



# Interview

## O-Ton-Interview Prof. Dr. Georg Cremer mit BBC Radio am 16. Juli 2009 zur Armut in Deutschland

### 1. How is the difficult economic situation affecting young people and children?

We expect that the number of unemployed people in Germany will rise again by more than one million. Then the percentage of people affected by relative poverty will also rise again. Presently, many employees work short-time, their employers receive public subsidies, which helps to avoid impending redundancies. There is a time lag between the economic slowdown and the decrease of employment. The hardest time will come next year. Of course, the fear of employees, even with good qualifications, to be laid off is increasing.

### 2. How serious is the problem?

According to the definition applied, a household faces the risk of poverty when the accumulated household income is below 60% of the medium income. In the last fifteen years, the risk-of-poverty-rate rose from 12% to 16%. This is the **risk-of-poverty-rate** after social cash transfers.

There are three big groups affected by relative poverty:

1. **Single parent families** are on the increase in Germany. Single parent families show a poverty risk of 40%, three times the rate of the total population. In Germany, there is a

lack of child care facilities for children below the age of three. This makes it difficult for single parents to work. Not working bears the highest risk of poverty.

2. **Unemployed persons:** Households with at least one full-time employee have a poverty risk far below average. Long-term unemployed persons face a very high risk. Therefore the poverty risk in the eastern part of Germany is higher than in the west.
3. **Migration:** The migration status is not in itself linked to poverty. However migrants are affected, since on average migrants have lower vocational qualifications and are more often affected by unemployment. The unemployment rate of the migrant population in Germany is twice as high as the rate of the population without migration background.

### 3. How serious is the German government taking this situation?

The government is taking part of the problems seriously.

The present government has increased its efforts to improve **child care** for children below the age of three in order to reduce poverty and to enable parents to reconcile family responsibilities with the pursuit of a working career more easily. In the federal system of Germany this is the responsibility of the Länder and the municipalities, but the federal government is prepared to contribute substantial funds. There is a risk that the economic crisis will hamper the government program to expand child care facilities, but at least there is a political will to improve the situation. Better child care facilities certainly will reduce the poverty risk of single parent families.

Also, political awareness regarding the integration of migrants into society has improved. Politicians and managers are increasingly becoming aware that we cannot solve our economic and social problems without better integration. However, important steps have not been taken yet. For example, all migrants living legally in Germany should be allowed immediate access to the labour market. Many migrant children and children of the lower class without migration background are poorly qualified. The rate of adolescents leaving school without a school leaving certificate is high, in some areas 11%. That is one important reason for the high number of long-term unemployed persons in Germany. We need more emphasis put on improving language skills of children from lower class and migrant families already in nursery schools below the compulsory school age. In addition, social work should be an integral part of the school education system, especially in areas

with many poor families and families with migration background. Public awareness and the awareness of politicians regarding these problems have increased, but I am not content with the political action taken so far. The responsibility for the school education system lies with the Länder. There are conflicts between the federal government and the governments of the Länder on how to share the financial burden of the programs we need.

#### **4. What else should the government do?**

We need to change the system of social assistance for poor families. Presently, the welfare assistance for children from poor families is calculated as a percentage of the welfare assistance for a single adult. For Caritas Germany the Federal Statistical Office calculated the welfare assistance children would obtain when we apply the same calculation method accepted for adults. Welfare assistance for children would have to be increased by 30 to 50 Euros per month. We also propose to improve the system of assistance for low paid full-time employees with children. Presently, they receive supplemental unemployment assistance (which is a bit strange for people working full-time). Instead of this, we propose to provide better child allowances to low-paid full-time employees with children.

On the other hand, poor families not only need money. Their children need non-cash benefits which help to empower them. They need access to sports clubs or music clubs. Extra tuition should not be the privilege of middle-class children. Many municipalities have started to improve non-cash benefits for poor children, but still many have not done this so far. We need programs for empowerment of young people in order to avoid that children inherit the poverty risk of their parents.