Social Europe from A to Z
A glossary of basic sociopolitical terms
3rd edition December 2017
The European Union of 28 member nations is a federation of diversity. This diversity is also reflected in the social security systems found in each country. When the individual member nations grow together in many areas, this does not indicate a loss of their unique features and traditions, history and strengths, but shows a harmonisation in their development. This harmonisation should help make living in neighbouring countries easier and more transparent – and this alignment process in particular is an important goal for social Europe.

To fully appreciate and protect the wealth and diversity on our continent, we need to recognise it first. Information and a constant exchange of information with our neighbours provide the foundation for converging even further. These factors have also proven to be a solid basis for the peaceful co-existence of people in Europe for around 70 years now.
The European Union has grown considerably over the past several years, consisting of 28 members since July 2013. A total of 13 member states have joined the union since the beginning of this century alone. Today, all 28 combine to shape this association together, influencing the European Union’s many different policy areas – from economic, foreign and security policy to social policy. Today, over 500 million people live in the EU member states, which span an area of around 4.3 million km². They all hope for a life of peace and social well-being for their own futures as well as for generations to come.

The diversity of European cultures and traditions also poses a constant challenge when it comes to agreeing on and politically anchoring shared standards and rules for living together. All EU countries are working together to establish a social Europe which benefits all citizens. Today, this primary goal is more important than ever.

At the same time, European social policy and related issues are becoming increasingly complex. As a result, the main statements and texts about these topics released by politicians and the media are not always easy to understand. The Federal Ministry of Labour and Social Affairs (BMAS) hopes to close a gap with this comprehensive glossary of important basic terms used in European social policy as well as EU policy overall.

This glossary should make it easier for people to understand the complex interconnections of the various social security systems in Europe and compare them to each other. Interested users will find that this helpful resource provides a quick point of reference. It provides an extensive overview of the entire field of (European) social policy, containing around 400 topics, terms, definitions
and references from this area. The glossary is also available in an online version and a PDF file which can be downloaded from the BMAS website. The online version is updated and supplemented regularly.

The “Social Europe from A-Z” glossary was created as a supplement to the “Social Security Compass for Europe” database. This database is divided into 15 different categories, allowing for a comprehensive comparison of the social security systems in the 28 EU member nations. It focuses on the main issues relating to people’s social and working lives.

The database provides users with a wealth of detailed information on the various areas of social security – ranging from work and occupational safety to illness and disability, healthcare and social hardship, to name a few. In addition to revealing the differences and unique features of the individual member states, this publication shows the efforts the Union is making to create shared regulations and a truly European set of values.

Anyone involved with social services in the various EU countries will automatically come across the information and specialised terms explained in the glossary. It breaks down the key terms, making it easier to understand the various topics. The same also applies when reading about and comparing these topics in the “Social Security Compass for Europe” database.

The glossary also provides links to the latest facts and figures about German and European social policy for a series of topics and terms. Simply click on the corresponding links in the online and download versions to learn more.
The “Social Europe from A-Z” publication from the Federal Ministry of Labour and Social Affairs is an especially good resource for use in education and training. The glossary is also a helpful reference anywhere the “Social Security Compass for Europe” database is used for educational purposes.

Information about companion publications to the “Social Security Compass for Europe” is available at the end of this brochure.

Editor's note:

A German flag next to a term means that this definition is only valid in Germany.
Ability to work (Erwerbsfähigkeit)
Every person aged 15 to 65 or 67 in Germany is considered able to work if he/she is able to work at least three hours per day under the regular conditions of the standard labour market. The person’s health over the next six months is also taken into consideration when determining the ability to work. The EU countries have different conditions regarding ability to work. See also → Inability to work

Accessibility (Barrierefreiheit)
Refers to a person’s complete access and unlimited opportunity to use all configured areas of life. The latter refers to all areas shaped and designed by people, including buildings and surfaced paths, as well as information, e.g. in the form of copy, on signs or on websites. People should cope with their everyday life basically without special difficulty or the need
of external help. The Equal Treatment of Disabled Persons Act (BGG) in Germany as well as the →United Nations Convention on the Rights of Persons with Disabilities require barrier-free access to public buildings. The UN Convention also considers barrier-free access to information and texts to be an important aspect of equal treatment. In Germany, this is covered in the order to create accessible information technology in the Equal Treatment of Disabled Persons Act (BGG – BITV 2.0). The centrepiece of the Equal Treatment of Disabled Persons Act is the creation of comprehensive accessibility. See also →Easy-to-read

**Accident insurance** (Unfallversicherung)

→Social insurance designed to protect employees (→Employee) in most EU countries from the consequences of work-related accidents (→Work-related-accident) and illnesses (→Work-related illness). It is designed to prevent work-related and travel accidents (→Travel accident), work-related illnesses and hazards, and help restore the affected person’s health through medical treatment and →rehabilitation following the accident. It also covers payments (→Payment) injury benefits (→Injury benefit), pensions (→Pension) and the costs of →retraining in the event of a claim. Some EU countries do not have a separate →insurance system for work-related accidents and illnesses, e.g. Estonia, the Netherlands and Hungary. Social insurance systems such as health insurance (→Health insurance) and disability insurance help to cover these risks.

**Action plan** (Aktionsplan)

An action plan lists measures designed to achieve a designed goal. Public institutions, for example, may create a national action plan (like the action plan created by the German federal
government to implement the →United Nations Convention on the Rights of Persons with Disabilities). In other countries (like Denmark), individual action plans may be developed to help people become (re-)incorporated into the working world (→Reintegration (gradual, professional)).

**Activation measure** (Aktivierungsmaßnahme)
see →Work promotion measure

**Additional need** (Mehrbedarf)
If a social service is paid on a →need-oriented basis, the recipient can be granted an additional need beyond the standard need (→Standard need to ensure one’s livelihood) in certain circumstances. This may be the case in the event of a disability, a person’s →reduced earning capacity or for single parents (→Single parent).

**Additional need allowance** (Mehrbedarfszuschlag)
see →Additional need

**Additional payment** (Zuzahlung)
People in nearly all EU countries are required to make additional payments, e.g. for non-monetary medical benefits such as →remedies, →aids and certain treatments. In Germany, insured parties ages 18 or older and retirees are required to make additional payments (if applicable) if they receive →inpatient benefits for medical →rehabilitation from their →pension insurance. In many European countries, for example, insured low-wage earners and children up to a certain age are not required to make additional payments. See also →Deductible
**Additional pension plan** (Zusätzliche Altersvorsorge)

The additional pension plan or self-provision is designed to supplement statutory pension benefits. It includes the company and private pension plans. Company pension plans (Company pension plan) have traditionally been common in Germany, Great Britain and Sweden, for example. In Germany, both forms are encouraged by the state – with allowances and tax benefits (Riester subsidy), private or through one’s employer, or tax and social insurance exemptions on the expenditures (company pension plan). While privately funded pensions in Germany are promoted, yet voluntary, several EU countries – such as the Baltic nations, as well as Bulgaria and Sweden – require that employed people take out privately funded pensions (e.g. Pension fund) as a second pillar in addition to the contribution-financed old-age provision.

**Additional period** (Zurechnungszeit)

A (fictitious) additional period keeps pension amounts from being too low due to short contribution periods, e.g. due to reduced earning capacity in one’s early years. Additional periods are in place in Germany, Sweden and Poland. In Germany, for pensions that have started before 1 July 2014, the time between insured events (reduced earning capacity or death) and the age of 60 is added as a non-contributory period (Non-contributory periods (in pension insurance)). With pensions starting after the 30 June 2014 the additional period begins with the event of reduction in earning capacity and ends at the age of 62. The assessment of the individual period is specified individually. See also Contribution
Age limit (in pension insurance) (Altersgrenze (in der Rentenversicherung))

People only have a right to an old-age pension once they have reached a specific age limit in addition to fulfilling the →waiting period as well as other potential prerequisites. This still varies dramatically throughout the EU, especially when it comes to women, although most countries have now adapted it to the men’s age limit. General discussions are on-going about extending people’s working lives. Germany and other countries are gradually increasing the age of retirement. In Germany, the standard retirement age for people born in 1964 and earlier is now 67. See also →Pension. Further information regarding different age limits see http://www.bmas.de/DE/Themen/Rente/Rentenlexikon/rentenlexikon.html (→Regelaltersgrenze).

Aids (Hilfsmittel)

see →Remedies

ALG II (ALG II)

see →Unemployment benefit II

Allowance (Beihilfe)

An allowance in the broadest sense refers to the financial support an individual, family or company receives from the state under certain conditions. For example, students receive an education allowance, while the unemployed receive an unemployment allowance. In Germany, allowances are primarily used in civil service law. For example, allowances are given to civil servants and judges in the event of illness, but also to employees and other people who work for the federal government, states, communities, entities and foundations under public law. However, at the EU level, the term German “Beihilfe” refers to monetary payments made to companies in the form of subsidies
Annual income (Jahreseinkommen)
see → Gross annual income

Anti-discrimination law (Antidiskriminierungsgesetz)
see → Equality of opportunity

Arbitration proceedings (Schiedsverfahren)
see → Labour dispute

Assessment basis (Bemessungsgrundlage)
Basis for calculating taxes (tax assessment basis) or social insurance contributions (→ Contribution). This can also refer to the basis for calculating the payments (→ Payment) due to a beneficiary (e.g. → Sickness benefit or → Injury benefit). The (→ Gross) income is used as the assessment basis in most cases. Sometimes, the assessment basis is capped by the → contribution assessment ceiling.
**Assessment ceiling** (Bemessungsgrenze)
Limits the →assessment basis in social insurance. In other words, contributions are only made and benefit entitlements acquired on the basis of a person’s wage (salary) up to this limit. Income above this limit is not impacted. The term is also used in connection with the receipt of social insurance benefits. For example, employment benefits in Germany are only paid until a specific benefit assessment ceiling is reached.

**Assets** (Vermögen)
Refers to the total of all goods, rights and receivables of material value in a person’s or entity’s (e.g. corporation) possession. For example, certain movable assets are taken into account when reviewing the level of →need when a person applies for →guaranteed minimum income benefits. These differ among the EU countries. In Luxembourg, for example, these include cash, savings, stocks and bonds, etc. in Lithuania and other countries, assets also include registered vehicles and agricultural machines, as well as working animals. In Germany, all assets (with certain exceptions) are taken into account, but not the →protected assets.

**Assistance** (Assistenz)
Refers to a form of support for people with disabilities designed to help them lead self-determined lives in society. The recipient of assistance can decide the areas in which he/she wishes to receive support, and from whom, and pays for this assistance independently, e.g. using the →personal budget in Germany. A personal assistant may help with personal hygiene, in the home, during leisure time or at work (often referred to as →Work assistance). Personal assistance is especially important for change in handicapped aid as people
with disabilities are no longer aim for care and assistance but have an active choice about kind and extent of benefits.

**Assistance for children and young people** (Kinder- und Jugendhilfe)
Covers all educational and development services targeted towards children and young people, including youth work or child-rearing assistance for families. Assistance for children and young people is outlined in the eighth book of the Social Code. Children’s social service and youth welfare offices generally provide these services.

**Assisted living** (Betreutes Wohnen)
Describes a type of housing suitable for the elderly and people with disabilities, among others. Assisted living is no established term by law. In contrast to conventional nursing homes, people are very independent and live in their own apartments. Each residence is fully accessible and features additional services, such as a house emergency system, etc. These residences are frequently run by social service providers, and also offer residents home care as needed. There is a great variety in contract design. Care is provided according to needs, for example by social workers, psychologists, educators, therapists or nurses. By this greatest possible autonomy should be assured. Since 2012 quality of assisted living in Europe is granted by a European Quality Standard (CEN/TS 16118 – Sheltered Housing). Austria has already put this into practice by implementing the ÖNORM CEN/TS 16118 - Sheltered Housing, which sets minimum standards for assisted living.
Assisted training (Assistierte Ausbildung)

This type of training is designed to help larger numbers of disadvantaged young people successfully complete their professional training in the dual system. An educational provider (Providers) serves as a third partner in the training arrangement, offering suitable services for the training company and the trainee. This model is designed to give young people who can only receive external vocational training insights into the workings of a company. Assisted training should provide both disadvantaged young people and the training companies with intense ongoing support throughout the industrial training process. This can also consist of a preparatory phase to get young people ready for their professional training. Assisted training is currently only available for a limited time in Germany. Legal regulation took effect on 1 May 2015. It currently is on trial, limited to trainings started before 30 September 2018. Asylum seekers and asylum applicants may also receive this form of support after a waiting period of three months, provided a legal and permanent residence is to be expected. In this case the assisted training must have been started before 31 December 2018.

Asylum (Asyl)

Also referred to as asylum law. This term describes the right of individuals to take refuge in a location safe from persecution for political, race, religious or other reasons. A differentiation is made between religious, church and secular asylum. International law distinguishes between territorial and diplomatic asylum. Territorial asylum refers to people who seek refuge in their own state or country. Diplomatic asylum describes when a nation opens its diplomatic missions to persecuted people for purposes of asylum. According to article 16a of the constitution of the Federal Republic of Germany,
asylum is to be granted to victims of political persecution. Asylum is the only fundamental right in Germany only granted to foreigners. Real-world examples involving asylum include the GDR refugees who fled to the Federal Republic of Germany’s embassy in Prague, and Julian Assange’s stay at Ecuador’s Embassy. See also →Short-term suspension of deportation, →Refugee

**Average pay in pension calculation** (Durchschnittsentgelt bei der Rentenberechnung)
Value which impacts how a →pension is calculated, and can thus affect its amount. Several EU countries use the average monthly →pay of the individual insured party (Hungary), while others use a national average pay as the basis (Poland). In Germany, earning points are used to calculate the pension for each individual calendar year. These are determined by dividing the insured party’s →gross pay by the average pay of all insured parties in the calendar year.
Basic support for job seekers (Grundsicherung für Arbeitsuchende)
see → Unemployment benefit II

Basic support for the elderly and people with reduced earning capacity (Grundsicherung im Alter und bei Erwerbsminderung)
Need-based benefit in Germany for people over 65 and people above the age of 18 who have a permanently reduced earning capacity for medical reasons. See also: → Inability to work,
→ Guaranteed minimum income

Benchmark and standard pensioners (Eck- und Standardrentner)
A person who has earned for 45 years on average while contributing to the statutory → pension insurance, used as a basis for comparison in social law. The relationship of the
→pension of this comparison person to the current average pay (→Average pay in pension calculation) quantifies the →pension level.

**Benefit adjustment** (Leistungsanpassung)
A benefit adjustment refers to changes in the amount of money received in social services based on specific developments, e.g. in the scope of a statutory →pension paid due to inability to work. A benefit adjustment can also be made based on changes in earnings or the →consumer price index, which is also referred to as an index adjustment.

**Benefit ceiling** (Leistungsbemessungsgrenze)
see →Assessment ceiling

**Brexit**
A word invented to describe the United Kingdom’s withdrawal from the European Union. The majority of people who voted in the United Kingdom (Britain) chose to leave (Exit) the European Union on 23 June 2016, a total of 51.9 percent of all votes. This referendum had consequences for domestic politics. James Cameron, the Prime Minister in office at that time, left office as a result of the vote. The actual application for withdrawal from the EU was submitted on 29 March 2017. According to article 50 of the Treaty on European Union (Maastricht Treaty), the deadline for leaving is a maximum of two years from the date on which the application was submitted (the exit is expected to be completed by 30 March 2019). This decision has also impacted foreign policy in many ways. In the referendum, the majority of voters in
Scotland wanted to stay in the EU (62 percent). Prior to the Brexit vote, Scotland decided to hold another referendum on independence from the United Kingdom “if a significant or material change” in Scotland’s constitutional position occurred. A new external border for the EU will be formed between the Republic of Ireland and Northern Ireland. Gibraltar, a British overseas territory at the southern tip of the Iberian Peninsula, also voted to stay in the EU. It is not yet possible to anticipate the impacts of Brexit at the time of publication (late 2017).
Care allowance (Pflegegeld)
Social benefit (“Social benefits”) for people who require constant, regular care and support. People who are entitled to receive care allowance are the elderly or people with disabilities. Requirement for the reference is that the home care is provided by a relative or a volunteer. In Germany, for example, care allowance is provided for privately obtained caregivers in the scope of the statutory long-term care insurance. This benefit is tax-exempted for people who require constant, regular care and support. Receivers may dispose freely of the benefit. Many choose to give their care allowance regularly to the care-providing person as recognition. Most EU countries do not have a separate fallback system for care services. Instead these are covered by other branches of the social security system.
Care degrees (Pflegegrade)

The introduction of the Second Long-Term Care Strengthening Act (PSG II) on 1 January 2016 created a new term to describe a person’s need for care in Germany. This took effect 1 January 2017. Five new care degrees replaced the former three care levels to ensure that everyone in need has equal access to long-term care insurance benefits. These benefits are granted irrespective of whether the recipients are affected by physical, mental or psychological limitations. The automatic transition to the new care degrees is determined by two simple rules: First, if a person’s limitations are only physical in nature, rule “+ 1” applies. In other words, the former care level 1 is now care degree 2. The hardship case regulation in former care level 3 now corresponds to care degree 5. Second, if people have a very limited ability to cope with their everyday lives, the rule “+2” applies, whereby the former care level 0 now corresponds to the new care degree 2. A new assessment procedure was also introduced to determine the need for care. This is designed to better record the individual care and living situations of each applicant. As a result, it should be possible to provide more individualised care and help people be more self-reliant over the long term.

Care level (Pflegestufen)

In Germany care levels were replaced by so-called care degrees (Pflegegrade) on 1 January 2017. Various countries distinguish between various care levels when granting benefits to people in need. Care levels are evaluated for example by nature and duration of the needed aid. See also Need for care
**Career guidance** (Berufsberatung)

Helps provide a point of reference when choosing a career, in professional developments and when changing professions. Like the → employment agency in Germany, job centres in other EU member countries offer free career guidance for people seeking jobs and educations. This usually also includes information about the opportunities of professional education and the support available in this area, as well as training and work promotion benefits. In Germany it is already for pupils possible to be counselled at the vocational information centre. It is supposed to help adolescent to discover their strengths and interests and to develop a specific career aspiration.

**Caregiver periods** (recognised in pension insurance) (Pflegezeiten (anerkennen in der Rentenversicherung))

Effective 1 April 1995, care service (→ Provider) in Germany have been making → pension insurance contributions (→ Contribution) for caregivers. Valid for people who provide home care for a person in need for longer than two months and at least 14 hours per week without pay. Care for multiple persons can be summed. Care insurance is deciding whether the request for caregiver periods is granted. Fictitious earnings are used as the basis for calculating pensions over the duration of the needed care. They are graduated according to → care degrees and the scope of care provided; care insurance carries the exact calculations. People who support a child in need of care up to age 18 receive additional earning points for contributions made by → long-term care insurance during this time. See also → Child-related increase during contribution periods
Case management (Fallmanagement)
Approach used in Germany to successfully integrate long-term unemployed (Unemployment) individuals with severe personal and social issues back into the labour market. A case manager supports the integration into work through support, advice and management.

Child allowance for additional private pension plans (Kinderzulage bei der zusätzlichen privaten Altersvorsorge)
Subsidies for additional private pension plans (Pension plan) are paid for each child eligible for a child benefit in Germany. Denmark, Cyprus, Finland and France also pay a child allowance to old-age pensions (Old-age pension).

Child allowance in accordance with SGB II (Kinderzuschlag nach SGB II)
A payment to parents in Germany who can only support themselves with their earnings, but not their children. The children must live in the same household, be unmarried and be no older than 25. The allowance eliminates any entitlement to unemployment benefit II. It covers the children’s average need in combination with the child benefit and, if applicable, the housing benefit.

Child benefit (Kindergeld)
All EU nations, except Greece, pay a child benefit to support the child’s needs. Recipient is the parent or legal guardian of the child. Specific age limits apply here for the children except in special cases. In Germany, for example, there is no age limit for children with disabilities who are unable to work.
In Germany, the child benefit is graduated depending on the number of children. Some countries, like Malta and Slovenia, base the child benefit on the parents’ income. In Belgium, Denmark and France, for example, the age of the child determines eligibility.

**Child exemption** (Kinderfreibetrag)
A tax exempt amount granted in income tax calculations to exempt the subsistence level of a child from taxation as income. Germany offers child exemptions as well as child benefits. Since child benefits in Germany already represent a tax rebate, child exemptions are only relevant to income tax assessments if they turn out to be more favourable for the taxpayer. Other EU countries (e.g. Great Britain and Austria) grant a child exemption in addition to the child benefit received.
Childcare benefit (Betreuungsgeld)
Also referred to as child-raising allowance. The term refers to a payment made to parents who provide complete or partial care for their child at home instead of a day nursery. In Germany, the childcare benefit was officially adopted on 1 August 2013. On 21 July 2015, the German Federal Constitutional Court 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. Other EU countries that pay childcare benefits include Finland, Austria and Sweden.

Childcare periods (in pension insurance)
(Kinderberücksichtigungszeiten (in der Rentenversicherung))
Result in the more favourable assessment of non-contributory (→ Non-contributory periods (in pension insurance)) and lower contribution periods in pension calculations. In Germany, this period is considered the time from the birth of the child until age ten. If a person is raising multiple children, then this period is the time from the birth of the eldest child until the youngest child is ten years old. A 35-year waiting period also includes consideration for an early →old-age pension and →pension based on minimum wage. In Malta, for example, a parent is credited a maximum of ten years for children with disabilities, while a parent in Luxembourg receives up to six years of credits for raising a child.

Child-raising allowance (Erziehungsgeld)
A monetary benefit for parents who choose to raise their child at home. The rules governing eligibility and the amount of benefit are very different in each EU country (→European Union). Most nations pay this benefit up to a certain age of the child (one to three years), and it is based on income (→Income
dependence). In Germany, the child-raising allowance granted to the parent primarily responsible for raising the child was replaced by the so-called parent benefit, which was in turn 2015 extended by the so-called parental benefit plus. Some German states also award a separate child-raising allowance as well. See also Childcare benefit, Child benefit

**Child-raising pension** (Erziehungsrente)

In Germany a pension awarded in the event of death derived from the beneficiary’s own insurance policy is meant. Divorcees can receive this benefit after the death of a former spouse who paid regular support if he/she is unable to work while raising one or more children. Child-raising pension is paid until the child becomes an adult at the longest (i.e. until age 18).

**Child-raising periods** (in pension insurance) (Kindererziehungszeiten (in der Rentenversicherung))

In Germany, a child-raising period for a child being born after 1992 of no more than three years is credited to the parent responsible for childrearing. If both parents raise the child together, they can choose which person receives the credit. This can also be limited to part of the child-raising period. If no declarations or explanations are submitted, this time is credited to the mother. Adoptive parents, step-parents and foster parents can also benefit from these credits. Most EU countries allow for pension insurance credits for child-raising periods. See also Credit periods (in pension insurance), Childcare periods (in pension insurance)
**Child-related increase during contribution periods** (in pension insurance) (Kindbezogene Höherbewertung von Beitragszeiten (in der Rentenversicherung))

People in Germany who are raising children in need of care under the age of 18, are gainfully employed during this childcare period (in pension insurance) and do not earn income on the care they provide, will receive additional earning points (in pension insurance) for mandatory pension insurance contributions. People raising two or more children under ten who are not employed receive earning points for each year of raising multiple children once they have finished this child-raising period (in pension insurance). This applies for contribution periods after 1992 and for a 25-year waiting period until the start of retirement. See also Credit periods (in pension insurance), Caregiver periods (recognised in pension insurance).

**Chronic illness** (Chronisch krank)

According to the guidelines of the Federal Joint Committee, an illness is considered serious and chronic if it has been medically treated at least once per quarter for an entire year and meets one of the following criteria: a certain need for care; the determination of a level of disability of at least 60, reduced earning capacity of at least 60 percent; the affected person requires continuous medical care to prevent the illness from becoming life-threatening, reducing the person’s life expectancy or having a lasting negative impact on the person’s quality of life. Like Germany, healthcare systems in many EU member nations offer lower additional payments (Additional payment) for chronic illnesses (in addition to other factors such as need or age). These regard e.g. doctor visits, medication or remedies.
Civil servant pension (Pension)
Type of → old-age provision generally granted to an → employee at the end of his/her working life. In contrast to the statutory → pension, a civil servant pension (German term “Pension”) is only paid to civil servants and other people working for public authorities once they have reached the age of retirement. It is also referred to as retirement pay. The Law on the Pension Scheme for Public Officials and Judges in the Federal Republic of Germany (Beamtenversorgungsgesetz) and the corresponding state official pension laws provide the legal basis for this provision. Other EU countries have similar pension systems, including Ireland and Poland.

Co-determination (Mitbestimmung)
Each EU member state has different regulations for co-determination, which strengthens employee rights. In Germany, it is possible for businesses with at least five regular employees to form a → works council (or staff councils (Personalrat) in public service) to allow employees co-determination in operations. The works council represents → employee interests and has a say in issues affecting the workplace. Corporate co-determination in companies with over 500 employees involves major business and entrepreneurial issues. The → supervisory board selected by the company’s employees and shareholders monitors the Board of Directors. Austria, BeNeLux and the Scandinavian countries have long traditions of co-determination.
Cohabitation (Eheähnliche Gemeinschaft)
Cohabitation means that two people are living together who are not formally married, but are willing to be responsible for and care for each other. They have a relationship similar to a → marriage. See also → Need-based community

Collective agreement (Tarifvertrag)
Defines the working and economic conditions to which unions (→ Union) and employer associations or individual employers (→ Employer) have agreed. For example, these include rights and obligations, rules about wages and salaries, working hours and holidays. The application of these rules is defined in the → employment contract. Collective agreements are mandatory when specified by the state or when employers and employees (→ Employee) are involved in collective bargaining (→ Collective agreement partners). The agreement must not violate mandatory federal law and it cannot be changed by agreements to the disadvantage of the employed.

Collective agreement partners (Tarifpartner)
Unions (→ Union) and employer associations established to represent the interests of employees (→ Employee) respectively employers (→ Employer). The so-called collective agreement partners engage in collective bargaining and come to a consensus on a → collective agreement. An individual employer can also arrange a collective agreement with a union without belonging to an employer association.

Collective contract (Kollektivvertrag)
see → Collective agreement
Company pension plan (Betriebliche Altersvorsorge)
A voluntary employer benefit for his/her employees (Employee). It can consist of a pension commitment for an old-age or disability pension, and/or a survivorship annuity. Since January 2002, employees in Germany (with few exceptions in the public service sector) have an individual right to a company pension plan if they finance the employer’s commitment through deferred compensation. The state supports this with tax and social contribution reductions.

Compensation for damages (Entschädigung)
Compensation is paid as a settlement for damages. For example, an employer is required to pay the employee for wrongful termination (in the form of severance). Social compensation law in Germany dates back to the provisions earmarked for victims of war. The Military Pensions Act (Soldatenversorgungsgesetz) pays compensation to people injured in war, and the Victims Compensation Act (Opferentschädigungsgesetz) pays damages to victims of crime. There are also compensations between nations; these are called reparations.

Compensation for disadvantages (Nachteilsausgleiche)
Assistance for people with disabilities to balance out disadvantages caused by disabilities. This is based on the type and severity of the disability. Compensation shall enable people with disabilities to lead self-determined, independent lives. The EU member nations offer a number of different rights, types of assistance and discounts to make this possible. These range from tax exemptions (Exemption, tax-related), preferential employment, extra holidays and reserved parking to education assistance, such as additional time for test-
taking and the permitted use of → aids. See also → Equality of opportunity, → United Nations Convention on the Rights of Persons with Disabilities

**Compensation law** (Entschädigungsrecht)
see → Compensation for damages

**Compensation payment** (Kompensation/-szahlung)
Equalisation or replacement fee, the term is used in the context of paying a compensation wage to an → employee currently unable to work. This balances out the missing wage caused by the → inability to work. The equalisation fee has a slightly different meaning. Employers (→ Employer) are forced to pay this fee if they do not meet the legally mandated quota for hiring people with disabilities (e.g. in Germany and Austria).

**Compulsory insurance** (Pflichtversicherung)
Insurance people are legally required to take out. It is primarily designed to protect third parties, consumers or – in the case of social insurance – people’s health. In Germany, all citizens have a legal insurance requirement (→ Compulsory insurance) for health insurance (→ Health insurance) and → long-term care insurance. In Europe, Scandinavian countries as well as Italy and Croatia do not have compulsory insurance systems. These countries, however, have a public health care system for the entire population.

**Compulsory insurance** (Versicherungspflicht)
Guarantees → social security for all employees (→ Employee) and workers (→ Worker) as well as trainees as part of the → social insurance system. In Germany, public servants, quasi-public servants and full old-age pension recipients (→ Pension)
are exempt from insurance. Special rules apply for pupils, students, interns without payment, pensioners and in the cases of self-employment and marginal employment. The annual pay limit or compulsory insurance limit in Germany determines the minimum level of gross pay as of which an employee is no longer subject to compulsory insurance. This limit changes every year. Most EU countries do not have such a regulation in place.

Compulsory insurance limit (Versicherungspflichtgrenze) see → Compulsory insurance
**Consumer price index** (Verbraucherpreisindex)

The consumer price index represents the development of the → cost of living. It is an indication of monetary stability, which is why changes in the consumer price index are often referred to as the “rate of inflation”. The consumer price index is often used to calculate social services, for example (→ Benefit adjustment). The German consumer price index is calculated monthly on the basis of a standard package of goods and services used by an average German household. This includes e.g. food, clothing and motoring as well as rent, cleaning or repairs. All EU member countries have consumer price indices. The European consumer price index provides one common price index for all member nations.

**Continued pay** (Entgeltfortzahlung)

People who are ill and cannot go to work still receive → pay from their employers (→ Employer) for a certain period of time. In Germany, workers have a right to six weeks of pay, after which the → health insurance fund pays → sickness benefits for members of the state health insurance (→ Health insurance). Most EU countries have similar regulations of various durations for workers (→ Worker) and salaried employees (→ Salaried employee).

**Contracting parties with European Convention on Social and Medical Assistance** (Vertragsstaaten mit Fürsorgeabkommen)

This includes all nations belonging to the → European Union prior to 2004 (except for Austria and Finland) as well as Estonia, Malta, Turkey, Iceland and Norway. The European Convention on Social and Medical Assistance regulates the provision of care benefits for citizens who regularly reside
in another contracting state. In other words, the contracting states have committed themselves by the convention to granting the same level of care benefits (in Germany, e.g. →guaranteed minimum income) and conditions available to their own citizens.

**Contribution** (Beitrag)
Primarily regular duties paid to public institutions, i.e. to finance social services. Payments from employers (→Employer) and employees (→Employee) required to contribute to social insurance are referred to as contributions, for example. Sometimes, the term contribution is used in private insurance, although this is usually referred to as an insurance premium. The amount or time at which social services are paid frequently depends on the paid contributions or contribution periods (years, weeks, days).

**Contribution assessment basis** (in pension insurance) (Beitragsbemessungsgrundlage (in der Rentenversicherung))
Amount from which contributions (→Contribution) to statutory →pension insurance are to be paid. For employees (→Employee) in Germany covered by compulsory insurance, the contribution assessment basis is the gross pay (→Gross) subject to contributions. Voluntarily insured may choose between the minimum assessment basis and the contribution assessment ceiling in any contribution. The contribution assessment basis is also the amount considered to be the insured →income in the insurance history and the documents for the pension approval notice, and provides the basis from which the →pension is calculated.
Contribution assessment ceiling (Beitragsbemessungsgrenze)
The contribution assessment ceiling defines the earnings threshold above which income is exempt from social contributions. In other words, insurance contributions, e.g. for pension or health insurance, are only levied on income below this assessment ceiling. The German federal government recalculates the corresponding limits each year.

Contribution rate (in pension insurance) (Beitragssatz (in der Rentenversicherung))
The contribution rate for pension insurance is the percentage that defines the amount of contributions to be paid to social insurance on the contribution assessment basis. For employees (Employee) with compulsory insurance in Germany and most EU countries, this ranges from the pay to the contribution assessment ceiling. For the current contribution rate for pension insurance in Germany, see http://www.bmas.de/DE/Themen/Rente/Rentenlexikon/rentenlexikon.html (Beitragssatz).

Contribution rate target (in pension insurance) (Beitragssatzziel (in der Rentenversicherung))
The legal contribution rate target in Germany defines the upper limit of the contribution rate for pension insurance. The contribution rate for pension insurance may not exceed 20 percent by the year 2020 and 22 percent by the year 2030.

Contribution-based system (Umlageverfahren)
Systems used to finance pensions (Pension) in EU countries. Employees (Employee) and employers (Employer) finance the pensions of current retirees through their pension
contributions. German statutory health insurance and accident insurance also use the contribution-based system. Contributions of the compulsory insured must be rated in a way that all the expenses occurring in one particular timespan are covered. See also → Generational equality, → Funding principle

**Cost of living** (Lebenshaltungskosten)
Covers all expenditures involved in everyday life, such as costs for housing, food, mobility, clothing, entertainment, etc. The average cost of living varies widely from country to country. The German Federal Statistical Office (Statistisches Bundesamt) releases the average cost of living for Germany in
the consumer price index. The cost of living is relevant to income tax calculations (Income tax) among other things. Unlike professional expenses, it cannot be deducted from the assessment basis.

Course of study (Studium)
Refers to an education completed at an institute for higher education. There are a wide range of public, state and church-supported institutes for higher education in Germany: e.g. universities (including technical universities), universities of applied sciences, art and music colleges as well as schools of public administration.

Credit periods (in pension insurance) (Anrechnungszeiten (in der Rentenversicherung))
Periods of time in which an insured party is prevented from making contributions to pension insurance for reasons beyond his/her control, e.g. unemployment, incapacity for work, protected periods during maternity and school-based education. Credit periods can be significant in meeting eligibility requirements for a pension and in pension calculations. See also Contribution

Cumulation (Kumulierung)
Literally means accumulation, and is used here to refer to the summing of payments. Cumulation refers to the combination of a benefit with another social security benefit or with another income. While the cumulation of several social security entitlements is often limited or impossible (people can frequently only receive only one statutory pension entitlement), it is often possible to combine old-age pensions with earned income.
**Current pension value** (Aktueller Rentenwert)

In Germany, the current pension value is the amount of the monthly pension calculated based on the contributions (Contribution) made by an average earner for a year. It is an important part of the pension benefit formula used to calculate the total pension. The current pension value in Germany is available here http://www.bmas.de/DE/Themen/Rente/Rentenlexikon/rentenlexikon.html (Aktueller Rentenwert).
DAISY format (DAISY-Format)
The abbreviation DAISY stands for “Digital Accessible Information System” and refers to a standard for fully accessible (accessibility), easy-to-navigate multimedia documents. CDs in DAISY format are available in libraries for the blind and contain up to 40 hours of audio material. Special players and computer software make it possible for users to browse CD content and jump between chapters.

Danger level (Gefährlichkeitsgrad)
see → Work-related accident

Day patient (Teilstationär)
see → Inpatient
**Deductible** (Selbstbeteiligung)
The portion an insured party is required to pay for a claim. See also → Additional payment

**Deferred compensation** (Entgeltumwandlung)
In Germany referred to the conversion of remuneration components to company pension → entitlements (in pension insurance). Not all public service employees (→ Employee) have a right to this benefit, but every employee is guaranteed access to a → company pension plan.

**Defined benefit commitment** (in company pension plan)
(Direktzusage (in der betrieblichen Altersvorsorge))
The most common form of → company pension plan in Germany, also referred to as pension obligations or direct pension commitments. The defined benefit commitment refers to the employer’s (→ Employer) obligation to provide the employee or his/her dependants with benefits once the working relationship is finished. The company provides the benefits, which are financed from company funds. The → employee may also assist in the financing. Employees have the right to demand direct insurance coverage if an occupational pension agreement does not take place.

**Dependency** (Abhängigkeit)
Describes a situation in which one person is financially reliant or dependent on another person. For example, a spouse may be dependent on the → support paid by a partner, or children may be dependent on their parents’ care.
Direct insurance (in company pension plan) (Direktversicherung (in der betrieblichen Altersvorsorge))

An option of implementing one’s →company pension plan in Germany. Direct insurance is a special form of life insurance that the →employer arranges for his employees as the policyholder. The employee or his/her surviving dependants are the beneficiaries. The insurance is financed through employer contributions (→Contribution), and the →employee can also contribute as well.

Disability (Behinderung)

A person is considered disabled when his/her physical functions, intellectual capacities of emotional health are impaired to an extent atypical for the person’s age over a specific period of time (in Germany: longer than six months), thus limiting the person’s ability to participate in public life. This definition applies in nearly all EU member nations. An exception is the Swedish definition of disability which has the approach that disabilities are given when someone is disabled by his surroundings. The social welfare systems of all EU countries support people with disabilities in need with financial as well as →integration assistance, e.g. to fully participate in working life. With the ratification of the →United Nations Convention on the Rights of Persons with Disabilities and its enforcement in national law, the EU member states honour disabilities as part of human diversity, and commit themselves to greater →inclusion in society.

Disability pension (Invalidenrente)

Covers income gaps as the result of people’s →reduced earning capacity in all EU countries. Some nations, like Greece and Italy, have special systems in place for (certain) →self-employed people. See also →Inability to work
**Discrimination bans** (Diskriminierungsverbote)
Prohibits discrimination against people due to their race or ethnic heritage, gender, religion, worldview, a → disability, age or sexual identity. According to law people may not be treated different or unequal if there are no objectively justified reasons. Discrimination bans set legal foundations for the establishment of → equality of opportunity for all people in every area of life, and have been anchored in European and national law for years now. In Germany, the constitution and the Equal Treatment of Disabled Persons Act (BGG) are designed to ensure fairness in the workplace. All EU nations (→ European Union) have committed themselves to promoting equality of opportunity with the adoption of the → United Nations Convention on the Rights of Persons with Disabilities.

**Dispute measures** (Kampfmaßnahmen)
see → Labour dispute
Earned income (Erwerbseinkommen)
see →Income

Earning points (in pension insurance) (Entgeltpunkte (in der Rentenversicherung))
Part of the →pension benefit formula in Germany used to determine →entitlements (in pension insurance) from the individual →pension-relevant periods. Annual pay is converted to earning points during contribution periods by dividing the →average pay in pension calculation in the same year. If the earning corresponds to the average earning, a person will receive one earning point. People earning less will receive an earning point score of less than 1.0, with earnings above average the earning point score will in accordance be more than 1.0.
Earnings (Einkünfte)
The profit or revenues left after deducting the costs of achieving these earnings. According to German → income tax law, the costs of achieving earnings are referred to as professional expenses and are usually deducted as a flat fee. The earnings are used as the basis for calculating tax-relevant → income in Germany.

Easy-to-read (Leichte Sprache)
Language written to be very easy to understand, it also features illustrations. The target audience includes the elderly, people with learning disabilities, people with mental disabilities or deaf people who have difficulty reading and understanding texts. Easy-to-read texts make a major contribution towards → accessibility and → inclusion. Easy-to-read texts are labelled with a symbol featuring a smiling face and a “thumbs-up” on a blue background. The creator of the signet is Inclusion Europe, an association dedicated to helping people with mental disabilities and their families. See also → Disability, → People with disabilities, → Compensation for disadvantages, → United Nations Convention on the Rights of Persons with Disabilities

EEA country (EWR-Staat)
A country that belongs to the European Economic Area (EEA). At present, all countries in the → European Union as well as Iceland, Liechtenstein and Norway are members of the EEA. The EEA is a free trade zone that allows for the free movement of goods, people, services and capital between borders. Customs duties have been eliminated between member states. Switzerland has bilateral treaties with comparable regulations but does not belong to the legitimate EEA countries.
Employee (Arbeitnehmer)
The most important feature of an employee is his/her personal dependency on the employer: The employee is an integral part of the employer’s business, and the employer determines the employee’s working hours, location and duties. The basis for this is the employment contract. Employees receive pay for their work. Labour law regulations are in place to protect employees in dependent working relationships when it comes to working hours and termination, for example.

Employee representation (Arbeitnehmervertretung)
This generic term covers the various committees that help promote employee self-determination. In Germany, this includes the works council in companies governed by private law, employee representatives in church institutions and staff council (Personalrat) in public service. Unions (Union) are frequently referred to as employee representatives. In Germany, different rules apply to employee representatives depending on their forms.

Employer (Arbeitgeber)
Hires other people and pays them for their work. An employer can be a natural person (e.g. private person, freelancer) or a legal entity as per public law (e.g. limited liability company (GmbH), local government, public service).

Employer’s/employee’s contribution (Arbeitgeber-/Arbeitnehmeranteil)
The portion of the (state) social insurance contribution made by the employer or employee. In most EU member countries, for example, the employer and employee each make compulsory pension insurance contributions. In Germany, they make equal contributions – the current amounts are listed here http://www.bmas.de/DE/Themen/Rente/
Several EU countries finance their unemployment insurance solely through employee contributions or taxes. See also Contribution.

**Employment agency (Agentur für Arbeit)**
An institution in many EU countries, the employment agency is responsible for giving students, people entering the workplace, and workers with professional experience assistance on the labour market. In Germany, the employment agencies (formerly known as: “Arbeitsamt”) and their agencies (including the shared facilities of SGB II) serve as the local subsidiaries of the German federal employment agency (Bundesagentur für Arbeit). They offer free advice, job placement and support as well as financial assistance. See also Unemployment, Job.
Employment contract (Arbeitsvertrag)
The employment contract defines the legal relationship between the employer and employee. The employee has an obligation to work for the employer, and receives pay in return. In essence, employers and employees are free to arrange what is to be included in the employment contract. However, there are some mandatory points for every German employment contract. Including amongst other things name and address of both employee and employer, period of notice, vacation entitlement, working hours and working place. Legal provisions in labour law, collective agreements (Collective agreement) and company agreements in different sectors protect employees from prohibited and unfair working conditions.

Employment income (Arbeitseinkommen)
see →Pay

Employment office (Arbeitsamt)
see →Employment agency

Entitlements (in pension insurance) (Anwartschaften (in der Rentenversicherung))
A pension is only paid from a contribution-based system in an EU country if the recipient has a legitimate entitlement, i.e. once certain terms have been met over the duration of the contribution payments. In Germany, entitlements correspond to the specific value earned in the form of credited earning
points at the time at which a person starts receiving pension benefits. People who have paid mandatory or voluntary contributions for 60 months are entitled to a standard pension. However, the benefit will only be paid when the standard retirement age is achieved. All EU countries have specific standard retirement ages. It is also possible to earn an entitlement by making contributions to unemployment insurance, for example. See also Contribution and Waiting period

**Equalisation fee/payment** (Ausgleichsabgabe/-leistung)
see → Compensation payment

**Equality of opportunity** (Chancengleichheit)
Often discussed in the context of the labour market, (school) education and career choice. Equality of opportunity means that each individual has the same opportunities and starting conditions to establish themselves on the labour market, for example, irrespective of their social background or gender. People with disabilities may not be discriminated against when applying for a training opportunity, for example. This equality can be achieved through equal treatment (such as the right to free education) as well as by aligning the initial conditions (e.g. personal assistance or financial help). All EU member nations (→ European Union) have committed themselves to promoting equality of opportunity by adopting the → United Nations Convention on the Rights of Persons with Disabilities. See also → Discrimination bans

**EU nation** (EU-Staat)
Member of the → European Union
Europe 2020 (Europa 2020)

The European Union (→European Union (EU)) growth strategy designed to create a more competitive economy with more job options. The initiative is designed to achieve smart, sustainable and integrative growth. More effective investments in education, research and innovation are designed to promote smart growth. A strong commitment to a low-carbon economy is designed to promote sustainability. Integrative growth prioritises creating jobs and combating poverty. The five main goals for the year 2020 include the areas of employment, research and development, climate change, education, and the reduction of poverty and social exclusion. Specifically, the plan aims for 75 percent of all people ages 20 to 64 to be employed by 2020. A total of 3 percent of the EU’s GDP is to be used for research and development. The EU also aims to counteract climate change by reducing greenhouse gases by 20 percent over 1990 levels, increasing the amount of renewable energies to 20 percent and increasing energy efficiency by 20 percent. In the field of education, the share of early school leavers is to be reduced below 10 percent. The amount of people ages 30 to 34 with university or college degrees is to be increased to at least 40 percent. The strategy also aims to reduce the number of people affected by poverty and social exclusion by at least 20 million.

European Globalisation Adjustment Fund (EGF) (Europäischer Globalisierungsfonds (EGF))

A European financial instrument designed to help people adapt to globalisation. The fund helps people who have lost their jobs due to changes in world trade. This may include the closing of a major company, or the relocation of a production facility to a non-EU country, for example. The EGF has a maximum annual budget of 150 million euros for the
period from 2014 to 2020. This budget can be used to project up to 60 percent of the costs of projects designed to help redundant workers (employees) find a new job or become self-employed. The EGF is only used if over 500 employees from a single company – including vendors and downstream businesses – are let go, or if many employees are laid off in an industrial sector in a specific region or several neighbouring regions. National and regional authorities are responsible for managing EGF projects, which last two years. It is also possible to financially support individual people, e.g. if they want to pursue further education or relocate. Unlike the European Social Fund (European Social Fund (ESF)), the EGF is designed to provide individual, one-off support for a limited period of time. See also →European Union (EU)

**European Health Insurance Card** (EHIC) (Europäische Krankenversicherungskarte (EHIC))

The card allows people with statutory health insurance (Health insurance) to receive medical services throughout Europe. This card is valid in all countries of the →European Union. Everyone with statutory health insurance in Germany automatically receives the EHIC. It is printed on the reverse side of their insurance cards. The EHIC has a consistent structure throughout Europe and carries the EU emblem to ensure that it is recognised and can be used in all member nations. It replaces the foreign health care document previously required in the EU. Cardholders receive care at hospitals and public health doctors in other EU countries. The card does not apply for healthcare providers from the private sector.
European Union (Europäische Union (EU))
The European Union is an association of 28 European states with its roots during the period following World War II. The goal is to establish and secure a peaceful, stable Europe through economic and political partnership. The nations express their commitment to demographic principles and promise cooperation in the international treaties signed by the member states since 1958. Many of the decisions made in the EU’s committees are legally binding for all member states. Additional countries may join the EU. A series of guidelines and voting procedures are in place to approve new members.

European Union Programme for Employment and Social Innovation (EaSI) (Programm der Europäischen Union für Beschäftigung und soziale Innovation (EaSI))
A programme that brings together and expands three existing European funding instruments: the Program for Employment and Social Solidarity (PROGRESS), the European network of employment services (EURES) and the European Microfinance and Social Entrepreneurship instrument. These programmes were run separately from 2007 to 2014, and are now sub-programmes of EaSI. EaSI is directly managed by the European Union (European Union (EU)), and runs from 2014 to 2020. The aims are to promote a high level of quality and sustainable employment, guarantee adequate and decent social protection, fight social exclusion and poverty, and improve working conditions. The type and extent of these measures are defined each year. The commission is supported by a committee of representatives from the EU member states.
European Social Fund (ESF) (Europäischer Sozialfonds (ESF))
A financial instrument to promote employment and social integration in all EU nations (→ EU nation). The aims of this support are to ensure a high level of employment, gender equality, sustainable development, as well as economic and social cohesion throughout the → European Union. The ESF supports education, → professional training and qualification, for example, through practical projects. These especially benefit the unemployed (→ Unemployment), students transitioning to professional training and the working world, employees (→ Employee) and founders. Each EU country and each region develops its own strategy in the scope of an operational programme. In Germany, this is done by the federal government and the states. This approach is the best way to ensure that all local requirements are effectively taken into account. Examples of ESF projects include the programme to reduce long-term unemployment in Germany, or the Eurodyssey Programme in Spain, which allows young people from Valencia to gain professional experience in other EU countries.

Everyday competence, limited (Alltagskompetenz, eingeschränkte)
With the introduction of the → care degrees the hardship regulation and the limited everyday competence were abolished. This impairments are now integrated into the new care degrees.

Exemption from compulsory insurance (in pension insurance) (Befreiung von der Versicherungspflicht (in der Rentenversicherung))
Certain people who are members of so-called occupational pension schemes (e.g. doctors, pharmacists, architects) in Germany can obtain an exemption from the compulsory (→ Compulsory insurance) → pension insurance. They make
contributions to their own pension schemes to cover their retirements. The group of marginal employed (Marginal employment) has as well the option to be exempted in Germany from compulsory pension insurance.

**Exemption, tax-related** (Freistellung, steuerliche)

Tax exemptions refer to specific amounts which are not taken into account in tax calculations. In Germany, for example, the subsistence level of a child is considered an exception in his/her parent’s income tax calculation (Child exemption). It is also possible, for example, to apply for exemptions in order to keep investment income from automatic capital gains deductions, or different tax exempt amounts (Tax exempt amount) may be granted for taxation.
Family (Familie)
see → Household

Federal Government pension package (Rentenpaket der Bundesregierung)

Took effect on 1 July 2014, designed to make → pensions in Germany fairer. The package consists of four components. It implemented the full pension starting at age 63, improved the → mothers’ pension and pensions for people with reduced earning capacity, and the rehabilitation budget was adapted in line with population trends. People who have paid 45 years of contributions to → pension insurance are entitled to receive a full pension as of age 63. Brief interruptions in a person’s working history, such as temporary → unemployment or time taken to raise children (→ Childcare periods (in pension insurance)) up until age 10, are taken into account. The full pension at 63 will be gradually raised to age 65. The mothers’
pension is designed for mothers (and fathers, if applicable) who had children before 1992. They receive an additional earning point in addition to their existing pension entitlement for each child. This places greater emphasis on educating children when calculating the pension entitlement. The benefit is designed to compensate for lacking child care options in the years prior to 1992 which made it difficult for both parents to be in the workplace. The pension for people with reduced earning capacity was also improved by extending the so-called supplementary period by two years (from 60 to 62 years). People with reduced earning capacity are then treated as if they worked two years longer than before at their previous average salary. If the four years prior to the reduction in earning capacity resulted in lower pay, e.g. due to part-time employment, these years are not included in the calculation as to avoid reducing the pension entitlement. After being aligned with population trends, the annual rehabilitation budget was increased by around 100 million euros. See also → Reduced earning capacity (full, partial), → Rehabilitation, → Part-time

**Federal grant for pension insurance** (Bundeszuschuss für die Rentenversicherung)

Like in many other EU member states, the expenditures of state → pension insurance in Germany are not only financed through contributions, but also through a variable grant from taxes. In this way, the German federal government ensures the continuity of the state pension insurance in the face of changing demographics, or when the proportion of retirees and employees (→ Employee) changes. This also reduces the financial burden on the pension insurance system caused by general services provided to everyone. The amount of the annual federal grant is subject to change according to gross
wages and salaries (→ Gross) and contribution rates. See also → Contribution

Federal Participation Law (Bundesteilhabegesetz)
Designed to improve the living situations or → participation of → people with disabilities in the scope of the → United Nations Convention on the Rights of Persons with Disabilities. The coalition parties worked with people with disabilities and other stakeholders to draft the federal participation law. The aim is to draw services from the existing welfare system to support people with limited opportunities due to a severe disability. The → integration assistance is to be developed into a modern right of participation. The affected person should always be the focus when determining any entitlements or services.
**Foreign pension law** (Fremdrentenrecht)
German law which governs the → pension eligibility of refugees, recent migrants from Eastern Europe and displaced persons in line with the Act on Foreign Pensions (FRG). The FRG integrates a specific group of people into the state → pension insurance system as if they spent their lives working and earning in Germany.

**Free choice** (Freie Wahl)
see → Freedom of choice

**Freedom of choice** (Wahlfreiheit)
People entitled to long-term care benefits in several EU countries have the option of choosing from a variety of services. In Germany, Slovakia and Luxembourg, for example, beneficiaries may choose between payments (→ Payment) and → non-monetary benefits. In Germany, people also have the freedom to choose between home (→ Home care) and → inpatient care, as well as from approved institutions and services provided by various → providers.

**Freedom of movement** (Freizügigkeitsberechtigt)
See → Freedom of movement for workers

**Freedom of movement for workers** (Arbeitnehmerfreizügigkeit)
Refers to the right of employees (→ Employee) from EU member countries (→ European Union) to look for → work in a different member country. The same conditions apply to such employees as for residents of the corresponding member country. Each EU citizen has the right to freedom of movement, and may spend three months in a different EU member nation without any preconditions. If job seekers (→ Job search) have a “reasonable expectation” of finding
work, they usually have at least six months to look for a position. During this period of time, their EU country of origin will pay at least three months of unemployment benefits (→ Unemployment benefit) if they were previously registered there as being unemployed.

**Full inpatient** (Vollstationär)
see → Inpatient

**Full unemployment** (Vollarbeitslosigkeit)
see → Unemployment

**Fund for European Aid to the Most Deprived (FEAD)** (Europäischer Hilfsfonds für die am stärksten benachteiligten Personen (EHAP))
Helps EU member states provide material support for the most deprived individuals. This support includes food, clothing, shoes and other personal items, such as shampoo and soap. The material support is also supplemented by other social integration services, including advice and other types of assistance. The FEAD helps fight poverty and social exclusion as a main goal of the → Europe2020 strategy. It was initially established in the funding period of 2014 to 2020. The Commission is responsible for approving national programmes for 2014 to 2020. The EU states can decide what kind of material assistance they wish to provide, and national authorities are responsible for procuring and distributing these goods. Over 3.8 billion euros are effectively earmarked for the period 2014 to 2020. EU countries contribute at least 25% of funds for a national project as part of national co-financing efforts. In Germany, for example, these funds support new immigrants, the homeless and those at risk of homelessness. See also → European Union (EU)
**Fund savings plan** (Fondssparplan)
A savings plan in which the capital is invested in equity, pension or mixed funds. If they fulfil certain criteria, these types of savings plans may be eligible pension products in the scope of the Riester subsidy. Only the capital retention is required for subsidised fund savings plans, not a guaranteed minimum rate. See also →Pension funds, →Riester subsidy, →Pensions and →Additional pension plan

**Funding principle** (Kapitaldeckungsverfahren)
Pay-out on interest-earning →assets accumulated through private contributions, issued by banks, investment companies or private insurance providers. In Germany, Estonia and Lithuania, this may consist of payments from a private →pension insurance, for example. See also →Fund savings plan, →Optional insurance

**Further education** (Weiterbildung)
Opportunity for an →employee to improve his/her career prospects by learning about the latest developments and standards in a specific field. The employee’s goal could be to catch up on professional qualifications after the fact or prepare for a new career. In Germany, financial support for further education is available from the →job centre and employment agency if the applicant meets certain prerequisites. Likewise there is support for further education and advanced training from the →European Union, mainly within the scope of ERASMUS+ (http://ec.europa.eu/dgs/education_culture). This combines the different programmes in the field of lifelong learning (Leonardo da Vinci, Erasmus, Comenius and Grundtvig). See also →Retraining
Further professional training (Berufliche Weiterbildung)

Helps an employed person (→Gainful employment) retain and refresh existing knowledge or gain new qualifications. Further professional training is designed to increase an individual’s employment opportunities, and also aims to secure the needed job force over the long term. Such training measures are financed privately or by the →employer, and some are subsidised by the state. Subsidised further education measures are often offered to the unemployed to help re-integrate them into the labour market. In Germany, the SGB II (→Social Code) plays a major role in this area. The responsible provider takes the unemployed person’s abilities, especially his/her previous professional experience and skills, as well as personal prerequisites, such as physical and intellectual suitability, into account when deciding how effectively gaps in qualification can be filled in order to integrate the person into the working world.
Gainful employment (Erwerbstätigkeit)
An activity performed for economic benefit. In Germany all employees (Employee), self-employed people, entrepreneurs, etc. are gainfully employed. The duration of work or amount of earnings is irrelevant. Holding a temporary job or a “mini job” is also considered employment.

Gender quota (Geschlechterquote)
Also referred to as women’s quota. This stipulates a percentage of female employees for specific companies and is intended to improve equal opportunities for women in the labour market. On 27 March 2015 a law was approved by the Federal Council of Germany to ensure the equal participation of women and men in leadership positions in the private and public sectors. This is designed to considerably increase the percentage of women on executive committees in businesses and public authorities. Since 1 January 2016, all newly staffed positions
on supervisory boards at listed companies with parity → co-determination must meet a gender quota of 30 percent.

**Generational equity** (in pension insurance)
(Generationengerechtigkeit (in der Rentenversicherung))
This term refers to a decisive aspect of state → pension insurance in Germany and all other EU (→ European Union) countries. The working generation finances the pensions (→ Pension) of their parents’ and grandparents’ generation through their contributions (→ Contribution) (supportive society). Generational equity means that young people may not be burdened with excessive pension contributions, and older people need to receive an adequate pension. This creates a so-called generational contract or an unspoken social agreement between these people. The people making contributions expect that the following generations will also be willing to finance their pensions. See also: → Contribution-based system

![German Protection Against Dismissal Act](Kündigungsschutzgesetz)
see → Termination

**Global contribution** (Globalbeitrag)
Refers to a → contribution which covers all areas of social security. The global contribution finances benefits for old age, → inability to work, reduced earning capacity, disability and → unemployment, as well as survivorship annuities.

**Grant** (Zuschuss)
A grant often refers to a public → payment provided for financial assistance. In Germany, for example, → rehabilitation providers pay grants to employers (→ Employer) who hire → people with disabilities (integration grant in the scope of
benefits to help people participate (→Participation) in the working world). Retirees may receive a grant for statutory or private health insurance (→Health insurance) in certain situations, and recipients of →unemployment benefit II receive a grant for their children’s school trips.

**Gross (Brutto)**
In the case of →pay, for example, this is the total amount before any taxes or social deductions have been taken out. The →employer deducts taxes and →social contributions from the gross wage/salary in the →employment contract and pays them to the responsible parties. He then transfers the remaining net wage to the →employee. The annual gross income consists of a person’s total earnings from dependent →work. When referring to a household, people talk about gross household income.

**Gross annual income (Jahresarbeitsverdienst)**
Refers to the amount of money an →employee takes in from a job subject to social insurance contributions. Also referred to as annual income under tax law.

**Guaranteed minimum income (Mindestsicherung)**
Also referred to as basic support. Describes payments (→Payment) to help people unable to support their own livelihoods. Guaranteed minimum income, also known as basic support, assists those people who do not receive adequate help from other social security benefits (e.g. an adequate state →pension). Examples of guaranteed minimum income or basic support in Germany are the →subsistence allowance (formerly referred to as social welfare), →basic support for the elderly and people with reduced earning
capacity, and basic support for job seekers (→ unemployment benefit II).

**Guardianship (Vormundschaft)**
 Exists in a variety of different forms in several EU countries, also for → people with disabilities. A guardian assumes responsibility for certain aspects of a person’s life, e.g. → assets or medical decisions. Courts usually decide on the detailed arrangements of the guardianship. In Germany, guardianship is ordered by the state if underage children are not sufficiently protected by their families. This applies for orphans as well as children whose parents have lost custody. In these cases, the guardian is required to take care of the children and their property in place of the parents. Guardianship covers all aspects of life and should not be confused with other kinds of support. Germany no longer has guardianships for people of legal age; these people receive a different kind of support. This can be arranged in cases of dementia or severe mental → disability.
**Hardship** (social) (Notlagen (soziale))
see → Guaranteed minimum income

**Hartz IV** (Hartz IV)
see → Unemployment benefit II

**Head of the household** (Haushaltsvorstand)
see → Household

**Healthcare Principles as the appendix to the Healthcare Ordinance (VersMedV)** (Versorgungsmedizinische Grundsätze als Anlage zur Versorgungsmedizin-Verordnung (VersMedV))

This ordinance defines the specifications for social service administration offices (→ Social service administration office) to consistently evaluate health impairments throughout Germany. The principles assign a corresponding level of disability to each health impairment. VersMedV serves also
for acknowledgement of health disorders and states criteria for evaluation of helplessness and grades of care allowance. Likewise it controls the principles of the procedures for their investigation and further development.

**Health insurance** (Krankenversicherung)
Covers all EU citizens in the event of illness or maternity, and guarantees basic medical care. There are three different types in the →European Union: public, statutory and private health insurance. Most trainees and employees (→Employee) are covered by compulsory insurance. In many countries, it is possible to have private health insurance as of a specific →gross annual income. In Germany, →self-employed people, freelancers and public servants can take out private insurance. People not covered by compulsory insurance need to take out either private or state-run insurance. In many EU countries, such as Estonia and Ireland, certain family members may also be covered as well. Statutory health insurance in countries such as Germany, Belgium and Lithuania is financed through →employer and employee contributions as well as taxes. Denmark, for example, has tax-financed public health insurance. Since 1 January 2015 German health insurances may charge earning-related extra fees, whose amount is set by each health insurance separately.

**Health insurance company** (Krankenkasse)
Provider (→Providers) of →health insurance belonging to the →social security system. There are private and state-run health insurance companies. They serve as the first point of contact in all issues involving health, illness, provisions and →rehabilitation. In Germany, people who are required to have insurance can choose their health insurance companies. All trainees and most employees (→Employee) have compulsory
insurance with a state health insurance company. Some EU countries, such as Estonia and Luxembourg, have a national health insurance company.

**Health insurance for retirees** (Krankenversicherung der Rentnerinnen und Rentner)

In Germany, this is financed through contributions (Contribution) from retirees covered by compulsory insurance as well as pension insurance providers (Provider). People with optional or private health insurance need to pay these contributions in full. It is possible to apply
to receive a contribution subsidy equal to that received by retirees with → compulsory insurance. The basis for calculating health insurance contributions from a → pension is the general contribution rate. The contribution rate for retirees is calculated based on the gross pension (→ Gross), and paid into the healthcare fund vis-à-vis the Deutsche Rentenversicherung Bund. Since 1 January 2015, health insurance companies (→ Health insurance company) have been authorised to calculate and collect additional income-based contributions. This has replaced the previous system of non-income dependent additional contributions and the possibility of premium payments from individual health insurance companies. Health insurance contributions are also deducted from old-age pensions in Belgium and Finland, for example. Retirees are not required to pay contributions in many EU countries, including Denmark, Malta and Estonia.

**Healthcare (Gesundheitswesen)**
Encompasses all of society’s institutions which serve to promote, retain or restore people’s health. This includes doctors, hospitals and care providers, as well as private and public hospitals, health insurance (→ Health insurance) and → long-term care insurance. Pharmaceutical supply has its own division. In Germany these services are basically funded by statutory and private health insurance.

**Help for care (Hilfe zur Pflege)**
see → Guaranteed minimum income

**Hidden old-age poverty (Altersarmut, verschämte)**
The term hidden old-age poverty is referencing to elderly people who do not take advantage of their social security entitlements because they fear that their children will be
subject to the support requirement imposed by the state. This independent, need-based basic support for the elderly and due to reduced earning capacity (Inability to work) was introduced in Germany in 2003 to prevent hidden old-age poverty caused by this issue. In Germany, children and parents who earn less than 100,000 euros per year are exempt from the support requirement provided their relatives take advantage of basic support. See also Guaranteed minimum income

**Home care** (Häusliche Pflege)
Home care refers to care services provided to a person in need in the comfort of his/her own home. These services are generally provided by outpatient care providers or family members. In Germany and some other European countries the extend of the actual service complies with the care degree a person in need has. Home care is paid for or supported by long-term care insurance and health insurance, as well as other types of social insurance.

**Household** (Haushalt)
People who live and keep a home together, and thus form a unit. They may, but do not have to be related to each other. People who live alone also form a household for themselves. The member of the household who makes the greatest financial contribution to household income is referred to as the head of the household.

**Housing benefit** (Wohngeld)
Subsidy to ensure economic security and living situations appropriate for families in many EU countries.
Inability to work (Erwerbsunfähigkeit)
When a person can no longer work or can only work for limited periods of time due to health reasons, such as an accident or disability. The German social insurance system now handles such cases in terms of full or partial → reduced earning capacity. The term “invalidity” is sometimes used in other countries, but is outdated in Germany (Invalidität). German health insurance refers to this as an → incapacity for work. The term “occupational disability” (Berufsunfähigkeit) is slightly different. This refers to cases in which people are no longer able to perform their (learned) profession for an extended (at least 6 months in Germany) period of time. See also → Ability to work

Incapacity for work (Arbeitsunfähigkeit)
see → Inability to work
**Incidental wage costs** (Lohnnebenkosten)
Difference between the total costs of work accrued by the → employer and the → pay for the actual work performed. There are agreed (e.g. holiday and Christmas pay) and statutory incidental wage costs (pay during public holidays, → employer portion (→ Employer’s/employee’s contribution) of social insurance contributions).

**Inclusion** (Inklusion)
The term inclusion refers to the equal → participation of all individuals in society. Unlike → integration, in which people are divided into groups based on their differences, inclusion considers all of human diversity to be normal. Inclusion can refer to children and young people with disabilities being educated in regular schools (→ Regular school). Inclusion is an important element of the → United Nations Convention on the Rights of Persons with Disabilities, which was signed by all EU (→ European Union) member nations.

**Income** (Einkommen)
Income refers to the various earnings of a person or private household. These may differ depending on the country and legal position. For employed people (→ Gainful employment), income primarily consists of an → employee’s wage, salary or remuneration (see also → Pay) or (→ Earnings) from → self-employed work. Earned income is also used in this context. Other types of proceeds, e.g. from real estate, assets, or non-monetary services, such as meals, are also considered income. German income tax law lists seven types of proceeds which are considered income. A person’s income is decisive for calculating → income tax along with a variety of social services. The reference rate, or a person’s income over a specific period of time, is also used in social service calculations. See also → Net adjusted income
Income deductions for pensions in the event of death
(Einkommensanrechnung bei Renten wegen Todes)
In Germany, beneficiary income, such as earned income (Pay), wage compensation income (e.g. Sickness benefit or Unemployment benefit and pensions) and investment income (e.g. from capital assets, rentals or leases) are deducted from pensions (Pension) awarded in the event of death (Survivorship annuities). No investment income is deducted from survivorship annuities according to the “old” laws (married before 1 January 2002 and at least one spouse born before 2 January 1962 or died before 1 January 2002), or from orphan’s allowances for children born before 1 January 2002. More information on the deduction procedures in Germany is available here http://www.bmas.de/DE/Themen/Rente/Rentenlexikon/rentenlexikon.html (Einkommensanrechnung bei Renten wegen Todes).

Income dependence (Einkommensabhängigkeit)
When social services are granted and calculated on the basis of a person’s income.

Income tax (Einkommensteuer)
A duty calculated on the basis of a person’s earnings. All natural persons living in Germany have a tax liability. Detailed regulations regarding income tax are found in the German Income Tax Act (Einkommensteuergesetz). Taxes are collected each year. The constitution regulates how tax revenue is divided up between the federal government and states.

Index adjustment (Indexanpassung),
see Benefit adjustment
Ineligibility period (Sperrzeit)
Period of time during which an →unemployment benefit entitlement is postponed due to a violation of insurance conditions. In Germany, the ineligibility period starts when an →employee terminates an employment relationship without an important reason, or if →unemployment was caused through gross negligence. See also →Sanction

Injury benefit (Verletztengeld)
A benefit paid by the statutory →accident insurance to replace lost income due to →inability to work, work-related accidents (→Work-related accident), work-related illnesses (→Work-related illness) and medical rehabilitation. The payment starts once the →continued pay expires and ends once the person is gainfully employed (→Gainful employment) again. Injury benefit equals the cancelled income and secures the living of the injured and their relatives. It transitions to a →pension if the person is no longer able to resume work. Pupils and students receive injury benefit if they were in paid employment when the inability to work first started. Injury benefits are also paid in Slovakia.

Inpatient (Stationär)
Refers to around the clock accommodations in a healthcare institution, such as a hospital or nursing home. Day patient treatments and care in medical institutions involve several hours per day without overnight stays. Certain outpatient treatments (e.g. operations) are the opposite of full inpatient care. Here, the patient is not kept overnight, but is allowed to leave the hospital or medical facility on the same day. It is also possible for people in need to receive outpatient care in their
homes, e.g. through care services and caregivers. Inpatient and outpatient care is available in all EU countries. In Germany and several other EU countries, however, outpatient care is favoured over inpatient care where possible. Beginning with 1 January 2014 care facilities are obliged to make more information transparent by the care-reorientation-law. This affects e.g. medical prescription. People in need and their relatives can now find more easily a suitable facility.

**Institution** (protective, protected) (Einrichtung (beschützende, geschützte))

see → Workshop for people with disabilities

**Insurance gaps** (Versicherungslücken)

Periods during which no → pension insurance contributions (→ Contribution) were paid and are thus not recognised as other → pension-relevant periods. In Germany, this frequently occurs during periods of → self-employment, when helping family members with farm work, or working in one's own home. Insurance gaps reduce the amount of pension benefits paid in the end.

**Insurance history** (in pension insurance) (Versicherungsverlauf (in der Rentenversicherung))

Lists the → pension-relevant periods known to the pension insurance providers which are essential to determining the amount of an entitlement (→ Entitlement (in pension insurance)) in Germany and several other members of the → European Union, including Austria and France. In Germany the insurance history can be requested at any time.
Insurance providers (Versicherungsträger)
see Providers

Insurance system (Versicherungssystem)
Guarantees → social security for all employees (→ Employee) and workers (→ Worker) as well as trainees as part of the → social insurance system.

Integrated workplaces (Betriebsintegrierte Arbeitsplätze (BiAp))
A form of employment in the general labour market for → people with disabilities in Germany who work in protected workshops (→ Workshop for people with disabilities). The employees are supported by professionals qualified in integration management (→ Integration). The integrated workplaces are designed to promote professional → inclusion within the labour market, expand people’s professional perspectives and increase the chances for placement in the general labour market. Integrated workplaces serve as a kind of stress test for people with disabilities, allowing them to experience the conditions in the general labour market. Integrated workplaces are always organisationally linked to a protected workshop, but are not always located in the same place. There is a contractual cooperation between the company (→ Employer) and the protected workshop. The employer pays the workshop a contractually arranged fee for the services performed by the employee. In this situation, the protected workshops are still responsible for supporting the employees. See also → Integration assistance

Integration (Integration)
This term refers to the incorporation of people into a living and working community from which they were previously excluded. It is often used in conjunction with people with
an immigration background and people with disabilities. Integration does not mean that immigrants are required to give up their own cultural identities, but communicate with and establish closer ties to the majority population, for example. In Germany, this is achieved through measures like free German language courses and courses for young immigrants, as well as socio-educational support. People with disabilities are integrated into society when they are able to participate in the working world and communicate with everyone else. The corresponding regulations are set out in the United Nations Convention on the Rights of Persons with Disabilities. EU countries also offer numerous types of compensation for people with disabilities in the field of education, as well as in the form discounts and tax deductions.
Many EU countries also encourage integration into the working world with financial subsidies and/or support measures. See also → Equality of opportunity, → Integration assistance, → Inclusion, → Integration assistants.

**Integration agreement (Eingliederungsvereinbarung)**
A key tool to support the integration efforts of job centre contacts and the recipients of → unemployment benefit II in Germany. The basic idea is to establish the integration process on the basis of shared goals as well as mutual rights and obligations. If the job seeker fails to fulfil the obligations stated in the integration agreement, he/she can expect a reduction in benefit payments (→ Payment). People affected by → unemployment in all EU member states need to meet specific requirements in order to receive benefits. Many countries require individual action plans.
Integration assistance (Eingliederungshilfen)

In the broadest sense, all non-monetary benefits and payments (Payment) made by a state to integrate people into society and its various areas (Training, Work, living, etc.). Also referred to as integration assistance and activation measures in many EU countries. In Germany, integration measures are defined in the Social Code. For example, people who receive unemployment benefit II also benefit from integration services, including support for further professional training, child care or start-up money. Employers (Employer) can also request integration grants if they hire people who are difficult to place in the labour market. People with disabilities can take advantage of services to help them participate in the workplace and society, including the assumption of costs for personal assistance or work assistance, or specific child and youth welfare benefits. Integration specialists focus on helping the severely disabled with integration into the workplace.

Integration assistants (Integrationshelfer)

Also: School assistants. Integration assistants help children and young people with disabilities (Disability) participate (Participation) in classes at regular schools (Regular school). Integration assistants help students with learning materials, support them in organising everyday school activities and promote social skills based on their individual needs. Another important focus of their work lies in medical care during school hours. In this way, they promote the greater inclusion of people with disabilities into society.

Integration for young people (Eingliederung Jugendlicher)

Non-monetary benefits or payments provided by a country to help young people complete professional training or assist
in their integration into the labour market. In Germany, for example, young people under the age of 25 who are able to work (Ability to work) and receive unemployment benefit II can take advantage of a number of support offers: from intensive advice by a personal contact person, an individual integration agreement, introductory qualifications and external vocational training offers to the right to retake the school leaving certificate. Social integration measures such as addiction or credit counselling are also available to provide additional support. The active involvement of each young person is essential, and can be used as the basis for the receipt of social benefits. See also Integration assistance

**Integration help** (Eingliederungshilfe)
see →Integration assistance

**Internship** (Praktikum)
An activity performed over a specific period of time designed to give a person practical experience in his/her future profession. Internships may be paid or unpaid, and can be completed during secondary school, university or while looking for a job. All EU countries offer internships under certain conditions. In Germany an intern with completed professional training or higher education receives →minimum wage.
**Job centre (Jobcenter)**
Name for the →joint institutions of the SGB II (→SGB) and approved local →providers, who support receivers of →unemployment benefit II.

**Job search (Arbeitssuche)**
People officially registered as being unemployed will generally receive assistance in their job search in EU member states. In Germany, the →employment agency can usually help with job placement. It is important to meet specific deadlines in this process. The unemployed person needs to register in person with the employment agency no later than three months before the working relationship ends. If the employee is notified of the upcoming →termination at a later date, then he/she has three days to go to the employment agency. Any infringements against the registration requirement can result in a block period during which no unemployment
benefits (→Unemployment benefit) are paid. Registration is also required if a labour court is to decide whether or not the training or working relationship is to continue. In Germany notice has always to be made in person. Notice via phone is only sufficient if an appointment is made for a personal notice at a later time.

**Job seeker profiling** (Profiling eines Arbeitsuchenden)
Comprehensive survey of a job seeker’s personal characteristics, strengths, weaknesses and problems which may positively or negatively impact his/her opportunities in finding work. An adviser examines the person’s professional qualifications as well as other factors, such as health, motivation, appearance, mobility and family ties. The results show just how high the risk of extended →unemployment is and help to identify measures which can help the job seeker improve his/her prospects.
Labour dispute (Arbeitskampf)
A labour dispute refers to a disturbance in work operations caused by the employer or employees in order to achieve a specific goal and to put economical pressure on the other side. These goals could include changes in work contracts (Employment contract), wages or working conditions. Typical forms of labour disputes are strikes and lock-outs. A strike refers to the temporary collective stoppage of work by employees. A lock-out is caused when an employer temporarily prevents employees from fulfilling their contractual work. There are different types of strikes, including the selective strike (striking in specific divisions of an industrial sector) and the warning strike (limited to a very short time). Political strikes and so-called solidarity strikes, in which the striking employees are not directly affected by
the reasons for the actual labour dispute, are prohibited in Germany. Strikes are far more common in Germany than lockouts. If the parties in a labour dispute (or current collective bargaining) cannot come to an agreement, they can both agree to mediation. An independent mediator then attempts to help the parties reach a compromise. Mediation is always voluntary for both sides.

**Labour market measure** (Arbeitsmarktmaßnahme)
see → Work promotion measure

**Labour market policy** (Arbeitsmarktpolitik)
All measures used by a government of an EU member nation or the → European Union as a whole to balance out the supply and demand in the workforce and keep → unemployment as low as possible, e.g. though a → work promotion measure. The sustained high unemployment figures in many EU countries, which require fewer contributors to pay for services for increasing numbers of unemployed people, have led to major reforms throughout the entire EU in the past ten years. Special attention is given to fight against youth unemployment which is higher than 40 percent in some European states.

**Labour market reform** (Arbeitsmarktreform)
see → Labour market policy

**Leave of absence** (Freistellung)
According to German labour law, a leave of absence refers to the permanent or temporary release of an → employee from the obligation to work. The leave of absence may be paid or
unpaid, and either revocable or irrevocable. In Germany, for example, a trainer needs to grant a trainee a leave of absence in order to participate in classes or exams at the vocational school. An employer can grant a leave of absence to an employee following a proper and timely termination. In this case, the employee still receives his/her pay until the end of the working relationship. A leave of absence requested by the employee is generally unpaid.

**Level of disability** (Grad der Behinderung (GdB))
This rates the mental, intellectual, social and physical impact of a certain disability because of a health damage. This evaluation does not take into account limitations associated with ageing. Each EU country has different levels, and some nations, like Sweden and Finland, do not make such distinctions. Germany has nine levels, ranging from 20 to 100.

**Life annuity** (Leibrente)
Involves regular payments to a person which ends with a certain event, usually that person’s death. Benefits paid by statutory pension insurance represent a typical form of life annuity. This differs from a temporary annuity, which is only paid during a specific period of time. Temporary annuities in Germany include the widow’s/widower’s pension and the pension paid for reduced earning capacity (Disability pension). See also Pension

**Life partner** (Lebenspartner)
see Registered partnership

**Limit** (Belastungsgrenze)
People ensured in the German state healthcare (Health insurance) system are only required to make additional
payments up to a certain amount, referred to as the limit. This is based on the annual → gross → income, potentially minus various tax allowances (→ Tax exempt amount). Once this limit has been reached, the insured party is no longer required to make any other additional payments for the rest of the year. It is necessary to request an exemption certificate from the health insurance company. Chronically ill people in Germany who have to see the doctor particularly often and need a lot of medication a lower limit applies. It is about half of the regular limit.

**Lock-out (Aussperrung)**

see → Labour dispute

**Long-term care insurance (Pflegeversicherung)**

Assists people in need of care with payments (→ Payment) and → non-monetary benefits. In Germany, this is → compulsory insurance and part of statutory → social insurance. All statutory → health insurance recipients are automatically ensured. People covered under private insurance are required to arrange for private long-term care insurance. In most EU countries, other branches of the → social security system cover long-term care services, not long-term care insurance. In Germany long-term care insurance also helps caring relatives: They can get release from work for up to 10 days and receive during this time about 90 percent of their net wages from long-term care insurance. People working in companies with more than 15 employees can claim 6 months family care time. With 25 or more employees people can claim 24 months family care time if a minimum working time of 15 hours per week remains. See also → Need for care, → Care degree,
Supplementary long-term care insurance, Inpatient, Assisted living

Long-term care insurance for retirees (Pflegeversicherung der Rentner)
Social long-term care insurance in Germany follows the principles of statutory health insurance. As such, retirees covered under compulsory statutory health insurance also receive compulsory social long-term care insurance. Members of the social long-term care insurance, who brought up own, adopted, stepchildren and/or foster children, pay less fees.

Lump payment (Pauschalleistung)
Also called lump sum. Refers to a fixed amount which does not depend on parameters such as income or paid contributions. In Spain and Greece, for example, people may receive a flat payment for housing support in emergency situations. In Belgium, retirees are paid a lump sum holiday pay.

Lump sum (Pauschalbetrag)
see Lump payment
**Maintenance settlement for pensions** (Versorgungsausgleich für die Rente)

In Germany, pension entitlements earned during marriages are divided up equally between the two spouses in the event of a divorce. The spouse with more entitlements (in pension insurance) is required to relinquish some to his/her partner as compensation. The other spouse is entitled to half of the difference. Maintenance settlement can also be fully or partially excluded, e.g. because of short time of marriage, insignificance or agreements between husband and wife.

**Marginal employment** (Geringfügige Beschäftigung)

Employment relationship in which an employee is not required to pay any social contributions. This model is possible in several EU countries, e.g. Luxembourg, Austria and Slovakia. In Germany, marginal employment is also referred to as a “mini job” or “450-Euro job”. With this type of
employment employers pay for health insurance and taxes. Employees can pay a little contribution for pension insurance on a voluntary basis. Such jobs can be performed at an employer or in a private home. Marginally employed people in Germany have a right to holiday, → continued pay in the event of illness and on public holidays, as well as insurance against work-related accidents (→ Work-related accident).

**Mark in disabled person’s pass** (Merkzeichen im Schwerbehindertenausweis)

So-called marks are entered into a disabled person’s pass for specific health conditions, including “H” for “helpless”. These authorise the ID holder to receive special assistance to balance out any disadvantages as the results of his/her disability. See also → People with disabilities, → Compensation for disadvantages, → Severe disability

**Marriage** (Ehe)

A legally recognised and protected bond between two people, creating a life-long partnership. In Germany, only a civil wedding ceremony is legally binding. A church ceremony is only valid under ecclesiastical law. Vatican City is the only place in Europe which requires a church wedding ceremony. Traditionally, marriage was defined as a partnership between a man and a woman. More and more countries across the EU are introducing same-sex marriages, though. On 1 October 2017, Germany became the 14th country in the European Union to allow marriage between same-sex partners (Ehe für alle). These marriages have the same rights and obligations as heterosexual couples following their civil ceremonies. The proprietary relationships of the spouses are regulated in marital property law.
**Maternity benefit (Mutterschaftsgeld)**
All EU countries provide this payment to mothers shortly before and after childbirth to replace missing income for at least 14 weeks. This may be paid during the statutory maternity leave. Many countries have extended this minimum duration, including Denmark and Spain. In Germany, health insurance companies and, if applicable, employers (Employer) pay daily maternity benefits to employees (Employee) with statutory health insurance. Other mothers receive a one-time payment. It is possible to receive parental benefits (Parental benefit) once the maternity benefit expires.

**Maternity leave (Mutterschaftsurlaub)**
Refers to the (paid or unpaid) leave (Exemption, tax related) of an employed woman following the birth of her child. In Germany, this was previously referred to as “child-raising leave” (“Erziehungsurlaub”), but the term parental leave is more common today. See also Maternity protection.

**Maximum contribution (for pension insurance) (Höchstbeitrag (zur Rentenversicherung))**
Pension insurance contributions (Contribution) may only be paid up to a certain limit in many EU countries. The maximum contribution corresponds to the contribution assessment ceiling. In Germany, there are different maximum contributions for the former West and East German states. Countries like Portugal and Italy, for example, have no maximum contributions.

**Maximum pension (Höchstrente)**
Refers to the maximum amount of pension benefits to which a beneficiary is entitled. This can be determined by law.
or occur as the result of the maximum contribution and the length of contributions. See also → Minimum pension

**Mediation** (Schlichtung)
see → Labour dispute

**Medical rehabilitation** (Medizinische Rehabilitation)
see → Rehabilitation

**Mini job** (Minijob)
see → Marginal employment

**Minimum contribution** (Mindestbeitrag)
People insured on a voluntary basis are required to make contributions which correspond to this minimum amount.

**Minimum insurance period for pensions** (Mindestversicherungszeit in der Rente)
see → Waiting period
Minimum pension (Mindestrente)
The smallest pension permitted by law. The goal of the minimum pension is to cover the subsistence level. Germany does not have a minimum pension. In certain situations, small pensions may be increased with basic support for the elderly and in case of reduction in earning capacity. See also Maximum pension.

Minimum personal contribution (Mindesteigenbeitrag)
Payment required and set by law in Germany to receive the full premium support for private pension plans (Pension plan). The contribution is based on a specific percentage of the relevant previous year's income, from which the allowances are to be deducted and it is bounded above. At least there is a basic amount to pay if the minimum personal contribution is lower than the basic amount or if there was no positive income in the previous year. If there is paid less than the basic amount or the minimum personal contribution the allowance will be shortened accordingly. People with private pension plans also need to pay an annual base amount each year in addition to the minimum personal contribution.

Minimum wage (Mindestlohn)
In many EU countries (EU nation) the lowest level of employee pay allowed by law or in collective agreements. Employers (Employer) are not allowed to pay less than the minimum wage if there is one in place. Minimum wage may refer to the hourly or monthly wage. Many EU (European Union) countries have a statutory minimum wage. Germany also has a legal minimum wage of 8.84 euros per hour. For employees in certain industries, such as construction,
electrical trades and healthcare/nursing there is a branch minimum wage. Some industries still have transitional measures in place. The general statutory minimum wage will apply without restrictions effective 1 January 2018.

 Mothers’ pension (Mütterrente)
Improves the social security of retirees (→Pension), primarily women, who had and raised children before 1992. They receive an additional earning point (→Earning points (in pension insurance)) for each child in addition to their existing pension entitlement. Women who do not currently collect a pension will receive an additional year of child-raising period (→Child-raising periods) credited to their future pension. The mothers’ pension ensures that the raising of children is given greater consideration when calculating the pension. This initiative is designed to give more recognition to the many parents who interrupted or completely abandoned their careers to raise children born before 1992.

 Multiple pillar system (Mehrsäulensystem)
Also: Three pillar system (Drei-Säulen-System), three level system (Drei-Schichten-System) or dual pillar system (Zwei-Säulen-System). The term refers to a pension concept structured in several levels. Germany uses the three pillar system. The first level is the state pension insurance, the second is the company pension plan, and the third is the private pension plan. Similar systems are in place in other EU countries (e.g. Denmark, the Netherlands and Croatia).
**Need** *(Bedarf)*
see → Need-based community

**Need** *(Bedürftigkeit)*
When a person is no longer able to adequately support his/her livelihood through personal resources (e.g. income or assets). When evaluating need, the provider evaluates the → subsistence allowance to see if there is a need, and whether or not it is sufficient to grant social services.

**Need for care** *(Pflegebedürftigkeit)*
State of a person requiring constant care for regular everyday activities due to a physical, mental or emotional illness or → disability. In Germany the need for care must be expected to be at least six months considerably or high to be acknowledged. Many EU countries, such as Spain, Portugal and Austria define the need of care in terms of care levels (→ Care level). Types of
assistance provided by law include personal hygiene, nutrition, mobility and household help. There was a new definition of the concept of need for care to gain a better match with the actual life situation of affected people. On 1 January 2016 the Second Care-enforcement law (Zweites Pflegestärkungsgesetz) was taken into place. This law regulates the transition from care levels to the so-called care degrees (Pflegegrad) (valid since 1 January 2017). Besides physical limitations now also limitations affecting e.g. dementia patients are considered.

**Need-based community** (Bedarfsgemeinschaft)
Most EU member countries consider the individual person or people living in a shared household to be a household unit for the purposes of calculating payments (Payment) to guarantee the social guaranteed minimum income (social welfare, basic support). The latter are usually the beneficiary, his/her partner or spouse, and any underage or dependent children. In Germany, this is referred to as a need-based community ("Bedarfsgemeinschaft"). The need is calculated from the total of standard needs (Standard need to ensure one’s livelihood) of the members of this household, plus any additional needs (Additional need), as well as the costs of housing, heating, and any educational or participation needs on the part of the children. The income and assets of the applicant and the partner are taken into account to the extent to which it exceeds the tax exempt amounts (Tax exempt amount). The income and assets of the children are only taken into account for their own needs, not for the needs of the parents. See also Registered partnership

**Need-oriented** (Bedarfsorientiert)
Some social services to ensure people’s livelihoods in the EU (European Union) are paid on a need-oriented
basis. A standard need is determined for this purpose. In Germany, this is calculated based on the current income and consumption statistics for all recipients of certain social services, and is defined in the Standard Need Determination Act and social code. The Federal Ministry of Labour and Social Affairs commissions the Federal Statistical Office to determine the levels of standard need in Germany by conducting special evaluations (e.g. on consumer expenditures of low-income households). See also Need-based community

**Net income** (Nettoeinkommen)
see →Gross

**Net pay** (Nettoentgelt)
see →Gross

**Non-contributory periods** (in pension insurance) (Beitragsfreie Zeiten (in der Rentenversicherung))
Non-contributory periods are substitution periods, credit periods and additional periods (Additional period). They can be significant in fulfilling the eligibility requirements for a pension and in pension calculations. During non-contributory periods contributions (Contribution) are not paid but they are considered as if paid when pension entitlement is checked and calculated.

**Non-government organisation** (Nichtregierungsorganisation) (NGO)
Civilian associations usually committed to social and environmental issues. These are also referred to as NGOs for short. NGOs can be recognised by international institutions such as the UNO, UNESCO, European Council or European Commission if they fulfil certain conditions. They are financed
through member contributions, donations, proceeds and public funds. An example of an international NGO is the emergency assistance and development organisation Oxfam. German NGOs include the Malteser and the German Red Cross.

**Non-monetary benefits** (Sachleistung)
The term refers to medical treatment and the provision of medications, remedies and aids by social security. People will also receive payments (Payment), e.g. sickness benefits, as needed.

**Notice period** (Kündigungsfrist)
see →Termination

**Nursing minimum wage** (Pflegemindestlohn)
An industry-specific minimum wage in Germany in addition to the general statutory →minimum wage. It is specifically tailored to the needs of the nursing care industry and is designed to make jobs in this field more attractive among other increasingly competitive industries and professions. This has been especially important since the introduction of a general statutory minimum wage. The option of fixing working conditions in the nursing care industry exists irrespective of the introduction of a statutory minimum wage. The nursing minimum wage was limited to a term of 34 months and should have ended 31 October 2017. The 3rd Nursing Commission decided on a new applicable nursing minimum wage from 1 November 2017, which expires on 30 April 2020. During this time, the level of the minimum wage will be increased regularly at the beginning of each year. From 2018 this will be 10.55 euros in West Germany and 10.05 euros in East Germany. See also: →Need for care, →Long-term care insurance
**Occupational disability** (Berufsunfähigkeit)  
see → Inability to work

**Occupational pension** (Betriebsrente)  
A voluntary → employer benefit for his/her employees (→ Employee). Since January 2002, employees in Germany have the fundamental right to convert part of their wage or salary into a company pension plan in order to receive an occupational pension later on (deferred compensation). The employer is required to comply with this request. The legal right to deferred compensation does not require the employer to financially participate in making old age provisions for his/her employees, however. See also → Company pension plan, → Pension plan
**Occupational safety** (Arbeitsschutz)

Occupational safety protects employees (→Employee) from on-the-job hazards and illnesses caused by their work. The German Occupational Safety Act (Arbeitsschutzgesetz) provides the most important legal basis for industrial protection. It requires employers (→Employer) to protect their employees from the dangers of their machines, devices and facilities. Employers are also required to take special safety precautions in dangerous areas of work, and need to inform employees of any known or possible risks. Employers need to consult the →works council on any issues involving safety and health protection. This body ensures that the employer is in compliance with all occupational safety and health protection rules. Besides the regulations regarding dangers while working with machines, devices and plants there are also regulations like the ordinance on occupational safety and health protection during work with visual displays, noise and vibration health and safety regulations and the regulation regarding medical precautions for the workplace.

**Old-age pension** (Altersrente)

see →Pension

**Optional insurance** (Freiwillige Versicherung)

People who are not required to be insured in many EU countries can make voluntary contributions (→Contribution) to various insurances if they meet specific prerequisites. In Germany, this may include an →old-age pension, →disability
pension and work-related accident pension. People who are exempt from insurance or compulsory insurance must meet specific prerequisites. In France, for example, people can make optional contributions to disability and unemployment insurance.

**Orphan’s allowance** (Waisenrente)
A benefit for children whose supporting parent(s) has/have passed away. In most countries, this pension is only paid until a certain age limit (in pension insurance) has been reached. One exception is Slovenia, for example, which has no age limit for children who are completely incapable of working.

**Outpatient** (Ambulant)
see → Inpatient
**Parental benefit** (Elterngeld)
Temporary state payment to employed parents in Germany following the birth of a child. It allows them to balance work and family life following maternity leave without major financial losses. People who care for their child after birth, do not work more than 30 hours a week and have a maximum annual income of 500,000 euros (couple) or 250,000 euros (single parent). The on 1 January 2015 in Germany introduced parental benefit plus should allow the best possible use of parental benefits in combination with a part time job. Most EU member countries offer specific monetary benefits for raising small children, some of which are unaffected by employment. These are usually referred to as a child-raising allowance or parental allowance.
Parental benefit plus (Elterngeld Plus)

The legislation on parental benefit and parental leave for the new parental leave plus programme, including the partnership bonus, took effect in Germany starting 1 January 2015. Parental benefit plus is designed to allow parents to best utilise their parental benefit in combination with a part-time job. Parents can work up to 30 hours a week and collect parental benefit plus. It replaces the missing earned income by 65 to 100 percent depending on the previous income. Parental benefit plus amounts to a maximum of one-half of the monthly parental benefit collected by parents without part-time income starting at birth. The payments are made for twice as long, however, and can be collected after the child has turned 14 months. Parents who are not gainfully employed (Gainful employment) can extend their parental benefits with this plan. All parents can choose between the standard parental benefit and parental benefit plus. The parental benefit plus is supplemented by the partnership bonus.

Parental leave (Elternzeit)

Allows working parents in Germany to take care of their child while keeping their job with their employers (Employer). It is possible to take up to three years of parental leave while working up to 30 hours a week, and the employee receives protection against dismissal (Termination). Membership in the state health insurance and long-term care insurance is maintained. The prerequisite is that the parents live with their child in the same household and mainly look after and educate it themselves. Parents can decide whether or not to divide parental leave, both parents may take parental leave at the same time or just one parent at a time. This term
only applies in Germany. For other EU countries, please see → Maternity leave. See also → Maternity protection

Partial pension (Teilrente)
see → Partial retirement pension

Partial retirement pension (Teilruhestandsrente)
Designed to ease the transition to retirement by allowing insured employees to limit their gainful employment. Available in several EU countries, such as Belgium, Denmark and France. In Germany, a partial pension may amount to one-third, one-half or two-thirds of the full → old-age pension; any accumulated → earning points (in pension insurance) increase the amount of the full old-age pension. The benefit can be claimed if the conditions for a retirement pension are met. It is also possible to receive → disability pension payments in the form of partial pensions. See also → Semi-retirement

Partial unemployment (Teilarbeitslosigkeit)
Exists when an → employee has lost one of several jobs subject to compulsory insurance which he/she has held simultaneously and he is looking for a job with compulsory insurance. The employee then receives a partial unemployment benefit to replace the missing → pay. In Germany, people are entitled to receive this benefit for half a year at the most. The prerequisites are similar to the ones that apply for → unemployment benefits. Some EU countries have no special regulations for partial unemployment, including Poland and Romania, for example.
Participation (Teilhabe)
Frequently associated with the terms rehabilitation and disability (People with disabilities) in Germany, this word refers to a person’s ability to take part in social life and the working world. All EU countries (EU Nation) have adopted the United Nations Convention on the Rights of Persons with Disabilities, which ensures equal participation for all people. Benefits to promote participation include medical rehabilitation and measures to help people with disabilities become part of the workplace. In Germany, each application for a disability pension is reviewed according to the principle “rehabilitation before pensions” to see if benefits to promote participation are likely to be effective. See also Integration assistance

Partnership bonus (Partnerschaftsbonus)
Option available for each parent in Germany to collect four additional months of parental benefit plus. This applies to parents of children born on or after 1 July 2015. The partnership bonus should encourage parents to find a partner-like time arrangement in which both work between 25 and 30 hours a week. A single parent with these working hours can also collect the partnership bonus. The amount of benefits is the same for a month of the partnership bonus and a month of parental benefit plus. The period of four months should give parents a chance to grow into a partner-like division of responsibilities between the family and their gainful employment. This time is also suitable for making the necessary arrangements with one’s employers.

Part-time (Teilzeit)
Occupation which does not take place over an entire work day or every day of the week. In Germany, people are
entitled to part-time employment in companies with more than 15 employees under certain conditions. Professional education can also be completed on a part-time basis.

Pay (Arbeitsentgelt)
The employee receives a negotiable amount of pay from the employer for his work. Collective agreements or statutory minimum wage regulations can define the minimum amount. A general distinction is made between two types of pay in Germany – an hourly wage for workers and a salary for salaried employees. Salaries are paid per month and in the same amounts regardless of the number of working days and the performed services. Wages, however, can be of different amounts because they depend on the work performed, e.g. hourly rate or piece wage. This difference is rarely reflected in legislation and collective agreements, which primarily focus on salaries. Some employees receive special payments in addition to their earnings, such as a Christmas bonus. Self-employed individuals do not receive pay, but usually charge a fee. Under German social law, the profits from self-employed work calculated based on income tax laws are considered earnings.

Payment (Geldleistung)
The term refers to all services provided in cash form, including taxes or social insurance contributions of a citizen to the state, as well as the payment of salaries to employees or the payment of unemployment benefit II. The term is frequently used in connection with health insurance and long-term care insurance. In this case, the payment would be sickness benefits, for example. In this context, payments are often made in addition to or in place of non-monetary benefits.
Pension (Rente)
All EU states offer old-age pensions, pensions due to reduced earning capacity and survivorship annuities to ensure the social welfare of their citizens. Insured parties who have reached a defined age limit (in pension insurance) and have made certain contributions receive an old-age pension. People unable to work at full capacity or at all due to illness, disability or an accident receive a benefit for reduced earning capacity or a disability pension. It is necessary to meet a specific waiting period in this case as well. Window’s/ widower’s pensions are paid to men and women after the death of a spouse. Many EU countries will pay these benefits following the death of a life partner (Registered partnership) as well. Children who have lost one or both parents receive an orphan’s allowance. If applicable, credit periods (in pension insurance) may be taken into account in the pension calculation. See also Childcare periods (in pension insurance), Child-raising periods (in pension insurance), Child-related increase during contribution periods

Pension application (Rentenantrag)
In Germany, people are required to apply for all pensions (Pension) and other statutory pension insurance benefits at their pension insurance provider, one of their information or advice centres, with an insurance senior, at the insurance office responsible for their area of residence, or the municipal (local) authorities. These offices have the necessary forms at hand. The start date for the pension is based on a timely application, at least three months before the relevant age is reached. Pensions due to a reduced ability to work and the child-raising pension are paid as a standard pension once the standard retirement age is reached. No additional application is required here.
**Pension approval notice** (Rentenbescheid)

Fully or partially approves a →pension benefit in Germany, or rejects it altogether. The notice from the →pension insurance provider is contestable. In other words, the requestor can appeal the decision.

**Pension benefit formula** (Rentenformel)

In most EU countries, like Poland, Latvia and Estonia, the →pension amount is calculated using a specific formula. The formula for Germany is as follows: personal →earning points (in pension insurance) × type of pension factor × →current pension value = monthly pension. The number of personal earning points reflects the scope of each individual person’s insurance. The type of pension factor determines whether it is an old-age (→Pension), widow’s/widower’s (→Widow’s pension), or →disability pension, or an →orphan’s allowance. The current pension value is a specific amount in euros corresponding to the monthly pension an average earner receives for one year of contributions.

**Pension deduction** (Rentenabschlag)

Reductions in the amount of pension benefit paid if a person makes use of his/her old-age pension prior to reaching the →standard retirement age, applies in Germany, Austria, Croatia and Lithuania, for example. Deductions in disability pensions (→Disability pension) and survivorship annuities are also possible in certain situations. See also →Pension

**Pension fund** (Pensionsfonds)

Means of executing company pension plans (→Company pension plan). In Germany, this legally independent institution provides a company pension plan for the →employer in return for paid contributions (→Contribution).
Employees (Employee) also have the option of helping to finance these contributions. The accumulated capital can be invested on the capital market with relatively few restrictions, and the amount of the future benefit is based on the earned returns. Pension benefits are still guaranteed despite any loss in capital as the total paid contributions are available to cover any insured events. Other EU countries, such as Latvia and Hungary, also have pension funds. See also →Pension pool, →Pension insurance

**Pension guarantee** (Rentengarantie)
The term used by the media to describe the extended safeguard clause in Germany. This prevents pension adjustments, which are tied to the development of wages and salaries, from resulting in pension reductions (due to negative income trends). The federal government expects that wages will not decrease in the next several years, making the pension guarantee unnecessary. The use of this regulation is not at the expense of the younger. The because of the extended safeguard clauses omitted pension reductions are recorded in a so-called need to balance. Later they are realised by halving positive pension adjustments until the need of balance is phased out. See also →Benefit adjustment

**Pension information** (Renteninformation)
Annual written notification for all insured people in Germany ages at least 27 and up and having at least five years of contribution period on their account. In this way, pension insurance providers (→Pension insurance provider) create transparency in people’s personal old-age pensions and offer the insured a solid basis for planning their own →additional pension plan. The pension information is based on the →pension-relevant periods saved in the insurance accounts.
It also includes a projection of the anticipated pension once people reach the standard retirement age. This estimate does not account for pension adjustments, whether actual or fictitious. People over age 55 receive a more detailed pension statement every three years as a substitute for the pension information. This information is available on request only and is not legally binding.

**Pension insurance** (Rentenversicherung)

State pension insurance in Germany pays pensions to the insured and supports them in their reintegration (gradual, professional) into the working world. It is part of the social insurance system. In addition to providing security in old age, it also offers financial support in the event of reduced earning capacity as well as the death of a spouse or parent(s). Pension insurance covers various courses of treatment and professional rehabilitation measures, and also pays the employer’s contribution to health insurance (Health insurance) and long-term care insurance. Nearly all employees (Employee) are required to pay contributions (Contribution). Employees and employers (Employer) each pay half of the contribution, and the federal government pays grants (Grant). Most EU countries have statutory pension insurance, including Belgium, France, Latvia and Luxembourg. See also Rehabilitation

**Pension insurance provider** (Rentenversicherungsträger)

see Providers

**Pension level** (Rentenniveau)

The once common net pension level describes the percentage relationship between the net pension of a benchmark or standard pensioner and the net pay of an average earner. Due
to the gradual introduction of deferred taxation for pensions, it is no longer possible to maintain a consistent net pension level for every starting pension year. Instead, the pension level is calculated as the relationship between the standard pension (minus social contributions of retirees) and the average pay (minus the average employee social insurance contributions) as well as the average expenditures for subsidised private pension plans (→ Pension plan), not accounting for taxes. The taxes to be paid are not taken into account for employees or retirees. This number, which is based by law, is used to display the performance level of the statutory pension insurance and is the hedging level for taxes.

**Pension payments abroad** (Rentenzahlung ins Ausland)

Pensions from German pension insurance providers (→ Pension insurance provider) can also be paid during a habitual residence abroad. Special regulations do apply here, which may lead to a partial pension payment or no payment at all.

**Pension plan** (Altersvorsorge)

Measures a person takes to secure one’s livelihood for the period of time following his/her gainful employment or in old age. In Germany, pension plans are based on three pillars: state pension insurance, company pension plan and private old-age provision, e.g. Riester subsidy, (equity) savings plans, real estate. See also → Pension and → Individual provision

**Pension pool** (Pensionskasse)

Means of executing company pension plans (→ Company pension plan). In Germany, a pension pool is similar to insurance carried by one or more companies. The main
difference between a pension pool and direct insurance is that the entitled employee also becomes a member of the pension pool. The employer makes contributions (Contribution), and the employee can add to them. The pension pools are subject to strict investment restrictions. Only a limited portion of the funds can be invested in stocks. This minimises the risks, but also limits the profit opportunities. See also →Pension fund

**Pension-relevant periods** (Rentenrechtliche Zeiten)
Consist of contribution periods, → non-contributory periods (in pension insurance) and → childcare periods (in pension insurance). These determine the amount of the → pension. A specific number of periods is a precondition for pension payment. See also →Contribution, → Waiting period

**People with disabilities** (Menschen mit Behinderungen)
People whose physical functions, mental abilities or emotional health negatively impact his/her participation in society (in Germany: for longer than six months). Disabilities are roughly divided into physical, sensory, speech and learning disabilities, as well as mental (emotional) and intellectual disabilities. They can emerge throughout the lifetime (e.g. through illnesses or ageing processes) or be inborn (inherited or chromosomal, damages prior to birth). All EU countries offer services and assistance such as → compensation for disadvantages, as well as measures and programmes to promote → accessibility which enable people with disabilities to participate in society. The → United Nations Convention on the Rights of Persons with Disabilities also strengthens their rights. See also: → Severe disability
Period (non-contributory) (Zeit (beitragsfreie))
see → Substitution periods

Personal assistance (Persönliche Assistenz)
see → Assistance

Personal budget (Persönliches Budget)
Lump → payment provided in the scope of → integration assistance for → people with disabilities or → chronic illnesses. This → compensation for disadvantages is designed to give people with disabilities more options and self-determination rights when it comes to their own care. It allows people 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. They become buyers, customers or employers themselves. People in Germany have a right to the personal budget. It is not (yet) available in all EU countries, but has already been introduced in the Netherlands and the United Kingdom, for example.

Preventative care services (Vorsorgeleistungen)
Medical services designed to prevent illnesses and help people retain their good health. Depending on certain conditions (e.g. age, time between exams), the costs may be covered by the → health insurance company. In some EU countries, regular medical check-ups are required for the health insurance company to cover any costs incurred in the event of illness. This is the case in Luxembourg, for example, where regular dental check-ups are required in order to have the costs of dental prosthetics covered. In Germany has every statutory insured person from the age of 35 an entitlement for a health check-up for early detection of disorders. Also there are
several cancer prevention services to be claimed if a certain age is reached.

**Priority rules** (Vorrangregelungen)
In Germany, other → social benefits that help to reduce people’s needs have priority over social welfare or → guaranteed minimum income with few exceptions. In other words, beneficiaries need to have received social services from other → providers or submitted the necessary applications first. Social welfare can only be received once these entitlements have run out as a subordinate solution. Relatives are also required to provide → support before social welfare can be received. It is also necessary to exhaust other entitlements in many other EU countries, such as Cyprus and Estonia. To prevent → hidden old-age poverty there are special arrangements in Germany regarding → support requirements for → basic support for the elderly and people with reduced earning capacity.

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**Private pension insurance** (Private Rentenversicherung)
A combination of capital investment and insurance in Germany. The contributions (→ Contribution) are generally invested at a minimum interest rate. Policyholders may benefit from discretionary benefits, but these are not guaranteed. Private pension insurance policies are generally low-risk and offer average opportunities for earnings. The acquisition costs are divided up over the first five years of the term. Private pension insurance policies are among the pension products eligible for subsidies under the → Riester subsidy. See also → Fund savings plan, → Funding principle

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**Proceeds** (Bezüge)
see → Income
Professional rehabilitation (Berufliche Rehabilitation)
Services designed to help people with disabilities participate in or return to the working world. These include job placement assistance, professional training or further education or vocational preparation measures, such as obtaining a basic education. Apart from people with disabilities in Germany also people with a impending disability can benefit from these methods.

Professional Training (Berufsausbildung)
Primarily refers to training and education in a state-recognised occupation. The dual educational system has become established in Germany. The practical part of this education takes place on the job, while the accompanying theoretical part is completed at the vocational school. Some occupations have specific education programmes, e.g. healthcare professions, jobs in public administration, and other fields which require vocational school educations. The latter involve training in the areas of education, design and foreign languages. People who have successfully completed school-based vocational training can also be tested in a state-recognised occupation if the two trained occupations have the same basis. Vocational training times vary in Germany normally between two and three-and-one-half years. Under specific circumstances vocational trainings can be shortened, for example because a completed degree is available.

Progression clause (Progressionsvorbehalt)
This economic principle in tax law dictates that tax-free earnings are not taxed, but are taken into consideration when setting the tax rate for all other earnings. This normally leads to an increase in the tax rate. This is ought to prevent
that big income earners with partially tax free income tax the part of their taxable income with a low earners tax rate. In Germany, earnings such as parental benefits (→Parental benefit), maternity benefits (→Maternity benefit) and →sickness benefits are covered by the progression clause.

**Protected assets** (Schonvermögen)
Refers to a portion of a person’s →assets which are not taken into account, but “protected”, when applying for social services (e.g. →unemployment benefit). Germany does not have a standard defined amount for protected assets. This amount is based on the requested social service.

**Protected employment** (Geschützte Beschäftigung)
Refers to a protected working environment for people with disabilities. Protected employment is normally found in →workshops for people with disabilities and companies which reserve a large number of positions for employees with disabilities. Other companies can also set up protected jobs for people with disabilities and receive support from →integration assistance. See also →Integrated workplaces

**Protected institution** (Geschützte Einrichtung)
see →Workshop for people with disabilities

**Providers** (Träger)
Service providers are responsible for →social benefits. In Germany, providers include corporate bodies, institutes and public authorities, such as the employment agency. Social insurance providers are institutions and centres responsible for performing →social security services within
specific insurance relationships. In Germany, these include the statutory → health insurance companies, the German → pension insurance association as well as trade associations. See also → Social insurance

**Qualifying insurance periods** (Vorversicherungszeiten)
see → Waiting period
Reasonable work (Zumutbare Arbeit)
→ Work is considered reasonable if a person is mentally, emotionally and physically capable of performing this task. Reasonable work provisions apply to recipients of payments (→ Payment) due to → unemployment, e.g. in Germany, Estonia and Portugal. If recipients of these benefits reject reasonable work without an important reason, their benefit payments will be reduced. In Germany, moving to a different city is considered reasonable for single recipients of → unemployment benefit II, and so is performing community service for recipients in The Netherlands.

Reasonable work provisions (Zumutbarkeitsregelung)
see → Reasonable work
Recourse (Rückgriff)

The repayment of →guaranteed minimum income benefits by the recipient, e.g. due to unwarranted claims and deception in Hungary, as a result of fraud and omitted information about changing living conditions in Cyprus. The recourse claim is made by the respective →providers. People in Germany who bring about the conditions for his/her need for assistance through deliberate action or gross negligence are required to repay any benefits received for these conditions (SGB II). According to the 12th book of the →Social Code (SGB XII), recipients are essentially exempt from recourse except in the event of culpable behaviour (such as a criminal offense). See also →Support requirement

Recourse claim (Rückgriffsforderung)

see →Recourse

Reduced contribution periods (in pension insurance) (Beitragsgeminderte Zeiten (in der Rentenversicherung))

In Germany: calendar months with contribution periods and →non-contributory periods. A combination of factors that lead to the recognition of a non-contributory period (e.g. →Unemployment or education) will most likely limit the scope of any possible →gainful employment, which is why only a limited contribution is expected. For reduced contribution periods, the →entitlements (in pension insurance) from the paid contributions are calculated first. It is also necessary to check whether or not any →earning points will be supplemented to ensure that these periods receive the value that they would as non-contributory periods. Reduced contribution periods are considered contribution periods for the →waiting period.
Reduced earning capacity (full, partial) (Erwerbsminderung (volle, teilweise))
see → Inability to work and → Disability pension

Reference amount (Referenzbetrag)
see → Reference income

Reference income (Referenzeinkommen)
→ Income or amount of money used as the basis for calculating the amount of a → payment. For example, employees (→ Employee) in Romania receive a percentage of their average monthly gross income for temporary → inability to work as the result of a → work-related accident. This is the reference income. Some countries, like Spain, define national reference amounts, e.g. for unemployment benefits. These are often coupled with other flexible factors, such as the number of children requiring support.

Reference rate (Bezugsentgelt)
see → Income

Reference value (in pension insurance) (Bezugsgröße (in der Rentenversicherung))
Key value in Germany’s overall → social insurance system used to derive other values significant to various branches of the social insurance system. The reference values are determined based on the → average pay used in the state → pension insurance in the western German states in the previous year. The reference value for East German states is adjusted based on the lower income levels in this region. The current reference values are available here http://www.bmas.de/DE/Themen/Rente/Rentenlexikon/rentenlexikon.html (→ Bezugsgröße).
Refugee (Flüchtling)
Article 1 of the Convention Relating to the Status of Refugees agreed in Geneva defines the term as follows: A person who owing to a well-founded fear of being persecuted for reasons of race, religion, nationality, membership of a particular social group or political opinion, is outside the country of his nationality and is unable or, owing to such fear, is unwilling to avail himself of the protection of that country; or who, not having a nationality and being outside the country of his former habitual residence as a result of such events, is unable or, owing to such fear, is unwilling to return to it. The governments of EU member states are responsible for creating procedures to determine a person’s refugee status. Usually, people are required to justify that their flight from persecution is justified before being recognised as refugees. Exceptional regulations are possible in the event of a mass exodus. See also →Asylum, →Tolerance

Registered partnership (Eingetragene Lebenspartnerschaft)
A partnership which is legally protected through official registration. The specific meaning of this term is very different in each EU member country. In Germany, this word is used to describe a relationship between same-sex partners, which is not treated the same as a marriage. This is regulated in the Life Partnership Act (Lebenspartnerschaftsgesetz). In several other countries, it is possible for unmarried partners of different sexes to enter into a registered partnership. Other countries permit same-sex marriages, or registered partnerships are considered equal to marriages under the law. If the partnership in Germany is not officially registered, this is considered a →cohabitation. In Germany, since 1 October 2017, no justifications for new same-sex registered partnerships are permitted. Instead, people of the same sex
have the right to marry. On request, a previously concluded registered partnership can be converted into a marriage.

**Regular contribution** (Regelbeitrag)

Self-employed people in Germany covered by compulsory insurance can make a regular contribution to the statutory pension insurance irrespective of their employment income. This “average” contribution is calculated based on a fictitious income corresponding to the reference value. Self-employed people may only pay half of the regular contribution per month during their first year of self-employment as well as the three subsequent calendar years, if they not apply for paying the regular contribution. Once again, this is independent of their actual income.

**Regular school** (Regelschule)

In Germany, the term “regular school” describes all schools which provide general education, such as elementary, secondary, high and comprehensive schools. This term does not cover special needs schools (Special needs school). The state of Thuringia uses this term to refer to a combination of general and intermediate secondary schools.

**Rehabilitation**

People with disabilities or a reduced ability to work have a right to support to help them participate (Participation) in society. This includes medical rehabilitation services (e.g. medical treatments, convalescence, therapies) to participate in the working world and in social life. All rehabilitation providers (in Germany, e.g. the German federal employment agency, statutory health insurance providers and public youth welfare providers) are required to provide people with disabilities information and advice about possible
measures and options available to them. In Germany, rehabilitation also refers to all medical, career promotion and supplementary measures offered by →pension insurance to improve and restore people’s ability to work. For this service providers of statutory pension have the so-called rehab budget at their disposal. It is adapted to the expected gross wages and salaries per employee and the demographic development and set annually. Until 2017 this budget will rise, afterwards the additional cost is to be reduced little by little because the baby boomer generation is by and by due for pension. See also →Equality of opportunity, →Integration assistance, →Inclusion, →Integration, →Compensation for disadvantages, →Service Points for Rehabilitation

Rehabilitation providers (Rehabilitationsträger)
see →Rehabilitation

Rehabilitation services (Rehabilitationsleistungen)
see →Rehabilitation

Reintegration (gradual, professional) (Wiedereingliederung (berufliche, stufenweise))

Measures in many EU countries designed to help people return to the workplace after an extended →inability to work due to illness, frequently following a hospital treatment or →rehabilitation. This is carried out gradually in Germany and under medical supervision. For this an individual phased plan is made. The →employer and →health insurance company need to approve the measure prior to its start. When →severely disabled employees are involved the employer may perhaps be obliged to agree to a gradual reintegration. The →employee continues to receive →sickness benefits or →transitional payments during the reintegration process,
which may last from a few weeks to several months. In principle all employees are entitled to gradual reintegration by health insurance or pension insurance after a longer period of illness. Medical precondition is a sufficient capacity and the prospect of a return to the former place of work.

**Remedies (Heilmittel)**

Remedies describe measures used to eliminate or alleviate various symptoms of illness who in contrast to drugs work from the outside. These include physical therapy (such as physiotherapy) as well as voice or speech therapy. Medications and aids are treated differently. The latter are designed to replace, ease or supplement a limited function of the body. Aids include vision, hearing or walking aids.
**Representative council for the severely disabled**
(Schwerbehindertenvertretung)

Represents the interests of the severely disabled in a company, assists in their integration and offers support and guidance. Elected in companies with at least five severely disabled long-term employees. This council ensures that all laws, ordinances and collective agreements (→ Collective agreement) are complied with for the benefit of the severely disabled. See also → Inclusion, → Integration, → People with disabilities, → Co-determination

**Representative for the disabled** (Behindertenbeauftragte)

People responsible for looking into the interests of people with disabilities. In Germany representatives for the disabled are found in the federal government, states and communities, as well as many businesses and universities, for example. They work to ensure equal living conditions and help people with disabilities participate (→ Participation) in society and public life.

**Residence** (usual) (Aufenthalt (gewöhnlicher), Dauer-)

see → Residence principle

**Residence principle** (Wohnsitzprinzip)

A financial principle. Tax revenues flow into the state or region in which the taxpayer (→ Tax liability) has his/her permanent or regular place of residence. This is designed to avoid double taxation. The residence principle applies for health insurance (→ Health insurance) in Ireland and Latvia, for example. These two EU nations have a tax-financed health care system in place for all residents.
Residential care facility (Pflege-Wohngemeinschaft)
New type of housing in Germany in which people with a need for care live together in a shared residence and receive support. The residents live in their own rooms, which allows them privacy and a large amount of self-determination (Right to self-determination). Group activities can take place in the communal living spaces. Such residences avoid the risk of isolation often accompanied by a need for care. The founders and residents of residential care facilities can receive grants (Grant) from the care insurance fund. This especially applies to residential care groups (Inpatient) which meet certain minimum requirements.

Retraining (Umschulung)
Continued or further education designed to help adults learn a new profession. People may pursue retraining due to a work-related illness, a lack of jobs or demand in the previous profession, or a completely new technical orientation throughout the entire industry. In many EU countries, employees (Employee) can start a retraining programme as part of disability or rehabilitation services. In Germany, a retraining programme lasts between two and three-and-one-half years, and is financed by providers like job centres (Job centre), the employment agency, the German Armed Forces, or as a rehabilitation benefit. A retraining programme may take place at a company, school, or at a vocational support centre.

Riester subsidy (Riester-Förderung)
Since 2002, the German federal government has supported the establishment of an additional funded pension plan
in the form of allowances and tax benefits. The country has earmarked about 12 billion euros for this purpose since 2008. See also → Riester subsidy allowances

**Riester subsidy allowances** (Zulagen bei der Riester-Rente)
Privately funded pension plans (→Pension plan) covered by the Riester subsidy are sponsored by the state through allowances. The Central Benefits Agency for Old-age Affairs (Zentrale Zulagenstelle für Altersvermögen, ZfA) is responsible for determining and making payments once an eligible pension plan has been established. See also → Riester subsidy

**Right to hearing** (Anhörungsrecht)
This term refers to the right of a person (or a committee like the works council) to be heard in reference to a specific matter. The person or committee is notified of any (upcoming) decisions, but is not involved in making them. In Germany and other EU member states, the works council has the right to hearing in the event of terminations (→Termination).

**Right to self-determination** (Selbstbestimmungsrecht)
A human right that gives every person and group of people the freedom to manage their own affairs without intervention (especially from the state). In the process, they must respect all recognised rules and laws in their community. The German constitution gives every person the right to the “free development of his/her personality” insofar as this does not violate the rights of others, the constitution and the moral code. → Compensation for disadvantages helps to facilitate the self-determination of → people with disabilities throughout the EU. See also → Equality of opportunity
Safeguard clause (in pension insurance) (Niveausicherungsklausel (in der Rentenversicherung))

Designed to keep the average level of pensions (Pension) in Germany from falling below a certain limit in relation to people’s incomes (Income). The minimum net pension level before taxes is defined as 46 percent until the year 2020 and 43 percent until 2030. The safeguard clause ensures that today’s contributors know what pension level they will receive during retirement. This also provides a valuable point of reference in planning additional retirement provisions in order to maintain their standard of living in old age. However, the safeguard clause defines only the minimum level and not the aspired pension goal.

Salaried employee (Angestellter)

Employee who primarily performs intellectual activities (e.g. commercial or office-based, as well as educational activities).
The differentiation between a salaried employee and worker is difficult and practically irrelevant in Germany because the same labour laws apply to both groups. Both are insured with the same pension insurance provider. The distinction between employee and worker is partly still made in collective agreements (Collective agreement) and for social insurance carriers. There are different rules in Austria, for example, where there are legal differences between the two groups.

**Sanction** (Sanktion)
Penalty threatened by law to deter people from wrongdoing, e.g. reductions in unemployment benefits (Unemployment benefit). These regulations vary greatly throughout the EU. In Germany, for example, sanctions may involve ineligibility periods (Ineligibility period). In Slovenia, people may lose their benefits altogether. In Cyprus, for example, benefits may be eliminated, suspended or subject to recourse as well as imprisonment and finds.

**Self-employed people** (in pension insurance) (Selbständige (in der Rentenversicherung))
Self-employed people are generally not covered under compulsory insurance. But there are exceptions e.g. for some self-employed craftsmen and certain professional groups like freelance lecturers and self-employed midwives (see also http://www.bmas.de/DE/Themen/Rente/Gesetzliche-Rentenversicherung/wer-ist-versichert.html). Compulsory insured are also self-employed people who essentially work only for one employer over an extended period of time, have no employees and earn more than 450 euros from this working relationship are required to have compulsory insurance. All other self-employed people can apply for statutory pension insurance. People setting up
new businesses can apply for an exemption to compulsory insurance in the first three years due to this enterprise. Their contribution is usually paid by the self-employees themselves. According to the Artists’ Social Security Act (Künstlersozialversicherungsgesetz), self-employed artists and publicists must be insured if their gross annual income from self-employed work exceeds a certain amount.

**Self-employment** (Selbständigkeit)
When individuals or groups of people own the unincorporated business for which they work. Starting self-employed work is also referred to as setting up a new business, and is compensated through self-employed income. Self-employment involves carrying the entire economic risk (uncertainty of success), having full power of disposition over one’s own employees, the choice of one’s professional activity and flexible working hours. Many EU countries support people during their transition to self-employment. In Germany and France, for example, this is done to help prevent unemployment.

**Semi-retirement** (Altersteilzeit)
Opportunity for an employee to reduce working hours or end one’s employment to prepare the transition to retirement. Other EU countries refer to this as partial retirement or part-time retirement. The early state retirement scheme once customary in many countries has become less common. The subsidy from the German employment agency expired at the end of 2009. The basis for semi-retirement in Germany is a voluntary agreement between employer and employee in line with the Phased Retirement Act (Altersteilzeitgesetz). Semi-retirement is also possible in Austria for example. More information about these regulations in Germany available

**Service points for rehabilitation** (Servicestellen für Rehabilitation)

Shared local service points run by →rehabilitation providers offer →people with disabilities and those threatened by disability assistance and advice, especially regarding benefit qualifications, the responsibilities of each rehabilitation provider and on-going support. The service points are always located at specific rehabilitation providers, such as the →employment agency or a statutory →health insurance company. The basic principle, however, is that no affected person be referred to a different office. Each service point for rehabilitation offers comprehensive, qualified and prompt advice. The →statutory pension insurance has taken on the coordination of setting up the service points in the individual regions in collaboration with other rehabilitation providers. An overview of service points is available at http://www.rehaservicestellen.de/.

**Severance** (Abfindung)

The term severance refers to a one-time monetary payment that may be possible when an employment relationship is terminated, for example. In Germany, this is required by law when an employee is dismissed by his/her employer provided the employee does not sue and the employer has referred to the severance in the written termination notice. Severance packages are handled differently at the EU level. In many countries (e.g. Denmark), the law only allows claims for compensation if the employee is terminated without the required period of notice. Other countries (e.g. Italy) generally provide for severance packages in all termination situations. In another context, the German term “Abfindung” may also
refer to a one-time payment in place of a regular pension instalment (e.g. if widows and widowers remarry).

**Severe disability** (Schwerbehinderung)
In Germany → people with disabilities with a → level of disability of 50 or more are considered to have a severe disability. Their residence, usual domicile or employment must be within federal territory (in certain circumstances, these benefits may apply to asylum seekers and tolerated foreigners). People with a GdB between 30 and 50 can apply for equal treatment with people with severe disabilities. This is possible if people with disabilities otherwise would lose their job or if they need to get a new, suitable place to work. People with severe disabilities receive a disabled person’s pass, which entitles them to certain forms of → compensation for disadvantages depending on the level of disability and health conditions. Several other EU countries have different levels of disability and severe disability, including Greece, Luxembourg and Finland. See also → Equality of opportunity, → Mark in disabled person’s pass

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**SGB**
see → Social Code

**Shared facilities of SGB II** (Gemeinsame Einrichtungen des SGB II)
In Germany, various → providers offer social security benefits under a single roof at shared facilities. This ensures that people entitled to services can request them from a single source, such as municipal support organisations, administrative districts and autonomous cities, and the → employment agency in the scope of providing basic support to job seekers (→ unemployment benefit II). The shared service centres for rehabilitation providers work according to the same principle
to benefit people with disabilities. Many countries in the European Union are reducing bureaucracy in a similar way to provide people seeking assistance with the most comprehensive range of services available in order to simplify their (re-)integration into the workplace or society.

**Shared household in line with SGB II (Haushaltsgemeinschaft nach SGB II)**

A shared household of an unemployment benefit II applicant in Germany consists of all people with whom he/she shares a living space and keeps a home. This may consist of multiple need-based communities (Need-based community), and includes relatives, in-laws and own children, if they are over 25 years of age or earn their own livings. Lodgers do not count for a shared household in line with SGB II. The applicant’s share of the rent is used as part of the basis for calculating the payment. In certain situations, the income of the relatives who are part of the shared household may also be included. The composition of the household is taken into account when calculating unemployment benefits (Unemployment benefit) and guaranteed minimum income in nearly all EU countries.

**Short-term suspension of deportation (Duldung)**

Temporary suspension of deportation for foreigners required to leave the country. These cases usually involve situations in which it is not possible to deport individuals due to legal or practical reasons. The short-term suspension does not legalise a person’s residence, but the person’s presence in the country is no longer punishable by law. People in Germany who have received a short-term suspension are not allowed to find jobs, for three months. Employment is only permitted with the permission of the immigration authority. People with this type
of short-term suspension must stay in the German state in which they live for the first three months. In other words, they have a so-called residence requirement in accordance with § 61 of the Residence Act (AufenthG). See also → Asylum, → Refugee

**Short-time compensation** (Kurzarbeitergeld)
see → Short-time work

**Short-time work** (Kurzarbeit)
Reduced working hours. An → employer can apply for short-term compensation if there is less work for the company over a temporary period of time. In Germany, this → unemployment insurance benefit aims to help people keep their jobs, even in tough economic times. Short-time work requires written approval with the → works council or → employee prior to the official application. Several other EU countries have short-time work provisions, including Austria, Luxembourg and Belgium.
Sickness benefits (Krankengeld)
All EU countries make this payment to employees (Employee) in the event of an illness (in most countries, after the end of the continued pay. In Germany, health insurance starts to pay following six weeks of inability to work; even trainees receive these benefits. Sickness benefits do not correspond to the person’s total pay, are only issued for a limited time, and it is necessary to pay contributions (Contribution) to pension insurance, long-term care insurance and unemployment insurance from this as well. This benefit may also be paid to care for sick children. The various EU countries have different conditions (e.g. waiting periods) for receiving these benefits, and the length of time during which the benefits are paid also differs greatly.

Single parent (Alleinerziehender)
A person (this can also be grandparents or foster parents) who lives with at least one underage child (adopted children are included by legal terms) without the other parent, and without any other adults in the household. If the single parent lives in a home with a new partner, for example, this parent may no longer be considered to be a single parent. The children then live in a so-called stepfamily and the assets and incomes of the new partner are checked and possibly taken into account, if benefits according to Book II of the Social Code are obtained.

Social allowance (Sozialgeld)
A payment for people in Germany who cannot work and live in a need-based community with someone who can. There may be no claim for benefits from basic support for the elderly and people with reduced earning capacity. Apart from this it is also possible to get service- or non-cash benefits
if the need by the members of the need-based community is terminated or reduced or restraints while seeking work are eliminated or avoided. The benefit corresponds to →unemployment benefit II. People who are incapable of working and do not live in a need-based community with someone who can are entitled to apply for social welfare according to →social code SGB XII. See also →Ability to work, →Guaranteed minimum income

Social benefits (Sozialleistungen)
Services, payments (→Payment) and →non-monetary benefits provided by the state to help ensure a decent existence for all people, establish equal opportunities for everyone to express their personalities (→Right to self-determination), protect and support families, and allow people to support their livelihoods through the work of their choice while avoiding burdens and distress. In EU countries, for example, this also includes →social insurance. See also →Social security

Social Code (Sozialgesetzbuch)
Regulates social law in Germany, covering the individual areas of →work, →social insurance, →assistance for children and young people, →rehabilitation and the →participation of →people with disabilities in society, administrative procedures, social data protection and social welfare. The Social Code is currently divided into 12 books (SGB I – XII); the first book took effect in 1976, and the 12th in 2005. The individual articles are adapted according to law changes. See also →Social security

Social contributions (Sozialabgaben)
These contributions (→Contribution) to statutory →social insurance must be paid in all EU countries. In Germany,
employees (Employee) and employers (Employer) generally each pay half. The employee portion (employer’s/employee’s contribution) is directly deducted from the employee’s pay. The employment agency makes these contributions for unemployed people. Most employees and all trainees must be covered by compulsory insurance. See also Contribution assessment ceiling, Social security

Social insurance (Sozialversicherung)
Protects all EU citizens from the most significant risks in life and helps them in emergency situations. Benefits are primarily financed through contributions (Contribution) (Incidental wage costs), social contributions from insured parties and employers (Employer), as well as grants from the federal government. In Germany, statutory social insurance consists of five different branches: health insurance, pension insurance, accident insurance, unemployment insurance and long-term care insurance. This is similar in most EU nations, but only a few countries offer long-term care insurance. Instead these people receive help from different branches of social insurance.

Social security (Soziale Sicherheit)
Protection offered to all EU citizens through the social insurance systems. People are given support in the event of illness, maternity, unemployment, invalidity and disability, as well as for the death of a partner or parent(s), in hardship and in old age. This is coupled with specific prerequisites, however. See also Pension, Pension insurance

Social services administration office (Versorgungsamt)
Fulfils duties in the scope of social security and paying damages to severely affected people (such as war victims,
care for vaccine damages) in Germany. It is also responsible for helping severely disabled people, e.g. in determining the level of disability. In some states, social services administration offices are also providers of child-raising allowances (Child-raising allowance) or parental benefits (Parental benefit). See also Severe disability, Healthcare Principles as the appendix to the Healthcare Ordinance (VersMedV)

**Solidarity** (Solidarität)
A feeling of togetherness and unconditional commitment to each other; the foundation of statutory pension insurance. Young people have solidarity with the elderly, the healthy with the sick, the successful with the unsuccessful. See also Generational equality

**Special educational needs** (Sonderpädagogischer Förderbedarf)
Children and young people with special educational needs require special support in school or during their transition to their professional lives, e.g. due to a disability. These are aligned with the individual requirements of each student to ensure that they can learn effectively. The impacts of the disability are taken into account in deciding what kind of assistance is necessary to promote participation and help students achieve their educational goals. In Germany every state has its own methods regulated by law to determine educational needs. Many EU countries have special needs schools (Special needs school) for students with learning and other types of disabilities, including Germany, Poland and Sweden. The current trend, however, is moving towards inclusion. Here, students with and without disabilities or learning impairments attend the same schools and many countries abolish schools for special needs.
Special needs school (Förderschule)
Also: special school, special needs centre. Social-educational type of school at which children and young people are instructed in line with their learning, developmental and intellectual limitations. There are various types of special needs schools, including ones specifically for the visually impaired, the deaf, etc. The concept of the special needs school is controversial. The →United Nations Convention on the Rights of Persons with Disabilities aims to achieve full inclusion of children and youth with disabilities, which would involve attending classes at regular schools (→Regular school), for example. Many German states are following this convention and prioritising common instruction over special needs schools.
Stabilisation rule (Verstetigungsregelung)
States that the → contribution rate for the general → pension insurance in Germany is only changed at the beginning of the year if the funds in the → sustainability reserve would otherwise likely exceed a certain upper or lower limit if the rate were left unchanged.

Standard need to ensure one’s livelihood (Regelbedarf zur Sicherung des Lebensunterhalts)
In Germany this term, according to book II of the social code, covers food, clothing, physical care, household goods and energy (not including heat and the generation of warm water), as well as other personal needs to participate in social and cultural life as part of society (so-called socio-cultural subsistence level). The standard need is a monthly → lump sum which entitled recipients can use as they deem necessary. In additional to regular needs, e.g. for food, the standard need is also used to cover less frequent purchases, such as clothing. See also → Unemployment benefit II, → Guaranteed minimum income

Standard pension (Regelaltersrente)
Refers to the benefit paid by statutory pension insurance when a beneficiary reaches the → standard retirement age, which differs from country to country in the EU.

Standard retirement age (Regelaltersgrenze)
The standard retirement age is the → age limit after which a person can collect a → standard pension.

Start of pension (Beginn der Rente)
The start of pension payments may differ depending on the type of → pension. The following regulations apply in
Germany: Pensions from individual insurance policies (due to reduced earning capacity, old-age pensions and child-raising pensions) are paid from the calendar month as of which the eligibility requirements are met. Temporary pensions due to reduced earning capacity do not start before the seventh month as of the reduced earnings began. If the pension claim is not filed within three calendar months of this date, the pension starts the month during which the request is made. Survivorship annuities are also paid starting at the beginning of the calendar month as of which the eligibility requirements for the pension are met. There is no three month deadline in this case. Survivorship annuities will be paid retroactively for no more than one year if the request is filed late. If the deceased insured party did not take advantage of any pension benefits at the time of death, the survivorship annuity starts on the day of death.

**Start-up money (Einstiegs geld)**
A benefit for people in Germany who receive → unemployment benefit II and pursue a job subject to social insurance contributions whose monthly wages are more than 450 euros or carry out full-time self-employed (→ Self-employment) work. The amount of this benefit depends on → standard need and is only paid if it is necessary and likely to end the need for assistance.

**Statutory pension insurance (Gesetzliche Rentenversicherung)**
→ Compulsory insurance in all → EU countries which protects employees (→ Employee) in old age after they are no longer → gainfully employed. In most countries, employees and employers (→ Employer) pay contributions (→ Contribution)
to → pension insurance. The share funded by the government is comparatively low. A few countries, such as Denmark and Estonia, offer tax-financed pensions (→Pension) with the option of contribution-funded supplementary pensions. In Germany, all employees as well as certain self-employed persons (→Self-employment) and other groups of people are subject to → compulsory insurance. →Optional insurance or compulsory insurance upon request is possible for those without an insurance obligation.

Strike (Streik)
see →Labour dispute

Subordination regulations (Nachrangregelungen)
see →Priority regulations
Subsidy (Subvention)
A state → allowance with a political or societal agenda which is bound to specific constraints. → European Union, Federation, states and communities can grant subsides such as contributions, advantages and discounts directly or indirectly. It must be differed between receiving obligations (e.g. for regions or companies in need), conduct obligations (e.g. to prevent environmental pollution) and utilisation requirements (e.g. subsidies only for specific environmental technology Employment is subsidised in several EU countries. For example, France subsidises unemployment benefits (→ Unemployment benefit), Slovakia supports labour market measures, and Estonia gives grants to employers (→ Employer) who hire → people with disabilities.

Subsistence allowance (Hilfe zum Lebensunterhalt)
see → Guaranteed minimum income

Subsistence level (Existenzminimum)
The physical or functional subsistence level is the minimum amount of money that a person needs to pay for his/her cost of living. The socio-cultural subsistence level refers to a minimum degree of social participation which must be facilitated in Germany in accordance with the → Social Code (SGB).

Substitution periods (Ersatzzeiten)
Times during which an insured party is unable to pay any contributions (→ Contribution) due to extraordinary circumstances. In Germany, for example, people aged 14 and older were granted substitution periods if they performed military service in World War II or were held captive as prisoners of war. All EU countries take certain non-contri-
butory periods into account, including time spent raising children. These play a role in the waiting period and pension calculation. See also Credit periods (in pension insurance), Additional period

**Supervisory board** (Aufsichtsrat)
The supervisory board is a controlling body at a corporation. In Germany, a supervisory board is required by law in limited companies and associations, and is voluntary for other types of companies (e.g. limited liability company (GmbH)). The main duty of the committee, which consists of at least three members, is to monitor the management, and review the annual financial statement and management report issued by the company. In Germany the supervisory board is voted during the annual general meeting and may not consist of members of management. However, the first supervisory board at a foundation is elected by the founders. There are different rules regarding the makeup of the supervisory board depending on the type and size of the company; many allow employee participation.

**Supplementary income limits** (for pensions) (Hinzuverdienstgrenzen (bei der Rente))
These exist for old-age pensions (Old-age pension) and disability pensions (Disability pension) or pensions for people with reduced earning capacity in many EU countries as these serve to replace missing pay. If a person in Germany receives earned income (or compensation for income) at the same time as a pension and the total amount exceeds the supplementary income limits, the pension may be reduced or eliminated altogether. In other EU countries, such as Ireland and Italy, people are not allowed to earn any supplementary income in addition to disability pensions. Lithuania and
Bulgaria allow for the unlimited cumulation with earned income.

**Supplementary long-term care insurance** (Pflegezusatzversicherung)
A supplement to statutory long-term care insurance in Germany. Private supplementary long-term care insurance policies are optional and are designed to reduce private additional payments. An example of this is long-term care pension insurance.

**Support** (Unterhalt)
Financial assistance provided by a person to partially or fully secure the existence or needs of another person. Support obligations exist through contractual agreements or are dictated by law. They are also based on mutual material and financial support between family members. In the EU, people
considered eligible for support under certain conditions usually include children, spouses and other partners, and foster children. The person required to provide support is guaranteed a deductible or personal requirement amount to ensure that he/she can maintain an acceptable standard of living despite support payments. In Germany, for example, children of single parents receive a maintenance payment from the state up until age 12 if the person responsible for providing support does not pay. In certain circumstances, the state can demand that the parent repay this benefit.

**Support fund to implement company pension plan**
(Unterstützungskasse zum Durchführungs­weg der betrieblichen Altersversorgung)

Independent benefit scheme to which employees (→ Employee) do not have a legal claim. If the fund assets are not sufficient to perform the promised benefits, the → employer is required to be responsible for these obligations. The assets are built and maintained through contributions from the provider company or support fund returns, allowing the employee to participate in financing. The support fund is a good addition for already existing company pension schemes. It can close the often bigger supply gaps for high-income earners.

**Support requirement** (Unterhaltsrückgriff)

Obligation for children and parents to support persons in need. This may occur when people in need of assistance in Germany apply for social welfare benefits in accordance with the 12th book of the → Social Code (SGB XII). This support requirement is the primary cause of old-age poverty (→ Hidden old-age poverty) which is to be prevented by → basic support for the elderly and people with reduced earning capacity. Support requirement only takes place when
children (individually) or parents (together) have an annual income of more than 100,000 euros. It is legal assumption that the income of the person with support obligations is below this limit. See also → Priority rules

**Survivorship annuity** (Hinterbliebenenrente)
see → Pension

**Sustainability factor** (in pension insurance) (Nachhaltigkeitsfaktor (in der Rentenversicherung))
Taken into account in German pension adjustments, this encompasses the development of the relationship between benefit recipients and employees covered by compulsory insurance. The adjustment is lower when the number of contributors decreases, and higher when they increase. The sustainability factor in Germany partially transfers the impact of increased life expectancy and trends in birth and → gainful employment on the financing of statutory → pension insurance to retirees. The average life expectancy also makes an impact on the pension amount in EU countries such as Bulgaria, Italy and Portugal. See also → Benefit adjustment

**Sustainability reserve** (Nachhaltigkeitsrücklage)
Financial reserve fund of the German → pension insurance system designed to balance out variations in revenues and expenditures during the year. The contribution rate should ensure that the reserve at the end of the year does not go below 0.2 times, or exceed 1.5 times the monthly expenditures.
**Tax exempt amount** (Freibetrag)
A tax exempt amount is an amount not taken into account in taxation, which thus lowers the tax →assessment basis. German income tax law allows for a basic tax exempt amount amounting to the calculated →subsistence level, for example. The EU member states (→European Union) also have child exemptions (→Child exemption) and tax exempt amounts of people with disabilities as well as tax exempt amounts for pensions (→Pension), for example.

**Tax exemption** (Steuerfreistellung)
see →Exemption

**Tax liability** (Steuerpflicht)
Refers to a person’s duty to pay fees (taxes) to the community (state). In general, every person residing in Germany has a tax
liability. Germans who live outside of Germany may also be liable to pay taxes in line with special regulations. In Germany, income, corporate and inheritance tax laws determine the amount of taxes to be paid. Social benefits, such as pensions (Pension), may also be subject to taxation.

**Tax revenue** (Steueraufkommen)
Total of all taxes received by public authorities in a specific region (communities, states, federal government) during a specific period of time. Tax revenue finances the majority of public administration activities. In Germany, income tax and sales tax make up a significant portion of all tax revenue.

**Temporary annuity** (Zeitrente)
Refers to a temporary pension. In Germany, for example, the support for reduced earning capacity is only paid for a limited time – initially for three years following the start of the pension. If an improvement in earning capacity is unlikely and the entitlement is only due to the person’s health, not the employment situation, the pension may be paid for an unlimited period of time. The durations of the orphan’s allowance and small widow’s pensions (Widow’s pension) have been restricted since 2002. Temporary annuities can be granted repeatedly.

**Termination** (Kündigung)
When a working relationship is ended by the employer or employee, may or may not involve a period of notice depending on the situation or the duration of employment. The German Protection Against Dismissal Act (KSchG) protects German employees against unjustified terminations. All EU countries have corresponding labour laws or
regulations in collective agreements (→Collective agreement), as is the case in Denmark. The employer may be required to pay →severance to the employee. In France and Greece, for example, severance packages are required by law once an employee has been working for a specific length of time.

Training (Ausbildung)
see →Professional training

Transition zone (Gleitzone)
Pay range within which special regulations apply for contributions. Income from a so-called midi job (450.01 euros and up to 850 euros per month) is above the income level considered →marginal employment. The transition zone requires →compulsory insurance in all areas of →social insurance, and the employee contribution increases gradually from around 15 percent to the full →employee contribution.

Transitional payments (Übergangsgeld)
A →payment made to people in Germany over the course of their medical or professional rehabilitation. Employees (→Employee) are generally entitled to six weeks of →continued pay during the period of rehabilitation. The →pension insurance provider (→Providers) starts making transitional payments once this entitlement has been partially or completely exhausted, if certain conditions apply. The amount complies with →income and →child benefit claims. The employment agency makes transitional payments during vocational training measures, including further and professional education as well as vocational preparation as
part of its efforts to help people with disabilities participate in the working world. The transitional payments are made for the duration of the education programme or any required internship when certain conditions apply.

**Travel accident** *(Wegeunfall)*
Accidents which occur on the way to and from work, or, in Germany, to and from school or university. These are treated as work-related accidents *(Work-related accident)* and are covered by accident insurance in many EU countries. Travel accidents are not covered in the Czech Republic and Slovakia, for example.

**Treaty of Lisbon** *(Vertrag von Lissabon)*
A treaty signed on 13 December 2007 by the European Union *(European Union (EU))*), which at that time consisted of 27 members. This was originally referred to as the Reform Treaty. The treaty took effect in 2009 and consists of two parts: The Treaty on European Union and The Treaty on the Functioning of the European Union. This treaty reformed the EU as an institution. The goal was to make the EU more democratic, transparent and efficient. The Treaty of Lisbon increased the influence of the European Parliament by giving it equal legislative power to the Council of the European Union *(so-called co-decision)*. The treaty also gave national parliaments more power, allowing them to reject proposals during the legislative process if these do not respect the principles of subsidiarity. Once the transitional regulations expire in 2017, a double majority will be required to make EU decisions. Each decision requires the approval of the majority of states
(55 percent), and this approving majority of nations needs to represent at least 65 percent of the EU’s population. The treaty also establishes the first European Citizens’ Initiative. This measure allows one million people from various EU states to force the European Commission to address a specific topic and propose corresponding legislation. Council meetings in which legal regulations are decided are also public.
UN Convention on the Rights of Persons with Disabilities (UN-Behindertenrechtskonvention)

see → United Nations Convention on the Rights of Persons with Disabilities

Unemployment (Arbeitslosigkeit)

Loss of a job or trainee position as a result of e.g. economic crises, company savings measures or lack of qualifications. All EU member nations have insurance systems which pay unemployment benefits. The system often has two stages: First, limited → unemployment benefit, followed by unemployment assistance or basic support for the unemployed (in Germany → Unemployment benefit II). The entitlement is generally linked to the condition that the person must take some initiative and actively look for a new job. Unemployed people in Germany receive support from
the employment agency, which, amongst others, also offers measures for reintegration (gradual, professional).

**Unemployment benefit** (Arbeitslosengeld)
All EU countries (EU nation) offer social services to people when they lose their jobs. The first step is unemployment benefit, an earnings replacement which eligible employees (Employee) and, if applicable, self-employed people (Self-employment) can receive for a limited period of time to secure their living. In most countries, the amount of the payment is based on the person’s prior earnings. Many countries are replacing unemployment benefits with unemployment assistance or basic support for the unemployed (Unemployment benefit II). The duration of unemployment benefits generally depends on the person’s age and the length of time he/she made unemployment insurance contributions. Family status can be a criteria for the amount of unemployment benefit. In Germany unemployed persons with children get more unemployment benefit than childless. Unemployed individuals are required to actively search for a new job.

**Unemployment benefit** (Arbeitslosenhilfe)
see →Unemployment benefit II

**Unemployment benefit II** (Arbeitslosengeld II (ALG II))
Is in Germany a form of basic support for job seekers, which follows temporary unemployment benefits (Unemployment benefit). Many other EU countries have a similar system. ALG II is a payment for people in need who are capable of working, but cannot find employment or do not earn enough money to support their livelihoods as well as those of their
dependants in a need-based community. Unemployment benefit II is to help affected persons to meet living and join cultural life. Active work promotion and special advice offers provide people with additional assistance, helping them to find better opportunities on the labour market. ALG II is also referred to as Hartz IV: Peter Hartz was the head of a commission responsible for changing labour market legislation. Since 2005, the former unemployment benefit and social welfare have been combined into this type of benefit. This benefit is in Germany to be applied for in the local job centre. The basic idea of ALG II, namely to support and promote eligible recipients, is reflected in the social policy regulations of most EU member countries.

**Unemployment insurance** (Arbeitslosenversicherung)
Unemployment insurance ensures that people will still have money in the event of unemployment. In most EU nations, unemployment insurance is financed through employee and employer contributions, while this assistance is funded solely through employer contributions or taxes in other EU-countries. In Germany, employees and employers split contributions equally (employer’s/employee’s contribution). All employees and trainees in Germany who are more than marginally employed (Marginal employment) are covered by compulsory insurance. Unemployment insurance contributions are used to pay unemployment benefits (Unemployment benefit) and work promotion activities. Contributions only need to be paid up to a specific contribution assessment ceiling.

**Union** (Gewerkschaft)
Refers to an association of employees (Employee) formed to represent their social and economic interests. Membership is
optional. In Germany, unions arrange collective agreements (→Collective agreement), operational →co-determination, are involved in socio-political legislation, represent their members before labour and social courts, and work on committees. There are a wide range of different unions in the EU, including Christian social unions in Belgium and political unions in Italy and France.


Clearly defines the fundamental human rights that apply to everyone and strengthens the rights of people with disabilities. The convention was adopted on 3 May 2008, when it also took effect in international law. It encourages and protects the rights of all people with disabilities to equally enjoy all human rights and basic freedoms. Furthermore it honours disabilities as part of human diversity and urges greater →inclusion of people with disabilities in society. In order to be legally binding, the member states need to adopt the convention as national law. In Germany ratification took place in 2009. See also →Participation

**Unpaid days** (Karenztage)

Period following the occurrence of an →inability to work until which →continued pay is provided for the →employee. Germany does not have any unpaid days. The →employer is required to provide six weeks of continued pay starting with the first day of illness. Croatia also has no unpaid days for employees. Other EU countries, (e.g. Greece, Austria), generally have three unpaid days. Different waiting periods (e.g. Cyprus) are sometimes involved when a person is no longer able to work due to work-related accidents.
Vocational support centre (Berufsförderungswerk)

Handicapped-accessible institution in which adults with disabilities (→ Disability) in Germany can pursue further education or undergo new vocational training. Vocational support centres help people with professional rehabilitation, or reintegration into the working world, and also assist adults who can no longer practice their former professions due to a disability. A proposal for attendance at a vocational support centre can be filed at the → employment agency. Qualified trainers, masters and teachers provide practical and theoretical instruction for the students, who can also receive medical, psychological and social-educational support, and take advantage of leisure and sports activities, as well as affiliated housing. Other EU countries, like Luxembourg and Great Britain, offer similar concepts. → Integration assistance for adults with disabilities is available in a wide range of forms in the → European Union– from company retraining initiatives and opportunities at special integration centres, to targeted training programmes.
**Vocational training** (Berufsausbildung)

See → Professional training

**Vocational training centre** (Berufsbildungswerk)

Handicapped-accessible institution in which young people with disabilities (→ Disability) in Germany can complete their first vocational training or preparation. The trainees receive a training pension from the → employment agency, and the costs of the training, meals and campus housing are also covered. Furthermore a subsidy for home leaves is granted in Germany. Qualified trainers, masters and teachers provide practical and theoretical instruction for the students in an accessible (→ Accessibility) environment, who can also receive medical, psychological and social-educational support, and take advantage of leisure and sports activities. Other EU countries, like Luxembourg and Great Britain, offer similar concepts. Training opportunities to give young people with disabilities → integration assistance are available in a wide range of forms – from special needs schools (→ Special needs school) and training programmes, to integration in the general vocational schools.

**Volunteer service** (Freiwilligendienst)

A form of societal involvement. It can take place at either the national or international level. In Germany, people can participate in the German National Volunteer Service (BFD) and the Voluntary Social Year (FSJ) or Voluntary Ecological Year (FÖJ). International volunteer services for Germans include “weltwärts” and “kulturweit”, to name a few. The → European Union also offers a volunteer service with the European Voluntary Service (Europäischer Freiwilligendienst).
Wage adjustment (Lohnausgleich)
A wage adjustment refers to payments made to the employee in the event of changes in working hours, for example. Wage adjustments for reduced working hours mean that the hourly rate is increased in order to maintain the original wage. The wage is also increased if working hours are extended. Weather-related or cyclical wage adjustments are also common in certain industries. Wage adjustments are also possible if an employee misses work due to illness and only receives part of his/her actual wage (in the form of sickness benefits). In Germany, the employer is not required to make wage adjustments due to illness following → continued pay – this is optional.

Waiting period (Wartezeit)
An insured party may only receive → pension insurance benefits once he/she has belonged to the insurance for a specific period of time. This minimum period of insurance
is the waiting period, which differs for each EU nation and →pension. In Germany, the general waiting period of five years if required for regular old-age pensions (→Standard pension), pensions due to →reduced earning capacity and in the event of death. The waiting periods for other types of pensions are higher. See also →Entitlements

**Welfare work (Wohlfahrtspflege)**

The totality of all aids in social, medical and moral endangerment, respectively need. Can be used preventative or curative for the good of society or the individual. Welfare work associations are charitable organisations. Next to the state welfare work performed by cities and counties as well as the youth welfare and public health departments, welfare work associations are the most important providers of public social welfare, health and long-term care facilities in Germany. Welfare work associations, including the German Caritas Association and the German Red Cross, receive extensive financing from the state and are altruistic.

**Welfare work associations (Wohlfahrtspflegeverbände)**

see →Welfare work

**Widow’s pension (Witwenrente)**

A substitute for support missing due to the death of a spouse. Terms are different in the EU countries. In some countries this pension is also paid with the death of a (former) life partner or divorced former spouse.

**Widower’s pension (Witwerrente)**

see →Widow’s pension
Women’s quota (Frauenquote)
see → Gender quota

Work (Arbeit)
A specific physical and/or intellectual activity; gainful employment is designed to secure a person’s livelihood. Having one’s own employment allows a person to lead a self-determined life, and is also the best remedy against poverty and the need for assistance. An employment contract defines the terms of the working relationship between the employer and employee. Company agreements, collective agreements (→ Collective agreement) and laws protect the employee from unauthorised rules in the employment contract, making a valuable contribution to social security. There are regulations in place to provide continued remuneration in the event of illness as well as termination protection, occupational safety, child and youth work protection, and maternity protection, for example. Collective agreements are arranged by the involved parties: Unions and employers’ associations or individual employers meet at these negotiation meetings to define binding rules for entire industries or regions, and all employees who work there.

Work agency (Arbeitsagentur)
see → Employment agency

Work assistance (Arbeitsassistenz)
Work assistance helps people with disabilities perform their work (e.g. readers for severely visually impaired or blind people). According to German law, work assistance is necessary if a severely disabled (→ Severe disability) person can effectively and competitively perform a contractually
required work duty that corresponds to general job market requirements with special support. See also → Assistance

**Work opportunities** (Arbeitsgelegenheiten)
In Germany, work opportunities (often incorrectly referred to as “one euro jobs”) are additional state-sponsored, non-competitive jobs related to public interests. The corresponding regional job centres (→ Job centre) choose the promotion based on the individual needs of the beneficiary who is fit for work. These jobs are not considered working relationships under labour law, and recipients receive an appropriate amount of compensation for additional expenditures in addition to → unemployment benefit II. This compensation is not deducted from the unemployment benefit II, that is the employee earns money in addition to the unemployment benefit.

**Work promotion measure** (Arbeitsförderungsmaßnahme)
Also referred to as a labour market measure. These are designed to counteract unemployment or shorten the duration of unemployment, and may consist of professional training and further education, work placement or career guidance. Activation measures generally go beyond work promotion measures, and people who receive them need to meet specific obligations in order to receive social services, such as unemployment benefits. They help beneficiaries be integrated more quickly into the labour market.

**Worker** (Arbeiter)
Refers to an employee who primarily performs physical labour. He is not included under the narrower definition of a → salaried employee. It is difficult to make this distinction in
each individual case, and this is essentially outdated in today’s working world. In the end, many skilled labourers are required to perform sophisticated intellectual work as well.

Worker representation (Mitarbeitervertretung)
see → Employee representation

Work-related accident (Arbeitsunfall)
An accident which occurs during working hours, the consequences of which are covered by statutory → accident insurance in all EU countries (→ EU nation). With very few exceptions, work-related illnesses (→ Work-related illness) and travel accidents on the way to or from → work are also covered. In Germany this also includes company trips and -parties. It is necessary to follow specific reporting rules in the process. Employees (→ Employee) are usually insured by the → employer. In most countries, the companies are divided into danger classes or according to the danger level of the profession, and pay different contributions in the form of a specific portion of the total wage or salary. In Germany, trade associations and public accident insurance providers are responsible for processing work-related accidents. Statutory accident insurance covers the costs of medical treatment and recovery, as well as → rehabilitation. It pays injury benefits (→ Injury benefit) if a person is unable to work following an accident, and covers the costs of → retraining if he/she is no longer able to practice his/her old profession. People who can no longer work at all following an accident receive a → pension funded by statutory accident insurance. History of social insurance began in most European countries about 100 years ago with benefits regarding work-related accidents to ensure workers against risks accompanying industrialisation.
Work-related illness (Berufskrankheit)
This term refers to illnesses caused by work activity. Employees (Employee) affected by work-related illnesses are entitled to benefits from state accident insurance in all EU member countries. Certain certification and registration requirements are involved. All work-related illnesses recognised in Germany are listed in the Ordinance on Work-Related Illnesses (BKV). In many other EU-States occupational diseases are also included in a list.

Works council (Betriebsrat)
Form of employee co-determination in a business, company or corporation. The works council represents employee interests and can represent them in negotiations
with the employer. There are different rules throughout the various European Union countries regarding what kind of voice employees have in their places of work. Not every country has the same long tradition as Germany, Austria, the BeNeLux and Scandinavian countries. In Germany, businesses with at least five employees can elect a works council. The works council has differentiated rights of participation and ensures that all applicable laws, ordinances, collective agreements and other safeguarding provisions are complied with for the benefit of the employees. The Works Constitution Act (Betriebsverfassungsgesetz) provides the legal basis.

**Workshop for people with disabilities** (Werkstatt für Menschen mit Behinderungen)

Also referred to as a protective or protected institution, the workshop for people with disabilities enables them to (Participation) in the working world. In 2016, there were 814 such workshops for people with disabilities in Germany. Their duties and activities are specified in the Social Code IX and the Ordinance on Workshops for the Disabled (WVO). According to these regulations, workshops are required to provide measures to assist people with the vocational and personal development. If possible, they should also help to facilitate people’s transition to the general labour market. For example this can be done within a integrated workplace. Workshops also offer social, psychological and medical support.
The “Social Security Compass for Europe”

The database

Sozialkompass Europa. Soziale Sicherheit im Vergleich, V 7.0

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 information 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 7.0
Mit sämtlichen Begleit- und Hilfetexten

The DVD “Datenbank Sozialkompass Europa 7.0” contains the data of “Social Security Compass for Europe” database. The data comes in form of excel tables and PDFs. 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
Begleitexte zur Datenbank, 8. Auflage 2017

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, 4. Aufl. 2017

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
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.

Bestellnummer A798

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.
Easy-to-read publications

Hilfetexte in Leichter Sprache

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. They are available as download, the brochure “Social Security Compass. Social security in comparison” is also available in print.

Social Security Compass.
Social security in comparison
8th edition

Order number A802

The Countries of Europe.
Facts and key figures
4th edition

Order number A871E

Social Europe from A to Z.
A glossary of basic sociopolitical terms
3rd edition

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. 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 301 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.
Website

The [www.sozialpolitik.com](http://www.sozialpolitik.com) website has a database of materials containing all PDF files of the printed booklets and charts. It currently contains more than 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 Europe”) 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”) workshop 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](http://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](http://www.sozialpolitik.com) or [www.jubi-shop.de](http://www.jubi-shop.de)
Order information

Order No.: A 798E “Social Europe from A to Z
A glossary of basic sociopolitical terms”

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