Austria

Exchange rate: US$1.00 equals 0.70 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 act 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 €366.33 or more 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 €4,110.

Self-employed person: Contributions vary between 16.25% and 20% of covered earnings, according to profession; farmers contribute 15% of earnings.

The maximum monthly earnings used to calculate contributions are €4,795.

Employer: 12.55% of covered payroll.

The maximum monthly earnings used to calculate contributions are €4,110.

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) 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 62 (men) or age 57.5 (women). (The early pensionable age is gradually increasing by 1 month per quarter to reach age 65 (men) or age 60 (women) by 2017.) The insured must have from 420 to 450 months of coverage and monthly earnings of up to €366,33.

Early pension for workers in physically demanding jobs: Age 60 with at least 540 months of coverage, of which 120 months are based on employment in physically demanding jobs in the last 240 months and with monthly earnings no greater than €366.33. (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 (men born before December 31, 1950) with at least 45 years of contributions or age 55 (women born before December 31, 1955) with at least 40 years of contributions. Age limits increase for men and women born after these dates.

Corridor pension: Age 62 (men and women) with at least 450 months of coverage and with monthly earnings up to €366.33. (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 2 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 1 month for each month from age 50) in the last 10 years (plus 2 months for each month from age 50), 300 months of coverage, or a total of 180 months of contributions. The qualifying conditions are less strict 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 calculated as 1.78% of the assessment base for each year of coverage.

The assessment base is the adjusted average earnings in the best 22 years, up to €3,533.09 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 calculated as 1.78% of 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 received 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 €783.99 a month; to €1,175.45 for a married couple; plus €82.16 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 is paid, depending on the amount of care required. The benefit is paid 12 times a year.

Permanent Disability Benefits

Disability pension: The pension is calculated as 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 22 years, up to €3,533.09 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 may be reduced up to 50% for monthly earnings above €1,037.20.

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 €783.99 a month; to €1,175.45 for a married couple; plus €82.16 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 is paid, depending on the amount of care required. The benefit is paid 12 times a year.

Survivor Benefits

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

Income-tested allowance: An allowance is paid to increase the survivor pension to €783.99 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 €288.36 a month (€432.97 for a full orphan); after age 24, the allowance increases the orphan's pension to €512.41 a month (€783.99 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 is paid, depending on the amount of care required. The benefit is paid 12 times a year.

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.

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

Pension Insurance Institution (http://www.pensionsversicherung.at) administers 85% of all pensions. Separate institutions operate for railroad employees, mining employees, and self-employed persons.

Sickness funds collect contributions and transfer them to pension insurance institutions and maintain contribution records for individual workers. The pension insurance institutions of self-employed persons collect contributions directly from insured self-employed persons.

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

Employed persons earning €366.33 or more 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 €4,110.

Self-employed person: 7.65% of covered earnings.

The maximum monthly earnings used to calculate contributions are €4,795.

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 €4,110.

Government: 70% of cash maternity benefits.

The maximum monthly earnings used to calculate contributions are €4.110.

Qualifying Conditions

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

Medical benefits: The insured must be currently 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 4 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 6 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: The benefit is 100% of the insured's average earnings and is paid for 8 weeks before and 8 weeks (12 to 16 weeks in special cases) after the expected date of childbirth.

Average earnings are based on the insured's earnings in the last 13 weeks or 3 months of employment.

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 (including psychotherapy), maternity, and dental care; hospitalization; medicine; appliances; home care; preventive examinations; and transportation.

Cost sharing: Patients pay €5 per prescription, part of the cost for dental care, and up to 20% of the cost of appliances. The insured pays at least €27.40 toward the cost of appliances; waived for patients with limited means.

There is no limit to duration.

Dependents' 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 (including psychotherapy), maternity, and dental care; hospitalization; medicine; appliances; home care; preventive examinations; and transportation.

Cost sharing: Patients pay €5 per prescription, part of the cost for dental care, up to 20% of the cost of appliances, and 10% of the cost during the first 4 weeks of hospitalization. The insured pays at least €27.40 toward the cost of appliances; waived for patients with limited means.

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.

Separate institutions operate for railroad, mining, and public-sector employees and self-employed persons.

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 €8.03 a month, according to the profession, plus supplementary payments.

The maximum monthly income used to calculate contributions is €4,110; an annual maximum amount also exists for supplementary payments.

Employer: 1.4% of covered payroll.

The maximum monthly earnings used to calculate contributions are €4,110; an annual maximum amount also exists for supplementary payments.

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.

The employer pays the amounts due based on the relevant regulations for the specific professional category (for example, 100% of the insured's earnings for up to 10 weeks for the category of workers).

After the right to full benefits from the employer ceases, sickness funds pay 50% (60% after 6 weeks) of covered 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 the insured's covered earnings, depending on the number of dependents.

Permanent Disability Benefits

Permanent disability pension: The full pension of 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% reduction in earning capacity; at least a 50% reduction in earning capacity for a severe disability pension.

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

Child's supplement: If the insured has at least a 50% reduction in 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 maximum supplement is €76.31 for each child.

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: Pensioners who need personal care may be entitled to a monthly benefit varying of €154.20 to €1,655.80, depending on the amount of care required. The benefit is paid 12 times a year.

Workers' Medical Benefits

Comprehensive care, including rehabilitation (the first 4 weeks are provided under Sickness and Maternity) 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. (A separate institution operates for railway employees, public-sector employees, and the agricultural self-employed.)

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 €349.01 or more a month and apprentices.

Exclusions: Public-sector employees and self-employed persons.

Source of Funds

Insured person: 3% of covered earnings.

The maximum monthly earnings used to calculate contributions are €3,930.

Self-employed person: Not applicable.

Employer: 3% of covered payroll.

The maximum monthly earnings used to calculate contributions are €3,930.

Government: Any deficit.

Qualifying Conditions

Unemployment benefit: The insured must have 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, the insured must have 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.

Unemployment must not be due to voluntary leaving without good reason, misconduct, work stoppage, or the refusal of a suitable job offer, in which case disqualification usually lasts 4 weeks.

Family supplement: Paid for each dependent.

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: The benefit is 55% of net earnings and is paid for up to 20 weeks; may be extended to 30 weeks with at least 156 weeks of coverage in the last 5 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.

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 unemployment benefit is raised to €747 but must not be more than 60% of net earnings.

Emergency assistance (income-tested): The assistance varies according to the number of dependents and the income of the unemployed person and his or her spouse or cohabiting partner. Assistance of between 92% and 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 €747; between 92% and 95% if the unemployment benefit is greater than €747.

In addition, family supplements are paid for each dependent.

Administrative Organization

Federal Ministry of Economy, Family and Youth (http://www.en.bmwfj.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. Noncitizens are eligible if employed for more than 3 months or residing permanently in Austria for at least 5 consecutive years.

Source of Funds

Insured person: None.

Self-employed person: None. (A portion of the land tax is allocated to finance family allowances for agricultural self-employed persons.)

Employer: 4.5% of payroll.

Government: States contribute €1.74 a year for each inhabitant. A portion of federal tax receipts is transferred to the Family Allowances Equalization Fund.

Federal government, states, and municipalities with more than 2,000 inhabitants pay family allowances out of their own budget but do not pay employer contributions.

Child care allowances are financed entirely from the funds of the Family Allowances Equalization Fund.

Qualifying Conditions

Family allowances: The child must be younger than age 18 (age 26 if a student, in training or vocational training, or severely disabled).

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

Child care allowance: Paid to parents with annual earnings below €14,600 and with children born after January 1, 2002, who are eligible for family allowances.

Supplement (income-tested): Paid for low-income families.

Large family supplement: Paid to families with at least 3 children if eligible for family allowances and if the taxable family income does not exceed a defined income limit.

Multiple birth supplement: Paid for multiple births.

Family Allowance Benefits

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

The benefit for the first child is increased by €12.80 a month for the second child and by €25.50 a month 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 mother or father whose spouse or partner has income up to €7,200. If the income of the spouse or partner exceeds €7,200, the difference is deducted from the supplement.

Large family supplement: €36.40 a month is paid for the third and each subsequent child.

Multiple birth supplement: €7.07 a day is paid for the second and each subsequent newborn child in the event of multiple births.

Administrative Organization

Family Allowances Equalization Fund of the Federal Ministry of Labor, Social Affairs and Consumer Protection (http://www.bmask.gv.at) administers the program.

Tax administration pays allowances directly to recipients.

Federal government, states, and municipalities with more than 2,000 inhabitants pay family allowances out of their own budget.

Separate organization for public-sector employees.