Your social security rights

in Austria

Employment,
Social Affairs
and Inclusion

The information provided in this guide has been drafted and updated in close collaboration with the national correspondents of the Mutual Information System on Social Protection (MISSOC). More information on the MISSOC network is available at: http://ec.europa.eu/social/main.jsp?langId=en&catId=815

This guide provides a general description of the social security arrangements in the respective countries. Further information can be obtained through other MISSOC publications, all available at the abovementioned link. You may also contact the competent authorities and institutions listed in annex to this guide.

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Introduction

Registration

As soon as you take up employment in Austria, your employer will take the necessary steps to register you for social insurance purposes. You will be registered with a sickness insurance fund (*Krankenkasse*), which will then inform the institutions responsible for accident, pension and unemployment insurance. You will be given an insurance number under which your insurance periods and your earnings subject to contributions will be recorded. Once these formalities have been completed, you will receive from your employer a copy of the certificate registering you with the sickness insurance fund.

If you are self-employed, you must contact the competent social insurance institution, which will inform you about the special rules applying to you as regards registration and contributions.

Overview

Austrian social insurance includes sickness, accident (accidents at work and occupational diseases), pension and unemployment insurance. Social insurance is based on employment (not residence), and the insured person cannot choose between the insurance funds. Due to historical reasons, a territory- and guild-related division can be found in social insurance. Thus there are special insurance funds for railway employees, miners and employees of the public service as well as for farmers, persons engaged in commerce or trade and for notaries.

Apart from their healthcare-related tasks, Austrian sickness insurance funds also collect contributions for accident, pension and unemployment insurances. These funds are also responsible for the payment of child-raising allowance. The provision of health care services is primarily rendered by contracted physicians and other partners. Needs-oriented guaranteed minimum resources can be provided for those in need.

Organisation of social protection

All insurance funds are included in the Main Association of Austrian Security Institutions *(Hauptverband der Österreichischen Sozialversicherungsträger)* which represents the general interests of social insurance. The association holds comprehensive competences in order to better coordinate the activities of Austrian social insurance.

The implementation of social insurance is carried out by 22 insurance funds which are self-governed bodies under public law. Some insurance funds have to administer 2 or all 3 branches. There are 19 sickness insurance funds, 5 pension insurance funds and 4 accident insurance funds.

The schemes of sickness insurance and accident insurance fall under the supervision of the Federal Ministry of Health *(Bundesministerium für Gesundheit)*. For hospital care, 9 *Länder* health funds were established to take over the function of the sickness insurance funds.

The pension scheme is supervised by the Federal Ministry of Labour, Social Affairs and Consumer Protection *(Bundesministerium für Arbeit, Soziales und Konsumentenschutz)*.

Unemployment insurance is run by the Labour Market Service *(Arbeitsmarktservice)* under the supervision of the Federal Ministry of Labour, Social Affairs and Consumer Protection. The Labour Market Service's Federal Office provides overall supervision of 9 *Länder* offices and approximately 100 regional offices.

The Federal Ministry of Economy, Family and Youth *(Bundesministerium für Wirtschaft, Familie und Jugend)* is the competent authority to administer family benefits. The tax offices *(Finanzämter)* directly supervised by this Ministry in turn administer family allowances (*Familienbeihilfe*).

The sickness insurance institutions directly supervised by this Ministry are the competent authorities to administer child-raising allowance (*Kinderbetreuungsgeld*).

Long-term care benefit (*Pflegegeld*) is graded in seven categories according to the need for assistance and care and is provided as a compensation for the increased expenditure associated with the need for care. Further to this, the Federal State and the *Länder* have agreed to create a comprehensive system of care in the form of cash benefits and benefits in kind. Payment of long-term care benefit is assumed by the responsible decision-making body.

Apart from social insurance and the long-term care allowance, there is a social assistance scheme administered by the district administrative authority and the municipality.

Financing

As an employee, you are obliged to pay contributions to the sickness, unemployment and pension (invalidity, old age and death) insurance schemes. Contributions are calculated as a percentage of earnings. Normally, you and your employer each pay half of the contribution. However, your employer is responsible for actually making the payment and deducts your contribution from your salary.

You do not have to pay contributions for accident insurance (paid only by your employer), for family allowance (financed by employer's contributions and taxes) or long-term care benefit (tax financed). If you are self-employed, you are liable to pay contributions for sickness, accident and pension insurance.

The contributions you pay as an employee depend on your gross earnings (including any 13th and 14th month's salary). If you are self-employed, they are based on your income from professional activity (a minimum contribution being payable, where appropriate). An assessment ceiling applies which is set each year (€ 4,440 a month).

Primarily the *Länder* and local communities are responsible for financing needs-oriented guaranteed minimum resources.

Chapter II: Healthcare

When are you entitled to healthcare?

Insured

You have access to healthcare if you are covered by sickness insurance. It is mandatory for all the following to be insured: all employees in paid employment and trainees, unemployed persons receiving unemployment benefits, persons receiving needs-oriented guaranteed minimum resources, persons receiving or applying for a pension, participants of vocational rehabilitation, persons undergoing their military or civilian service, self-employed persons, any family members working in their enterprises, persons with free service contracts *(freie Dienstnehmer)* and other small groups of persons, leading to almost complete healthcare coverage.

Persons who earn, from one or more occupational activities, a (total) income below the marginal earnings threshold *(Geringfügigkeitsgrenze)* of € 386.80 per month are exempted from mandatory insurance. A special voluntary insurance is available.

Anyone resident in Austria being without mandatory insurance is entitled to be insured on a voluntary basis. Voluntarily insured persons may claim medical benefits, but only if they have been insured for at least six months.

Family members

Dependent members of your family resident in Austria are entitled to healthcare in the same way as you are. Generally speaking, your dependants are your children up to the age of 18 or up to the age of 27 if they are still in education or undergoing vocational training.

Your spouse is also insured as a family member. This co-insurance is only free of charge if he/she is bringing up children or has brought them up over a period of at least four years; if he/she benefits from a long-term care allowance of at least category 3; or if he/she provides long-term care for an insured person (category 3). In all other cases supplementary contribution (3.4% of your gross salary) has to be paid.

Additional conditions apply for a cohabiting (non married) partner (also for a same sex partner). There should be no kinship relation to the insured person, a common household should have existed for at least 10 months, and housekeeping should be performed without remuneration.

What is covered?

Preventive examinations

You and your dependants are entitled to preventive medical examinations for early detection of diseases. Special programmes exist for young persons up to the age of 19 years, as well as annual checks for early detection of cancer, diabetes and cardiovascular diseases. Spa treatments and rehabilitation measures for preventing the medical condition from deteriorating are also covered by the sickness insurance.

Healthcare

You and your dependent family members are entitled to treatment by general practitioners, specialists and dentists. You may also be entitled to medicines and medical equipment, if this is medically indicated.

At-home nursing care is also provided and paid for by the sickness insurance fund. It covers certain types of medical treatment provided by registered nurses (e.g. administering injections, special nutrition, dressing wounds, etc.).

If the nature of the illness so requires, you are entitled to treatment in a hospital (without time limit) under the standard-rate category.

How is healthcare accessed?

Healthcare

Before the treatment, you must present your e-card to the physician. This is the national health insurance card providing proof of your access to sickness insurance benefits in Austria. It is issued automatically to all insured persons and their dependants. A charge of € 10 a year is made for the card (children, pensioners and the needy are exempt). In an emergency situation, the doctor will treat you even if you do not have your e-card with you. In this case you must provide information on your sickness insurance fund, and present your e-card after the treatment.

Healthcare is provided by physicians or dentists who have a contract with sickness insurance fund (*Vertragsärzte*). They represent the majority of medical practitioners. You can choose between them at the start of the treatment, at the start of a calendar quarter, or at the beginning of a month. A list is available at your sickness insurance fund.

You can also consult non-contracted doctors, in which case you are reimbursed up to 80% of the amount that would have been payable by your sickness insurance fund, if you had been treated by a contracted physician.

If your doctor considers it necessary to refer you to a specialist, clinic or similar institution, he or she will give you a referral note (*Überweisungsschein*).

Medicines and medical aids

Medicines are prescribed by a contracted physician and can be obtained in any pharmacy. As a rule, you must pay a charge of € 5.30 for each medicine prescribed. No copayment is required in case of certain infectious diseases or in case of need (insufficient resources). Moreover, the sum of the copayments of one person during one year is limited according to his/her income. The sickness insurance fund will generally bear the cost of prostheses or, where appropriate, will meet the costs up to a certain ceiling.

Dental treatment

The cost of preventive and surgical dental treatment, orthodontic treatment and necessary dentures is covered by the sickness insurance fund. The cost of orthodontic treatment and dentures is not covered in full, often leaving the insured person with substantial costs.

At-home nursing care

At-home nursing care is provided on the grounds of doctor's prescription.

Hospital treatment

Hospital treatment is provided by the nearest hospital. For dependants of employees, a contribution of 10% of the hospitalisation fee is charged during the first four weeks. As the insured person, you only have to pay a small daily fee to the hospital (for no more than 28 calendar days per year). From the beginning of the fifth week, hospital care is free of charge for you and your dependants.

In certain cases, travel expenses required for accessing healthcare may be partially or fully reimbursed by the sickness insurance fund.

Chapter III: Sickness cash benefits

When are you entitled to sickness cash benefits?

If you are an employee in paid employment, an unemployed person receiving benefits from unemployment insurance or a participant of vocational rehabilitation, and you become unable for work as a result of a disease, you are entitled to sickness cash benefit (*Krankengeld*).

Sickness benefit is not payable while you continue to receive your salary on the grounds of labour legislation. Full salary may be paid from six to 12 weeks, according to the length of service. After this period half of the salary is paid for another four weeks, and then half of the sickness cash benefit may be provided.

There is no mandatory insurance and no entitlement to sickness cash benefit if the sum of all earnings is below the marginal earnings threshold *(Geringfügigkeitsgrenze)* of € 386.80 per month. If this is the case, special voluntary insurance is available.

What is covered?

There is a three day waiting period after the beginning of incapacity. Sickness cash benefit is usually paid from the fourth day onwards. If you do not report your incapacity for work within one week, the sickness cash benefit will only be paid from the date of notification.

Daily sickness cash benefit is calculated on the grounds of your most recent earnings (subject to a ceiling, € 4,440 per month). It amounts to 50% of earnings (until the 42nd day), rising to 60% (from the 43rd day). In addition, where the statutes of the sickness insurance fund so provide, benefit may be increased by a given percentage if you have a spouse and/or other dependent family members. The increased benefit may not exceed 75% of earnings.

For persons with earnings below the threshold for mandatory insurance who are voluntarily insured, the sickness cash benefit is set at € 138.90.

In principle, you can receive the sickness cash benefit for up to 52 weeks (one year); the statutes of the sickness insurance funds can extend this duration to a maximum of 78 weeks (a year and a half).

How are sickness cash benefits accessed?

In order to be entitled to a sickness cash benefit your physician has to certify your incapacity for work.

Chapter IV: Maternity and paternity benefits

When are you entitled to maternity or paternity benefits?

Insured women (with a sickness insurance fund) and female family members of insured persons are entitled to benefits in kind, i.e. hospital treatment just before, during and after the birth.

Women in paid employment and those receiving benefits from unemployment insurance or participating in vocational rehabilitation are entitled to maternity benefit (*Wochengeld*) during the period they are not allowed to work (eight weeks before and eight weeks after the birth). Women are not entitled to maternity benefit while still being paid by their employer.

What is covered?

Benefits in kind

All women entitled to healthcare from their sickness insurance fund are also entitled to medical benefits during pregnancy as well as during and after confinement. Maternity benefits in kind include:

- consultations with a physician and assistance by a midwife during pregnancy, delivery and after confinement;
- provision of medicines and equipment;
- care in a hospital or maternity hospital for a maximum of 10 days (or longer if complications arise during pregnancy or delivery). Care can also be provided by certified children's nurses and baby nurses.

Austria also offers a reimbursement of 70% of the costs of *in vitro* fertilisation. Separate legislation lays down the conditions of entitlement.

Maternity leave and maternity benefit

Maternity benefit is calculated on the basis of average net earnings in the previous 13 weeks (three months).

If there is no continued payment of salary by the employer, the maternity benefit is provided for eight weeks before and after confinement. It may be prolonged to 12 weeks in case of premature birth, multiple births or Caesarean section.

Self-employed women are entitled to a flat-rate benefit, over the same period. For voluntarily insured persons with earnings below the threshold for compulsory insurance, the support amounts to € 8.45 per day.

How are maternity and paternity benefits accessed?

Pregnant women should immediately make an appointment with their doctor and obtain a maternity card (*Mutter-Kind-Pass*), which contains information on examinations that need to be performed before and after the birth. This card confirms

the examinations performed by the doctor concerning the pregnancy and well-being of the child. In order to be entitled to parental benefit at its full rate (when the child reaches the age of 10, 13, 17 or 25 months, according to the chosen option), the examinations specified in the maternity card must be carried out. The medical certificates in the maternity card have to be submitted to the sickness insurance fund.

Maternity benefit should be claimed at the competent sickness insurance fund.

Chapter V: Invalidity benefits

When are you entitled to invalidity benefits?

Insured persons

Invalidity insurance is mandatory for all employees in paid employment and trainees, family-members working in the enterprise of a self-employed person, and those who do not have a formal employment contract but essentially work as an employee *(freie Dienstnehmer).*

No mandatory insurance exists for persons whose income is below the marginal earnings threshold (*Geringfügigkeitsgrenze*) of € 386.80 per month. The income from more than one job is combined if applicable.

Anyone resident in Austria, who is not subject to mandatory insurance and has reached the age of 15, has the possibility of joining the Austrian pension insurance scheme on a voluntary basis. If you are no longer subject to compulsory insurance, you can choose to remain in the insurance scheme on a voluntary basis regardless of your place of residence.

Degree of invalidity

In Austria there is no such thing as partial invalidity; a person is either capable or incapable of working. Skilled workers are covered by an "occupational protection" arrangement, i.e. consideration is given to whether they can still actually pursue an activity in their particular profession (*Berufsschutz*). Unskilled workers and self-employed persons, on the other hand, can be assigned to any occupation on the labour market. Subject to certain conditions, all insured persons are covered by special protection arrangements up to the age of 57, i.e. consideration is given to whether they can still carry on the particular occupations they had been pursuing previously (*Tätigkeitsschutz*).

Incapacity for habitual occupation *(Berufsunfähigkeit)* occurs with salaried employees and wage-earners mainly active in the occupations for which they were trained or qualified, when health-related reduction in work capacity results in less than half of the work capacity of a healthy person in the same occupation. For self-employed persons health-related permanent incapacity to engage in regular gainful activity must be proven.

Total incapacity *(Erwerbsunfähigkeit)* occurs when a manual worker, because of his physical or mental state, is no longer able to earn at least half of the income by performing any activity whatsoever, which a healthy person could earn performing such activity.

Invalidity *(Invalidität)* occurs if insured persons aged 57 or more who, as a result of illness or other infirmity or loss of physical or mental capacity, are unable to pursue an activity in which they were engaged for at least 120 consecutive calendar months during the 180 calendar months prior to the qualifying date. Any reasonable change of the activity has to be taken into consideration.

Original invalidity *(Originäre Invalidität)* occurs when a person, at the point when s/he entered the labour market, was in principle incapable of work due to severe health impairments, but has nevertheless acquired a minimum of 10 contribution years.

What is covered?

Invalidity pension

In order to be entitled to an invalidity pension (*Invaliditätsrente)*, a certain minimum insurance period has to be completed, i.e. at least 60 months of insurance in the last 120 calendar months. After reaching the age of 50 the qualifying period for each month is increased by one month and the reference period by 2 months, to a maximum of 180 insurance months within the last 360 calendar months. In case of 180 months of contributions or 300 months of insurance cover no reference period is required.

A qualifying period is not required if invalidity is the result of an accident at work or an occupational disease or, in the event that invalidity occurs before a person reaches the age of 27, if a person has been insured for at least six months.

Since 2005, certain periods are recognised as contribution periods for which publicly funded contributions are paid. These are: child-raising periods *(Kindererziehungszeiten)* for a maximum of four years per child (5 years for multiple births), periods of military or war service and assimilated periods (e.g. civilian service), periods of maternity leave when maternity benefit *(Wochengeld)* is received, and periods when unemployment benefit *(Arbeitslosengeld)* or sickness cash benefit *(Krankengeld)* is received.

With regard to insurance periods acquired before 2005, the above-mentioned periods are credited as non-contributory assimilated periods. The same applies for persons who had already reached the age of 50 at the beginning of 2005.

The amount of invalidity pension is calculated taking into account the age and length of insurance of the claimant. For persons below the age of 50 at the beginning of 2005 and for insurance periods after January 2005, a system of defined-benefit pension accounts based on current-income financing (“pay-as-you-go”) is in force.

Under this system, pension entitlements acquired are calculated each year. The basis for calculation is the average income in a calendar year, subject to a ceiling. For each calendar year, 1.78% of this amount is credited to the pension account.

Up to the age of 60, notional months of contributions may be credited. The amount of the pension is calculated according to a formula based on the sum of the months of insurance and the credited months.

In the event of early retirement, the pension is reduced by 4.2% a year, but not more than a total of 15%.

For persons who had not reached the age of 50 by the beginning of 2005, but had already collected a certain insurance period, both the old and the new legislation are applied. The pension is calculated by means of a parallel calculation using the *pro rata temporis* method. Partial pensions will be calculated on the basis of the new and, as appropriate, the old legislation. Invalidity pension is equivalent to the sum of such partial pensions.

For persons who had reached the age of 50 by the beginning of 2005, the legislation applicable at the end of 2004 still applies. The pension calculation basis is the average income of the 24 best insurance years. This period will be gradually increased to 40 years of insurance by 2028. Pensions from the beginning of 2004 onwards may be no more than 5% lower than the comparable pension at the end of 2003. This figure will be gradually increased to 10% by 2024.

Invalidity pension is paid 14 times a year. Special arrangements may apply to miners.

Supplements

As long as the monthly pension or pensions, along with other income (including those of the spouse living in the same households) are below certain level, a compensation supplement *(Ausgleichszulage)* is provided. It is paid to the level of the difference between the actual income and the threshold. This supplement, as well as invalidity pension, may be increased in case of dependent children. In addition, long-term care benefit may be provided.

Rehabilitation measures

Pension insurance institutions may provide a wide variety of medical, occupational or social rehabilitation measures to restore your work capacity and enable you to regain a suitable position in occupational and economic life. Rehabilitation should have priority over the invalidity pension.

How are invalidity benefits accessed?

It should be noted that pensions are granted only on application. Applications should preferably be submitted to the competent social insurance institution (but may also be submitted at any social insurance fund or local authorities), using an appropriate form. However, applications without specific form will also be evaluated.

Invalidity pension is provided from the 1st day of the month following the start of the invalidity or the application.

Invalidity pension is granted for a maximum of 24 months. After a positive medical examination, it is renewed again for up to 24 months. If permanent incapacity can be assumed due to the physical or mental situation of the beneficiary, invalidity pension is granted for an unlimited period of time.

After reaching the retirement age, invalidity pension is granted at the same amount. It is also possible to transform invalidity pension to an old-age pension on the basis of an application.

Chapter VI: Old-age pensions and benefits

When are you entitled to old-age benefits?

You may be entitled to old-age benefits if you are insured in pension insurance (described above under invalidity benefits).

Additionally, a certain qualifying period has to be completed:

- Insured persons, who had not reached the age of 50 and had no insurance period by the beginning of 2005 have to complete 180 months of insurance, at least 84 of which must be accumulated on the grounds of an occupational activity (e.g. employment).
- Persons who reached the age of 50 by 2005 have to complete 180 months of insurance over the past 360 calendar months, or 180 months of contributions or 300 months of insurance cover without any reference period.
- Persons who had not reached the age of 50 by 1 January 2005, but had accumulated at least one month of insurance period, will benefit from the most favourable arrangement.

What is covered?

Standard old-age pension

You may be entitled to an old-age pension (*Altersrente)* when reaching the age of 60 (women) or 65 (men). The pensionable age for women will be gradually increased to that for men (i.e. to 65) between 2024 and 2033.

Early retirement pension

Early pension (*Vorgezogene Rente)* may be claimed at the age of 62 for men and women. It may be claimed at the age of 60 for persons performing heavy work, provided they have done this for at least 10 years out of the preceding 20 years, and have collected a total of 45 insurance years.

At the same time, a certain transitional period applies. In addition, for persons who reached the age of 50 by 2005, and for younger persons who had already accumulated at least one month of insurance by 2005, special age conditions apply. Hence, 772 months for men and 712 months for women are required. These age limits are being gradually increased from 2004 to 2014 (with this form of early retirement being phased out).

Moreover, two forms of early retirement are available only to persons born in certain years, i.e. early retirement for persons with very long insurance histories, or for persons who worked under particularly difficult conditions.

If a person starts work again, early retirement pensions will be suspended.

Amount of pension

The amount of old-age pension is calculated taking into account the age and length of insurance of the claimant. For persons below the age of 50 at the beginning of 2005 and for insurance periods after January 2005 a system of defined-benefit pension accounts based on current-income financing ("pay-as-you-go") is in force.
Under this system, pension entitlements acquired are calculated each year. The basis for calculation is the average income in a calendar year, subject to a ceiling. For each calendar year, 1.78% of this amount is credited to the pension account.

In the event of early retirement, the pension is reduced by 4.2% a year (or by no more than 2.1% for persons performing heavy work, depending on the number of months performing such work), but not more than a total of 15%. If retirement is deferred, the pension will be increased by 4.2% per calendar year, up to a maximum increase of 12.6%.

For persons who had not reached the age of 50 by the beginning of 2005, but had already collected a certain insurance period, both the old and the new legislation are applied. The pension is calculated by means of a parallel calculation using the *pro rata temporis* method. Partial pensions will be calculated on the basis of the new and, as appropriate, the old legislation. Invalidity pension is equivalent to the sum of such partial pensions.

For persons who had reached the age of 50 by the beginning of 2005, the legislation applicable by the end of 2004 still applies. The basis for pension calculation is the average income of the 24 best insurance years. This period will be gradually raised to 40 years of insurance by 2028. From this basis 1.78% is calculated for each year. Reductions and increases of a pension are the same as already described. However, the increased pension may not exceed 91.76% of the calculation basis.

Pensions from the beginning of 2004 onwards may be no more than 5% lower than the comparable pension at the end of 2003. This figure will be gradually increased to 10% by 2024.

Pension is paid 14 times a year. Special arrangements may apply to miners.

Supplements

As long as the monthly pension or pensions, along with other income (including those of the spouses living in the same households) are below certain level, a compensation supplement *(Ausgleichszulage)* is provided. It is paid to the level of the difference between the actual income and the threshold. This supplement may be increased in case of dependent children. In addition, long-term care benefit may be provided.

How are old-age benefits accessed?

Pensions are granted only on application. Applications should preferably be submitted to the competent pension insurance institution (but may also be submitted at any social insurance fund or local authorities), using an appropriate form. However, applications without specific form will also be evaluated.

Chapter VII: Survivors' benefits

When are you entitled to survivors' benefits?

You may be entitled to survivors' benefits *(Hinterbliebenenpensionen)* if you are insured in pension insurance and fulfil a certain qualifying period. It is the same as described above for invalidity benefits.

What is covered?

Widow's or widower's pension

If the surviving spouse (or dependent former spouse) of a deceased insured person has reached the age of 35 or if the marriage has produced a child, a widow's or widower's pension (*Witwenpension* or *Witwerpension*) may be claimed.

The spouse is entitled to a pension of between 0% and 60% (depending on his or her other income) of the pension to which the deceased was or would have been entitled (the conditions were described above for invalidity and old-age pensions).

If the sum of the survivor's pension and own income of the beneficiary is below a certain level (€ 1,812.34 per month), an additional amount of up to 60% of the deceased's pension is paid. A supplementary allowance or care allowance may also be granted in addition to this pension.

Orphan's pension

Orphan's pension (*Waisenpension*) is provided to children up to the age of 18 years, or up to the age of 27 if they are engaged in training or university education. There is no age limit for children with disabilities.

Orphan's pension amounts to 40% (for children who have lost one parent) or 60% (for those who have lost both parents) of the pension to which the deceased was or would have been entitled (the conditions were described above for invalidity and old-age pensions).

The reference levels for compensatory supplements for orphans' pensions depend on the age of the orphan. Care allowance may also be claimed in addition to the orphan's pension.

Funeral expenses

A funeral expenses grant *(Zuschuss zu den Bestattungskosten)* can be provided in case of need. It may amount to a maximum of € 436.04. It is granted according to the statutes of the insurance funds (and is only sporadically provided).

How are survivors' benefits accessed?

Pensions are granted only on application. Applications should be submitted to the competent pension insurance institution, using an appropriate form.

Funeral expenses grant should be claimed at your sickness insurance fund (if it provides this benefit).

Chapter VIII: Benefits in respect of accidents at work and occupational diseases

When are you entitled to benefits in respect of accidents at work and occupational diseases?

The accident insurance scheme covers you while at work or travelling to or from work. Cover includes measures to prevent accidents as well as benefits in the event of injury.

All persons employed under an employment or traineeship contract and a large portion of self-employed persons (and their family members working in the enterprise) are subject to compulsory accident insurance. Also covered are pupils attending school providing general education and students.

Recognised occupational diseases are listed and in addition, a disease that is not listed can be recognised as an occupational disease on a case by case basis.

What is covered?

Employers are obliged to provide preventive measures, i.e. equip and maintain workplaces in such a manner that employees are protected against accidents at work and occupational diseases.

Healthcare and short-term cash benefits

In the event of accident or an occupational disease, initial medical aid and further medical treatment may be provided. This encompasses medical treatment, provision of medicines and medical equipment (e.g. prostheses), and treatment in a hospital or special clinic. In principle, the sickness insurance fund provides benefits during the first four weeks, but the accident insurance fund can assume provision of benefits at any time. As a rule there are no copayments required by the insured person. Exceptions are minor contributions for hospital care, medical or dental treatment and medicines.

Initially, you will receive the cash payments to which you are entitled in the event of incapacity for work due to illness (continued payment of wages or sickness cash benefit). However, if disability pension would be higher, the difference is made up. If you are in hospital or a special clinic, you are entitled to a daily benefit, i.e. family allowance (*Familiengeld*) or daily allowance (*Taggeld*), depending on your family circumstances. In such cases payment of the disability pension is suspended.

Rehabilitation

Next to medical rehabilitation measures, occupational and social rehabilitation measures are provided for the victims of accidents at work or occupational disease.

Social rehabilitation is provided for example in the form of a grant for adaptation of the dwelling.

Occupational rehabilitation measures include in particular assistance in safeguarding or finding a job, further training and retraining. During training an interim allowance (*Übergangsgeld*) is provided.

Disability pension

After a period of work incapacity (27 weeks at the latest), you will receive a disability pension (*Unfallrente)* if your earning capacity is reduced for at least 20% (50% in case of pupils and students). The reduction has to last longer than three months and must be a result of your accident at work or occupational disease.

In the event of total (100%) loss of earning capacity, you may receive a monthly pension amounting to two thirds of the calculation basis (i.e. average insured earnings over the previous year). If your loss of earning capacity is less, you receive a monthly pension in proportion to the degree of disability.

Pensions are provided 14 times a year (12 monthly payments plus supplements in May and in October).

Where appropriate, a supplement for severe disability amounting to 20% of the pension is paid (if your earning capacity is reduced by less than 70%) or 50% (if your earning capacity is reduced by at least 70%). For each dependent child up to the age of 18 (or 27 if in education or vocational training) a child supplement of 10% of the pension is also paid. The condition for entitlement to these supplements is a reduction in earning capacity of at least 50%.

If, due to an accident at work or occupational disease, you are in need of nursing care, you may be entitled to a care allowance in addition to your pension.

In case an accident at work or occupational disease is the result of negligent disregard of employee protection regulations, the pension may be supplemented by lump sum compensation, depending on the degree of physical or mental disability caused (*Integritätsabgeltung*).

Under certain circumstances, a lump-sum settlement may be paid instead of a disability pension (usually when the degree of incapacity is less than 25%).

Survivor's pension

The spouse or registered partner of an insured person who has died as a result of an accident at work or an occupational disease is entitled to a survivor's pension from the accident insurance fund. Under certain circumstances this entitlement may also persist after dissolution of the marriage (partnership).

The survivor's pension amounts to 40% of the calculation basis for the deceased if the spouse has reached the normal pensionable age or is at least 50% incapacitated. Otherwise, the pension amounts to 20% of the calculation basis.

Children up to the age of 18 (or 27 if in education or vocational training, no age limit in case of children with disabilities) may receive an orphan's pension. A child who has lost one parent receives 20% and a child bereaved of both parents 30% of the deceased's pension calculation basis.

A pension may also be provided to parents (grand-parents) in need and dependent brothers and sisters (whereby parents have priority), if these dependants were mainly maintained by the deceased person.

Maximum pension for all beneficiaries may as a rule not exceed 80% of the deceased person's pension calculation basis.

Funeral expenses

Funeral expenses grant is provided if death is due to an accident at work or occupational disease.

How are benefits in respect of accidents at work and occupational diseases accessed?

If you have an accident at work, you should report it immediately to your employer, who is obliged to communicate the details to the accident insurance fund. The employer or the physician has to send notification within five days.

Benefits are partly granted only if applied for. Applications should be submitted to the competent accident insurance fund, using an appropriate form. However, an application without specific form will also be evaluated.

In case of substantial changes, review of the disability pension is possible. After the first two years of entitlement a review can generally only be carried out in intervals of one year after the last assessment.

Chapter IX: Family benefits

When are you entitled to family benefits?

Child benefit (*Familienbeihilfe*) is provided in a universal scheme for all Austrian residents (financed by employers' contributions and taxes).

Entitlement to child benefit is granted to persons who are permanently or habitually resident in Austria, in respect of minor children who belong to their household or for whose maintenance costs they are mainly responsible. Parents, grand-parents, adoptive or foster parents may also be entitled, as well as the child him/herself if certain conditions are met.

Parents, adoptive and foster parents may be entitled to a child-raising allowance (*Kinderbetreuungsgeld, KBG)*. It is granted irrespective of any previous occupation or compulsory insurance cover. For the income-related child-raising allowance *(einkommensabhängiges Kinderbetreuungsgeld)*, employment of six months before the birth of the child or before employment prohibition is required.

Child-raising allowance is granted to parents looking after infants, and is intended to partially make up for lost income.

Payment of child-raising allowance is conditional upon entitlement to and receipt of child benefit. In addition, the recipient and child must live in the same house (identical place of residence). Another condition is that total income may not exceed 60% of the last income during the period for which allowance is paid, at which additional earnings of up to € 16,200 during the calendar year are allowed. Concerning income-related child-raising allowance, a small amount of additional earnings (€ 5,800 in the calendar year) is allowed. Only the income of the parent who applies for child-raising allowance is taken into account; the income of the other parent is disregarded.

What is covered?

Child benefit

The amount of child benefit depends on the age of the child. In addition, a supplement is paid for two or more children. If a child is severely disabled, child benefit may be increased.

Child benefit amounts to € 105.40 per child per month. This amount is increased as the child gains age: at 3 (to € 112.70), at 10 (to € 130.90), and again at 19 (to € 152.70).

From 1 January 2008, the monthly total amount of child benefits has been increased to € 12.80 for two children, € 47.80 for three children, € 97.80 for four children and € 50.00 for each subsequent child.

For severely handicapped children, an additional € 138.30 per month is provided. Together with the child benefit, a school start allowance *(Schulstartgeld)* of € 100 is paid in September for each child aged 6 to 15; no separate application required.

Child benefit is normally provided until the child matures (18 years of age). The receipt may be prolonged until 24 for children in training for an occupation or receiving further college training in an occupation they have learnt (in special cases until 25: pregnant women, women with a child, military conscripts, persons with disabilities, persons following a long-term study, persons performing voluntary social service). Child benefit is provided without age limit for children with permanent earning incapacity (if the earning incapacity occurred before the age of 21 or during vocational training, but in either case before the age of 25).

Child benefit is not granted if a child who has reached the age of 18 has an income above a certain monthly amount (€ 10,000 per year).

Large families supplement

A supplement for large families *(Mehrkindzuschlag)* amounts to € 20 per month for the third and subsequent child for whom child benefit has been granted. The condition is that the annual taxable family income in the calendar year before the year in which the claim is made does not exceed € 55,000.

Child-raising allowance

In order to receive child-raising allowance at the full rate for the entire duration, the ten (free) examinations indicated on the maternity card (*Mutter-Kind-Pass*) - five before and five after the birth - must be carried out within the specified periods and submitted to the sickness insurance fund. If this has not been done, the child-raising allowance will be reduced to half when the child reaches the age of 10, 13, 17 or 25 months, according to the chosen option.

Concerning the amount of child-raising allowance, there are five options to choose from (four flat-rated and one income-related), from the beginning of 2011:

- € 14.53 daily until the child reaches 30 months of age (extension to 36 months possible if the other parent receives the benefit),
- € 20.80 daily until the child reaches 20 months of age (extension to 24 months possible if the other parent receives the benefit),
- € 26.60 daily until the child reaches 15 months of age (extension to 18 months possible if the other parent receives the benefit),
- € 33 daily until the child reaches 12 months of age (extension to 14 months possible if the other parent receives the benefit),
- income-related option (similar duration and extension as in option 4.).

The choice for one of the five options has to be made in the first application for child-raising allowance. Subsequent amendment is not allowed and the other parent is also bound by the selected option.

The payment can be extended if the other parent also receives a child-raising allowance.

It is possible for both parents to claim the benefit at most twice in turn (both receiving benefits at the same time is not allowed). The minimum duration for receiving benefits is 2 months.

Child-raising allowance is available only for the youngest child. This also applies to multiple births. In case of multiple births (e.g. twins), a supplement of half of the

amount of the child-raising allowance is paid. No supplement is paid in case of multiple births when the income-related option is chosen.

During the receipt of maternity benefit and a foreign benefit, if the amount is already covered by these, the child-raising allowance is not paid.

Families with low income are granted a supplement to the flat-rate child-raising allowance of € 6.06 per day for a maximum of 12 months. No supplement is paid in case of Income-related child-raising allowance.

Child tax credit

Child tax credit *(Kinderabsetzbetrag)* of € 58.40 per child per month is paid in combination with the child benefit from general tax revenue.

How are family benefits accessed?

Child benefit is granted only on application and payments can be made for the previous five years. Applications must be submitted on a special form to the tax office (*Finanzamt*). The benefit is paid by the tax office every two months, starting in the first month of entitlement.

Recipients of child benefit are obliged to inform the competent tax office, within one month, of any event causing their entitlement to lapse or of any changes in the circumstances on which their entitlement is based.

For the large family supplement, a new application must be submitted each year to the tax office responsible according to the applicant's place of residence, in conjunction with the employee's tax returns.

Child-raising allowance may be applied for at the competent sickness insurance fund. It may be paid out for not more than six months. Recipients are obliged to inform the competent sickness insurance fund of any change in their family circumstances, or in the information supplied on the application form.

Chapter X: Unemployment

When are you entitled to unemployment benefits?

All employees, trainees and participants of vocational rehabilitation with earnings above the marginal earnings threshold (*Geringfügigkeitsgrenze* of € 386.80 per month) are covered by unemployment insurance.

As a rule, there is no possibility of voluntary insurance. However, since 1 January 2011, self-employed persons may join the unemployment insurance system on a voluntary basis.

You may be entitled to an unemployment benefit *(Arbeitslosengeld)* if you have been covered by unemployment insurance for at least 52 weeks during the last 24 months, or 26 weeks within the last 12 months if you are below the age of 25 years.

It is possible to claim unemployment assistance *(Notstandshilfe)* once the right to unemployment benefit has been exhausted, and if a situation of need exists. This is the case where disposable family income is not enough to support you and your family.

What is covered?

Payment of benefits in the event of unemployment and verification of entitlement to such benefits are the responsibility of the Labour Market Service (*Arbeitsmarktservice*). The main benefits are unemployment benefits and unemployment assistance *(Notstandshilfe)*.

In addition, the Labour Market Service provides information on benefit entitlement and helps unemployed people to find jobs and training opportunities.

Unemployment benefit

To be entitled to an unemployment benefit a person must be unemployed, able and willing to work (to accept suitable employment), be at the disposal of the job office, and may not have exhausted the duration of the benefit. In addition, the qualifying period mentioned above must be completed.

Unemployment benefit is calculated on the grounds of average earnings of the second last (in case of application until 30 June) or last (in case of application from 1 July onwards) complete calendar year with a defined ceiling (€ 4,110 per month). Special payments (13th and 14th salary) are taken proportionally into account. The basic amount is 55% of daily net income (up to 80% in case of entitlement to family supplements). Minimum and maximum values of the daily rates result de facto from the marginal earnings threshold and the maximum assessment base (= the contributory ceiling three years ago).

The duration of unemployment benefit depends on the period of insurance and your age. It is paid for at least 20 weeks, increasing to

- 30 weeks if you have been insured for three years out of a period of five years;

- 39 weeks for insurance of six years in the last 10 years, if you are at least 40 years old; and
- 52 weeks for insurance of nine years, if you have been employed for nine years out of a period of 15 years and are at least 50 years old.

This duration can be extended by the period during which the beneficiary participates in a follow-up training or retraining measure or in a reintegration measure commissioned by the Labour Market Service. It can be extended by three or four years if the beneficiary participates in a work foundation (special training measure).

If you refuse or obstruct an offer of work or a chance to acquire a vocational training, sanctions will be imposed in the form of withdrawal of unemployment benefit, or the duration of entitlement will be reduced by at least six weeks. Unemployment benefit is granted from the date of application. However, if your employment contract has been terminated as a result of your actions or without good reason, benefit is suspended for four weeks.

Unemployment assistance

Unemployment assistance is calculated as 92% (in some cases 95%) of the basic amount of unemployment benefit. In case of short-term entitlement to unemployment benefit, there might be a certain reduction after six months. Unemployment assistance is granted for an unlimited period of time, but only for one year at the time.

Partial unemployment

There are some benefits provided in case of partial unemployment, e.g. Short-time working support *(Kurzarbeitsunterstützung)* for the employer in the event of short-time work. There is no legal entitlement in this case, since the support is paid to the employer. Bad weather compensation in the building sector *(Schlechtwetterentschädigung*) has to be paid by employers to employees as a compensation for the loss of working hours because of weather that makes working impossible.
Further training allowance *(Weiterbildungsgeld)* may be granted under certain conditions. Part-time allowance for elderly workers *(Altersteilzeitgeld)* is paid to workers after a certain age who reduce their working activities.

Other benefits

While you are unemployed, the unemployment insurance scheme pays sickness and pension insurance contributions on your behalf. In addition, you are also insured against certain accidents.

Insolvenz-Entgelt-Fonds-Service GmbH (IEF-Service GmbH) is responsible for paying insolvency benefit *(Insolvenz-Entgelt)*. This benefit is granted in the event of insolvency of a company, in order to protect employees from loss of earnings and delays in the payment of any remuneration to which they are entitled.

Family supplements *(Familienzuschläge)* may be provided for spouses (partners), children and grand-children.

Transitional benefit *(Übergangsgeld)* and transitional benefit after part-time work for older workers *(Übergangsgeld nach Altersteilzeit)* may be granted until the requirements for an old-age pension are met. Within unemployment insurance, special

support *(Sonderunterstützung)* for unemployed persons above the age of 52 working in the mining sector can be provided.

How are unemployment benefits accessed?

When you become unemployed, you have to register with the Labour Market Service and claim unemployment benefits. While you are receiving benefit, you are obliged to report to the Labour Market Service at the agreed times to discuss your search for employment with your case officer.

You must also inform the Labour Market Service immediately, without being asked, of any changes in your personal circumstances or those of your family members which may affect your entitlement to a benefit (e.g. taking-up of employment or other changes in your income situation).

Chapter XI: Minimum resources

When are you entitled to benefits regarding minimum resources?

The system of needs-oriented guaranteed minimum resources *(bedarfsorientierte Mindestsicherung)* is the modernised version of the former social assistance (*Sozialhilfe*), which was in force until 2011.

The aim of needs-oriented guaranteed minimum resources is to provide a decent life for people who are not able to meet their daily living costs or those of their family members with their own resources.

Needs-oriented guaranteed minimum resources are a general non-contributory system for the entire population, which means that residence in Austria is required. Several groups are assimilated to Austrian citizens, including EEA citizens, third-country nationals with specific residence permits (notably "permanent resident - EU") and recognised refugees.

One's own income from work or other benefits, such as unemployment benefit and maintenance payments, are taken into account as income first. However, care and child benefits are not considered when determining a beneficiary's income. Single persons and households (families, domestic partnership) may be entitled to means-tested needs-oriented guaranteed minimum resources. Assets are also included in the means test.

What is covered?

Minimum standards and accommodation

It could be argued that when the income of the family unit falls under a certain threshold, need is generally assumed. A family unit is composed of the beneficiary and his or her dependent family members, spouses or cohabiting partners living in the same household.

The minimum standards *(Mindeststandards)* are fixed by the *Länder* so as to cover the costs of food, maintenance, personal hygiene, heating, electricity, household appliances and personal needs for an appropriate participation in social and cultural life. The minimum standard for a couple with two children (of 5 and 10 years of age) amounts to at least € 1,478.52. A 25%-share in housing costs is included. Needs-oriented guaranteed minimum resources are paid as a differential amount between own income and the minimum standard, or - in the absence of own income of the beneficiary (family or household) - as a full amount of the minimum standard.

Needs-oriented guaranteed minimum resources are provided for as long as the situation of need persists.

Additional benefits

Any needs which are not covered by the minimum standard (for instance expenses for appropriate accommodation and heating) can be covered by supplementary benefits (in cash or in kind).

These benefits are very diverse and vary between a flat-rate allowance and the coverage of the actual appropriate costs for dwelling. They are provided by the *Länder*, who may grant housing allowances as a supplement to guaranteed minimum resources or as an independent benefit.

Any person who does not have sickness insurance and receives needs-oriented guaranteed minimum resources, is registered by the competent institutions with the statutory sickness insurance.

How are minimum resources benefits accessed?

In principle, needs-oriented guaranteed minimum resources are granted as a subjective right of the entitled person. The requirements for granting assistance are assessed by the social welfare authority on the basis of an application, accompanied by the proof of income and statements of assets.

A periodic review of eligibility requirements is quite common practice.

Persons capable of work must as a rule be willing to perform reasonable work. They might be sent to the labour office in order to be registered as job-seekers. There are some exceptions relating to age (men over the age of 65 and women over the age of 60) and relating to care obligations or ongoing training which was started before the age of 18 (except studies). In this case, recipients of needs-oriented guaranteed minimum resources are not required to work or seek work.

Chapter XII: Long-term care

When are you entitled to long-term care?

If you have your habitual residence in Austria and you are dependent on the care of another person, you may be entitled to long-term care benefits in cash and in kind, regardless of your age. Receiving long-term care benefits in the EEA is possible under certain conditions.

In order to be entitled to cash benefits, there is no qualifying period. However entitlement to Long-term care benefit *(Pflegegeld)* only exists for persons who require care for more than 60 hours per month (on average) and when it may be expected that the need for care will last for at least six months.

When you move from one *Land* to another, a qualifying period for permanent residence may be required to be eligible for benefits in kind (e.g. residential care).

What is covered?

Benefits in kind

Benefits in kind may encompass mobile and outpatient care (e.g. visiting service, homecare, 24-hour-care, extended care, meals on wheels, family support, district nursing, psycho-social service), semi-residential care (e.g. in day centres), and residential care (e.g. in a nursing home or comprehensive care in a residential community). As a rule, social aspects are considered when benefits in kind are provided by professional providers.

In addition, a consulting and information service for persons in need of care and their relatives may be provided. It may range from long-term care phone-based service, to legal counsel for disabled persons, to support groups and self-help groups.

Benefits in kind are usually provided for the time period stipulated in the contract.

Cash benefits

Long-term care benefit *(Pflegegeld)* is a flat-rate benefit not related to the income or property of the beneficiary. Its purpose is to compensate for the expenses resulting from long-term care and provide dependent persons with the necessary care and support as far as possible. It should increase the chance of maintaining an independent life. Long-term care benefits can be provided in case of physical, mental or emotional disability, or sensory impairment.

There are seven categories of long-term care benefit, from category one (need for care between 60 and 85 hours per month) to category seven (need for care for more than 180 hours, if no precise movement of all four limbs is possible, or if a similar situation exists).

The amount of long-term care benefit is determined according to the category of dependency. For instance, it amounts to € 154.20 per month for category one and € 1,655.80 per month for category seven.

In the case of providing residential care, a maximum of 80% of the long-term care benefit is transferred directly to the institution. A monthly allowance of € 44.30 is left to the beneficiary.

Long-term care benefit is provided as long as dependency persists.

How is long-term care accessed?

Benefits in kind come from public and private providers (on the grounds of the contractual agreement).

Medical assessment of the degree of dependency is performed according to the rules issued by the competent federal ministry. The indicators are activities of daily living, e.g.: to dress and undress, performance of personal hygiene, to prepare food, to go to the toilet, to take medication. Dependency may be reassessed on the request of the beneficiary or at other specific occasions.

Long-term care benefit is paid directly to the beneficiary and can be spent on financing the long-term care at his or her sole discretion. As a rule, there is no free choice between cash benefits and benefits in kind. In case of improper use, the benefit may be replaced by benefits in kind.

Only in the case of long-term care benefits being granted by the *Länder* may the recipient choose benefits in kind instead. The condition for this is evidence that the goal could better be achieved with benefits in kind rather than cash benefits.

Annex: Useful addresses and websites

More detailed information on qualifying conditions and individual social security benefits in Austria can be obtained from the public institutes managing social protection system.

For social security issues concerning more than one EU country, you may search for a contact institution on the Institutions' directory maintained by the European Commission and available at: http://ec.europa.eu/social-security-directory.

Enquiries concerning the effect on benefits of insurance in two or more Member States should be addressed to:

Federal Ministry of Labour, Social Affairs and Consumer Protection

Bundesministerium für Arbeit, Soziales und Konsumentenschutz
Stubenring 1
1010 Wien
Tel.: +43 1 71100 0
Fax: +43 1 71100 0
E-mail: briefkasten@bmask.gv.at
http://www.bmask.gv.at

Federal Ministry of Economy, Family and Youth

Bundesministerium für Wirtschaft, Familie und Jugend
Franz-Josefs-Kai 51
1010 Wien
Tel.: +43 1 71100 0
Fax: +43 1 71100 933279
E-mail: POST@II1.bmwfj.gv.at
http://www.bmwfj.gv.at

Federal Ministry of Health

Bundesministerium für Gesundheit
Radetzkystraße 2
1030 Wien
Tel. +43-1/711 00-0
Fax +43-1/711 00-14300
E-mail: buergerservice@bmg.gv.at
http://www.bmg.gv.at

Federal Ministry of Finance

Bundesministerium für Finanzen
Hintere Zollamtstraße 2b
1030 Wien
Tel.: +43 1 51433
Fax: +43 1 51433 507075
E-mail: Post.V-6-EP@bmf.gv.at
http://www.bmf.gv.at

Main Association of Austrian Social Insurance Institutions

Hauptverband der österreichischen Sozialversicherungsträger
Kundmanngasse 21
1030 Wien
Tel.: +43 711 32 2400
Fax: +43 711 32 3777
E-mail: posteingang.allgemein@hvb.sozvers.at
http://www.hauptverband.at

Public Employment Service Austria

Arbeitsmarktservice Österreich, Bundesgeschäftsstelle
Treustrasse 35-43
1200 Wien
Tel.: +43 1 33178
Fax: +43 1 33178 120
E-mail: ams.oesterreich@ams.at
http://www.ams.at

Pension Insurance Institution, Main Office

Pensionsversicherungsanstalt, Hauptstelle
Friedrich-Hillegeist-Straße 1
1021 Wien
Tel.: +43 50303
Fax: +43 50303 28850
E-mail: pva@pva.sozvers.at
http://www.pensionsversicherung.at

Austrian Workers´ Compensation Board

Allgemeine Unfallversicherungsanstalt
Adalbert Stifter-Straße 65
1201 Wien
Tel.: +43 1 33111 404
Fax: +43 1 33111 737
E-mail: hfa@auva.at
http://www.auva.at