

Austria

Exchange rate: US\$1.00 = 0.77 euros (€).

Old Age, Disability, and Survivors

Regulatory Framework

First laws: 1906 (pensions), implemented in 1909; and 1938 (insurance), implemented in 1939.

Current laws: 1955 (social insurance), implemented in 1956; 1978 (self-employed), implemented in 1979; 1978 (farmers); 1978 (professional persons); and 2004 (pension harmonization), implemented in 2005.

Note: The 1955 law applies to insured persons aged 50 or older on January 1, 2005. The 2004 law applies to insured persons younger than age 50 on January 1, 2005. Under the 2004 law, all special systems now provide similar benefits.

Type of program: Social insurance system.

Coverage

Wage earners and salaried employees earning at least €376.26 a month and apprentices.

Special systems for miners; notaries; public-sector employees; and self-employed persons, including those in trade and agriculture.

Source of Funds

Insured person: 10.25% of covered earnings.

The maximum monthly earnings used to calculate contributions are €4,230.

Self-employed person: Not applicable.

Employer: 12.55% of covered payroll.

The maximum monthly earnings used to calculate contributions are €4,230.

Government: A subsidy and the cost of the care benefit and income-tested allowance.

Qualifying Conditions

Old-age pension: Age 65 (men) or age 60 (women, gradually rising to age 65 from 2024 to 2033) with at least 180 months of coverage in the last 30 years, a total of at least 300 months of coverage, or 180 months of contributions.

Early pension: Age 63.5 (men, rising gradually to age 65 by 2017) or age 58.5 (women, rising gradually to age 60 by 2017). The insured must have at least 240 months of coverage and monthly earnings of at least €376.26.

Early pension for workers in physically demanding jobs: Age 60 (men) with at least 540 months of coverage (120 of these months in the last 240 months must be in physically demanding jobs) and with monthly earnings up to €376.26. (The early pension for women in physically demanding jobs is effective in 2024. Until then, women can claim the statutory old-age pension at age 60.)

Early pension for the long-term insured: Age 60 for men born before January 1, 1954 with at least 45 years of contributions (age 62 for men born after December 31, 1953) or age 55 for women born before January 1, 1959 with at least 40 years of contributions (rising gradually to age 62 with 45 years contributions for women born after December 31, 1958).

Corridor pension: Age 62 with at least 450 months of coverage and with monthly earnings of at least €376.26. (The corridor pension for women is effective in 2028. Until then, women can claim the statutory old-age pension at age 60.)

Child's supplement: Paid for each child younger than age 18 (age 27 if a student or in training, no limit if disabled).

Income-tested allowance: Paid for low-income pensioners.

Care benefit (old age): Paid to old-age pensioners who require personal care.

Benefits are payable abroad (a reciprocal agreement may be required if the benefit is paid abroad for a period longer than two months).

Disability pension: Paid for an assessed loss of more than 50% of earning capacity. The insured must have at least 60 months of contributions (plus one month for each month from age 50) in the last 10 years (plus two months for each month from age 50), 300 months of coverage, or a total of 180 months of contributions. The qualifying conditions are reduced for persons aged 57 or older.

Reduced pension: The full pension is reduced if monthly earnings exceed €1,037.20.

Child's supplement: Paid for each child younger than age 18 (age 27 if a student or in training, no limit if disabled).

Income-tested allowance: Paid for low-income pensioners.

Care benefit (disability): Paid to disability pensioners who require personal care.

Survivor pension: The deceased met the coverage or contribution requirements for a disability pension or was a pensioner at the time of death.

Income-tested allowance: Paid for low-income survivors.

Care benefit (survivors): Paid to pensioners who require personal care.

Old-Age Benefits

Old-age pension: The pension is 1.78% of the assessment base for each year of coverage.

The assessment base is the adjusted average earnings in the best 24 years, up to €3,675.13 a year. (The assessment period is increasing gradually by 12 months a year until it reaches 40 years in 2028.)

For insured persons born after January 1, 1955, with coverage only after January 1, 2005, the pension is based on the sum of contributions for each calendar year plus the sum of the adjusted annual contributions of all years of contributions divided by 14.

For insured persons born after January 1, 1955, with periods of coverage before and after January 1, 2005, the pension is based on the insured's total coverage period before and after the 2004 law.

Early pension: The benefit is reduced by 4.2% for each year it is awarded before age 65 (men) or age 60 (women), up to 15%. Special conditions apply for the long-term insured, workers in physically demanding jobs, and those who qualify for a corridor pension.

Child's supplement: €29.07 is paid for each eligible child.

Income-tested allowance: An amount is paid to increase the pension for one person to €814.82 a month; to €1,221.68 for a married couple; plus €125.72 for each eligible child.

Schedule of payments: Fourteen payments a year.

Benefit adjustment: Benefits are adjusted annually.

Care benefit: €154.20 to €1,655.80 a month is paid, depending on the amount of care required.

Permanent Disability Benefits

Disability pension: The pension is 1.78% of the assessment base for each year of coverage.

If the insured is younger than age 60, the coverage period is projected to age 60 to calculate benefits.

The assessment base is the adjusted average earnings in the best 24 years, up to €3,675.13 a year. (The assessment period is increasing gradually by 12 months a year until it reaches 40 years in 2028.)

The maximum pension is 60% of the assessment base.

Reduced pension: The full pension is reduced up to 40% for monthly earnings above €1,077.97 and up to 50% for monthly earnings above €2,155.97.

Child's supplement: €29.07 is paid for each child younger than age 18 (age 27 if a student or in training, no limit if disabled).

Income-tested allowance: An amount is paid to increase the pension for one person to €814.82 a month; to €1,221.68 for a married couple; plus €125.72 for each child for whom a child's supplement is paid.

Schedule of payments: Fourteen payments a year.

Benefit adjustment: Benefits are adjusted annually.

Care benefit: €154.20 to €1,655.80 a month is paid, depending on the amount of care required.

Survivor Benefits

Survivor pension: A widow(er) receives up to 60% of the deceased's pension depending on the ratio of the widow(er)'s income to the deceased's income.

Income-tested allowance: An allowance is paid to increase the survivor pension to €814.82 a month.

Orphan's pension: Each orphan younger than age 18 (age 27 if a student or in training, no limit if disabled) receives 40% of the survivor pension; 60% for a full orphan.

Income-tested allowance: An allowance is paid to increase the orphan's pension to €299.70 a month (€450 for a full orphan); after age 24, the allowance increases the orphan's pension to €532.56 a month (€814.82 for a full orphan).

Schedule of payments: Fourteen payments a year.

Benefit adjustment: Benefits are adjusted annually.

Care benefit: €154.20 to €1,655.80 a month is paid, depending on the amount of care required.

Administrative Organization

Federal Ministry for Labor, Social Affairs and Consumer Protection (<http://www.bmask.gv.at>), the Federal Ministry for Health, Family, and Youth (<http://www.bmgfj.gv.at>), and the Federal Ministry of Finance (<http://www.bmf.gv.at>) provide general supervision.

Federation of Austrian Social Insurance Institutions (<http://www.sozialversicherung.at>), made up of self-governing pension institutions with elected representatives of insured persons and employers, coordinates the program.

Pension Insurance Institution (<http://www.pensionsversicherung.at>) administers 85% of all pensions.

Sickness funds collect contributions and transfer them to pension insurance institutions and maintain contribution records for individual workers.

Sickness and Maternity

Regulatory Framework

First law: 1888 (sickness insurance), implemented in 1889.

Current laws: 1955 (social insurance), implemented in 1956; 1974 (employees); 1978 (self-employed), implemented in 1979; 1978 (farmers); and 1978 (professional persons).

Type of program: Social insurance system.

Coverage

Wage earners and salaried employees earning at least €375.26 a month, apprentices, and pensioners.

Special systems for public-sector and railway employees and self-employed persons in agriculture and trade.

Source of Funds

Insured person: 3.95% of covered wages (wage earners), 3.82% of covered salary (salaried employees), or 5.10% of the pension (pensioners).

The maximum monthly earnings used to calculate contributions are €4,230.

Self-employed person: Not applicable.

Employer: 3.70% of covered payroll (wage earners) or 3.83% of covered payroll (salaried employees).

The maximum monthly earnings used to calculate contributions are €4,230.

Government: 70% of cash maternity benefits.

The maximum monthly earnings used to calculate contributions are €4,230.

Qualifying Conditions

Cash sickness and maternity benefits: The insured must be in covered employment.

Medical benefits: The insured must be in covered employment.

Sickness and Maternity Benefits

Sickness benefit: The employer pays 100% of the insured's earnings for up to 12 weeks (plus an additional four weeks at 50%), depending on the insured's length of service period.

After the right to full benefits from the employer ceases, sickness funds pay 50% (60% after six weeks) of the assessment base. The assessment base is the average amount of daily earnings (25% to those receiving 50% of earnings from the employer) plus family supplements (depending on the regulation of the sickness fund) for 26 to 52 weeks, depending on the length of the coverage period.

The maximum benefit is 75% of covered earnings, depending on the number of dependents.

Maternity benefit: 100% of the insured's average earnings is paid for eight weeks before and eight weeks (12 to 16 weeks in special cases) after the expected date of childbirth.

Workers' Medical Benefits

Benefits are ordinarily provided by doctors, hospitals, and pharmacists under contract with sickness funds; some funds operate their own clinics or hospitals. Benefits include medical, mental health, maternity, and dental care; hospitalization; medicine; appliances; home care; preventive examinations; and transportation.

Cost sharing: The insured pays €5.15 for each prescription, part of the cost of dental care, and a minimum of €28.20, up to a maximum of 20% of the cost of appliances; waived for patients with limited means.

There is no limit to duration.

Dependents' Medical Benefits

Medical benefits for dependents: Benefits are ordinarily provided by doctors, hospitals, and pharmacists under contract with sickness funds; some funds operate their own clinics or hospitals. Benefits include medical, mental health, maternity, and dental care; hospitalization; medicine; appliances; home care; preventive examinations; and transportation.

Cost sharing: The insured pays €5.15 for each prescription, part of the cost of dental care, 10% of the cost of care during the first four weeks of hospitalization, and a minimum of €28.20, up to a maximum of 20% of the cost of appliances; waived for patients with limited means. This amount will be adjusted annually.

The wife of an insured man receives the same maternity care as an insured woman.

There is no limit to duration.

Administrative Organization

Federal Ministry of Health (<http://www.bmg.gv.at>) provides general supervision.

Nine district and seven occupational sickness funds administer contributions and benefits. Sickness funds are managed by elected representatives of insured persons and employers.

Work Injury

Regulatory Framework

First law: 1887 (accident insurance), implemented in 1889.

Current laws: 1955 (social insurance), implemented in 1956; 1978 (self-employed), implemented in 1979; 1978 (farmers); and 1978 (professional persons).

Type of program: Social insurance system.

Coverage

Employed and self-employed persons, apprentices, and students.

Special system for public-sector employees.

Source of Funds

Insured person: None.

Self-employed person: 1.9% of covered income or a flat-rate contribution of €8.25 a month, according to the profession plus supplementary payments.

The maximum monthly income used to calculate contributions is €4,230. The annual maximum amount for supplementary payments is €8,460.

Employer: 1.4% of covered payroll.

The maximum monthly earnings used to calculate contributions are €4,230. The annual maximum amount for supplementary payments is €8,460.

Government: Federal government contributes to farmers' accident insurance.

Family Allowances Equalization Fund reimburses the General Accident Insurance Fund for students' accident insurance.

Qualifying Conditions

Work injury benefits: There is no minimum qualifying period.

Temporary Disability Benefits

The benefit is the same as the cash sickness benefit (see Sickness and Maternity) and is paid until the insured is assessed with a permanent disability.

Permanent Disability Benefits

Permanent disability pension: 66.6% of the assessment base is paid for a 100% reduction in earning capacity.

The assessment base is the insured's average covered earnings in the last year before the disability began.

Partial pension: A proportionately reduced pension is paid with at least a 20% loss of earning capacity.

Supplementary pension: 20% of the severe disability pension is paid for a loss of earning capacity from 50% to 70%; 50% if the loss of earning capacity is greater than 70%.

Child's supplement: If the insured has at least a 50% loss of earning capacity, 10% of the disability pension is paid for each child younger than age 18 (age 27 if a student or in training, no limit if disabled).

The combined total disability pension, supplementary pension, and supplements for children must not exceed 100% of the assessment base.

Schedule of payments: Fourteen payments a year.

Benefit adjustment: Benefits are adjusted annually according to the rules of the accident insurance institution.

Care benefit: €154.20 to €1,655.80 a month is paid, depending on the amount of care required.

Workers' Medical Benefits

Comprehensive care, including rehabilitation (the first four weeks are provided under Sickness and Maternity, above) and allowances for training and relocation.

Survivor Benefits

Survivor pension: A widow aged 60 or older or a widower aged 65 or older receives 40% of the assessment base. Other widow(er)s receive 20% of the assessment base.

The assessment base is the deceased's average earnings in the last year before death.

Orphan's pension: Each orphan younger than age 18 (age 27 if a student or in training, no limit if disabled) receives 20% of the assessment base (30% for a full orphan).

The assessment base is the deceased's average earnings in the last year before death.

Other dependent's pension: Up to 20% of the assessment base is paid for all other dependents, including parents, grandparents, and brothers and sisters younger than age 18 (age 27 if a student or in training, no limit if disabled).

The assessment base is the deceased's average earnings in the last year before death.

All survivor benefits combined must not exceed 80% of the assessment base.

Survivor allowance: A flat-rate payment of 40% of the assessment base is paid to a widow(er) who is not eligible to receive the survivor pension.

The assessment base is the deceased's average earnings in the last year before death.

Schedule of payments: Fourteen payments a year.

Benefit adjustment: Benefits are adjusted annually according to the rules of the accident insurance institution.

Funeral grant: Up to 6.7% of the assessment base is paid for the partial reimbursement of funeral and transportation costs.

The assessment base is the deceased's average earnings in the last year before death.

Administrative Organization

Federal Ministry of Health (<http://www.bmg.gv.at>) provides general supervision.

General Accident Insurance Institution (<http://www.auva.at>) administers long-term benefits.

Sickness funds collect contributions and transfer them to accident insurance institutions.

Unemployment

Regulatory Framework

First law: 1920 (unemployment insurance).

Current laws: 1977 (unemployment insurance) and 1994 (labor market).

Type of program: Social insurance system.

Coverage

Employed persons earning at least €376.27 a month and apprentices.

Exclusions: Public-sector employees.

Voluntary coverage is possible for self-employed persons.

Source of Funds

Insured person: 3% of covered earnings.

The maximum monthly earnings used to calculate contributions are €4,230.

Self-employed person: Not applicable.

Employer: 3% of covered payroll.

The maximum monthly earnings used to calculate contributions are €4,230.

Government: Any deficit.

Qualifying Conditions

Unemployment benefit: At least 28 weeks of contributions in the last 12 months; 52 weeks in the last 24 months for a first-time claim. For a first-time claim made before age 25, at least 26 weeks of contributions in the last 12 months. The insured must be registered at an employment office and be capable of and willing to work.

If unemployment is due to voluntary leaving without good reason, misconduct, work stoppage, or the refusal of a suitable job offer, a waiting period of usually four weeks is applied.

Family supplement: Paid for each child.

Supplementary benefit: Paid for an unmarried person with low income.

Emergency assistance (income-tested): The insured must be unemployed, capable of and willing to work, and assessed as requiring emergency assistance.

Unemployment Benefits

Unemployment benefit: 55% of net earnings is paid for up to 20 weeks; may be extended to 30 weeks with at least 156 weeks of coverage in the last five years; 39 weeks if aged 40 or older with at least 312 weeks of coverage in the last 10 years; or 52 weeks if aged 50 or older with at least 468 weeks of coverage in the last 15 years. The duration of payment is extended by periods of participation in training provided by the Labor Market Service. Recipients that have completed a rehabilitation program receive benefits for up to 78 weeks.

Family supplement: €0.97 a day is paid for each dependent. The total benefit including the family supplement must not be more than 80% of net earnings.

Supplementary benefit: For an unmarried person with low income, the supplementary benefit raises the unemployment

benefit to €814.82. The maximum benefit is 60% of net earnings (80% including family allowances).

Emergency assistance (income-tested): The assistance is a percentage of the unemployment benefit and varies according to the number of dependents and the income of the unemployed person, spouse or cohabiting partner. 92% to 95% of the unemployment benefit is paid to unemployed citizens with no time limit when the right to receive social insurance unemployment benefits ceases; 95% of the unemployment benefit is paid if the unemployment benefit is less than €814.82; 92% to 95% if the unemployment benefit is greater than €814.82.

Family supplements are also paid for each dependent.

Administrative Organization

Federal Ministry of Labor, Social Affairs and Consumer Protection (<http://www.bmask.gv.at>) provides general supervision.

Regional offices of the Labor Market Service (<http://www.ams.at>) administer benefits and offer job seeking services.

Sickness funds collect contributions from employers.

Family Allowances

Regulatory Framework

First law: 1948.

Current law: 1967.

Type of program: Universal system.

Coverage

Persons residing permanently in Austria with one or more children and noncitizens with a residence permit.

Source of Funds

Insured person: None.

Employer: 4.5% of payroll.

Government: Contributes a certain percentage from tax revenues.

Qualifying Conditions

Family allowances: The child must be younger than age 18 (age 24 if a student, in training, or severely disabled).

Severely disabled child supplement: Paid for a child with a severe disability.

Family Allowance Benefits

Family allowances: €105.40 a month is paid for a child younger than age 3; €112.70 for a child aged 3 to 9; €130.90 for a child aged 10 to 18; and €152.70 for a child from age 19.

The total benefit for the child allowance is increased by €12.80 a month for the second child, by €47.80 a month for the third child, by €97.80 for the fourth child and €50 for each subsequent child.

Severely disabled child supplement: A supplement of €138.30 a month is paid.

Child care allowance: €14.53 a day is paid for a child up to age 30 months; up to age 36 months in certain cases.

Supplement (income-tested): The daily amount is increased by €6.06 for single parents with annual earnings up to €5,200; for a parent whose spouse or partner has income up to €7,200.

Large family supplement: €20 a month is paid for the third and each subsequent child up to a certain limit.

Administrative Organization

Family Allowances Equalization Fund of the Federal Ministry of Economics, Family and Youth (<http://www.bmwfj.gv.at>) administers the program and the family benefits fund.