

GERMANY

Monetary unit

Social spending is expressed in millions of Euros (EUR).

General notes

There are five social insurance branches: Statutory Pension Insurance, Statutory Sickness Insurance, Statutory Long-term Care Insurance, Statutory Accident Insurance and Unemployment Insurance.

The Federal Ministry of Labour and Social Affairs supervises old age and invalidity pension, insurance, and accident and unemployment insurance. The Federal Ministry of Health is responsible for statutory sickness insurance and long-term care insurance. The Federal Ministry of Family, Senior Citizens, Women and Youth is responsible for child benefits and parental leave benefits.

The individual country notes of the OECD Benefits and Wages (www.oecd.org/els/social/workincentives) provide a comprehensive description of characteristics of social programmes (e.g. conditions for receipt, calculation of payment rates, tax treatment of social support, benefit duration, etc.) for the working-age population, including: unemployment insurance and assistance, social assistance, employment-conditional benefits, housing benefits, family benefits, childcare support, and support for sole parent households.

Break in series

Expenditure refers to Western Germany up to and through 1990, and to the unified Germany from 1991 onwards.

Data for 1990 onwards are based on the new ESSPROS methodology format. Coherent spending series for 1980 onwards at the individual programme level were obtained on basis of information for a few years in the early 1990s for which both historical spending series and information based on the new ESSPROS format were available. For certain programmes and aggregate categories, breaks in series (between 1989 and 1990) were inevitable. In general, programmes from the old ESSPROS format which could not be matched with a figure from the new ESSPROS format were set for the 1990-98 period to “missing”; similarly, figures from the new ESSPROS format which could not be matched to a programme from the old methodology were set to “missing” for the period 1980-89.

Secretariat estimates:

Tax part of “Public transfers to support families with children” is estimated at 61.4%; it is excluded.

Sources

Data provided by EUROSTAT (ESSPROS database).

OECD Labour Market Policy database.

OECD Health Data 2003 (www.oecd.org/health/healthdata).

MISSOC, Mutual information system on social protection in the Member states of the European Union and of the European Economic Area, *situation on January 1st, 2001 and evolution* (http://europa.eu.int/comm/employment_social/missoc2001/index_en.htm).

“Le système social - vue d’ensemble”, Ministère Fédéral du Travail et des Affaires Sociales, Bonn.

“Un pour tous, tous pour un - le système de l’assurance sociale en Allemagne”, Basis-Info 7/95, Politique sociale, Inter Nations.

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Code	Title of the programme	Description of the programmes and attached notes
1	OLD AGE	
276.10.1.1.1.1	Statutory pension insurance	To qualify for a standard pension, a person must be 65 years of age and have contributed for at least five years (waiting period).
276.10.1.1.1.7	Social compensation, assistance to war victims	Social compensation is paid to war victims, victims of violent acts, victims of injuries sustained in the course of civilian or military service, victims of vaccinations and persons imprisoned for political reasons if they suffer damage to their health.
276.10.1.1.1.8	Pension insurance for independent professions	Only some categories of independent professions are insured automatically. Such is the case for artisans. Artists and journalists are automatically enrolled for disability and old age insurance if their annual incomes exceed a certain threshold, or if they have been employed for less than five years.
276.10.1.1.1.9	Old age assistance for farmers	Farmers are enrolled automatically in the farmers' old-age provident scheme.
276.10.1.1.1.10	Civil servant pension	Civil servants, judges, career military officers, enlisted volunteers and comparable workers employed by governments or public establishments or foundations who are not subject to compulsory insurance.
276.10.1.1.2.1	Statutory pension insurance	A person need not attain the normal age of 65 to be entitled to a pension. However, in this case pension payments are smaller: for each year of early retirement, the rate of the pension is reduced by 3.6 %.
276.10.1.1.3.1	Care allowance: long-term care insurance, since 1995	See general notes. These dependency benefits are subsequent to health insurance cover. They depend on the degree of dependency and whether care must be dispensed at home or in an institution.
2.	SURVIVORS	
276.10.2.1.1.1	Statutory pension insurance	Since 1986, the law has provided equal protection for widows and widowers, but prior to this; a widower was entitled to a pension only if he had been financially dependent on his deceased spouse. The widow's or widower's pension amounts to 60% of the pension for which the deceased spouse would have been eligible. The pension is payable from the age of 45 onwards in case of incapacity or if the widow or widower is bringing up a child under the age of 18 or has no age-related restrictions if bringing up a child who cannot look after itself on account of a mental or physical handicap.
3.	INCAPACITY-RELATED BENEFITS	(Disability, Occupational injury and disease, Sickness)
276.10.3.1.1.0	Disability pension	The minimum of level of incapacity giving entitlement to compensation is equal to 20 per cent after the 26th week following the employment injury. During the first two weeks after injury, review is possible at any time; after permanent annuity is fixed, at intervals of at least one year.
276.10.3.1.1.1	Statutory pension insurance	Total incapacity (voll erwerbsgemindert): situation of an insured person when, as result of sickness or infirmity, she or he is not able to work during an indefinite period for at least 6 hours a day in the regular labour market conditions. Partial incapacity (teilweise erwerbsgemindert): situation of an insured person when, as result of sickness or infirmity, she or he is not able to work during an indefinite period for at least 3 hours a day in the regular labour market conditions. For employees, the minimum period of affiliation for entitlement is equal to 60 months, of which 36 contribution months in the 5 years before onset of complaint. For handicapped persons incapable for work, it is equal to 240 months of insurance. In principle, pensions are taxable.
276.10.3.1.2.0	Occupational injury and disease	Accident insurance is compulsory and dates back to 1884. Accident insurance benefits include medical and occupational rehabilitation,

		cash payments to insured (e.g. indemnities for loss of salary and pension benefits) and, in the event of death, survivors' benefits (e.g., survivor's pension).
276.10.3.1.2.3	Survivors' pension	If the widow is not 45 years of age, he/she is entitled to receive 30 % of the deceased's earnings. If the widow or widower is aged over 45 or is occupationally or generally incapacitated or has at least one child receiving orphan pension, he/she is entitled to receive 40 % of the deceased's earnings.
276.10.3.1.5.2	Care allowance: long-term care insurance, since 1995	See general notes. These dependency benefits are subsequent to health insurance cover. They depend on the degree of dependency and whether care must be dispensed at home or in an institution.
276.10.3.2.2.1	Rehabilitation for disabled	Functional rehabilitation as part of medical care is at the expense of the employers' insurance association (Berufsgenossenschaft).
4.	HEALTH	
276.10.4.2.0.0	Public Expenditure on Health	See <i>OECD Health Data 2003</i> .
5.	FAMILY	
276.10.5.1.1.1	Statutory pension insurance	A family allowance is granted to a single individual in respect of each child until he/she reaches the age of 18. A prolongation to the age of 21 is possible for those available for work as unemployed.
276.10.5.1.1.2	Child benefit	Since 1996, the " <i>Familienlastenausgleich</i> " has consisted primarily of tax relief, not cash payments.
276.10.5.1.1.4	Public transfers to support families with children	Tax part of "Public transfers to support families with children" is estimated at 61.4%; it is excluded.
276.10.5.1.2.2	Parental leave benefits: child raising allowance	All dependent employees, male or female, are entitled to parental leave of up to 36 months, to be taken before their child's third birthday. Leave may be taken alternatively by each parent, up to three times. The recipient enjoys full protection against layoff.
276.10.5.1.2.4	Birth grant: health insurance	All insured women are entitled to birth grant for 6 weeks prior to and 8 weeks after confinement (12 weeks in cases of premature or multiple birth). The difference between the Maternity Benefit paid by the sickness insurance fund and the net income of the insured woman is covered by the employer according to the provisions of the Maternity Protection Act.
6.	ACTIVE LABOUR MARKET PROGRAMMES	
		See OECD Labour Market Policy database.
276.10.6.0.3.1	Preparatory measures	Preliminary vocational measures (<i>Berufsvorbereitende Bildungsmaßnahmen</i>) leading to apprenticeship or employment.
276.10.6.0.3.2	Measures for disadvantaged youth	This programme (<i>Benachteiligtenprogramm</i>) supports apprentices who are educationally or socially disadvantaged, or of foreign origin. It provides for training in employer-co-operative training centres or enterprises.
276.10.6.0.3.3	Remedial education	Allowances to unemployed youth for education at the level of compulsory schooling.
276.10.6.0.3.4	Apprentice allowance (except for preparatory measures)	" <i>Berufsausbildungsbeihilfe</i> " is for trainees who cannot live with their parents. The amount of benefits depends on the trainees' income and that of their parents. This does not cover vocational preparation.
276.10.6.0.4.1	Recruitment subsidies	Recruitment subsidies for the long-term unemployed and otherwise hard-to-place unemployed persons.
276.10.6.0.4.2	Winter building subsidies	Subsidies to promote construction activity in winter (<i>Wintergeld</i>).
276.10.6.0.4.6	Direct job creation (public or non-profit)	"Direct job creation" (<i>Allgemeine Massnahmen zur Arbeitsbeschaffung</i>), targeting the long-term unemployed and other hard-to-place persons. The work in question is organised by local agencies. The subsidies are mainly financed by labour market authorities.
276.10.6.0.5.3	Measures for seriously disabled persons	Funded by a levy on employers who do not employ as many seriously disabled persons as is required by law (<i>Schwerbehindertengesetz</i>).

7.	UNEMPLOYMENT	
	See OECD Labour Market Policy database.	
276.10.7.1.1.3	Short-time work compensation	Public compensation for labour hoarding of limited hours if this avoids dismissal.
276.10.7.1.1.4	Bad-weather compensation for construction workers	Under specific conditions, construction workers are paid compensation equal to the partial unemployment allowance for inevitable weather-related loss of employment during the period between 1 December and the end of February.
276.10.7.1.1.5	Bankruptcy compensation	Compensation for unpaid salaries in the event bankruptcy.
8.	HOUSING	
276.10.8.2.1.1	Social compensation, assistance to war victims	Recipients of social assistance or assistance to war victims receive a flat housing benefit.
276.10.8.2.1.3	Statutory pension insurance	Special regulations concerning housing benefits applied to the new <i>Länder</i> until mid-1995.
276.10.8.2.1.4	Other rent benefits (Housing benefit)	Housing support is paid by local governments.
9.	OTHER SOCIAL POLICY AREAS	
276.10.9.1.1.1 276.10.9.1.2.5 276.10.9.2.1.2	Social assistance	Social assistance is provided to persons who are not insured under long-term care insurance and to persons who are not entitled to long-term care insurance. These benefits are granted according to income and assets. The cost-of-living assistance includes in particular food, accommodation, clothes, personal hygiene, household equipment, heating and personal needs of daily life. Amounts are fixed by the <i>Landër</i> . Social assistance is financed out of general location.