



International Organization for Migration (IOM)



ACCESS TO SOCIAL SECURITY FOR THIRD-COUNTRY NATIONALS

Policies and Practice in Austria

Study of the National Contact Point Austria in the European Migration Network

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REPUBLIC OF AUSTRIA
FEDERAL MINISTRY OF THE INTERIOR

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ACCESS TO SOCIAL SECURITY FOR THIRD-COUNTRY NATIONALS – POLICIES AND PRACTICE IN AUSTRIA

National Contact Point Austria in the European Migration Network



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TABLE OF CONTENTS

INTRODUCTION	- 4 -
1. OVERVIEW OF THE AUSTRIAN SOCIAL SECURITY SYSTEM AND HOW IT APPLIES TO THIRD-COUNTRY NATIONALS	- 5 -
1.1 <i>Overview</i>	- 5 -
1.2 <i>Access to the social security system</i>	- 6 -
1.3 <i>Financing</i>	- 6 -
1.4 <i>Institutional framework and coordination</i>	- 6 -
2. ACCESS TO SOCIAL SECURITY BY THIRD-COUNTRY NATIONALS	- 13 -
2.1 <i>Minimum employment and contribution periods</i>	- 13 -
2.2 <i>The migration nexus</i>	- 13 -
3. EXTERNAL DIMENSION OF SOCIAL SECURITY	- 16 -
3.1 <i>Bilateral agreements</i>	- 16 -
3.2 <i>Extent of transfers</i>	- 21 -
4. CASE STUDIES	- 22 -
5. STATISTICS ON SOCIAL SECURITY PAYMENTS RELATED TO MIGRATION	- 23 -
5.1 <i>Third-country nationals employed, unemployed and inactive</i>	- 23 -
5.2 <i>Take up of social security benefits among third-country nationals</i>	- 29 -
5.3 <i>The costs of providing social security benefits to third-country nationals</i>	- 29 -
6. MAIN FINDINGS	- 31 -
ANNEX	- 32 -
<i>Bibliography</i>	- 32 -

INTRODUCTION

Objectives

Social security systems constitute one tool to reduce poverty and inequality and promote social inclusion and dignity. While EU Member States share a common commitment to ensuring the well-being of their populations through effective social security systems, their rules on third-country nationals' access to social security vary.

In Austria, the access of third-country nationals to social security has not yet been the subject of research. The overall objective of this study then is to outline the Austrian legislation, policy and administrative practices that shape third-country nationals' access to social security.

Methodology

This focussed study is the Austrian contribution to a European Migration Network (EMN) study. It was conducted by the National Contact Point (NCP) Austria within the EMN in the framework of the EMN's Annual Work Programme 2013.

The study is primarily based on desk research on the latest information available, including legislation and case law, publications, statistics, as well as internet resources. It is based on information available in 2013 and does not take into account amendments in 2014 or changes through the restructuring of Austrian ministries in 2014.

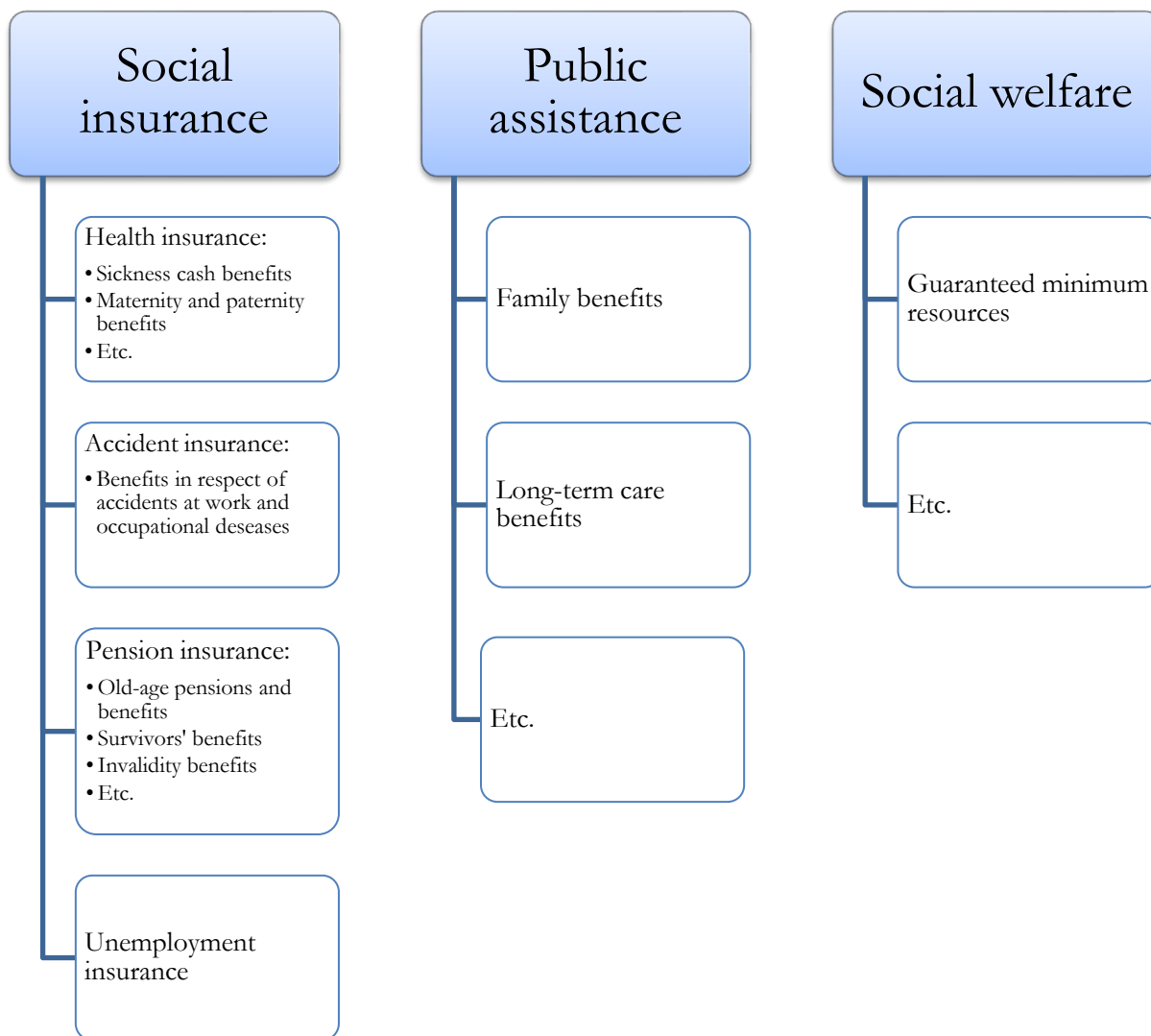
To complement the information gained through desk research, an expert interview was carried out with Sarkis Pirinccian, Beratungszentrum für MigrantInnen. Ingrid Nemec, Federal Ministry for Economy, Family, and Youth, Head of Section II, as well as Bernhard Spiegel, Federal Ministry for Labour, Social Affairs, and Consumer Protection, Head of Department II/4, provided information via E-mail.

1. OVERVIEW OF THE AUSTRIAN SOCIAL SECURITY SYSTEM AND HOW IT APPLIES TO THIRD-COUNTRY NATIONALS

1.1 Overview

The social security system in Austria consists of three components: social insurance, public assistance and social welfare.

Figure 1: The social security system in Austria, overview of MISSOC branches



Source: Main Association of Austrian Security Institutions.

The heart of the social security system is compulsory social insurance. Social insurance includes health, accident, pension and unemployment insurance (European Union, 2012: 5).

Health insurance covers sickness cash benefits and maternity and paternity benefits. Accident insurance includes treatment and compensation benefits in case of accidents at work and occupational diseases. Pension insurance includes old age benefits, survivors' benefits and invalidity benefits (Austrian Museum for Social and Economic Affairs, 2013: 10-13).

The General Social Insurance Act is the main legislation in the area of social insurance. In addition, there are separate laws for certain groups of people, e.g. for self-employed workers, farmers, and civil servants (Austrian Museum for Social and Economic Affairs, 2013: 2).

Public assistance is provided to families and certain groups of persons and includes, for example, family

benefits and long-term care benefits (Austrian Museum for Social and Economic Affairs, 2013: 2).

Social welfare provides for those in need and includes, for instance, needs-based guaranteed minimum resources (Austrian Museum for Social and Economic Affairs, 2013: 2).

1.2 Access to the social security system

As a general rule, social insurance – irrespective of the residence status – is based on employment. This means that as soon as a person takes up employment in Austria, his or her employer has to take the necessary steps to register the employee for social insurance.

In the social insurance scheme for the self-employed, a distinction is made between business people and business partners (*Gewerbetreibende, Gesellschafter*), and freelancers (*Freiberufler*). Persons who carry on a trade or profession and members of a partnership generally are subject to compulsory insurance.¹ Freelancers can be subject to compulsory insurance in certain circumstances.²

Dependent family members (i.e. children up to the age of 18, or up to the age of 27 if still in education or vocational training, and spouses under certain conditions) enjoy the same access to health insurance as the insured person (European Union, 2012: 7)

Benefits under public assistance and social welfare are granted on fulfilment of certain legal provisions (e.g. residence in Austria) or conditions of need (e.g. income) (Austrian Museum for Social and Economic Affairs, 2013: 2).

1.3 Financing

Benefits regarding health, unemployment and pension insurances are financed through a combination of employers' and employees' contributions. Pensions are in addition partly financed through general taxation, mainly in the case of farmers, self-employed professionals and small traders. The biggest part of accident insurance is paid by employers' contributions (95.7 per cent). The remaining percentage is paid through general taxation and the Families' Compensation Fund (Austrian Museum for Social and Economic Affairs, 2013: 12). Self-employed workers are only liable to pay contributions for health, accident and pension insurance (European Union, 2012: 6; Main Association of Austrian Social Security Institutions n.d.: 2).

The contributions paid by the employee are calculated as a percentage of his or her gross income per calendar year. However, only the income up to a certain income threshold – the so called maximum contribution basis – is being used. Those with an income below a marginal income threshold are exempted from mandatory insurance. The contributions of farmers are calculated on the basis of the revenue value (assessed value) which has been ascertained by the tax office for purposes of property tax. Also here a minimum contribution applies. Self-employed pay their contributions based on their income from their professional activity. A minimum contribution has to be paid where applicable (European Union, 2012: 6-7; Main Association of Austrian Social Security Institutions, n.d.: 3).

Public assistance and social welfare are financed by general taxation. There are some exemptions from this rule. Family benefits, for example, are covered by the Families' Compensation Fund, which is financed through a mix of employers' contributions and general taxation (Federal Ministry of Health, Family and Youth, 2008: 2-3). The provinces and local communities are primarily responsible for financing needs-based guaranteed minimum resources.

1.4 Institutional framework and coordination

¹ For more information on compulsory insurance for this group of workers, see http://esv-sva.sozvers.at/mediaDB/650414_B%201%20englisch.pdf (accessed on 11 February 2014).

² For more information on compulsory insurance for this group of workers, see http://esv-sva.sozvers.at/mediaDB/653479_B%202%20englisch.pdf (accessed on 11 February 2014).

A differentiation can be made between social security provided for by insurance companies and federal, provincial or municipal authorities.

Insurance companies

The schemes of health insurance and accident insurance fall under the supervision of the Federal Ministry of Health. The pension scheme is supervised by the Federal Ministry of Labour, Social Affairs and Consumer Protection. As regards unemployment insurance, the payment of respective benefits and the verification of entitlement to such benefits is the responsibility of the Public Employment Service which is under the supervision of the Federal Ministry of Labour, Social Affairs and Consumer Protection. All of these are administered by the insurance companies (European Union, 2012: 5-6). The implementation of social insurance is carried out by 25 individual insurance companies, some of which carry out two or more branches of social insurance. These include 9 health insurance companies (one for each province), 8 occupational health insurance companies, and 8 accident and/or pension insurance companies. The companies are self-governed bodies under public law. All insurance companies are represented by an umbrella institution called Main Association of Austrian Social Security Institutions (European Union, 2012: 5; Main Association of Austrian Social Security Institutions, n.d.: 1-2).

Federal, provincial or municipal authorities

As regards family benefits, the Federal Ministry of Economy, Family and Youth is the competent authority. Family allowance (*Familienbeihilfe*) is administered by the Fiscal Authorities in the provinces, while child care allowance (*Kinderbetreuungsgeld*) is administered by the health insurance companies. Long-term care benefits are managed by Federal and provincial authorities. The scheme of needs-based guaranteed minimum resources (*Bedarfsorientierte Mindestsicherung*) falls under the responsibility of the provinces. These benefits are managed on regional level by the district administrative authority and the municipality respectively (European Union, 2012: 5-6).

Table 1: Overview of the national social security as it applies to third-country nationals, as of 1 July 2013

Branch	Benefits	Financing mechanisms (contributory/ non-contributory/ mixed)	Accessible by third-country nationals
Healthcare	<p><u>Preventive care:</u> Medical examinations for early detection of diseases; special programmes for mothers, children and youth; thermal cure; rehabilitation measures.</p> <p><u>Sickness:</u> Treatment by general practitioners and specialists; medical care at home; hospitalization.</p> <p><u>Dental treatment:</u> Preventive, conservative and surgical dental treatment; orthodontic treatment and necessary dentures.</p> <p><u>Pharmaceutical products:</u> Medicines; medical aids.</p> <p><u>Maternity benefits in kind:</u> Consultations with a physician; assistance by a midwife; hospital care for a maximum of 10 days.</p>	Mixed (Contributory and general taxation).	Holders of long-term residence permits time-bound/fixed-term residence permits
Sickness cash benefits	<p><u>Continued payment of salary:</u> The employer continues the full payment of salaries for a period of 6 to 12 weeks.</p> <p><u>Sickness cash benefit:</u> Daily sickness cash benefits are paid amounting to 50 per cent of the insured person's income until the 42nd day and amounting to 60 per cent from the 43rd day onwards.</p>	Mixed (Contributory and general taxation).	Holders of long-term residence permits or time-bound/fixed-term residence permits
Maternity and paternity benefits	<p><u>Maternity cash benefits:</u> Maternity cash benefits are paid eight weeks before and eight weeks after the birth.</p>	Mixed (Contributory and general taxation).	Holders of long-term residence permits or time-bound/fixed-term residence permits
Invalidity benefits	<p><u>Invalidity pension:</u> The pension is paid 14 times a year. The amount of pension is calculated based on the age, income and length of time insured. The pension is granted for a maximum of 24 months. After a positive medical examination, it can be renewed for up to 24 months. If permanent incapacity is assumed, invalidity pension is granted for an unlimited period of time.</p> <p><u>Supplements:</u> A compensation supplement is paid if the monthly pension (along with other income) is below certain level. It is paid to the level of the difference between the actual income and the threshold.</p>	Mixed (Contributory and general taxation).	Holders of long-term residence permits or time-bound/fixed-term residence permits

	The supplement is paid for each child up to age 18 or up to age 27 for children engaged in vocational training or university education. No age limit in case of children with disabilities.		
Old-age pensions and benefits	<p><u>Old-age pension:</u> The pension is paid 14 times a year. The amount of pension is calculated based on the age, income and length of time insured</p> <p><u>Early pension:</u> Early pension may be claimed at the age of 62, or at the age of 60 when performing heavy work. For each year which the pension has been claimed prior to the regular pension age, the pension is reduced by 4.2%, but not more than a total of 15%.</p> <p><u>Supplements:</u> A compensation supplement is paid if the monthly pension (along with other income) is below certain level. It is paid to the level of the difference between the actual income and the threshold. A supplement is paid for each child up to age 18 or up to age 27 for children engaged in vocational training or university education. No age limit in case of children with disabilities.</p>	Mixed (Contributory and general taxation).	Holders of long-term residence permits or time-bound/fixed-term residence permits
Survivors' benefits	<p><u>Widow's/ widower's pension:</u> In case of remarriage of the surviving spouse, a settlement of 35 monthly pension payments is paid, when the pension was unlimited. When the pension was limited to 30 months, the pension payments stop with the remarriage. The pension amounts between 0% and 60% (depending on the ratio of the deceased person's income and the surviving spouse's income) of the pension to which the deceased was or would have been entitled. If the income of the beneficiary is still below a certain level, an additional amount of up to 60% of the deceased's pension is paid. The pension is paid 14 times a year.</p> <p><u>Orphan's pension:</u> The pension amounts to 40% (for children who have lost one parent) or 60% (for those who have lost both parents) of the calculated widow's/ widower's pension.</p> <p><u>Supplements:</u> A compensation supplement is paid if the monthly pension (along with other income) is below certain level. It is paid to the level of the difference between the actual income and the threshold.</p>	Mixed (Contributory and general taxation).	Holders of long-term residence permits or time-bound/fixed-term residence permits
Benefits in respect of accidents at work and occupational diseases	<p><u>Healthcare:</u> In the event of accident or an occupational disease, initial medical aid and further medical treatment is provided. Usually, the health insurance fund provides benefits during the first four weeks, and then the accident insurance fund takes over.</p> <p><u>Cash benefits:</u></p>	Contributory.	Holders of long-term residence permits or time-bound/fixed-term residence permits

If invalidity pension would be higher than continued payment of wages or sickness cash benefits that the insured person receives, the difference is paid as cash benefits.

In case of hospitalization, a daily cash benefit (i.e. family allowance or daily allowance, depending on the family status) is paid.

Rehabilitation:

Occupational measures are provided. These include mainly assistance in safeguarding or finding a job, further training and retraining. During training an interim allowance is provided.

Also social rehabilitation measures (e.g. a grant for adaptation of housing) are provided.

Disability pension:

After a period of work incapacity of 27 weeks at least and a reduction of earning capacity by at least 20% (50% for pupils and students) for longer than three months, disability pension is paid.

In the event of total loss of earning capacity (100%) the monthly pension amounts to two thirds of the calculation basis (i.e. average income over the previous year). If the loss of earning capacity is less, the monthly pension is in proportion to the degree of disability.

The pension is paid 14 times a year until recovery. In case of permanent condition, a permanent pension must be determined after two years the latest.

Supplements:

A supplement for severe disability amounting to 20% of the pension is paid (if earning capacity is reduced by less than 70%) or 50% (if earning capacity is reduced by at least 70%).

In the event of a reduction in earning capacity of at least 50%, 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.

Lump sum compensation:

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

Integrity compensation:

In case the accident at work or occupational disease is the result of neglecting employee protection regulations, a one-off payment that depends on the degree of physical or mental disability caused can be received.

Survivor's pension:

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.

	<p>The pension is paid 14 times a year.</p> <p><u>Orphan's pension:</u> A child who has lost one parent receives 20% and a child who lost both parents receives 30% of the deceased's pension calculation basis. The pension is paid 14 times a year.</p> <p><u>Funeral expenses:</u> A funeral expenses grant of 1/15 of annual earnings is provided if the insured person has died as a result of an accident at work or an occupational disease.</p>		
Family benefits	<p><u>Family allowance:</u> Family allowance amounts to 105.40 EUR per child and month. The amount increases with the age of the child. A supplement is paid for two or more children. If a child is severely disabled, an additional 138.30 EUR per child and month is provided. A supplement of 20 EUR per month is paid for the third and subsequent child, for which family allowance has been granted. Family allowance is provided until the child reaches 18 years and may be prolonged until 24 years for children in vocational training or further education.</p> <p><u>School start bonus:</u> Conditional upon receipt of family allowance, a school start bonus of 100 EUR is paid in September for each child aged 6 to 15.</p> <p><u>Child care allowance:</u> There are 5 options of child care allowances to choose among (four flat-rated and one income-related): Families and single parents with a low income are granted a supplement to the flat-rate child care allowance.</p> <p><u>Tax credit for children:</u> 58.40 EUR per child and month are paid in combination with the family allowance from general tax revenue. The tax credit for single parents amounts to an annual tax reduction of 364 EUR.</p> <p><u>Advance on maintenance payments:</u> An advance on maintenance payments is granted to Austrian or stateless children below the age of 18 who usually reside in Austria if certain conditions are fulfilled.</p>	Mixed (Contributory and general taxation).	Holders of long-term residence permits or time-bound/fixed-term residence permits
Unemployment benefits	<p><u>Unemployment benefit:</u> Unemployment benefit amounts to 55% of daily net income with a certain variation (depending on the payment of family supplements), calculated on the grounds of average earnings of the last complete calendar year with a defined ceiling. Special payments (13th and 14th salary) are taken proportionally into account. Benefits are paid for at least 20 weeks, increasing to (i) 30</p>	Contributory.	Holders of long-term residence permits or time-bound/fixed-term residence permits

	<p>weeks if insured for three years out of a period of five years; (ii) 39 weeks if insured for six years in the last 10 years and if at least 40 years old; and (iii) 52 weeks if insured for nine years in the last 15 years and if at least 50 years old.</p> <p>The duration can be extended by the period during which the beneficiary participates in measures commissioned by the Public Employment Service.</p> <p><u>Unemployment assistance:</u> Benefits usually amount to 92% of the basic amount of unemployment benefit. No time limitation for payments.</p> <p><u>Family supplements:</u> For children and grand-children and related spouses family supplements of 0.97 EUR per day are paid.</p> <p><u>Other benefits:</u> Several benefits exist for partial or short-time unemployment and for older unemployed persons. Also, benefits promoting labour market integration are available under certain conditions.</p>		
Guaranteed minimum resources	<p><u>Needs-based guaranteed minimum resources:</u> The benefits paid amount to the difference between the person's own income and a defined minimum standard, or as a full amount of the minimum standard. The minimum standards are defined by the provinces and must cover food, maintenance, personal hygiene, heating, electricity, household appliances and an appropriate participation in social and cultural life. Benefits also cover health insurance contributions. Benefits are provided for as long as the situation of need persists.</p> <p><u>Supplementary benefits:</u> 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), provided by the provinces. Also health insurance is provided.</p>	Non-Contributory.	Holders of the permit "Long-term resident – EU".
Long-term care benefits	<p><u>Benefits in kind:</u> Benefits in kind include mobile and outpatient care, semi-residential care and residential care. In addition, a consulting and information service may be provided.</p> <p><u>Long-term care benefit:</u> A flat-rate benefit not related to the income or property of the beneficiary. The amount of benefits is determined according to seven categories of dependency. Long-term care benefit is provided as long as the conditions exist.</p>	Non-Contributory.	Holders of long-term residence permits or time-bound/fixed-term residence permits

Source: European Commission 2013; European Commission 2012.

2. ACCESS TO SOCIAL SECURITY BY THIRD-COUNTRY NATIONALS

2.1 Minimum employment and contribution periods

All minimum employment and contribution periods apply to third-country nationals and Austrian citizens alike. Minimum periods apply for old age, survivors, and invalidity pensions, as well as unemployment benefits and assistance:

Old-age pension (*Altersrente*) and survivors pension (*Hinterbliebenenpension*)

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 (Art. 253 and Art. 236 General Social Insurance Act)

The periods that apply are the same as described above for invalidity benefits (Art. 257 General Social Insurance Act).

Invalidity pension (*Invaliditätsrente*)

In order to be entitled to an invalidity pension, 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 (Art. 254 and Art. 236 General Social Insurance Act).

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.

Unemployment benefit (*Arbeitslosengeld*) and unemployment assistance (*Notstandshilfe*)

Access to unemployment benefit is provided if the person has 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 (Art. 14 Unemployment Insurance Act).

It is possible to claim unemployment assistance 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 the individual concerned and his or her family (Art. 33 Unemployment Insurance Act).

2.2 The migration nexus

In respect to the nexus between migration and social security policies in Austria, the Federal Ministry of the Interior highlights that proof of a secure income is very important in the Austrian migration system. A migrant's source of income is always examined prior to the issuance of a residence permit, in accordance with European guidelines and constitutional requirements, to ensure that the foreigner's stay does not become a financial burden on the state. However, in many areas, immigration of third-country nationals is regulated to a large extent by European, constitutional and human rights requirements (especially for family reunification and long-term residency). These requirements, which are not put into question, often have direct or indirect implications on a migrant's access to social security benefits.³

³ This information was provided via E-mail by Dietmar Hudsky, Federal Ministry of the Interior, Head of Department

The restrictions listed below apply to all categories of third-country nationals covered by this study (workers, self-employed persons, unemployed persons, and family members of third-country nationals).

Family allowance (*Familienbeihilfe*) and child care allowance (*Kinderbetreuungsgeld*)

Access to family allowance is provided to individuals 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 (Art. 2 para 1 Family Burden Equalisation Act).

The condition of “habitual residence” is based upon Art. 26 para 2 Federal Charges Code (FCC). There, habitual residence is defined as the place where an individual resides under circumstances which show that he or she does not only temporarily stay there.

Family allowance thus can only be accessed if the individuals concerned have the “centre of their life interests” in Austria, defined as the country with which stronger personal and economic bonds exist (Art. 2 para 8 Family Burden Equalisation Act).⁴ According to a decision of the Administrative High Court (1824/75, 36 March 1976), non-Austrian citizens can prove this requirement through a “longer” period of residence and employment in Austria. It is of no significance whether the residence titles the individuals hold are designed for short-term or permanent residence or settlement (Administrative High Court, 2009/16/0124, 27 January 2010).

According to Art. 3 para 1 Family Burden Equalisation Act, third-country nationals have a right to family allowance if they hold a residence title listed in Art. 8 of the Settlement and Residence Act or Art. 54 Asylum Act (e.g. trafficked persons). Third-country nationals who are entitled to stay in Austria on the basis of a visa cannot access family benefits.

Receiving family allowance is a prerequisite for access to child care allowance (*Kinderbetreuungsgeld*). The further criteria are similar to those that apply for family allowance (Art. 2 para 4 and 5 Child Care Allowance Act).

According to the explanations to the Aliens Law Package 2005, the restrictions for third-country nationals to access family allowance and child care allowance shall ensure a “connection to Austria” and lead to a better targeting of social benefits.⁵

Needs-based guaranteed minimum resources (*Bedarfsorientierte Mindestsicherung*)

According to Art. 4 para 3 of the Agreement (Art. 15a of the Austrian Constitution) on needs-based guaranteed minimum resources, third-country nationals have access to minimum resources if they are holders of a permanent residence title (according to Directive 2003/109/EC).

The explanations to the Agreement (Art. 15a of the Austrian Constitution) on needs-based guaranteed minimum resources refer to the Austrian government programme for the 23th legislation period which states that access to benefits of the needs-based guaranteed minimum resources shall depend on a permanent residence status to avoid “social tourism”.⁶

Social security and access to residence rights

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⁴ The guidelines to the Families’ Compensation Act can be accessed at <http://m.bmfwf.gv.at/Familie/Rechtsgrundlagen/Documents/DR%20FLAG%20Teil%201%20FLAG%201967.pdf> (accessed on 12 March 2014).

⁵ Explanations to the Aliens Law Package 2005, available at http://www.parlament.gv.at/PAKT/VHG/XXII/I/I_00952/fnameorig_040777.html (accessed on 7 February 2014).

⁶ Explanations to the Agreement (Art. 15a of the Austrian Constitution) on needs-based guaranteed minimum resources, available at http://www.parlament.gv.at/PAKT/VHG/XXIV/I/I_00677/fnameorig_184382.html (accessed on 7 February 2014).

According to Art. 8 para 5 Settlement and Residence Act, third-country nationals who wish to obtain a residence title in Austria are required to prove that they can sustain themselves without drawing on social welfare (*Sozialhilfeleistungen*) of regional administrative bodies (*Gebietskörperschaften*). Thus, third-country nationals who receive needs-based guaranteed minimum resources (*Bedarfsorientierte Mindestsicherung*) can, in general, not obtain residence titles. Compensation supplement (*Ausgleichszulage*) can be received (Schumacher/Neugschwendtner/Peyrl 2013: 52).

Translation and interpretation

According to Art. 39a General Administrative Procedure Act, interpreters are to be consulted if necessary for the interview with individuals who are not proficient in German.

3. EXTERNAL DIMENSION OF SOCIAL SECURITY

3.1 Bilateral agreements

Exportability

The export of social security benefits to third countries is covered by bilateral agreements on social security. In these agreements, Austria and the respective third country set the conditions pertaining to the conditions that apply to the export of benefits.⁷ The agreements apply to nationals of the respective third country irrespective of the specific residence title they hold. In general, the Austrian sickness cash benefits, old-age pensions, as well as invalidity and survivor benefits can be exported. Family benefits cannot be exported to third countries.

Work in Austria while remaining subject to the social security legislation of the sending state

Austria has concluded agreements that contain provisions concerning the possibility of workers from a third country to work in Austria while remaining subject to social security legislation of the sending State. One example is Article 6 and 7 in the agreement that has been concluded with South Korea, which states that:

“Article 6

General provisions

1. Subject to the provisions of Articles 7 to 9, an employed or self-employed person who works in the territory of one Contracting State shall, in respect of that work, be subject only to the legislation of that Contracting State. In the case of an employed person, this shall also apply if the employer's place of business is in the territory of the other Contracting State.

[...]

Article 7

Special provisions

1. An employed person who is subject to the legislation of one Contracting State and who is sent to perform services, including those in the employer's affiliated or subsidiary company, for the same employer in the territory of the other Contracting State shall, in respect of those services, remain subject only to the legislation of the former Contracting State for the first sixty calendar months as though those services were performed in its territory.”

Guarantee equal treatment in the system of the host state in respect of particular benefits Austria has included a provision securing equality of treatment between the nationals of both contracting countries in all agreements. However, the agreements differ as to whether the equality clause includes refugees and stateless persons who are habitually resident in one of the states. In some agreements, this group is included (such as Australia, Turkey, South Korea, Uruguay and Israel), whereas this group is not mentioned in other agreements (such as with Bosnia and Montenegro).

Other provisions of relevance

The more recent agreements include data protection clauses which state that any data which is transferred to the contracting State receives the same protection as in Austria. Examples of agreements which include data protection clauses are the agreements with Serbia, South Korea and Uruguay.

⁷ A list of third countries (and EU Member States) with which agreements are in place is available at http://www.bmask.gv.at/cms/site/attachments/7/7/4/CH2785/CMS1359975045090/abkommensliste_lang.pdf (accessed on 4 February 2014).

Table 2: Bilateral social security agreements concluded by Austria with third countries

Third country	Place of signing	Date of signing	Effective since	Scope
Australia ⁸	Canberra	1 April 1992	1 December 1992	<u>Austria</u> <ul style="list-style-type: none"> - legislation concerning pension insurance (for employed and self-employed persons) with the exception of the insurance for notaries - with regard to age pensions only, the legislation concerning sickness insurance and accident insurance <u>Australia</u> <ul style="list-style-type: none"> - age pension - disability support pension - career payment - benefits payable to widowed person - double orphan pension
Bosnia and Herzegovina ⁹	Sarajevo	12 February 1999	1 October 2001	<u>Austria</u> <ul style="list-style-type: none"> - health insurance - accident insurance - legislation concerning pension insurance with the exception of the insurance for notaries - unemployment benefit <u>Bosnia</u> <ul style="list-style-type: none"> - health insurance - accident insurance - insurance covering sickness and accidents relation to work - pension and invalid insurance - unemployment benefit
Canada ¹⁰	Vienna	24 February 1987	1 November 1987	<u>Austria</u> <ul style="list-style-type: none"> - pension insurance, with the exception of the insurance for notaries - sickness insurance and accident insurance <u>Canada</u> <ul style="list-style-type: none"> - old age security - pension insurance
Chile ¹¹	Vienna	19 June 1997	1 December 1999	<u>Austria</u> <ul style="list-style-type: none"> - pensions insurance, with the exception of the special insurance for notaries - health insurance, accident insurance - surviving dependents pension <u>Chile</u>

⁸ BGBl. No. 656/1992, modified by BGBl. No. 657/1992, BGBl. No. III 192/2002 and BGBl. No. III 169/2011.

⁹ BGBl. No. III 229/2001, modified by BGBl. No. III 230/2001.

¹⁰ BGBl. No. 451/1987, modified by BGBl. No. 570/1996.

¹¹ BGBl. No. III 200/1999, modified by BGBl. No. III 224/1999.

				<ul style="list-style-type: none"> - old-age pension - invalid insurance
India ¹²	Vienna	4 February 2013		
Israel ¹³	Vienna	28 November 1973	1 January 1975	<u>Austria</u> <ul style="list-style-type: none"> - health insurance including maternity benefits - accident insurance - pension insurance - unemployment benefit - family allowance <u>Israel</u> <ul style="list-style-type: none"> - maternity benefit - work accidents and work related sickness insurance - invalid insurance - old-age and surviving dependent insurance - unemployment benefit - insurance for families with many children and insurance for children of employees
Macedonia ¹⁴	Skopje	28 February 1997	1 April 1998	<u>Austria</u> <ul style="list-style-type: none"> - health insurance - accident insurance - pensions insurance, with the exception of the special insurance for notaries - unemployment benefit <u>Macedonia</u> <ul style="list-style-type: none"> - health insurance including accidents at work and work related sickness - pension and invalid insurance including accidents at work and work related sickness - unemployment benefit
Republic of Moldova ¹⁵	Chisinau	5 September 2011	1 December 2012	<u>Austria</u> <ul style="list-style-type: none"> - pensions insurance, with the exception of the special insurance for notaries - health insurance - accident insurance <u>Moldova</u> <ul style="list-style-type: none"> - pension insurance - accident insurance
Montenegro ¹⁶	Podgorica	1 June 2010	1 June 2011	<u>Austria</u> <ul style="list-style-type: none"> - health insurance - accident insurance - pensions insurance,

¹² This agreement could not be found in the *Rechtsinformationssystem des Bundes*; see http://www.bmeia.gv.at/aussenministerium/aussenpolitik/voelkerrecht/staatsvertraege/bilaterale-staatsvertraege.html?dv_staat=11&mode=country&submit=1&vb_vp_id=14&cHash=f8f92d2c970f6287554eb1d0d61293e.

¹³ BGBl. No. 6/1975.

¹⁴ BGBl. No. III 46/1998, modified by BGBl. No. III 142/1998.

¹⁵ BGBl. No. III 174/2012.

¹⁶ BGBl. No. III 51/2011.

				<p>with the exception of the special insurance for notaries</p> <ul style="list-style-type: none"> - unemployment benefit <p><u>Montenegro</u></p> <ul style="list-style-type: none"> - health insurance - pension and invalid insurance - unemployment benefit
The Philippines ¹⁷	Vienna	1 December 1980	1 April 1982	<p><u>Austria</u></p> <ul style="list-style-type: none"> - accident insurance - pensions insurance, with the exception of the special insurance for notaries <p><u>the Philippines</u></p> <ul style="list-style-type: none"> - work injury - old age, invalidity, death
Serbia ¹⁸	Belgrade	26 January 2012	1 December 2012	<p><u>Austria</u></p> <ul style="list-style-type: none"> - health insurance - accident insurance - pension insurance, with the exception of the special insurance for notaries - unemployment benefit <p><u>Serbia</u></p> <ul style="list-style-type: none"> - health insurance and maternity benefit - pension and invalidity insurance - unemployment benefit
South Korea ¹⁹	Vienna	23 January 2010	1 October 2010	<p><u>Korea</u></p> <ul style="list-style-type: none"> - employment insurance - health insurance - industrial accident compensation insurance <p><u>Austria</u></p> <ul style="list-style-type: none"> - pension insurance, with the exception of the insurance for notaries - sickness insurance and accident insurance
Tunisia ²⁰	Vienna	23 June 1999	1 November 2000	<p><u>Austria</u></p> <ul style="list-style-type: none"> - health insurance - accident insurance - pension insurance <p><u>Tunisia</u></p> <ul style="list-style-type: none"> - health, maternity and death insurance - work injury and work related insurance - pension insurance
Turkey ²¹	Vienna	28 October	1 December	<p><u>Austria</u></p>

¹⁷ BGBl. No. 116/1982, modified by BGBl. III No. 32/2004.

¹⁸ BGBl. No. III 156/2012, modified by BGBl. No. III 155/2012.

¹⁹ BGBl. No. III 96/2010, modified by BGBl. No. III 83/2010.

²⁰ BGBl. No. III 197/2000.

²¹ BGBl. No. III 219/2000, modified by BGBl. No. III 220/2000.

		1999	2000	<ul style="list-style-type: none"> - health insurance - accident insurance - pensions insurance, with the exception of the special insurance for notaries <u>Turkey</u> <ul style="list-style-type: none"> - health insurance and maternity benefit - work injury and work related sickness insurance - invalidity, old-age and surviving dependent insurance
Uruguay ²²	Vienna	14 January 2009	1 December 2011	<u>Austria</u> <ul style="list-style-type: none"> - pensions insurance, with the exception of the special insurance for notaries - health insurance - accident insurance <u>Uruguay</u> <ul style="list-style-type: none"> - pension insurance
USA ²³	Vienna	13 July 1990	1 November 1991	<u>Austria</u> <ul style="list-style-type: none"> - pensions insurance, with the exception of the special insurance for notaries - sickness insurance and accident insurance <u>the USA</u> <ul style="list-style-type: none"> - old-age insurance - survivors insurance - disability insurance

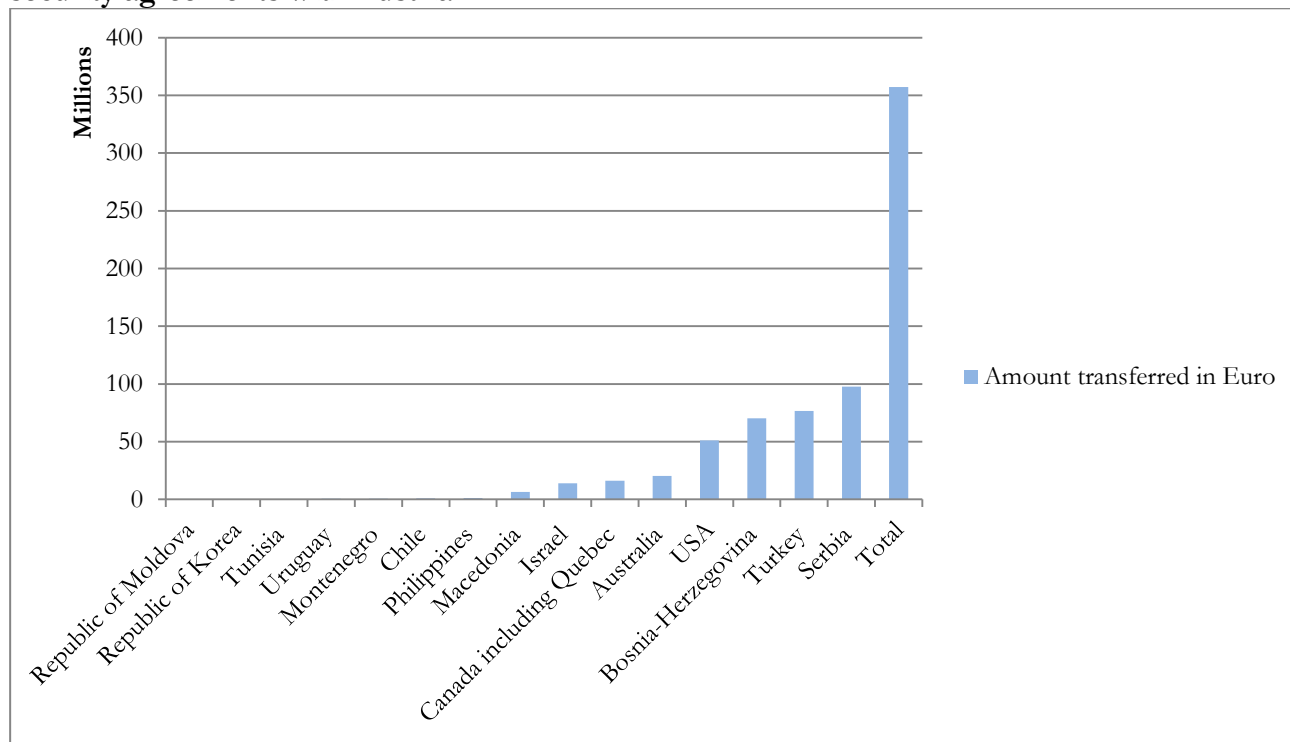
²² BGBl. No. III 154/2011, modified by BGBl. No. III 155/2011.

²³ BGBl. No. 511/1991, modified by BGBl. No. 779/1996.

3.2 Extent of pension transfers

The figure below illustrates that the three traditional countries of origin of third-country national migrants to Austria are the top three states in terms of the extent of pension benefits transferred to third countries in 2013.

Figure 2: Pension benefits transferred in 2013 to third countries which have concluded social security agreements with Austria



Source: Federal Ministry for Labour, Social Affairs, and Consumer Protection, 2013.

4. CASE STUDIES

Case-study 1

Tho and Lien, a married couple holding Vietnamese citizenship, aged 28 and 30, moved to Austria 10 years ago. They hold long-term residence permits. Tho has worked in a car manufacturing company for the last 8 years, paying obligatory insurance contributions throughout this time. Lien has worked as a chef in the restaurant of a large hotel, also paying obligatory insurance contributions, for the last 2 years. Tho and Lien are expecting the birth of their first child in 6 weeks' time. Last week, the car manufacturing company where Tho works announced that they were making him redundant. Faced with the loss of Tho's income at a time when Lien would need to take time off work, following the birth of their child, Tho decided to apply for unemployment benefits while Lien applied for maternity benefits.

Tho can access unemployment benefits (*Arbeitslosengeld*) if he is capable of work and willing to work. He fulfils the condition of "being allowed to work" according to Art. 7 para 2 and 3 Unemployment Insurance Act. Furthermore, he was engaged in work that was covered by obligatory unemployment insurance for 52 weeks during the last 24 months before applying for unemployment benefits (Art. 14 para 1 Unemployment Insurance Act). Lien fulfils the requirements to access maternity benefits (*Wochengeld*). She is covered by compulsory health insurance (Art. 162 General Social Insurance Act).

Case study 2

Jasmine is a single parent, aged 29, holding Filipino citizenship, who moved to Austria 2 and a half years ago. She has a 2-year old child (also holding Filipino citizenship) that lives with her and another child aged five that lives in the Philippines with Jasmine's mother. She holds a temporary/salaried worker residence permit that has been renewed once. Jasmine has worked as a nurse in a residential day-care unit in Austria for 2 and a half years. She sends a small amount of money every month to the Philippines to help support her daughter. Last month, Jasmine's employer announced significant cuts in staff salaries in response to budget reductions. Faced with a significantly reduced income, Jasmine has moved into a hostel as she can no longer afford to rent private accommodation. She has also been forced to halve the amount of money she sends to her family in the Philippines every month. She has decided to apply for family benefits and guaranteed minimum resources.

Although Jasmine holds a temporary residence permit, she can access family allowance (*Familienbeihilfe*) (Art. 3 para 1 Family Burden Equalisation Act) and child care allowance (*Kinderbetreuungsgeld*) for the child living with her in Austria (Art. 2 para 4 and 5 Child Care Allowance Act) if she can prove that her stay is not only temporary. She cannot access needs-based guaranteed minimum resources (*Bedarfsorientierte Mindestsicherung*), as she does not hold a permanent residence title (Art. 4 para 3 Agreement (Art. 15a of the Austrian Constitution) on needs-based guaranteed minimum resources).

Case study 3

Senghor is a high-skilled worker from Senegal. He arrived in Austria six years ago with a temporary residence permit arranged through the IT company that employed him. Senghor is single and does not have children, but has recently succeeded in bringing his elderly mother to the country on the basis of family reunification. Aged 80, his mother is entirely dependent on Senghor's income. Last week, Senghor suffered an accident at work that left him incapable of carrying out the work for which he was employed for a period of 3 years. He decided to apply for invalidity benefits, sickness benefits, family benefits and benefits in respect of accidents at work and occupational diseases.

Senghor can access invalidity pension (*Invalidentätspension/Berufsunfähigkeitspension*) as he has suffered an accident at work (Art. 235 para 3 General Social Insurance Act). He can access sickness benefits (*Krankengeld*) as he is covered by compulsory sickness insurance (Art. 138 General Social Insurance Act). Senghor can access benefits in respect of accidents at work and occupational diseases (*Versehrtenrente*) if working capacity was reduced by at least 20 per cent (Art. 203 para 1 General Social Insurance Act). Family benefits are not available in the case of Senghor and his elderly mother.

5. STATISTICS ON SOCIAL SECURITY PAYMENTS RELATED TO MIGRATION

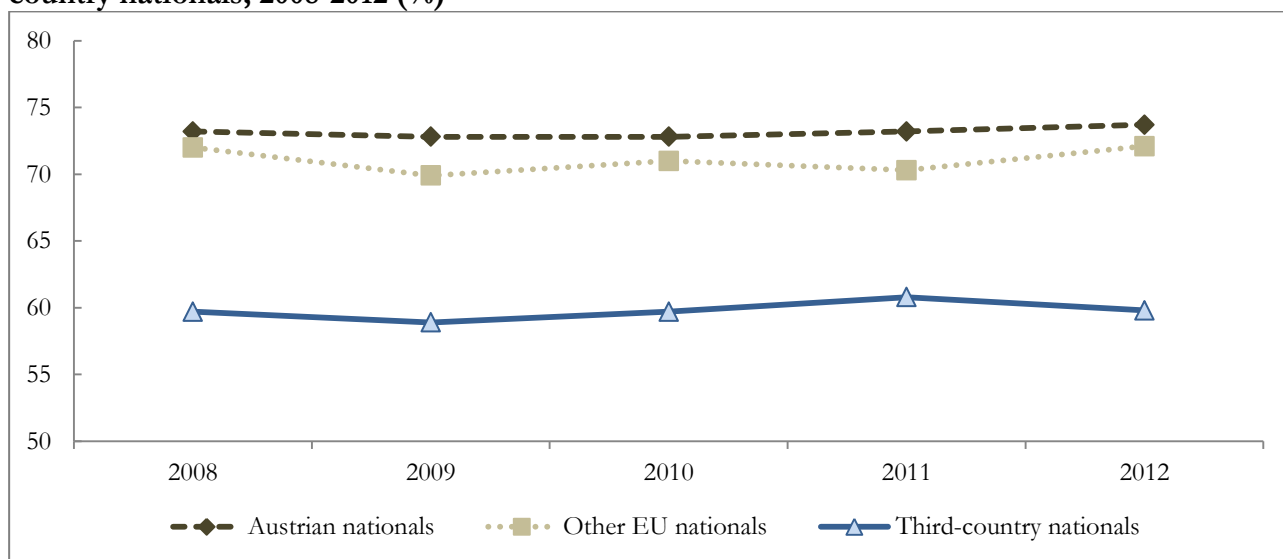
5.1 Third-country nationals employed, unemployed and inactive

This section provides comparative statistics on employment, unemployment and inactivity of people between 15 and 64 years old for the period 2008 to 2012. A person is employed, as defined by Eurostat, if he or she performed work, even for just one hour a week, for pay, profit or family gain during the reference week, or, if he or she was not at work but had a job or business from which he or she was temporarily absent because of, e.g., illness, holidays, industrial dispute or education and training. A person is unemployed, as defined by Eurostat, if he or she was without work during the reference week, but currently available for work, or if he or she was either actively seeking work in the past four weeks or had already found a job starting within the next three months. A person is inactive, as defined by Eurostat, if he or she is not part of the labour force and is not looking for a job.

Employment

Eurostat data based on the European Union Labour Force Survey (EU LFS) shows a relatively stable trend for employed 15 to 64 year olds in Austria between 2008 and 2012.

Figure 1: Trends in employment rates for Austrian nationals, other EU nationals and third-country nationals, 2008-2012 (%)



Source: Eurostat, EU LFS.

The employment rate of third-country nationals was on average 59.78 per cent, with a low point of 58.9 per cent in 2009 and a peak of 60.8 per cent in 2011. Therewith, the average employment rate of third-country nationals was around 13 percentage points lower than that of Austrian nationals (average employment rate of 73.14 per cent) and around 11 percentage points lower than that of other EU nationals (average employment rate of 71.06 per cent).

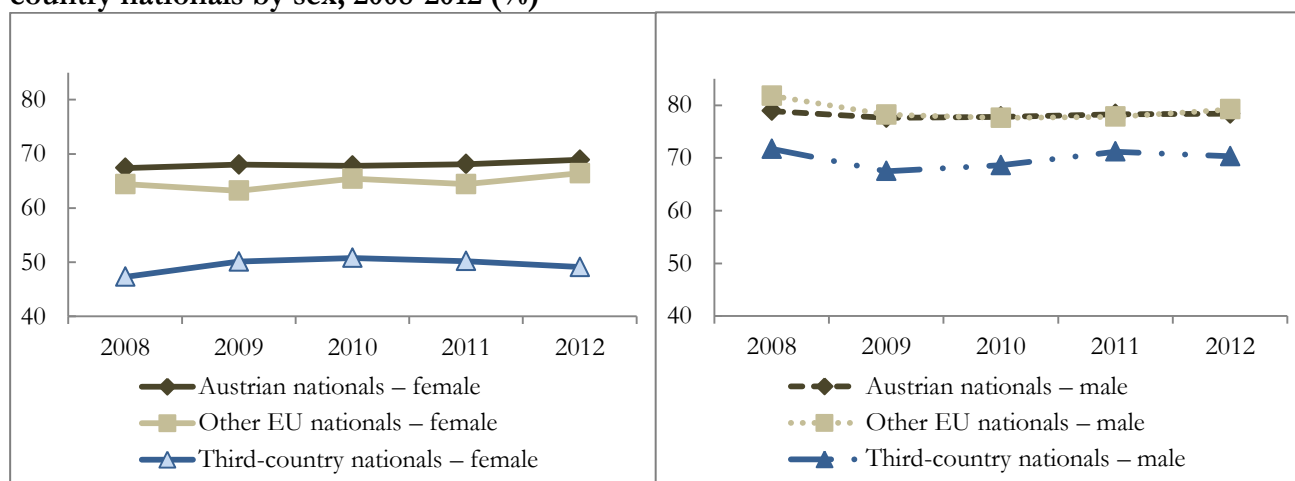
Table 1: Employment rates for Austrian nationals, other EU nationals and third-country nationals by sex, 2008-2012 (%)

Nationality	2008	2009	2010	2011	2012
Austrian nationals	73.2	72.8	72.8	73.2	73.7
Austrian nationals – male	78.9	77.6	77.8	78.3	78.4
Austrian nationals – female	67.4	68.0	67.8	68.1	68.9
Other EU nationals	72.0	69.9	71.0	70.3	72.1
Other EU nationals – male	81.8	78.2	77.6	77.8	79.2
Other EU nationals – female	64.4	63.2	65.4	64.4	66.4
Third-country nationals	59.7	58.9	59.7	60.8	59.8
Third-country nationals – male	71.7	67.5	68.6	71.2	70.3
Third-country nationals – female	47.3	50.1	50.8	50.2	49.1

Source: Eurostat, EU LFS.

The gender disparity in employment rates is the highest among third-country nationals, while the gender disparity of Austrian nationals and other EU nationals is similar.

Figure 2: Trends in employment rates for Austrian nationals, other EU nationals and third-country nationals by sex, 2008-2012 (%)



Source: Eurostat, Labour Force Survey.

According to national data of the Labour Market Service Austria that is not based on a Labour Force Survey but on the stock of registered employed foreigners, the nationalities displayed in the table below are the top 10 as regards the yearly average number of employed third-country nationals in 2012.

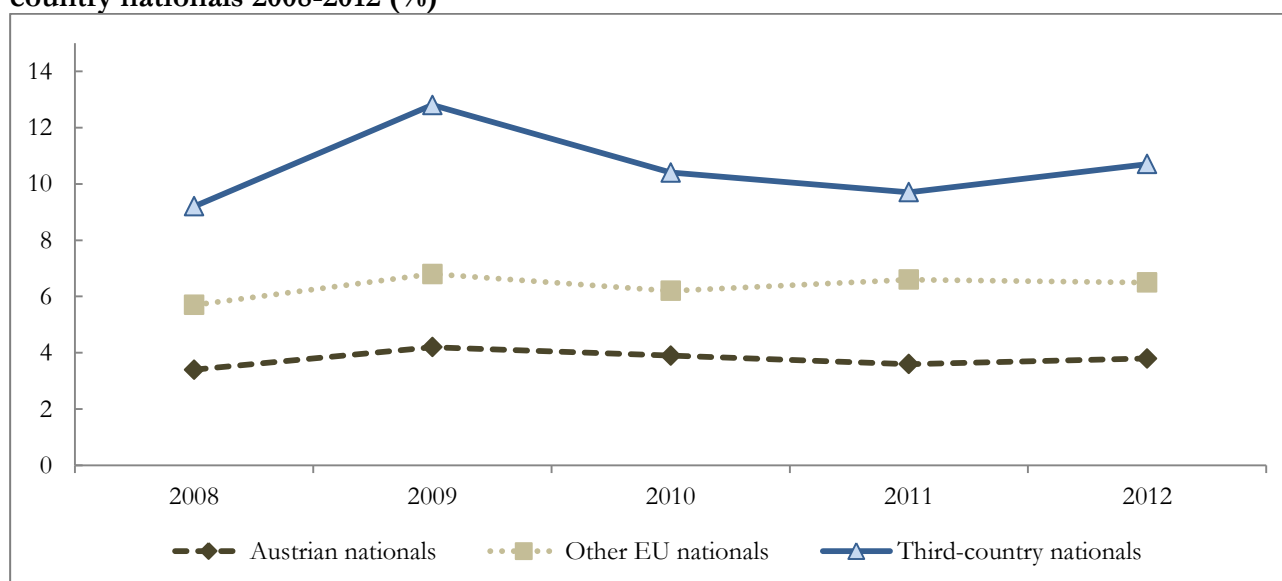
Table 2: Yearly average number of employed third-country nationals by nationality, 2008-2012

Nationality	2008	2009	2010	2011	2012
Bosnia and Herzegovina	40,767	36,707	37,253	38,099	38,258
Turkey	29,781	27,493	28,951	29,917	29,391
Yugoslavia	40,688	34,885	31,619	28,036	23,993
Serbia	3,756	5,791	8,848	11,870	14,136
Macedonia	5,839	5,701	6,084	6,535	6,647
Serbia and Montenegro (former)	4,561	4,299	4,331	4,082	3,756
Russian Federation	1,440	1,514	1,687	1,903	2,112
People's Republic of China	1,547	1,611	1,730	2,007	1,929
India	1,444	1,544	1,780	1,951	1,922
Kosovo/UNSC 1244	3	310	775	1,326	1,900

Source: Labour Market Service Austria, special evaluation.

Unemployment

As regards unemployed 15 to 64 year olds in Austria between 2008 and 2012, data based on the EU LFS shows a relatively stable trend. The only inconstancy was a peak of unemployed third-country nationals in 2009.

Figure 3: Trends in unemployment rates for Austrian nationals, other EU nationals and third-country nationals 2008-2012 (%)

Source: Eurostat, EU LFS.

The unemployment rate of third-country nationals was on average 10.56 per cent, with a low point of 9.2 per cent in 2008 and a peak of 12.8 per cent in 2009. Therewith, the average unemployment rate of third-country nationals was around 7.8 percentage points higher than that of Austrian nationals (average unemployment rate of 3.78 per cent) and around 7.2 percentage points higher than that of other EU nationals (average unemployment rate of 3.36 per cent).

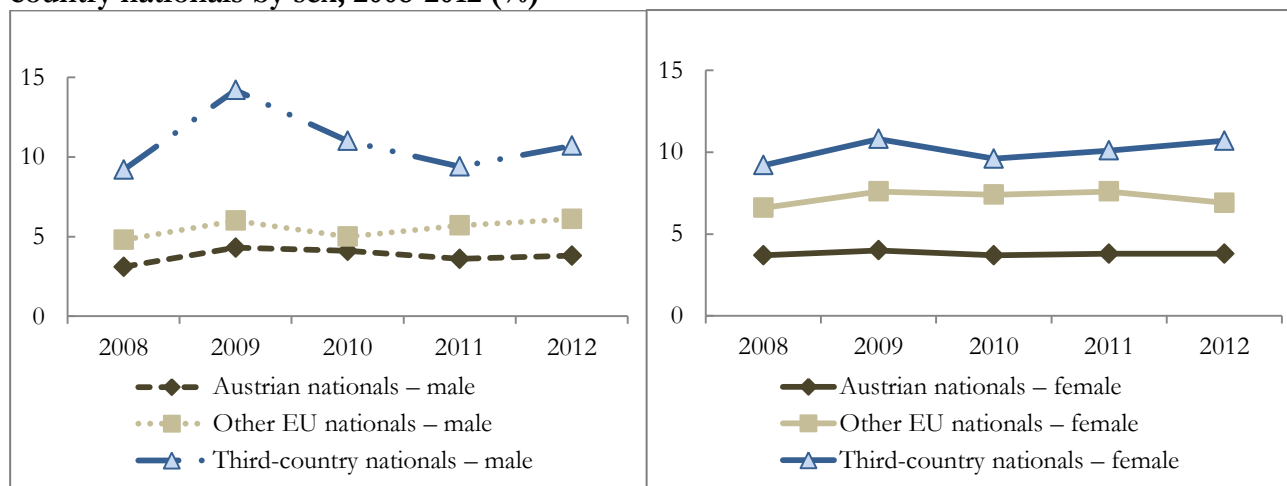
Table 3: Unemployment rates for Austrian nationals, other EU nationals and third-country nationals by sex, 2008-2012 (%)

Nationality	2008	2009	2010	2011	2012
Austrian nationals	3.4	4.2	3.9	3.6	3.8
Austrian nationals – male	3.1	4.3	4.1	3.6	3.8
Austrian nationals – female	3.7	4.0	3.7	3.8	3.8
Other EU nationals	5.7	6.8	6.2	6.6	6.5
Other EU nationals – male	4.8	6.0	5.0	5.7	6.1
Other EU nationals – female	6.6	7.6	7.4	7.6	6.9
Third-country nationals	9.2	12.8	10.4	9.7	10.7
Third-country nationals – male	9.2	14.2	11.0	9.4	10.7
Third-country nationals – female	9.2	10.8	9.6	10.1	10.7

Source: Eurostat, EU LFS.

With regards to gender in unemployment rates of third-country nationals, it can be observed that there was a noticeable disparity with the unemployment rates of males being higher than that of females only in 2009, when there was a peak in overall unemployment. The disparity diminished in 2010, reversed in 2011 and reached zero in 2012. As regards unemployment rates of Austrian nationals, there was almost no disparity, while between male and female other EU nationals, there was a fluctuating disparity, with the unemployment rate of females being higher than that of males.

Figure 4: Trends in unemployment rates for Austrian nationals, other EU nationals and third-country nationals by sex, 2008-2012 (%)



Source: Eurostat, Labour Force Survey.

According to national data of the Labour Market Service Austria that is not based on a Labour Force Survey but on the stock of registered unemployed foreigners, the nationalities displayed in the table below are the top 10 third-country nationalities according to annual average number of unemployed persons in 2012.

Table 4: Yearly average number of unemployed third-country nationals by nationality, 2008-2012

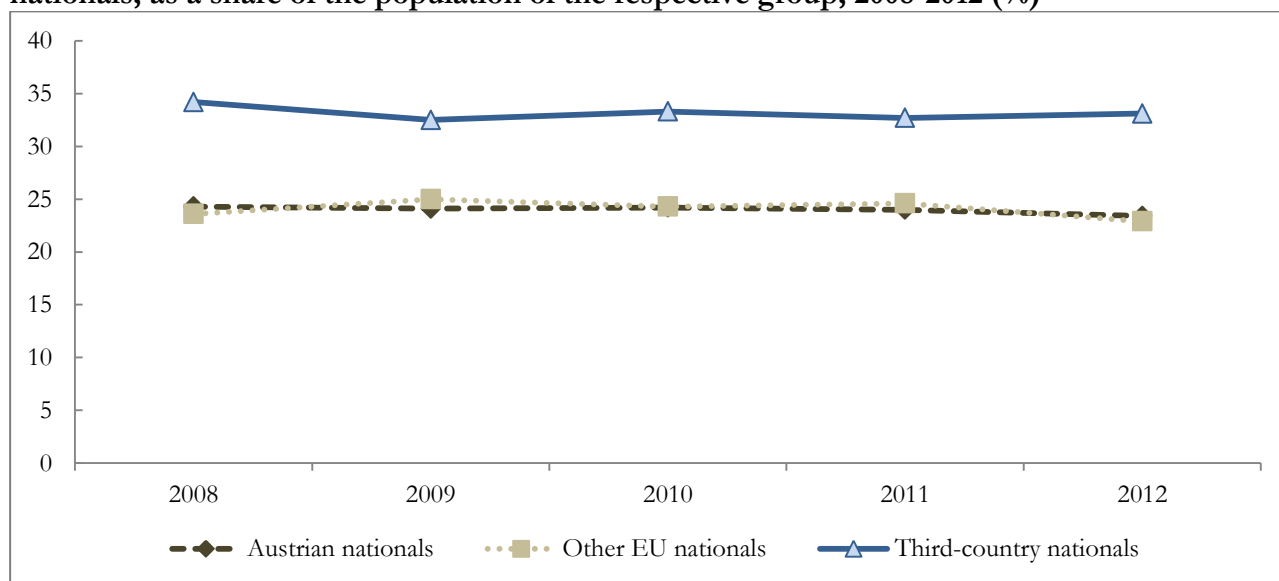
Nationality	2008	2009	2010	2011	2012
Turkey	6,807	8,541	8,138	8,113	8,923
Serbia	1,996	3,421	4,366	5,493	6,561
Bosnia and Herzegovina	4,347	5,664	5,291	5,178	5,518
Russian Federation	977	1,280	1,376	1,621	1,844
Yugoslavia	4,706	4,312	3,017	2,092	1,426
Macedonia	860	1,068	1,075	1,107	1,257
Afghanistan	322	459	513	733	931
Serbia and Montenegro (former)	939	1,137	940	828	844
Kosovo/UNSC 1244	20	190	349	532	793
Iran	222	262	281	359	416

Source: Labour Market Service Austria, special evaluation.

Inactivity

As regards inactive 15 to 64 year olds in Austria between 2008 and 2012, Eurostat data based on the EU LFS again shows a relatively stable trend.

Figure 5: Trends in inactivity rates for Austrian nationals, other EU nationals and third-country nationals, as a share of the population of the respective group, 2008-2012 (%)



Source: Eurostat, EU LFS.

The inactivity rate of third-country nationals was on average 33.16 per cent, with a low point of 32.5 per cent in 2009 and a peak of 34.2 per cent in 2008. Therefore, the average inactivity rate of third-country nationals was around 9 percentage points higher than that of Austrian nationals and other EU nationals (both had an average inactivity rate of 24 per cent).

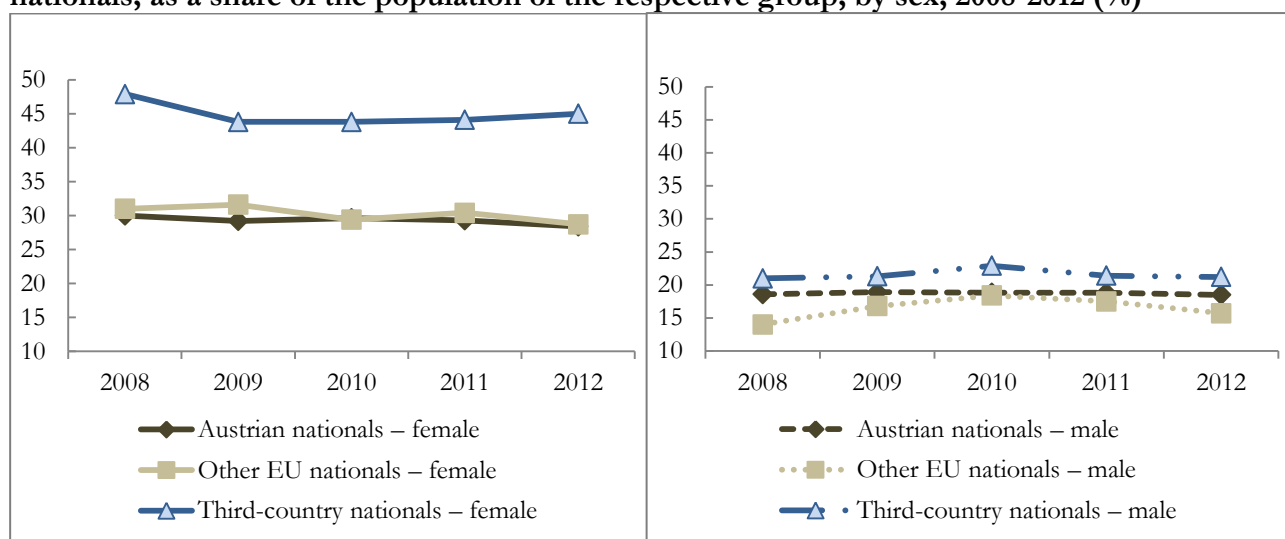
Table 5: Inactivity rates for Austrian nationals, other EU nationals and third-country nationals, as a share of the population of the respective group, 2008-2012 (%)

Nationality	2008	2009	2010	2011	2012
Austrian nationals	24.3	24.1	24.2	24.0	23.4
Austrian nationals – male	18.6	18.9	18.8	18.8	18.5
Austrian nationals – female	30.0	29.2	29.6	29.3	28.4
Other EU nationals	23.6	25.0	24.3	24.6	22.9
Other EU nationals – male	14.0	16.8	18.4	17.5	15.7
Other EU nationals – female	31.0	31.6	29.4	30.4	28.7
Third-country nationals	34.2	32.5	33.3	32.7	33.1
Third-country nationals – male	21.0	21.3	22.9	21.4	21.2
Third-country nationals – female	47.9	43.8	43.8	44.1	45.0

Source: Eurostat, EU LFS.

Looking at the gender disparity in inactivity rates, it can be observed that the difference in general inactivity rates between third-country nationals and Austrian nationals/other EU nationals is mainly caused by the inactivity rates of female third-country nationals. These are significantly higher than that of male third-country nationals, Austrian nationals and other EU nationals. As regards the inactivity rates of Austrian and other EU nationals, there is almost no gender disparity.

Figure 6: Trends in inactivity rates for Austrian nationals, other EU nationals and third-country nationals, as a share of the population of the respective group, by sex, 2008-2012 (%)



Source: Eurostat, EU LFS.

According to national data of the Labour Market Service Austria that is also based on a Labour Force Survey, the top 2 categories of inactive third-country nationals on average in 2012 are Former Yugoslavia and Turkey.

Table 6: Yearly average number of inactive third-country nationals by nationality, 2008-2012

Nationality	2008	2009	2010	2011	2012
Yugoslavia (former, without Slovenia)	72,800	75,600	79,100	81,700	84,100
Turkey	40,300	35,700	39,200	40,700	44,700
Other	48,900	39,000	47,300	45,200	46,900

Source: STATISTIC AUSTRIA, Labour Force Survey 2008-2012, microdata.

5.2 Take up of social security benefits among third-country nationals

This OECD study uses statistics from the European Union Survey of Income and Labour Conditions (EU-SILC) for the years 2007 to 2009 to calculate the take-up of social benefits by the total migrant population (defined as foreign-born immigrants) relative to the native-born population for 21 EU Member States plus Norway. Migrant nationals are not disaggregated by national groups and include also mobile EU-citizens. Social benefits covered include social assistance, unemployment benefits, pensions, family allowances and disability benefits.

The table below shows the take-up of social benefits (i.e. the use of social benefits, not the actual amount of benefits received) by immigrant households relative to their share in the population. As can be seen from the take-up ratios, immigrant households are more likely to receive social benefits than native-born households. However, the take-up generally does not vary a lot between immigrant and native-born households.

Table 7: Take-up of social benefits by immigrant households relative to native-born households, 2007-09 average

Social assistance	Unemployment benefits	Pensions	Family allowances	Housing allowances
1.5	1.4	0.7	1.3	1.8

Source: OECD 2013, based on EU-SILC.

5.3 The costs of providing social security benefits to third-country nationals

This section provides statistics on social security expenditure in Austria collected from the Eurostat online database of the European System of Integrated Social Protection Statistics (ESSPROS) on expenditure. The latest available statistics are from 2010. Eurostat does not disaggregate these statistics by nationality, which is why it is not possible to say how much was spent to provide for social security of third-country nationals. The statistics are presented in EUR and in “Purchasing Power Standard (PPS) per inhabitant”, which is an artificial currency unit where, theoretically, one PPS can buy the same amount of goods and services in each country.

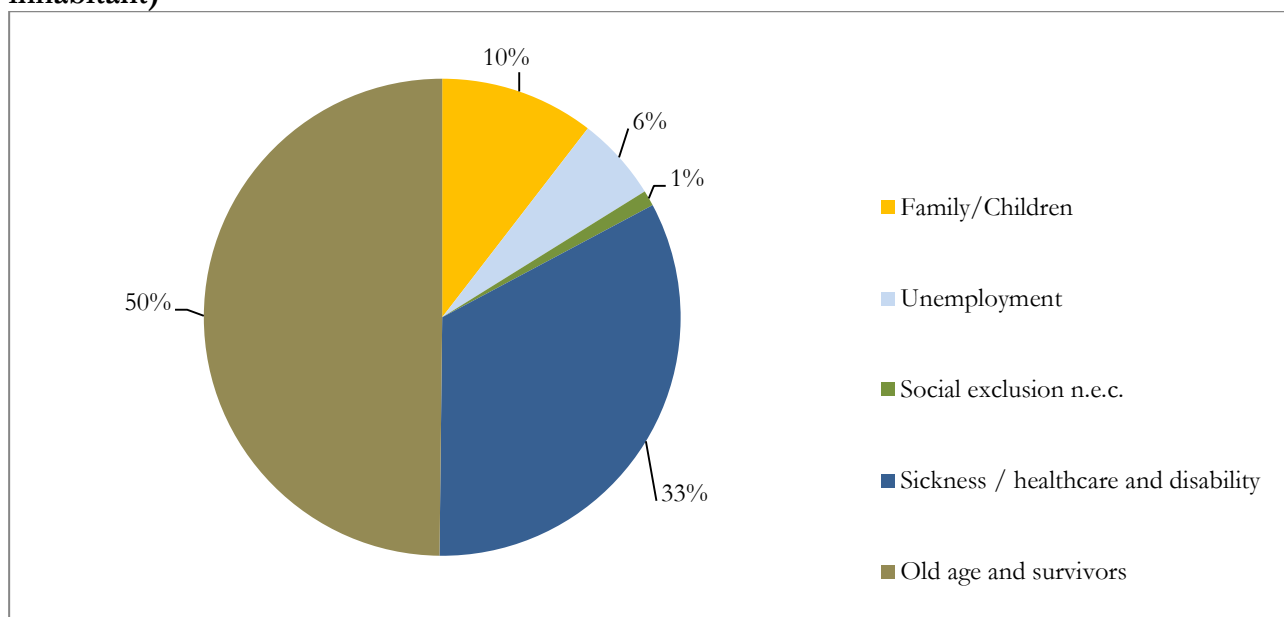
The table and chart below show that 50 per cent or 4,512 PPS were spent in 2010 on old age and survivors pension benefits. The second largest expense item was sickness/healthcare and disability amounting to 2,986 PPS or 33 per cent of all costs spent.

Table 8: Expenditure on social protection benefits by function, 2010 (in PPS per inhabitant and in Euro per inhabitant)

Social security function	Expenditure (in PPS per inhabitant)	Expenditure (in Euro per inhabitant)
Old age and survivors	4,512	4,998
Sickness / healthcare and disability	2,986	3,308
Family/children	947	1,049
Unemployment	516	572
Social exclusion not elsewhere classified	96	106
Total	9,057	10,033

Source: Eurostat, ESSPROS.

Figure 7: Share of expenditure on social protection benefits by function, 2010 (PPS per inhabitant)



Source: Eurostat, ESSPROS.

6. MAIN FINDINGS

In Austria, migration specific conditions to access social security benefits are foreseen for family benefits (family allowance and child care allowance) and needs-based guaranteed minimum resources.

Access to family allowance (*Familienbeihilfe*) and child care allowance (*Kinderbetreuungsgeld*) is provided to individuals who are permanently or habitually resident in Austria, and if the individuals concerned have the “centre of their life interests” in Austria, defined as the country with which stronger personal and economic bonds exist. Access to these benefits is only provided to third-country nationals holding a residence title listed in the Settlement and Residence Act. These conditions shall ensure a “connection to Austria” and lead to a better targeting of social benefits.

Access to needs-based guaranteed minimum resources (*Bedarfsorientierte Mindestsicherung*) is limited to third-country nationals holding a long-term residence title. This restriction is justified by the argument of “social tourism”.

The export of social security benefits to third countries is covered by bilateral agreements on social security. In these agreements, Austria and the third country set the conditions pertaining to the export of benefits. The agreements apply to nationals of the respective third country irrespective of the residence title they hold. In general, the Austrian sickness cash benefits, old-age pensions, as well as invalidity and survivor benefits can be exported. Family benefits cannot be exported to third countries.

Austria has concluded bilateral agreements with a number of third countries. These agreements apply to different social security benefits. Among other things, the agreements contain provisions on the possibility for workers from a third country to work in Austria while remaining subject to social security legislation of the sending state, and on securing equality of treatment between the nationals of both contracting countries. The more recent agreements include data protection clauses which stipulate that any data which is transferred to the contracting state receives the same protection as in Austria.

As a general rule, social insurance – the core of the social security system in Austria – is based on employment. Hence, it is interesting to take a look at employment, unemployment and inactivity statistics. Eurostat data based on the European Union Labour Force Survey (EU LFS) shows that the employment rate of 15 to 64 year old third-country nationals was relatively stable over the years 2008 to 2012, with an average employment rate of 59.78 per cent. However, a considerable gender disparity is visible, with the employment rate of women being lower than that of men. The top three third-country nationalities employed in Austria in terms of total numbers are Bosnia and Herzegovina, Turkey and Yugoslavia, according to national data (stock of registered unemployed foreigners). Former Yugoslavia (without Slovenia) and Turkey are the third-country nationalities with the highest average number of inactive persons, calculated on the basis of micro data from a national Labour Force Survey. Here, data from the EU LFS shows a significant gender disparity compared to that of Austrian and other EU nationals. While the inactivity rate of female third-country nationals is significantly higher than that of men, there is almost no gender disparity with Austrian and other EU nationals.

With regard to the take-up of social security benefits, no data only covering third-country nationals is available. However, OECD statistics based on the European Union Survey of Income and Labour Conditions (EU-SILC) show that the total migrant population in Austria is more likely to receive social benefits than the native-born population, but not by a lot (between 2007 and 2009 on average between 0.7 and 1.8 times more, depending on the kind of social benefit).

According to data from the Eurostat online database of the European System of Integrated Social Protection Statistics (ESSPROS), 50 per cent of social security expenditure in Austria was spent on old age and survivors benefits in 2010. Unfortunately, Eurostat does not disaggregate these statistics by nationality, which is why it is not possible to say how much was spent to provide specifically for the

social security of third-country nationals.

ANNEX

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