

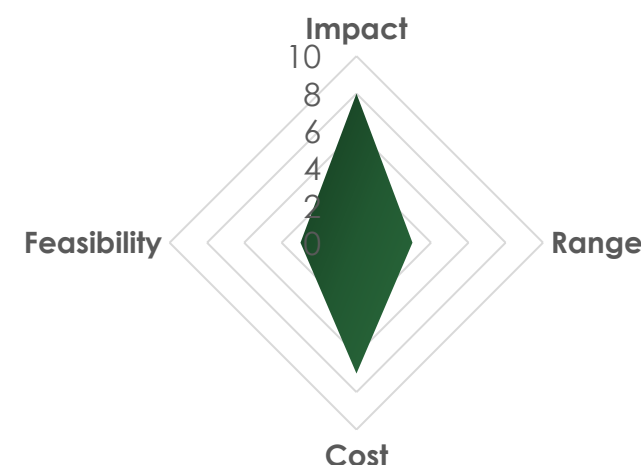
Intensify the sanctions: Increasing the volume of work by tightening the conditions for unemployment benefits

Measure dimension	
Potential expansion/Modern immigration policy	
Rating	
Existing potential will be difficult to realize ; targets sectors with high unemployment, no real costs other than political hurdles .	
Impact	The potential is unquestionable with approximately 4,000,000 "Bürgergeld" recipients. However, the number of individuals the measure would lift out of unemployment is uncertain.
Range	The measure is aimed at the sectors with the highest current unemployment rates, which are not necessarily those in which the shortage of skilled workers is greatest.
Cost	Apart from the financing of political campaigns, it would not incur any real costs.
Feasibility	The need to cut social benefits in order to combat the shortage of skilled workers will be politically difficult to implement.

Implementation to date in Germany

Germany has so far relied on financial aid and other non-monetary support in the event of unemployment:

- **"Arbeitslosengeld 1"**: certain share of previous income
- **"Arbeitslosengeld 2"** (formerly Hartz IV, now Bürgergeld): financial support for those with limited resources
- Other benefits: Social insurance systems, job placement/career counseling, work encouragement measures



Score 5.4

Rank 10

Time horizon

Medium term

Germany is comparatively inconspicuous internationally, but a stricter approach to sanctions is recommended

Cross-referencing for validation

- Germany's **social benefits** for unemployment are **average**
- For unemployed individuals **with children**, Germany ranks at the top among all EU states
- In terms of the strictness of the activation requirements, Germany is in the middle of the field
 - Room for improvement: The **sanctions** in Germany are **relatively mild** compared to the stricter measures in the UK and Italy. (See appendix for more information on sanctions)

Country	Amount of minimum security benefits*	Strictness of the activation requirements**
Germany	889	3.1 (Total) / 0.4 (Sanctions)
France	640	2.9 / 0.8
Great Britain	N/A	3.8 / 1.1
Netherlands	969	3.2 / 1.0
Italy	N/A	3.5 / 1.4

* Purchasing power adjusted in euros, Amount for singles

** Overall score: 1 (less strict) - 5 very (very strict)

Specific recommendations for action

Various options could be considered to intensify the sanctions:

- **Increase deductions** from social benefits for violations
- Introduce **new sanctioning possibilities** to respond adequately to different breaches

However, **caution** should be exercised when considering such measures. The recipients of these benefits are often among the **most vulnerable in society** and tackling the skills shortage at their expense **should not be a strategy**. This measure is intended to increase the **punishment of those who exploit the system**.