different employee representation structures in the member states.

What is surprising is that in almost all new EU member states, legal provisions exist regarding employee participation, sometimes in the form of union representation, and sometimes by means of works councils or other cooperation models involving both representation forms with what are often significant co-determination rights.

Employee participation: Three basic models

There are three basic employee participation models. Some employee participation systems involve a combination of these models:

- Pure employee representations elected by the entire workforce.
- Mixed employee representations comprising representatives elected by the workforce and the employer or employer representatives.
- Dual function union representation within a company: representation of union interests and those of union members, and also of all employees in the company.

Due to their varying legal forms and the differing company bodies in the various member states, it is difficult to draw a comparison between the co-determination models that allow employee participation in company decisions.

Two specific types of decision-making bodies can be found within European companies: The single-tier system practised in most member states, in which there is only one management body (the executive board), and the two-tier system consisting of the management and supervisory boards.

Restricted to date within the EU-15 to Germany, the Netherlands and Austria, this second form found its way into reforms in Poland, Slovakia, Slovenia, the Czech Republic and Hungary after 1989 – mostly with a one-third employee representation on supervisory boards. In Slovenia, companies with at least 500 employees have supervisory boards in which employee representatives make up between one-third and one-half of all



members. Works councils in companies of this size (previously 1,000 employees) have the right to submit proposals on behalf of the labour director. In Bulgaria, selected employee representatives participate in decision-making processes on specific cases. Employees have the right to be heard during the general shareholder meeting. Romania does not have any co-determination laws, but unions can be invited to management board meetings to discuss specific issues.⁴

⁴ For further reading, see: Altmeyer 2005, Casale 2002, Höpner 2004, Neubauer 2008, Niedenhoff 2005, Rudolf 2006, Pichot 2001



14. Labour Disputes

Labour conflict proceedings are governed by law

Whenever a conflict of interests arises between employees and employers, it is essential to initiate a dialogue between both parties as quickly as possible in order to find an acceptable solution for both sides. In this context, the right to strike and to lock-out play a central role.

In most countries, a theoretical divide is drawn between collective conflict of interest and collective conflict of rights. This delineation is not always clear, however. Nor does the practice have any real relevance in many countries such as Belgium, France, Greece, Italy, Luxembourg, the Netherlands and Spain.

Ireland and the United Kingdom make no such delineation. In Portugal, legislation prescribes a variety of procedures to resolve these two fundamental forms of conflict, while in Denmark, a conflict regarding employee rights cannot be solved through labour disputes. Rather, it must be resolved in a two-step process: arbitration of labour disputes and labour court proceedings.

For the most part, differences of opinion are resolved by an arbitrator when interpreting collective bargaining agreements. By way of contrast, conflicts arising from a suspected breach of a clause in a collective bargaining agreement, say conducting a strike and with it breaching the obligation to keep the peace, are taken before the labour courts. In Germany, the labour courts are solely responsible for handling legal disputes between collective bargaining partners and between them and third parties.

Arbitration and arbitration proceedings

In general, a delineation is made between mediation and arbitration on the one hand, and arbitration proceedings on the other. Mediation and arbitration arise from the part of a collective bargaining agreement relating to the law of obligations. This forms the legal basis for the proceedings and enables the parties to agree their mutual relations, rights and obligations. In several countries, it is closely linked to the obligation to keep the peace.

In most cases, mediation and arbitration proceedings are determined by the parties themselves, which means they are primarily responsible for resolving the conflict. While all member states (except the Netherlands) operate state mediation and arbitration agencies, these play a subordinate role in most cases. Their job is to bring the parties to the negotiation table so they can reach an agreement that works in much the same way as a collective bargaining agreement.

Arbitration proceedings are important in Denmark, Germany, Finland, Greece, the United Kingdom, Luxembourg and Spain, and in most of the accession states that joined the EU in 2004 and 2007. In the first four countries named, and also in Estonia, Lithuania, Poland, the Czech Republic and Cyprus, such proceedings are mandatory in certain types of disputes. That the courts become involved in labour disputes is characteristic of Denmark, Germany, Greece, the United Kingdom, Ireland, the Netherlands and Portugal. In France, labour court proceedings play an increasingly important role.

As a rule, peaceful resolution of labour disputes is highly typical of the Scandinavian countries and Austria. These nations have well-established cultures of cooperation and consensus in the workplace and society. Arbitration provisions negotiated in collective bargaining agreements play a decisive role in Denmark and Sweden in particular, and usually prevent the threat of dispute and strike from arising in the first place. A large percentage of employees in Denmark (80 percent), Sweden (88 percent) and Finland (91 percent) are covered by collective bargaining agreements.

In Sweden, negotiations on collective bargaining agreements are generally overseen by mediators, in Denmark by public

arbitration agencies, and in Finland by legally prescribed mediators at national and regional level. Similar approaches have been adopted in most of the accession countries that joined in the EU in 2004 and 2007.

In post-war years, Austria developed a system of “social partnership” which is unique in the EU. And even though union membership is lower than in Scandinavia at 28 percent (2011), mandatory membership of both employees and employers in collective bargaining chambers – Federal Chamber of Blue and White Collar Workers (Chamber of Labour) or the Chamber of Industry – makes these organisations the key players in a consensus-based social partnership. Industrial action is virtually unknown in Austria. The strikes called out by the Austrian Trade Union Federation (ÖGB) against the governing coalition’s pension reform in spring 2003 only confirm this rule.

Strikes and lock-outs

The right to strike is expressly recognised in constitutional law in France, Greece, Italy, Portugal and Spain. It also exists in Belgium, Denmark, Germany, Ireland, Luxembourg, the Netherlands, Slovakia, the Czech Republic, Hungary, Slovenia and Croatia. If this right is not expressly stated in the national constitution, then it has often come about through years of precedence in labour law. In the United Kingdom, employees enjoy the freedom to strike. In the United Kingdom and in Ireland, strike action is protected by certain legally prescribed exemptions. Strikes and lock-outs are generally viewed as being illegal in Austria as they represent an infringement of the labour contract in most cases.

In most countries, employees whose interests are represented collectively have the right to strike. That right does not apply to strike action taken by individuals. In Germany, Greece and Portugal, the unions have the right to strike. In Portugal, this right is afforded to groups of employees in cases where no union representation exists. In all other instances, the EU Charter of Fundamental Rights recognises the right to strike as a basic employee right (see chapter “EU Charter of Fundamental Rights”).

The existence of the freedom or the right to strike does not, however, mean that all forms of strike are accepted. In all countries (with the exception of Italy in certain circumstances), strikes in protest against government policies and measures are deemed illegal or are not defined.



Socio-political strikes

Socio-political strikes in support of employee interests are allowable in Greece, France, Italy, Portugal and Spain. Other measures which are often deemed illegal include go-slows, sit-ins, occupation of works premises and similar actions. Call-outs in sympathy with strikers are deemed legal when at a minimum, the interests of those participating in the call-out are linked to those on strike and the primary labour dispute is legal. In a number of countries, there must be a reasonable link between the objectives and the ways of enforcing these interests.

In many countries, such as Germany, France, Greece, Portugal, Slovenia and Hungary, core services and utilities must be provided regardless of the circumstances to ensure a minimum level of support. Certain occupational groups, like judges and rescue workers, are prohibited from striking.

As a rule, lock-outs do not enjoy the same level of protection as the right to strike or the freedom to strike afforded in individual countries. Nonetheless, although a rare occurrence, they are usually deemed legal in most EU member states.

Fighting Poverty

Assistance to fight social hardship

The social security systems in the EU member countries are more or less fully developed and established in national law. Nevertheless, people fall through the holes of the social safety net in Europe's more prosperous nations, not just the poorer countries. People in nearly all European Union member nations threatened by poverty and social exclusion can at least rely on a guaranteed minimum income in times of social hardship.

Poverty risks can be very diverse and affect practically anyone in any country, despite the social security systems in place. For example, a person can be at risk due to his or her earning situation, especially in the case of short- or long-term unemployment. A person's education may also play a role due to a lack of qualifications. Family issues, especially among single parents, or a lack of opportunities to balance family and work life can also be responsible.

At the same time, health-related or economic factors can cause a person to experience social hardship and become dependent on assistance from the community.

Recent years in Europe have shown how quickly an individual social group, or even an entire nation, can descend into hardship. The euro crisis – not just in the nations of southern Europe – as well as the Greek financial crisis has made this especially apparent. It was and still is essential for the community, especially the community of European states, to provide swift and direct assistance to its citizens.

Social hardship among individuals in communities is as old as communal living itself. This also provides the origins of the various social security systems developed by the EU member states for their citizens.



Guaranteed by the Constitution

Article 20 Paragraph 1 of the German Constitution defines the guaranteed welfare state principle of the Federal Republic: “The Federal Republic of Germany is a democratic and social Federal state.” Here, the state is required to ensure a minimum standard of a dignified, humane existence for all citizens. Current social welfare law specifies this minimum standard by deriving a series of entitlements for which people in need can apply.

The guiding principle of a dignified existence is stated as follows in the Social Code (“Sozialgesetzbuch”) of the Federal Republic of Germany¹: “The duty of social welfare is to enable beneficiaries to lead a life in accordance with human dignity.”

Nearly all EU member states have taken measures to ensure that all citizens in need who are either not fully or at all covered by other social protection systems receive a minimum income to ensure their subsistence.

This basically also applies for Bulgaria and Romania, who joined the union as part of its eastern expansion in 2004 and 2007, as well as the newest member Croatia, who joined in 2013. Some of the benefits provided by these new additions to the EU may still fall far short of those in other member states, however.

¹ SGB XII § 1 Clause 1



Fund for European Aid to the Most Deprived (FEAD)

Immigrants from other EU countries impacted by poverty often fail to take advantage of assistance due to insufficient language skills, inadequate educational or professional qualifications, lack of information or shame. Children also fail to benefit from the various educational and assistance resources due to their parents' plight.

The Fund for European Aid to the Most Deprived (FEAD) helps in this situation. It is designed to fight poverty and social exclusion as one of the main goals of the Europe 2020 strategy. The fund was established for the first time for the funding period of 2014-2020.

The aim of the FEAD is to help people threatened by social exclusion to become integrated into society, and to promote social cohesion. FEAD resources are used to assist people who suffer from poverty and have little or no access to the advisory and support offered as part of regular programmes. These funds are intended especially for very disadvantaged new EU citizens and their children.

The FEAD is an important tool to help affected communities overcome the challenges associated with the growing number of citizens from other EU countries. The fund also targets the homeless and those threatened by homelessness. Many have lacked sufficient access to regular assistance for an extended period of time, and often suffer from illnesses and other burdens in addition to their residential problems.

How does the FEAD help?

The FEAD fulfils a “bridge function” between the aforementioned groups of people and existing advisory and support offers in regular assistance systems. In Germany, for example, FEAD resources are used to fund additional personnel, especially employees at local advisory centres, or social workers who go directly to the people who are not reached by the advisory centres.

So-called low-threshold opportunities are easily accessible, developed to reach people who do not use regular assistance for reasons of fear, shame or a lack of information. They are designed to supplement and strengthen the impact of existing structures. The aim is to help the affected get access to assistance based on their individual needs, such as language courses or medical advice. Children of EU immigrants should be led to existing early education and social support resources, such as day nurseries, preschool programmes or leisure activities.

The FEAD aims to help people take their first steps out of poverty and social exclusion. If their basic needs are met, people receiving support will have an opportunity to get a job or participate in a course of training, potentially one sponsored by the European Social Fund (ESF).



15. Social Hardship

Guaranteed minimum income designed to prevent poverty and exclusion

If a person falls through the social safety net, the community should catch him/her and provide support. The individual regulations in the area of social hardship as well as social security systems are very different among the individual members of the European Union, but this idea of social solidarity is something that unites the people of Europe. Despite all differences, this is especially apparent in the ways in which the EU fights social hardship

In addition to being an economic community, the European Union is also a community of shared values. This includes the goal that all people in all member states should be able to live in peace, prosperity and social security. Turning this aim into reality is a constant work in progress. The considerable differences in wealth became especially clear during the so-called Eastern expansion. This is one of the EU's most important challenges for the future.

What is poverty?

There are a number of terms that describe what is meant by poverty. One vivid example defines poverty as the percentage of people affected by “considerable material deprivation”. “Considerable material deprivation” means the unintentional inability to afford at least four of the following expenses: mortgage or rent payments, medical bills; sufficient home heating; unexpected expenses; regular meals including meat or other proteins; holidays; a television or refrigerator; car or telephone.

When looking at the aspect of “considerable material deprivation” in the 28 EU member states (see “What is poverty?”), 44.1 percent of people in Bulgaria are affected. According to EU calculations, the poverty rate is 29.9 percent in Romania and 19.8 percent in Latvia. In contrast, 2.3 percent of people in the Netherlands are affected by poverty, as are 1.3 percent in Sweden and Luxembourg. Germany at 4.9 percent lies considerably below the EU average of 9.9 percent.

Legal entitlement to a minimum income

Respective legal provisions have been introduced in 27 countries. Only Greece has no minimum income benefit. The government introduced a “Guaranteed minimum wage” pilot programme to help households who do not receive another support from other initiatives. The programme is currently being tested in 13 pilot communities. Benefits differ from region to region in Italy, Finland, Austria and, to some extent, Spain. The legislative powers in Finland are at the national level, and with the nine federal states in Austria. The (autonomous) regions in Italy have full legislative power, while the same regions in Spain only have partial control. In Spain, the unemployment benefit and minimum benefit for Spanish citizens living abroad and homecomers is organised by one central entity. The regions, however, manage old-age and disability pensions not based on contributions. In Germany, harmonised national regulations designate responsibility for social assistance to the administrative districts (“Landkreise”) and the municipal councils (“kreisfreie Städte”).

Like Germany’s social assistance, all countries with legal minimum income benefit schemes provide those affected with a legal entitlement to assistance. As different as it might be from country to country, in nearly all EU states this assistance gives recipients full coverage against the risk of illness.

And in all systems, benefit payments are independent from contributions and are paid by the state out of tax revenue. One exception is Malta, where the global contributions paid toward social insurance also cover the costs of social assistance.

Broad payment scale

The benefits paid in times of social hardship – regardless of whether they are called guaranteed minimum income, integration support or, as in Germany, assistance toward the cost of living, or basic support for job seekers – are provided almost without limitation on the length of time they can be claimed as long as the conditions are fulfilled. In general, they follow the differential principle: if the recipient receives other benefits, or has an income or assets, the benefit paid merely equals the difference towards ensuring that its payment provides for a dignified existence.

The amount of benefit paid varies greatly between the EU member states and is dependent on factors such as the recipient's family circumstances, age, disability or reduced income. In many cases, basic support for job seekers is



supplemented by housing allowance and a grant towards the cost of energy bills. In Denmark, Luxembourg and Spain, monetary payments provided in times of hardship are subject to tax. In Luxembourg and Denmark, they are also subject to social security contributions.

Helping people to help themselves

Across the EU, the same measure is used as is applied in Germany: Social assistance is not alms for the poor, but a legally enshrined entitlement to assistance to secure a dignified existence in times of hardship. It is also designed to help recipients support themselves as soon as they can. This is why regulations on boosting and fostering self-help are so important. Thus, throughout the EU, the guaranteed minimum income is increasingly seen as going far beyond attempts to combat poverty, and more as an instrument of social integration.

Most member states try not to go against the “principle of less eligibility”: the living standards of low-income workers should always be above that of benefit recipients. This lowers the incentive to depend entirely on social assistance. The priority is to free an individual from dependence on state benefit and afford them the chance to take their lives into their own hands. This is why actively searching for a new job is always a prerequisite for receiving a guaranteed minimum income.

Comprehensive reform

The notion of social assistance and basic support for job seekers has long been shaped by this goal, especially in Scandinavia and the Benelux countries. Following the principle of promoting and demanding, wide-ranging integration services are available.



On the other hand, there are high expectations regarding the willingness of each individual to play an active part in improving their own situation. This includes the agreement to accept (reasonable) employment or training offers.

In recent years, many countries have introduced similarly focused reforms of their social assistance schemes. The underlying principle is that anyone who is still able to work will receive more support. In Denmark, for example, the principle of “flexicurity” (flexibility and security) applies. As a counter to the almost non-existent protection against dismissal, both the basic support for job seekers and social assistance enjoy a high status. At the same time, those entitled to receive benefit must play an active role in improving their own situation.

In France, the “Active Solidarity Minimum Income Benefit” has been in effect since 2009 with the aim of providing new incentives to get more unemployed people into jobs. In the Netherlands, the legal framework is called “Wet Werk en Bijstand” (Law on Employment and Solidarity). If, for example, a young person wants to claim benefit, they must take part in the education system. Austria reformed its social security system in 2010. The “needs-based minimum income benefit” replaces the former social assistance. There are two key goals: to protect people against poverty, and to promote their return to the working world.

More information about the unemployment benefit II (“Arbeitslosengeld II”) and Germany’s social service reform is available on the website of the Federal Ministry for Labour and Social Affairs (in German only): www.bmas.bund.de

This is the path Germany chose with the reform of its unemployment and welfare benefits: when Book Two of the German Social Code (SGB II) – entered into force in 2005, the basic benefit for job seekers (unemployment benefit II) replaced the earlier unemployment and social assistance for people who are able to work. This law was last changed in 2013, including measures to improve opportunities for integration into the workplace.

Today, all employable benefit recipients in Germany not entitled to receive unemployment benefits under SGB III have access to the same integration assistance and the same benefits according to the same rules.

People in need who are over the age of 65 or unable to work may continue to receive social welfare, such as a subsistence allowance or basic support in cases of old age and reduced earning ability under SGB XII.

Sustainable foundation for the future

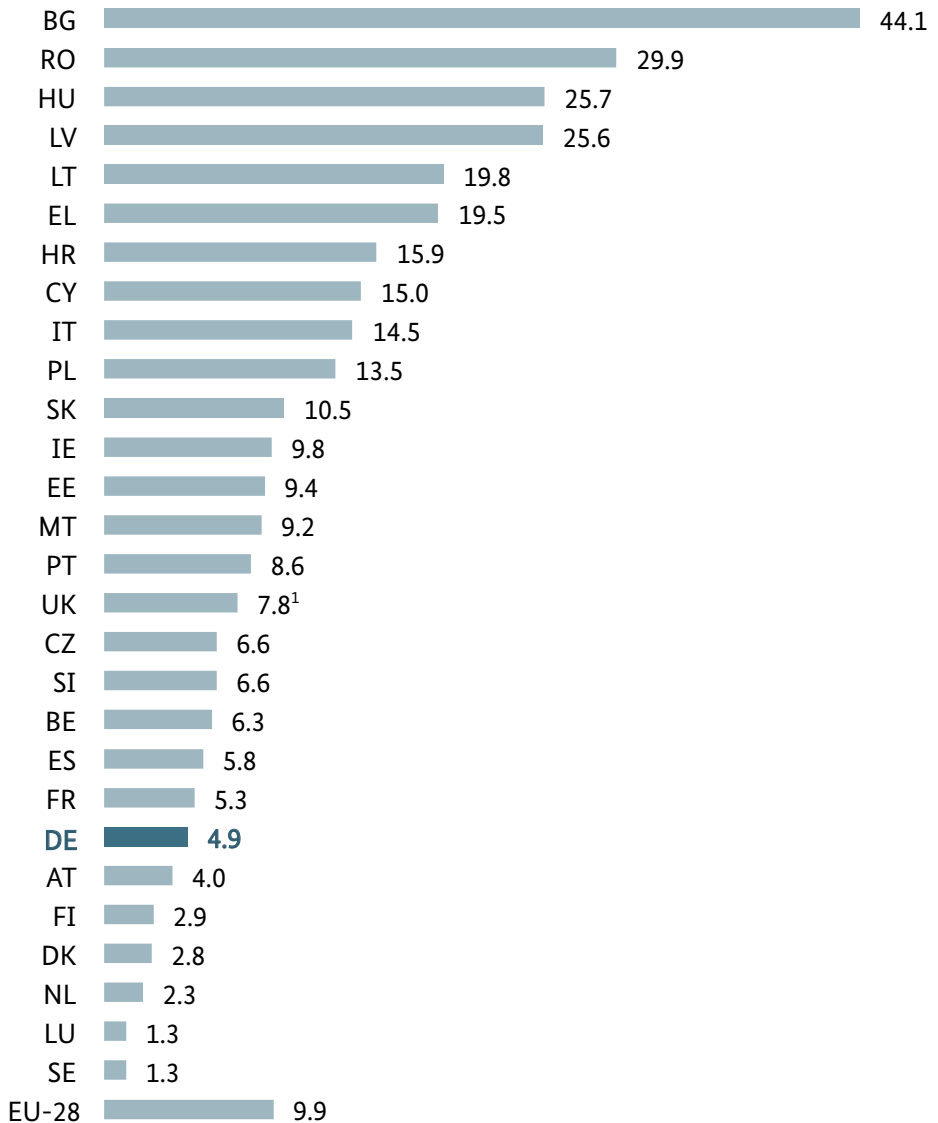
Today's 28-member European Union has a complex and in no way consistent system of social security. This is also apparent when one examines how each nation handles social hardship. It is important to remember, however, that Europe is still a union of states with different cultural, economic and geographic origins. This diversity continues to shape the Europe of today – even in the field of social security. People are learning the languages spoken in neighbouring countries in order to understand them better, or even live and work there in future.

Many aspects have been aligned over the past few years, and will continue to merge in future. In the same way, the diversity and individual situations of the member countries will also determine the face of a united Europe. It is precisely this diversity which gives Europe its unique allure and shapes its fascinating history.

Having a clear point of reference in the areas of European life and politics is all the more necessary. The “Social Security Compass for Europe” provides this point of reference with the database of information on social security systems for all of the EU member states. It is essential for people in the European Union to get to know each other better and learn more about the lives of their neighbours. This is the key to ensuring true, lasting freedom and tolerance, common security and mutual acceptance among the people of Europe.

Rate of people affected by considerable material deprivation 2012

in %

¹ Break in series

Data as of July 2015

Source: Eurostat





Appendix

The appendix of this publication includes a complete directory of all tables on the European Union's social security systems featured in this document. Links to websites of German and European institutions help readers find more information on a variety of topics. The phone numbers for the Federal Ministry of Labour and Social Affairs helplines are also listed.

List of tables

1. Area of EU countries 2013	9
2. Population of EU countries 2014	12
3. Population density in EU countries 2013	13
4. Gross domestic product of EU countries 2013	17
5. GDP per capita 2013	19
6. Country abbreviations	33
7. General government contributions 2012	85
8. Employers' social contribution 2012	87
9. Employees' social contribution 2012	88
10. Social benefits by function 2012: Invalidity	92
11. Social benefits by function 2012: Unemployment	93
12. Social benefits by function 2012: Family/Children	94
13. Social benefits by function 2012: Surviving dependants	95
14. Social benefits by function 2012: Illness	96
15. Social benefits by function 2012: Social exclusion	97
16. Social benefits by function 2012: Housing	98
17. Social benefits by function 2012: Old age	99

18. Total expenditure on social protection 2012 % of GDP (current prices)	105
19. Total expenditure on social protection 2012 per head of population (EUR)	106
20. Total expenditure on social protection 2012 per head of population (PPS)	107
21. Benefits family/children 2012	127
22. Illness/health care 2012	139
23. Expenditure on the unemployed 2012	173
24. Harmonised unemployment rates March 2014	174
25. Harmonised unemployment rates: International comparison March 2015	175
26. Invalidity benefits 2012	183
27. Expenditures for pensions 2012	196
28. Average income of seniors over 65 in 2012	197
29. Surviving dependants' benefits 2012	203
30. Collective bargaining coverage 2013	213
31. Minimum wage in the EU 2015	214
32. Rate of people affected by considerable material deprivation 2012	247

Literature

Albrecht et al. 2015: Birgit Albrecht et al., Der neue Fischer Weltalmanach 2016 – Zahlen, Daten, Fakten, 2015

Altmeyer 2005: Werner Altmeyer, Betriebsräte in Mittelosteuropa. Zu den Strukturen der betrieblichen Interessenvertretung, 2005

Brunn 2002: Gerhard Brunn, Die Europäische Einigung, 2002

Bertelsmann Stiftung, 2014: Harnessing European Labour Mobility, 2014

Bundesministerium für Arbeit und Soziales 2012: Der Europäische Globalisierungsfonds in Deutschland, Forschungsbericht Arbeitsmarkt 426, 2012

Bundesministerium für Arbeit und Soziales 2015a: Die Hilfe von der Sozialen Sicherung für alle Menschen in Deutschland, 2015

Bundesministerium für Arbeit und Soziales 2015b: Die Länder Europas. Zahlen und Fakten, 2015

Bundesministerium für Arbeit und Soziales 2015c: Rat-Geber für Menschen mit Behinderungen in Leichter Sprache, 2015

Bundesministerium für Arbeit und Soziales 2015d: Rat-Geber für Menschen mit Behinderungen in der Europäischen Union in Leichter Sprache, 2015

Bundesministerium für Arbeit und Soziales 2015e: Soziales Europa von A-Z. Glossar sozialpolitischer Grundbegriffe, 2015

Casale 2002: Giuseppe Casale, Tarifverhandlungen und das Recht in Zentral- und Osteuropa, 2002

Conchon/Kluge/Stollt 2015: Aline Conchon, Norbert Kluge und Michael Stollt – European Trade Union Institute (August 2015 Update) Tabelle: Unternehmensmitbestimmung in den 31 Mitgliedstaaten des Europäischen Wirtschaftsraums

COWI 2013: Evaluation of the European Strategy on Safety and Health at Work 2007-2012. Final Report, 2013

Däubler 2004: Wolfgang Däubler, Die Europäische Union als Wirtschafts- und Sozialgemeinschaft. In: Weidenfeld 2004a, S. 273 ff.

Eichenhofer 2007: Eberhard Eichenhofer, Geschichte des Sozialstaats in Europa, 2007

Europäische Kommission 2010: Die EU-Bestimmungen über die soziale Sicherheit – Ihre Rechte bei Aufenthalt in anderen Mitgliedstaaten der Europäischen Union, Luxemburg: Amt für Veröffentlichungen der Europäischen Union, 2010

Europäische Kommission 1996: Soziale Sicherheit in Europa, Luxemburg: Amt für Veröffentlichungen der Europäischen Union, 1996

Europäischer Rat 1992: Europäische Gemeinschaften, 1992

Fulton 2013: L. Fulton, Arbeitnehmervertretung in Europa. Labour Research Department und ETUI. Erstellt mit Unterstützung des SEEurope Netzwerks. Online-Publikation, verfügbar unter <http://de.worker-participation.eu>

Große Hüttmann/Wehling 2013: Martin Große Hüttmann/Hans-Georg Wehling (Hrsg.), Das Europalexikon, 2013

Hobe/Kimminich 2008: Stefan Hobe/Otto Kimminich, Einführung in das Völkerrecht, 2008

Höpner 2004a: Martin Höpner, Unternehmensmitbestimmung und Mitbestimmungskritik. Vortrag auf Diskussionsveranstaltung des Max-Planck-Instituts für Gesellschaftsforschung, 2004

Höpner 2004b: Martin Höpner, Unternehmensmitbestimmung unter Beschuss. In: Industrielle Beziehungen, 11 Jg., H. 4, 2004, S. 347-379

Huinink/Schröder 2008: Johannes Huinink/Torsten Schröder, Sozialstruktur Deutschlands, 2008

Juncker 2015: Jean-Claude Juncker, Lage der Union 2015: Zeit für Ehrlichkeit, Einigkeit und Solidarität, Rede vor dem Europäischen Parlament in Straßburg, 9. September 2015

Kaelble 2007: Hartmut Kaelble, Sozialgeschichte Europas 1945 bis zur Gegenwart, 2007

Kaufmann 2003: Franz-Xaver Kaufmann, Varianten des Wohlfahrtsstaats, 2003

Kellermann 2014: Gudrun Kellermann, Leichte und Einfache Sprache – Versuch einer Definition. In: Aus Politik und Zeitgeschichte 9-11/2014, S. 7-10

Läufer 1993: Thomas Läufer (Hg.), Der Vertrag. Europäische Gemeinschaft, Europäische Union, 1993

Läufer 2004: Thomas Läufer (Hg.), Vertrag von Nizza. Die EU der 25, 2004

Läufer 2005: Thomas Läufer (Hg.), Verfassung der Europäischen Union, 2005

Mau/Verwiebe 2009: Steffen Mau/Roland Verwiebe, Die Sozialstruktur Europas, 2009

MISSOC-Sekretariat 2008: MISSOC-Analyse 2008. Sozialschutz: Aspekte von Flexicurity und aktiver Eingliederung, 2008

Neubauer 2004: Michael Neubauer, Arbeitsrecht in den neuen EU-Ländern, 2004

Neubauer 2008: Michael Neubauer, Arbeitsrecht in den neuen EU-Ländern, 2008

Niederhoff 2005: Horst-Udo Niederhoff, Mitbestimmung im europäischen Vergleich. In: IW-Trends H. 4, 2005

Pichot 2001: Evelyne Pichot, L'Europe des représentants du personnel et de leurs attributions économiques. Etude effectuée pour la Commission Européenne, 2001

Puetter 2009: Uwe Puetter, Die Wirtschafts- und Sozialpolitik der EU, 2009

Rudolf 2006: Stanislaw Rudolf, Die Mitbestimmung nach der EU-Erweiterung. Die Situation in den neuen Mitgliedstaaten, 2006

Schmid 2010: Josef Schmid, Wohlfahrtsstaaten im Vergleich. Soziale Sicherung in Europa: Organisation, Finanzierung, Leistungen und Probleme, 2010

Schulz 1996: Otto Schulz, Maastricht und die Grundlagen einer Europäischen Sozialpolitik, 1996

Schulz 2003: Otto Schulz, Grundlagen und Perspektiven einer Europäischen Sozialpolitik, 2003

Weidenfeld 2004a: Werner Weidenfeld, Die Europäische Union, 2004

Weidenfeld 2004b: Werner Weidenfeld, Die Staatenwelt Europas, 2004

Weidenfeld/Wessels 2011: Werner Weidenfeld/Wolfgang Wessels, Europa von A bis Z, 2011

Wellner/Schmich 1988: Walter Wellner/Gerhard Schmich, Europa auf dem Weg zur Sozialunion, 1988

Wirsching 2012: Andreas Wirsching, Der Preis der Freiheit. Geschichte Europas in unserer Zeit, 2012

Online Sources

CBF Darmstadt:

www.cbf-da.de

Contergan Network Germany:

www.contergannetzwerk.de

EU-Bureau of the Federal Ministry for Education and Research:

www.eubuero.de

EUFIS – EU information system:

www.eufis.de

EU-Info Germany:

www.eu-info.de

EURES – European Job Mobility Portal:

www.ec.europa.eu/eures

EUR-Lex – Access to European Union law:

www.eur-lex.europa.eu/homepage.html?locale=en

Europa – EU legislation summaries on employment rights and work organisation:

www.europa.eu/legislation_summaries/employment_and_social_policy/employment_rights_and_work_organisation/index_de.htm

Europa – Website of the European Union:

www.europa.eu

European Commission:

www.ec.europa.eu

European Commission – Die EU in Deutschland. Europa vor Ort:
presseportal.eu-kommission.de

European Commission – Employment, Social Affairs and Inclusion:
www.ec.europa.eu/social

European Commission – Eurostat Database:
www.ec.europa.eu/eurostat

European Commission – Your Europe:
www.ec.europa.eu/youreurope

European Parliament:
www.europarl.europa.eu

European Publications:
www.bookshop.europa.eu

European Social Fund for Germany:
www.esf.de

Federal Government:
www.bundesregierung.de/Webs/Breg/EN

Federal Ministry for Family Affairs, Senior Citizens, Women and Youth:
www.bmfsfj.de

Federal Ministry of Health:
www.bmg.bund.de

Federal Ministry of Justice and Consumer Protection:

www.bmjv.de

Federal Ministry of Justice and Consumer Protection in cooperation with juris GmbH:

www.gesetze-im-internet.de

Federal Ministry of Labour and Social Affairs:

www.bmas.de

MISSOC. Mutual Information System on Social Protection/Social Security:

www.missoc.org

Sozialpolitik aktuell in Deutschland – Information provided by the University Duisburg-Essen about European social policy:

www.sozialpolitik-aktuell.de/europa-berichte.html

Sozialpolitik.com – Information website for youths about social policy:

www.sozialpolitik.com

EU Information online

Current Facts about the EU:

EurActiv - EU news and policy debates across languages:

www.euractiv.com/

European Commission

EU news:

ec.europa.eu/deutschland/press/eu_news/index_de.htm

Social Security Compass

News:

www.sozialkompass.eu/aktuelles.html

Education and Research:

Children's Identity and Citizenship in Europe – Erasmus Academic Network:

cice.londonmet.ac.uk/

Erasmus+

EU-Programme for education, training, youth and sport

ec.europa.eu/programmes/erasmus-plus/index_en.htm

Euraxess

Researchers in Motion – Mobility portal for researchers in the EU:

ec.europa.eu/euraxess/

European Association for the Education of Adults:

www.eaea.org/en

European Association for International Education:

www.eaie.org/

European Association for Population Studies:

www.eaps.nl/

European Centre for the Development of Vocational Training:
www.cedefop.europa.eu/en

European Centre for Modern Languages:
www.ecml.at/

Eurydice

Education, Audiovisual and Culture Executive Agency:
eacea.ec.europa.eu/education/eurydice/index_en.php

Horizont2020

Supporting programme of the European Union for research and innovation:
www.horizont2020.de/

European Politics:

Academic Network of European Disability Experts:
www.disability-europe.net/

**Assembly of European Regions
Partner for Regional Growth:**
www.aer.eu/

Europe 2020 in all EU countries:
ec.europa.eu/europe2020/index_en.htm

European Parliament Information Offices:
www.europarl.europa.eu/aboutparliament/en/information_offices.html

European Citizens' Initiative:
ec.europa.eu/citizens-initiative/public/welcome?lg=en

European Commission – The European Social Fund:
ec.europa.eu/esf/home.jsp?langId=en

European Association for Information on Local Development:
www.aeidl.eu/en/#&panel1-1

European Court of Auditors:

www.eca.europa.eu/en/Pages/ecadefault.aspx

European Institute for Gender Equality (EIGE):

eige.europa.eu/

European Parliament – Information offices for Germany:

www.europarl.de/

European Policy Institutes Network:

www.epin.org/new/index.php

**Federal Government Representative for the Interests of the Disabled
EU policies for the Disabled**

[www.behindertenebeauftragte.de/DE/Themen/Internationales/EU/
EU_node.html](http://www.behindertenebeauftragte.de/DE/Themen/Internationales/EU/EU_node.html)

OLAF

European Anti-Fraud Office:

ec.europa.eu/anti_fraud/index_en.htm

Healthcare:

EUR-Lex – Access to European law

Information regarding public health:

[eur-lex.europa.eu/summary/chapter/public_health.html?root_
default=SUM_1_CODED%3D29&locale=en](http://eur-lex.europa.eu/summary/chapter/public_health.html?root_default=SUM_1_CODED%3D29&locale=en)

EuroHealthNet:

eurohealthnet.eu/

European Commission

Public Health:

ec.europa.eu/health/index_en.htm

European Council

Council for Employment, Social Policy, Health and Consumer Affairs

Council configuration:

www.consilium.europa.eu/en/council-eu/configurations/epsco/

European Health Insurance Card:

ec.europa.eu/social/main.jsp?catId=559&langId=en

European Observatory on Health Systems and Policies:

www.euro.who.int/en/about-us/partners/observatory

European Public Health Association

Umbrella organisation for institutes and associations of public health in the EU:

www.eupha.org/

European Union

Healthcare in the EU:

europa.eu/eu-life/healthcare/index_en.htm

Information on Social Insurance:

EU Social Security Coordination:

ec.europa.eu/social/main.jsp?catId=849&langId=en

Nordic Social Insurance Portal:

www.nordsoc.org/en/

Statistics and Opinion Polls:

European Union

Statistics and Opinion Polls:

europa.eu/publications/statistics/index_en.htm

Eurostat

Your key to European statistics:

ec.europa.eu/eurostat/en

MISSOC Mutual Information System on Social Protection/Social Security:

www.missoc.org/index.htm

Legislation and Law:

Court of Justice of the European Union:

curia.europa.eu/jcms/jcms/j_6/

European Ombudsman:

www.ombudsman.europa.eu/home/en/default.htm

European Union

Agency for Fundamental Rights:

fra.europa.eu/en

European Union

Application of EU law:

europa.eu/eu-law/application-eu-law/index_en.htm

European Union

EU law:

europa.eu/eu-law/index_en.htm

European Union

Find legislation:

europa.eu/eu-law/legislation/index_en.htm

European e-Justice Portal:

e-justice.europa.eu/home.do

Tourism:

European Commission

Tourism:

ec.europa.eu/growth/sectors/tourism/

European Network for Accessible Tourism:

www.accessibletourism.org/?i=enat.en

European Travel Commission:

www.etc-corporate.org/

Working in the EU:

EU-Bluecard:

www.apply.eu/

Europass

Recognition of qualifications for education and work in Europe:

europass.cedefop.europa.eu/en/home.iehtml

EURES – The European Job Mobility Portal

ec.europa.eu/eures/public/en/homepage

European Commission

Education and Training:

ec.europa.eu/education/index_en.htm

European Commission

Working in another EU country:

ec.europa.eu/social/main.jsp?catId=25&langId=en

European Union

Work and retirement in the EU:

europa.eu/eu-life/work-pensions/index_en.htm

The “Social Security Compass for Europe”

The database

Sozialkompass Europa. Soziale Sicherheit im Vergleich, V 5.0



The central element of the “Social Security Compass for Europe” is an extensive collection of facts and data. This wealth of information is formatted in a convenient database, making it quick, clear and easy for users to compare the individual areas of social life. The database is available on the separately published DVD and online, and can also be downloaded from the internet.

www.sozialkompass.eu

DVD

Datenbank Sozialkompass Europa, V 5.0 Mit sämtlichen Begleit- und Hilfetexten



The DVD “Datenbank Sozialkompass Europa 5.0” contains the entire “Social Security Compass for Europe” database as an application for PC and Mac. The database visualises the similarities and differences between the various national social security systems. The DVD also contains the following brochures: “Sozialkompass Europa”, “Soziales Europa von A-Z”, “Europäische Sozialpolitik. Ein Wegweiser

durch das Internet”, “Die Länder Europas” and the “FAQ” for the “Social Security Compass for Europe”. It also includes helpful tips on how to use the database. In addition: easy-to-read and German sign language versions of companion publications, as well as supplementary publications about social Europe from the Federal Ministry of Labour and Social Affairs.

Order number D801

Print versions

**Sozialkompass Europa. Soziale Sicherheit im Vergleich
Begleittexte zur Datenbank, 6. Auflage 2015**



This brochure gives interested readers insights into the development of the European Union’s social security systems. It also compares various areas of the social security systems in the 28 EU member states. The publication is based on the interactive “Social Security Compass for Europe” database, which is updated each year along with the brochure. It covers a total of 15 topics: family, maternity leave, illness, care, disability, continued pay, unemployment, work-related accident, invalidity, ageing, surviving dependents, termination, co-determination, labour disputes and social hardship.

Order number A801

**Die Länder Europas. Zahlen und Fakten zur sozialen Sicherung,
2. Auflage 2015**



The publication uses descriptive graphics to present information about European social security systems. The figures for the individual EU countries are provided in direct comparison with Germany and the EU as a whole. A detailed profile also introduces each country. In addition to general information about the political system and expenditures for various areas of social policy (social protection, pensions, healthcare, family and children, invalids), the publication offers an overview of the unemployment rate, GDP, population structure and rate of those affected by considerable material deprivation.

Order number A871

Europäische Sozialpolitik. Ein Wegweiser durch das Internet



This publication is a collection of important and interesting URLs from the entire EU sorted by member state. The links for each individual country are structured in line with the topics in the “Social Security Compass for Europe” issued by the Federal Ministry of Labour and Social Affairs. Additional links cover the areas of general EU information, immigration, Europe-wide education, laws, travel and tourism, and social security. It is also possible to access the links at www.sozialkompass.eu and sort them by topic or country.

Order number A799

Soziales Europa von A-Z. Glossar sozialpolitischer Grundbegriffe



The glossary for the “Social Security Compass for Europe” provides explanations and definitions of important basic sociopolitical terms, including several references and sources. This document makes it easier to work with the interactive “Social Security Compass for Europe” database. It supports the database’s use in schools and educational institutions, and is also designed for all citizens interested in social policy and European politics. The PDF is identical to the online version available at www.sozialkompass.eu.

Order number A798

Easy-to-read publications

Easy-to-read information is also available for the “Social Security Compass for Europe”: help texts explaining how to use the database, and simplified versions of the latest developments in Europe. All texts are available in PDF format online at:



<http://www.sozialkompass.eu/sprache.html>

Rat-Geber für Menschen mit Behinderungen in der Europäischen Union in Leichter Sprache



This is an easy-to-read overview of the state assistance available to people with disabilities in the European Union. Topics range from education, labour and inclusion, to resources for people with disabilities. It also covers the rights of people with disabilities and the EU’s goals.

Order number A812L

Rat-Geber für Menschen mit Behinderungen in Leichter Sprache



The publication contains information on the topic of disability in Germany. It explains essential details in easy-to-read format, and people with disabilities tips for everyday life – including sections on childhood, learning and health. The appendix provides an overview of other interesting and useful easy-to-read publications.

Order number A749

English-language publications

The English versions are complete translations of the German brochures and have the same content.



Social Security Compass. Social security in comparison 6th edition

Order number A802



The Countries of Europe. Facts and key figures

Order number A871E



Social Europe from A to Z. A glossary of basic sociopolitical terms

Order number A798E

Other website features



www.sozialkompass.eu offers the online database “Social Security Compass for Europe” as well as a number of other useful features. In addition to the extensive **interactive glossary** on social policy, you can find **the latest news** and information on social security in the EU – also in **easy-to-read versions**. Users can also find a comprehensive **FAQ** listing the most important questions about the “Social Security Compass for Europe” as well as an extensive **collection of links** including important and interesting URLs from each EU country.

Order information

You can order the companion publications to the “Social Security Compass for Europe” from www.bmas.de. Most publications are available in print form as well as for downloading. The quickest and easiest way is to enter the order number corresponding to the publication in the search field. The system will then guide you through the order process. For more information on orders and contact options, please see page 277 in this brochure.

“Social policy” media package

“Social policy” is a media package focused on the topics of social security, the welfare state and labour market in Germany and Europe. These print and online materials are designed to help teachers and instructors prepare lessons on social policy by

- integrating basic didactic and methodical considerations and skills in the scope of lesson plans,
- presenting factual information structured into specific modules for secondary level I and II students in the form of texts, charts, quotes, perspectives and caricatures,
- offering differentiated assignments in line with tiered requirement areas,
- providing worksheets to demonstrate the results of learning this specialised information,
- providing background information for in-depth online research,
- providing materials for accessible education, e.g. easy-to-read materials for students, videos in German sign language on the accessible website, and all materials available for downloading as fully accessible PDF files.

These media are relevant to young people’s lives. They reveal how social policy and the current and future challenges of the welfare state impact each and every individual.

Note: All brochures and materials only available in German!



Website



The www.sozialpolitik.com website has a database of materials containing all PDF files of the printed booklets and charts. It currently contains around 300 materials for educational use, all of which are available for downloading free of charge. New, updated materials are added each month. Easy-to-read versions of several worksheets are also available. Lessons explaining important terms about the labour market and social security are also available in everyday language and easy-to-read versions.

Student magazine



The student magazine allows secondary level II students to work through basic information on state social policy and its individual divisions, either independently or in groups. It is divided into four main topic areas: politics, labour market, inclusion and security.

Each main area is assigned a number of sub-topics, which are presented on a two-page spread. Quotes or case studies often introduce these topics, which are supplemented by charts, graphics and statistics to help students in their work. Source texts from various interest groups sensitise students to controversial societal issues. Assignments on each two-page spread provide opportunities for more in-depth analysis.

Workbooks

The workbooks are primarily designed for secondary level I students and provide basic information about the topics of social security and policy in Europe. They focus on the following aspects:

“Grundwissen Sozialversicherung” (“Basic information about social security”) workbook:



- Social security and social justice
- Branches of social security
- Financing social security systems

“Grundwissen soziales Europa” (“Basic information about social security”) workbook:



- Living, learning and working in Europe
- Co-determination among the citizens of the European Union
- Social security in the European Union

The „Grundwissen Sozialversicherung“ (“Basic information about social security”) workbook is also available in an easy-to-read version for accessible or remedial instruction.



Teacher information and set of slides

The teacher information includes suggestions on the didactic and methodical use of the media package as well as worksheets which correspond to the chapters in the student magazine. They are designed to be copied and distributed to check the students’ progress, test their knowledge or help them prepare for exams. A series of 12 transparent slides provide supplementary charts and exercises relating to the chapters in the student magazine.

“Social policy” for inclusive education

The “Social policy” materials can be used in inclusive education. The aim is to give all students equal access to the most important information about social policy irrespective of their language skills or physical and cognitive capacities. The following materials are available:



Easy-to-read workbook and worksheets:

The “Basic information about social security” workbook was edited and designed to make it easy to understand for students with learning or language difficulties. An additional easy-to-read worksheet is also released online each quarter.

Easy-to-read glossary and guidelines, sign language videos:

The online glossary explains important terms about the labour market and social security in easy-to-read language. Guidelines in easy-to-read and German sign language versions are also available for the “Social policy” media package.

Accessibility in accordance with BITV 2.0 (Federal Ordinance on Barrier-Free Information Technology):

Voice outputs of the www.sozialpolitik.com website and PDF files of the print materials are also available for use on the computer. Alternative texts are offered for graphics and photos, and type sizes can be adjusted as necessary. Clear contrasts make the content easier to read.

Order information:

Schools can order class sets of these materials free of charge:

Bestellservice Jugend und Bildung, 65341 Eltville

Fax: 0 61 23 9 23 82 44

E-Mail: jubi@vuservice.de

Internet: www.sozialpolitik.com or www.jubi-shop.de

Imprint

Publisher: Bundesministerium für Arbeit und Soziales
Referat Information, Publikation, Redaktion
53107 Bonn, Germany

6th edition, December 2015

Concept, Editing, Design:
heimbüchel pr, Köln
www.heimbuechel.de

Text: Dr. Bernd Heimbüchel, Michèle Gries

Editorial assistance:
Tasso Griep

Editor: Ute Heimbüchel, Ellen Wurster

Translation: Lisa Rosson

Layout: Ellen Sturm, Kirsten Scholz

Printed by: Bundesministerium für Arbeit und Soziales, in-house print shop

Picture credits: 123RF: www.123rf.de (aceshot, arekmalang, danr13, diego_cervo, gasparij, goodluz, kaiarun, kzenon, lightpoet, Lorna Roberts, maxikabb, nini3000, pasiphae, pressmaster, romrodinka, shalamov, stockbroker, yarruta, zurijeta), Bundesministerium für Arbeit und Soziales, www.bmas.de, Creative Collection, Ellen Sturm, European Union, www.audiovisual.europarl.europa.eu, European Union, www.ec.europa.eu/avservices, Fotolia: www.fotolia.de (.shock, alephnull, Andres Rodriguez, Ashley Whitworth, CB94, cirquedesprit, denys_kuvaiev, gilles lougassi, Gina Sanders, Ints Vikmanis, marilyn barbone, montebelli, muro, nyul, Paco Ayala, RioPatuca Images, Robert Kneschke, StefanieB., Stephen Coburn, Yvan, Zoe), iStockphoto: www.istockphoto.com (aldomurillo, AlexRaths, argalis, duaneellison, EdStock, EHStock, Elenathewise, endopack, Eric_Schroeder, ericsphotography, eyecrave, fatihhoca, goldenKB, Goodluz, imageegami, jarentwicklund, JBryson, lisafx, lisafx, liveostockimages, LivingImages, mandygodbehear, Melpomenem, monkeybusinessimages, ollo, orangelinemedia, santirf, sculpies, shock, sjlocke, spxChrome, whitemay, whitemay, william87), MEV (Johannes Bräutigam, Claude Bousquet, Photodesign Müller), Photodisc

Order Information

Order No.: A 801 (German)
A 802 (English)
D 801 (DVD)

Tel: 030 18 272 272 1

Fax: 030 18 10 272 272 1

Postal address: Publikationsversand der Bundesregierung
Postfach 48 10 09
18132 Rostock

E-Mail: publikationen@bundesregierung.de

Internet: www.bmas.de

Database: The database „Sozialkompass Europa“ can be found on the DVD. It is also available online at www.sozialkompass.eu.

If you cite this publication, please accurately state the publisher, title and publication date. Please additionally send a complimentary copy to the publishers.

Helpline

Monday – Thursday from 8 am to 8 pm

You ask – We answer

Pensions:

+49 (0) 30 221 911 001

Accident insurance/volunteer work:

+49 (0) 30 221 911 002

Labour market policy and promotion:

+49 (0) 30 221 911 003

Labour law:

+49 (0) 30 221 911 004

Part-time employment, partial retirement, mini jobs:

+49 (0) 30 221 911 005

Information for people with disabilities:

+49 (0) 30 221 911 006

European Social Fund/social Europe:

+49 (0) 30 221 991 007

Employee equity participation:

+49 (0) 30 221 911 008

Information regarding the education package:

+49 (0) 30 221 911 009

Information regarding the minimum wage:

+49 (0) 30 60 28 00 28

Service for the deaf/hard of hearing:

E-Mail: info.gehoerlos@bmas.bund.de

info.deaf@bmas.bund.de

Fax: +49 (0) 221 911 017

Sign language telephone:

gebaerdentelefon@sip.bmas.buergerservice-bund.de

Revision date

The text sections of this publication are current as of December 2015. The information contained in the tables is mostly based on the latest available reference data contained in Eurostat July 2015. In the most recent version 5.0 of the database “Social Security Compass Europe” the information on the 28 EU member states uses data as of 1 January 2015.



This publication is made available as part of the public relations work of the German Federal Ministry of Labour and Social Affairs. It may not be used for electoral campaigning by any political party, canvasser or electoral assistant during any European, Bundes-tag, Landtag or local election. In particular, it may not be distributed at any electoral campaign event or political party information stand; no party-political information or advertising may be inserted in, printed on or otherwise attached to it; and it may not be passed on to any third party for purposes of electoral campaigning. Regardless of when, how and in what quantities it is supplied and of whether an election is imminent at the time, this publication may not be used in any way such that the German Federal Government could be construed as favouring any particular political grouping.

