



EUROPEAN SOCIAL POLICY NETWORK (ESPN)

# Access to social protection for young people

## Austria

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Social Europe

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**ESPN Thematic Report:  
Access to social protection for  
young people**

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## SUMMARY

This report deals with access to social protection by young people (aged 15-29) across five policy areas: unemployment benefits; sickness and healthcare benefits; maternity, paternity and parental cash benefits; guaranteed minimum income; and housing benefits.

In the area of unemployment benefits, mandatory insurance does not apply to “marginal part-time employment” or to self-employed people. Since 2009 most self-employed people have theoretically been able to opt in to voluntary unemployment insurance, but only around 0.25% of those who have this option have actually decided to make use of it. Regarding young people, it is evident that actual access to benefits often appears to be difficult, in the first instance due to an insufficient contributory history.

Most types of employment are covered by sickness benefit from health insurance. However, in order to be covered by health insurance, people in marginal part-time employment and the “new self-employed” (*Neue Selbständige*) with low income have to opt in. Furthermore, certain types of self-employed people may only get sickness benefit starting from the 43<sup>rd</sup> day of work incapacity due to sickness. In order to be also covered for short-term sickness, they can opt in to voluntary supplementary insurance: however, this option is only used by around 8% of those entitled to do so.

Access to benefits and services from health insurance is possible via a multitude of different options. As a result, more than 99% of the population are covered by public health insurance. Remaining gaps may especially result from knowledge deficits about opting in to insurance (for people in marginal part-time employment and the new self-employed with low income), and about voluntary self-insurance. Regarding young people, such gaps may especially occur after reaching age limits for co-insurance of family members or after completing school or tertiary education, with the result that the option for voluntary self-insurance does not get used.

Maternity, paternity and parental cash benefits are highly accessible. This is – inter alia – caused by the fact that the flat-rate childcare allowance is a universal benefit not subject to means-testing or preceding contributory history.

Concerning minimum-income schemes, substantial variations exist between the nine federal provinces (*Bundesländer*). Gaps are caused by the fact that under-age young people (i.e. under 18) in most provinces cannot apply for minimum income or social assistance (SA) individually, even in cases where they do not live in a common household with close relatives such as parents or grandparents. On the other hand, in many federal provinces adult young people living in households with family members are not treated as independent individuals. This often results in exclusion from benefits, even in cases of low individual income and an absence of assets (because the income and/or assets of the total household do not meet the eligibility conditions under means-testing). Furthermore, non-take-up of minimum-income benefits generally appears to be substantial, according to estimates amounting to around 30%. This is caused by: information gaps; complicated application procedures; the large number of documents and information to be provided; and social stigmatisation.

Regulations on housing benefits vary to a substantial degree between federal provinces. For young people it appears to be especially problematic that the benefits are only available after a dwelling has been rented. However, many landlords ask prospective tenants for proof of income or for costs to be underwritten by relatives (with related proof of their income).

Overall, one especially problematic issue appears to be access to social monetary transfers for the time between completing school or university education and finding a job with sufficient income. This period does not tend to be well covered – either by unemployment insurance or by minimum income.

# 1 KEY FIGURES ON THE SOCIO-ECONOMIC SITUATION OF YOUNG PEOPLE<sup>1</sup>

## 1.1 Distribution of young people (aged 15–29) by main activity status

**Table 1a: Main activity status of people aged 15-29 and 30-64 (2015-2020, EU-27 and Austria, % 15-29 and 30-64)**

	AUSTRIA											
	15-29						30-64					
	2015	2016	2017	2018	2019	2020	2015	2016	2017	2018	2019	2020
EMPLOYMENT RATE*	62.0	62.2	61.9	62.7	63.4	61.7	74.5	75.0	75.9	76.7	77.1	76.1
<i>Paid employment**</i>	95.9	95.9	96.3	96.4	96.3	96.2	85.7	85.9	86.3	86.7	86.5	86.6
<i>Self-employment**</i>	2.8	2.9	2.6	2.8	2.8	2.7	12.7	12.5	12.2	12.0	12.3	12.0
<i>Contributing family work**</i>	1.3	1.1	1.1	0.8	0.9	1.1	1.6	1.6	1.5	1.3	1.1	1.4
UNEMPLOYMENT***	8.6	9.2	8.2	7.5	6.8	8.5	4.9	5.1	4.8	4.2	3.9	4.6
INACTIVITY****	32.2	31.5	32.5	32.2	31.9	32.5	21.7	20.9	20.3	20.0	19.8	20.3
	EU-27											
	15-29						30-64					
	2015	2016	2017	2018	2019	2020	2015	2016	2017	2018	2019	2020
EMPLOYMENT RATE*	45.0	45.9	46.9	47.7	48.2	46.1	71.4	72.4	73.5	74.5	75.3	74.9
<i>Paid employment**</i>	91.8	92.2	92.4	92.6	92.8	92.5	83.0	83.3	83.7	84.0	84.1	84.2
<i>Self-employment**</i>	5.3	5.2	5.2	5.2	5.1	5.4	14.6	14.5	14.3	14.2	14.2	14.1
<i>Contributing family work**</i>	2.9	2.6	2.4	2.2	2.1	2.1	2.4	2.2	2.0	1.8	1.7	1.7
UNEMPLOYMENT***	17.3	15.8	14.2	12.8	11.9	13.3	8.5	7.7	6.9	6.1	5.6	5.8
INACTIVITY****	45.6	45.4	45.3	45.3	45.3	46.8	22.0	21.6	21.0	20.6	20.2	20.5

Notes: (\*) The employment rate is expressed as a share (%) of the total population in the age group. The 3 categories of employment (paid employment [i.e. employees], self-employment and contributing family work) are expressed as a share (%) of the population in employment in the age group. Contributing family work is a form of labour (generally unpaid, although compensation may come indirectly in the form of family income) that supports another member of the family to run an agricultural holding or another business. (\*\*) The unemployment rate is expressed as a share (%) of the active population, i.e. the population that is either in employment or unemployed (not the total population), in the age group. (\*\*\*) The inactivity rate is expressed as a share (%) of the total population in the age group.

Reading note: In 2020, in Austria, 61.7% of people aged between 15 and 29 were in employment, compared to 76.1% of those aged 30-64. In the EU-27 as a whole, these figures were 46.1% and 74.9%, respectively. The share of people unemployed in the active population in Austria was 8.5% of the 15-29 age group and 4.6% of the 30-64 age group (EU-27 average: 13.3% and 5.8%). The shares of people economically inactive in Austria in the 15-29 and 30-64 age groups were 32.5% and 20.3%, respectively (EU-27 average: 46.8% and 20.5%).

Source: Eurostat, ESPN Network Core Team calculations based on LFS indicators [lfsa\_eegais], [lfsa\_egaps], [lfsa\_pganws] and [lfsa\_igan]. Data downloaded on 24 May 2021.

<sup>1</sup> Except where otherwise specified, the indicators presented in Section 1 of this report were computed by the ESPN Network Core Team on the basis of data coming from two data sources coordinated at the European level by the statistical office of the European Union (Eurostat: <https://ec.europa.eu/eurostat>): European Union Labour Force Survey (EU-LFS) and European Union Statistics on Income and Living Conditions (EU-SILC). These indicators were computed for all the 35 ESPN countries for which the data needed were available. All these ESPN countries' estimates are presented in Annex B of the following Synthesis Report: Dalila Ghailani, Stéphanie Coster, Ramón Peña-Casas and Pietro Regazzoni (2021), "Access to social protection for young people. An analysis of policies in 35 countries", European Social Policy Network (ESPN), Luxembourg: Publications Office of the European Union. This Synthesis Report can be downloaded [here](#).

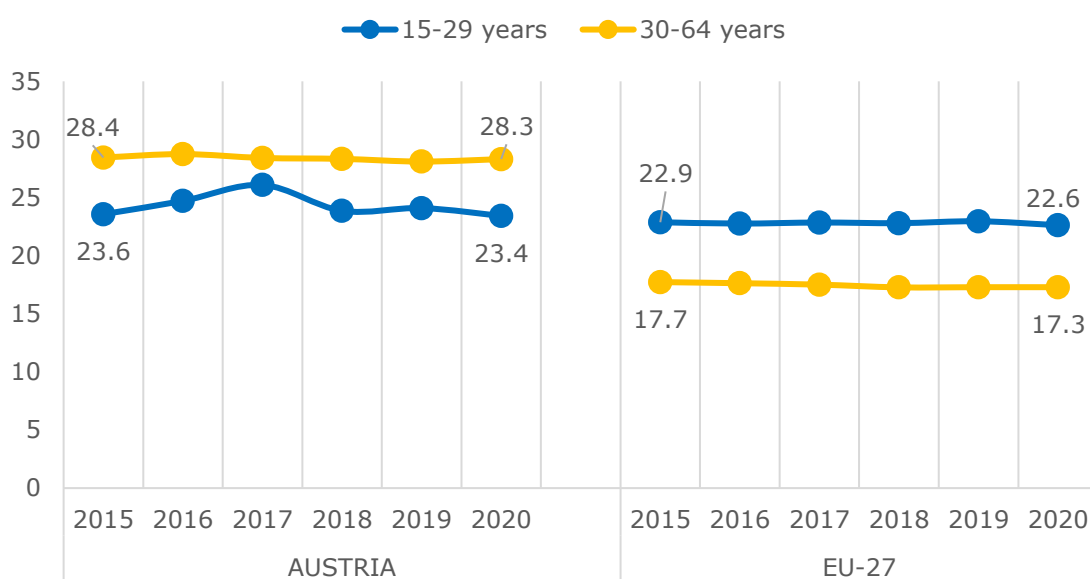
**Table 1b: Main activity status of people aged 15-29 and 30-64 (2015-2020, EU-27 and Austria, ratios 15-29/30-64)**

	AUSTRIA						EU-27					
	2015	2016	2017	2018	2019	2020	2015	2016	2017	2018	2019	2020
EMPLOYMENT RATE*	0.83	0.83	0.82	0.82	0.82	0.81	0.63	0.63	0.64	0.64	0.64	0.62
Paid employment**	1.12	1.12	1.12	1.11	1.11	1.11	1.11	1.11	1.10	1.10	1.10	1.10
Self-employment**	0.22	0.24	0.21	0.23	0.23	0.22	0.36	0.36	0.36	0.36	0.36	0.38
Contributing family work**	0.82	0.69	0.72	0.63	0.79	0.78	1.21	1.20	1.21	1.24	1.24	1.20
UNEMPLOYMENT***	1.75	1.80	1.71	1.80	1.74	1.87	2.04	2.06	2.06	2.09	2.10	2.29
INACTIVITY****	1.49	1.51	1.60	1.61	1.61	1.60	2.07	2.11	2.16	2.20	2.24	2.29

Notes: To obtain the ratio of 15-29 to 30-64, the 15-29 percentage is divided by the 30-64 percentage: a value below (above) 1 in a given activity status therefore means that 15-29-year-olds are proportionally less (more) numerous in that activity status than 30-64-year-olds. See also Notes to Table 1a above.

Reading note: In 2020, in Austria, 61.7% of people aged between 15 and 29 were in employment compared to 76.1% of those aged 30-64 (see Table 1a) – i.e. a 15-29:30-64 ratio of 0.81. In the EU-27 as a whole (see table 1a), these figures were 46.1 and 74.9% respectively (ratio 0.62).

Source: See Table 1a.

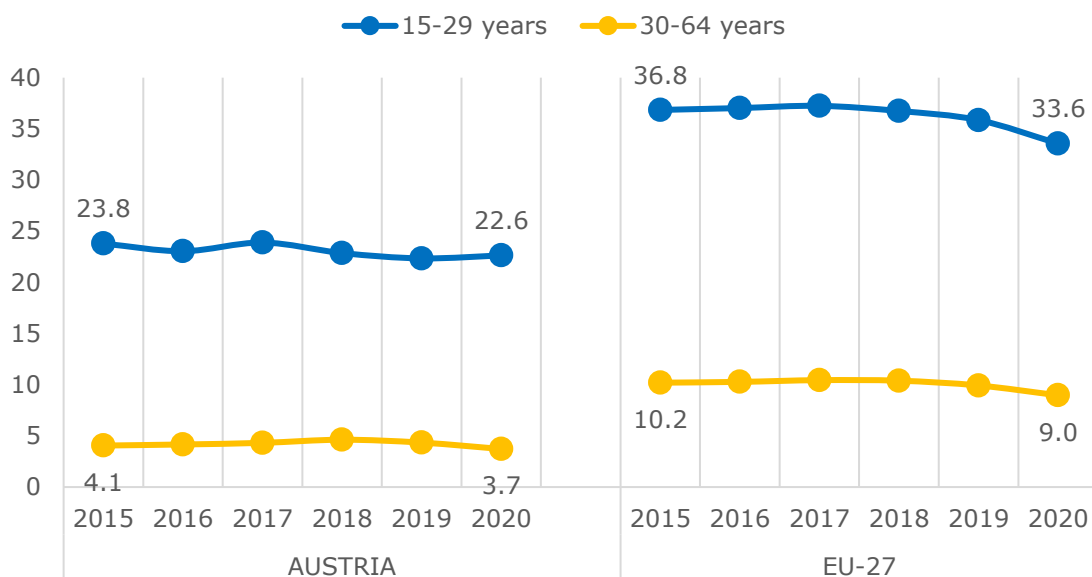
**Figure 1: Part-time employment as a share of the population in employment - comparison of the 15-29 and 30-64 age groups (2015-2020, EU-27 and Austria, %)**

Reading note: In 2020, in Austria, the share of part-time employment in total employment was 23.4% for the 15-29 age group and 28.3% for the 30-64 age group. For the EU-27 as a whole, these shares were 22.6% and 17.3%, respectively.

Source: Eurostat, ESPN Network Core Team calculations based on Eurostat LFS indicator [lfsa\_epgn62]. Data downloaded on 24 May 2021.



**Figure 2: Temporary employment as a share of population in paid employment - comparison of the 15-29 and 30-64 age groups (2015-2020, EU-27 and Austria, %)**

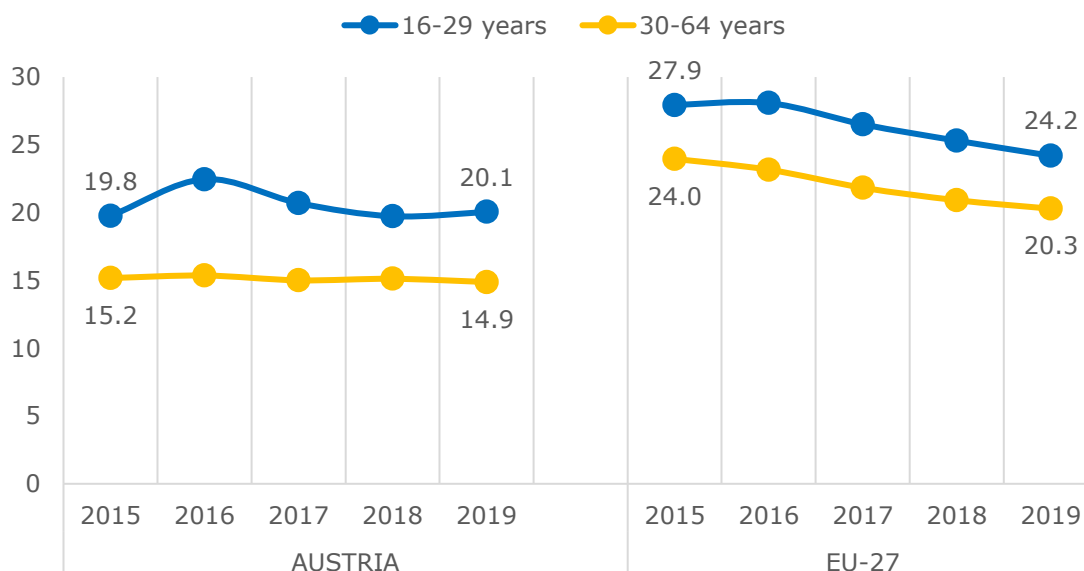


Reading note: In 2020, in Austria, the share of temporary workers among employees was 22.6% for the 15-29 age group and 3.7% for the 30-64 age group. For the EU-27 as a whole, these shares were 33.6% and 9.0%, respectively.

Source: Eurostat, ESPN Network Core Team calculations based on Eurostat LFS indicators [lfsa\_epgn62] and [lfsa\_egaps]. Data downloaded on 24 May 2021.

## 1.2 Young people (aged 15–29) at risk of poverty or social exclusion

**Figure 3: People at risk of poverty or social exclusion - comparison of the 16-29 and 30-64 age groups (2015-2020, EU-27 and Austria, %)**

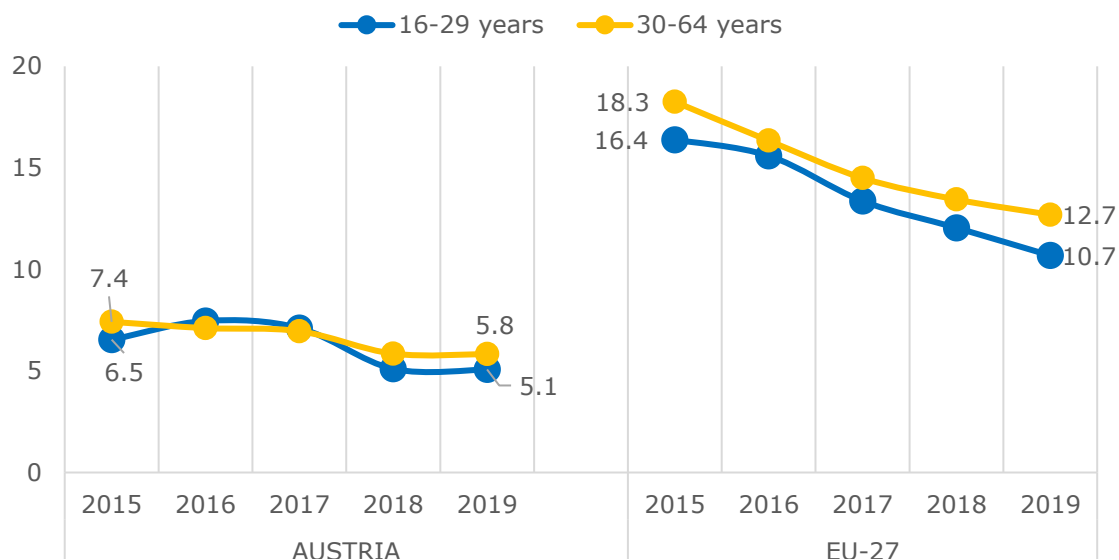


Reading note: In 2019, in Austria, 20.1% of the 16-29 age group were at risk of poverty or social exclusion (i.e. they were living in a household that was at risk of poverty and/or severely materially and socially deprived and/or (quasi-)jobless according to the EU definition of these indicators) compared to 14.9% of the 30-64 age group. For the EU-27 as a whole, these figures were 24.2% and 20.3%, respectively.

Source: Eurostat, EU-SILC ad hoc extraction - indicator [ilc\_peps02]. Data downloaded on 24 May 2021.

### 1.3 Young people (aged 15–29) materially and socially deprived

**Figure 4: People materially and socially deprived - comparison of the 16-29 and 30-64 age groups (2015-2020, EU-27 and Austria, %)**

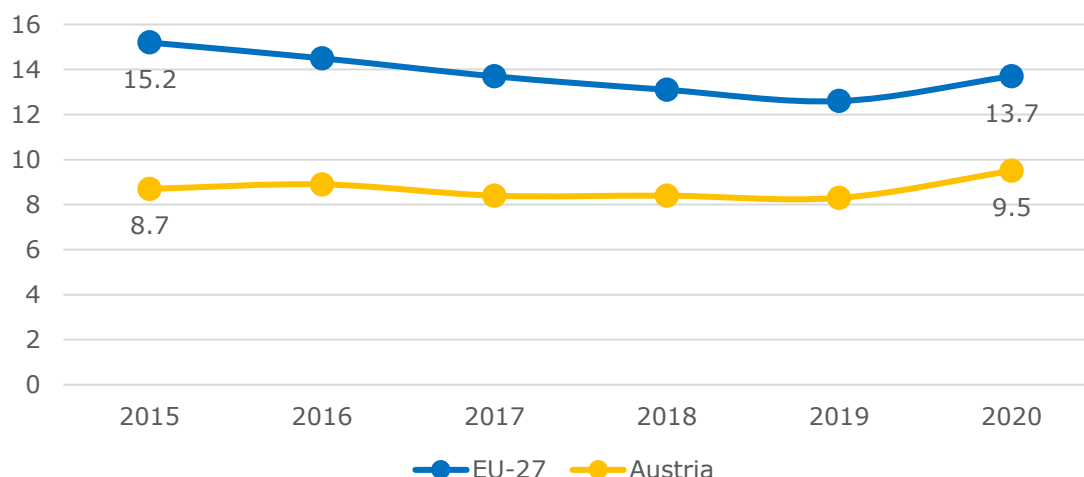


Reading note: In 2019, in Austria, 5.1% of the 16-29 age group were materially and socially deprived (according to the EU definition of this indicator) compared to 5.8% of the 30-64 age group. For the EU-27 as a whole, these figures were 10.7% and 12.7%, respectively.

Source: Eurostat, EU-SILC ad hoc extraction - indicator [ilc\_mdsd]. Data downloaded on 24 May 2021.

### 1.4 Young people (aged 15–29) not in employment, education or training (NEETs)

**Figure 5: People aged 15-29 not in employment, education or training (NEETs) (2015-2020, EU-27 and Austria, %)**

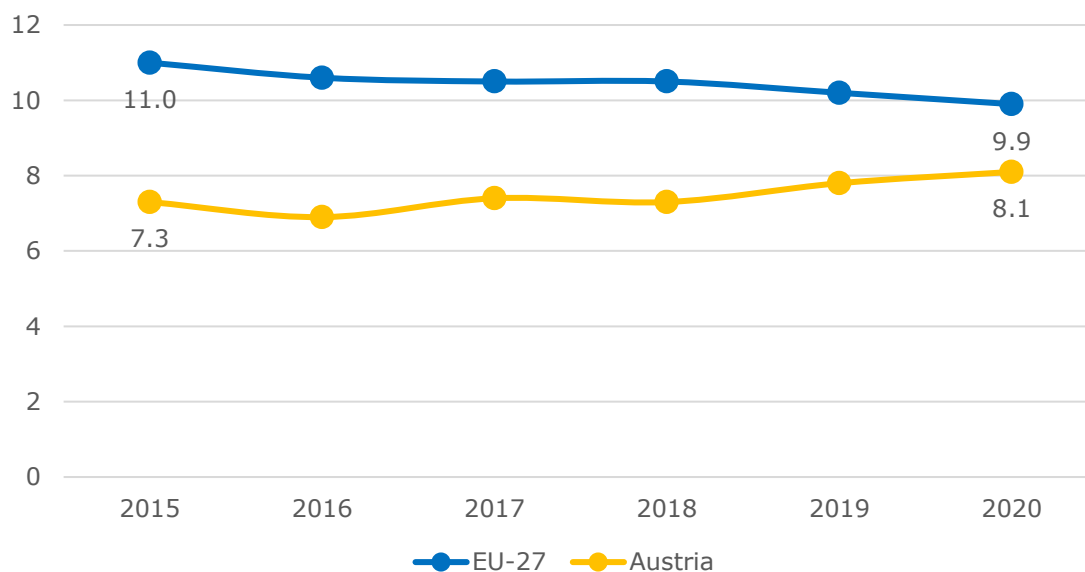


Reading note: In 2020, in Austria, 9.5% of the 15-29 age group were neither in employment nor in education or training (NEET) compared to 13.7 for the EU-27 as a whole.

Source: Eurostat, LFS - indicator [lfse\_20]. Data downloaded on 24 May 2021.

## 1.5 Early leavers (aged 18–24) from education and training

**Figure 6: Early leavers from education and training for the 18-24 age group (2015-2020, EU-27 and Austria, %)**

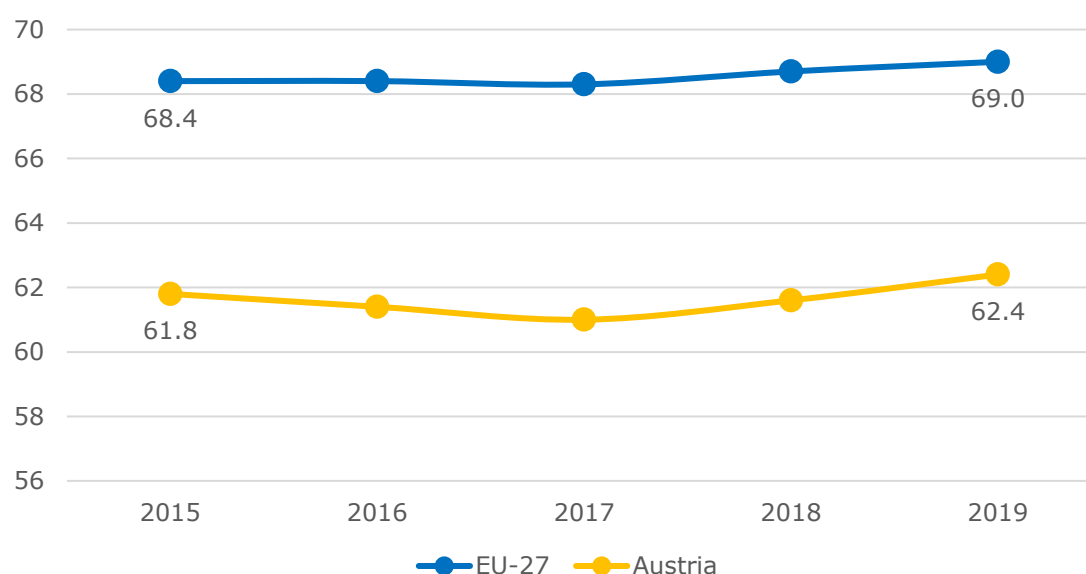


*Reading note: In 2020, in Austria, 8.1% of the 18-24 age group were early leavers from education and training – i.e. they had completed, at most, lower secondary education and were not in further education or training. For the EU-27 as a whole, this figure was 9.9%.*

*Source: Eurostat, LFS - indicator [edat\_ifse\_14]. Data downloaded on 24 May 2021.*

## 1.6 Young people (aged 16–29) living with their parents

**Figure 7: Young people aged 16-29 living with their parents (2015-2019, EU-27 and Austria, %)**



*Reading note: In 2019, in Austria, 62.4% of the 16-29 age group were living with their parents, compared to 69.0% for the EU-27 as a whole.*

*Source: EU-SILC - indicator [ilc\_lvps08]. Data downloaded on 24 May 2021.*

## 2 ACCESS TO UNEMPLOYMENT BENEFITS

In Austria, two major benefits exist within unemployment insurance: unemployment benefit (UB) and unemployment assistance (UA); the latter may be granted after the maximum period for UB has been reached. Both types of benefits are contributory. To receive UB (and subsequently UA), unemployed people have to meet eligibility conditions,<sup>2</sup> such as a minimum preceding employment and insurance record. The level of UA is usually somewhat lower than that of UB, depending on the preceding benefit duration of UB, which is again subject to the preceding employment/insurance record and age of the benefit recipient.

### 2.1 Eligibility conditions and benefit entitlements

The main eligibility conditions and benefit entitlements that apply to the scheme in Austria as far as young people are concerned are the following.

#### a) Age

Coverage by unemployment insurance is not subject to age limits. However, regulations related to age exist regarding: the contributory history required to access the scheme – point c) below; the maximum duration of UB – point f) below; and the maximum benefit level of UA – point e) below.

#### b) Activity status requirement

Activity status requirements do not differ according to age.

Unemployment insurance is generally compulsory for all people in paid employment. This includes trainees and apprentices, and all kinds of non-standard workers, such as those on fixed-term contracts, freelance contractors (*Freie Dienstnehmer*), or temporary agency workers (*Arbeitskräfteüberlassung*). However, no compulsory insurance exists in the case of “marginal part-time employment” (*geringfügige Beschäftigung*) – that is, when income from an employment relationship is below the marginal earnings threshold (*Geringfügigkeitsgrenze*), currently €475.86 per month. Similarly, employees are not covered even if their total income from several marginal part-time jobs is higher than the marginal earnings threshold.

Trainees/apprentices are considered to be in employment and are covered by unemployment insurance.

Voluntary insurance is not possible for “economically inactive” people (for example those in education) and for those in marginal part-time employment.

The self-employed are not covered by compulsory unemployment insurance. However, since 1 January 2009 they have been able to opt in to unemployment insurance on a voluntary basis.

In order to get access to benefits, potential recipients have to be unemployed, capable of work and willing to work, register at the labour market service in time and be at the disposal of the job office. Normally, benefit recipients have to be willing to accept a job with a minimum of 20 weekly hours. In cases where people have one or more children under 10 and lack childcare facilities, a willingness to work for a minimum of 16 weekly hours is sufficient.

While receiving benefits from unemployment insurance, job-seekers may earn income from marginal part-time employment up to the marginal earnings threshold. This does not cause a reduction in unemployment insurance benefits.

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<sup>2</sup> For more details see: <https://www.ams.at/arbeitsuchende/arbeitslos-was-tun/geld-vom-ams/arbeitslosengeld#welchebedingungenmssensieerfillen>.

### c) Contributory history required to access the scheme

To be eligible for unemployment insurance benefits, potential recipients must have completed a minimum period of insurance. Generally, at least 52 weeks of work subject to compulsory unemployment insurance within the preceding 24 months is required.

However, in cases where unemployment insurance has been granted previously, for subsequent applications an insurance record of 28 weeks within the previous 12 months is sufficient.

Furthermore, less demanding requirements apply for young people under 25. For them – as an additional option – 26 weeks of insured employment within the previous 12 months is sufficient, including for first-time applications.

### d) Waiting period

A waiting period for UB applies to specific types of termination of preceding employment. The waiting period amounts to four weeks (28 days), and the related regulations do not differentiate according to age.

No waiting period applies when an employee and an employer end an employment relationship by mutual consent (*einvernehmliche Auflösung*). The same holds in case of unilateral redundancy by the employer (e.g. due to economic or organisational reasons – *arbeitgeberseitige Kündigung*).

The waiting period applies in cases of dismissal by employers (*Entlassung*) for persistent neglect of duties or related reasons by the employee. The waiting period also applies if the employee terminates the employment contract without good reason. A good reason would include, in particular, gross neglect of duty by an employer.

Regarding the waiting period, some discretion can be applied by the Public Employment Service (PES).

### e) Replacement rate/benefit level

The Austrian unemployment insurance system (*Arbeitslosenversicherung*) basically provides two different types of transfers, namely UB (*Arbeitslosengeld*) and UA (*Notstandshilfe*). UA may be granted once the maximum period for UB has been reached – see point f) below; but the benefit received is somewhat lower<sup>3</sup> (amounting to 92% and 95% of the basic amount and the supplement of UB, plus normal family supplements).<sup>4</sup> At the same time, UA is subject to different additional caps, defining daily maximum benefits.

Regarding UB, the replacement rate/benefit level does not vary according to age. However, different additional caps usually apply regarding UA,<sup>5</sup> defining maximum daily benefit levels. The latter vary according to the duration of the earlier period of drawing UB, which is defined by two parameters, namely the earlier insurance record and the age of the beneficiary – see point f) below on duration. For benefit recipients under 40, a benefit cap of €33.35 per day usually applies (figure for 2021) (duration of UB: 20 weeks). Where the preceding insurance record is at least 156 weeks (three years), the cap is increased to €38.90 per day (duration of UB: 30 weeks). For unemployed people aged 40 or over with a minimum insurance record of 312 weeks (six years), no cap applies (benefit duration of UB: 39 of 52 weeks) – see point f) below.

This means that the rules are more favourable for people aged 40+, if they meet the related regulations on preceding insurance record.

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<sup>3</sup> This rule has been temporarily suspended during the Covid-19 crisis (see Fink 2021 for details).

<sup>4</sup> For details see: <https://www.ams.at/arbeitsuchende/arbeitslos-was-tun/geld-vom-ams/arbeitslosengeld> and <https://www.ams.at/arbeitsuchende/arbeitslos-was-tun/geld-vom-ams/notstandshilfe>.

<sup>5</sup> This rule has been temporarily suspended during the Covid-19 crisis (see Fink 2021 for details).

## f) Duration

UB is usually granted for a maximum of 20 weeks. However, the maximum duration may be expanded according to following rules:

- to 30 weeks in cases of 156 weeks (three years) of employment subject to unemployment insurance;
- to 39 weeks if the beneficiary is at least 40 and has had 312 weeks (six years) of employment subject to unemployment insurance within the previous 10 years; and
- to 52 weeks if the beneficiary is at least 50 and has had 468 weeks (nine years) of employment subject to unemployment insurance within the previous 15 years.

This means that the related regulations are – compared with people aged up to 30 – more favourable for people aged 40+ and 50+, if they meet the conditions mentioned concerning the insurance record.

## 2.2 Gaps/obstacles in access for young people

The main gaps and obstacles in access for young people identified for this scheme in Austria are the following.

### a) Main gaps in access for young people

As described above, specific types of employment are not covered by unemployment insurance on a mandatory basis – in particular, marginal part-time employment and self-employment. Although self-employed people may opt in to unemployment insurance, they very rarely do so. For example, in 2015 only 867 self-employed people were covered by voluntary unemployment insurance (yearly average), which equalled 0.22% of the total number of active self-employed people covered by health and pension insurance, according to the GSVG (*Gewerbliches Sozialversicherungsgesetz*) (Fink/Nagl 2018).<sup>6</sup> These gaps are of a general nature but also affect young people. However, in the 15-24 age group the self-employment rate only amounts to 1.6%, and for the 25-29 age group to 3.8%, whereas it increases to 12% for the 30-64 age group (see Section 1).

### b) Main obstacles in access for young people

One important issue is that young people tend to show a higher likelihood of not meeting the conditions on preceding insured employment. Young people who have just finished school education or tertiary (university) education usually do not meet the conditions on insurance contributions described above. Furthermore, the employment of young people just entering the labour market tends to show below-average stability. As a consequence, according to data from the Labour Force Survey, around 75% of all unemployed people (ILO definition) aged 15-25 did not receive UB or UA during the first two months of unemployment in 2019. In the 25-59 age group the relevant share was 38.8%.<sup>7</sup>

It is worth noting in this connexion that the unemployment rate of young people in Austria increased to a greater degree than for other age groups in 2020 when compared with 2019, due to the Covid-19 pandemic. For the 15-29 age group it increased from 6.8% to 8.5% (an increase of 25%), and for the 30-64 age group from 3.9% to 4.6% (an increase of 18%) (see Section 1).

Regarding voluntary insurance for self-employed people, low coverage is likely to be caused by specific – not very flexible – features of the scheme. Voluntary insurance for self-employed people was effective from 1 January 2009 for self-employed tradespeople as well as for newly self-employed people with health and pension insurance under the GSVG. However, the decision to get insured has to be taken within six months of starting

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<sup>6</sup> GSVG = Act on the Social Security of Self-Employed Workers in Industry and Craft Trades; <https://www.ris.bka.gv.at/GeltendeFassung.wxe?Abfrage=Bundesnormen&Gesetzesnummer=10008422>.

<sup>7</sup> LFS, Eurostat Database, indicator [Ifsa\_ugadra].

the business<sup>8</sup> and is then binding for eight years. Within this timeframe self-employed people cannot leave or join the public unemployment insurance system.

### **3 ACCESS TO SICKNESS AND HEALTHCARE BENEFITS**

#### **3.1 Sickness benefits**

In cases of sickness, different schemes for income substitution exist in Austria. The by far most important ones are: (a) continued payment of wages by employers as defined by labour law (*Lohnfortzahlung im Krankheitsfall*); and (b) subsequent sickness benefits (*Krankengeld*) paid by the relevant social health insurance fund. If people in paid employment are unable to work due to illness or accident, they are entitled to the continued payment of full wages by their employers for a certain period of time. This period depends on the employees' job tenure within companies: the longer the period of employment, the longer the period of continued payment of wages. In cases of job tenure of up to five years, continued payment applies for six weeks and then increases stepwise to a maximum of 12 weeks in cases of job tenure of 26 years or longer. Once this period is exhausted, employees are entitled to half their pay for another four weeks. During this time, the balance of 50% is paid by the statutory health insurance scheme in the form of sickness benefit. Depending on an employee's insurance record, sickness benefit receipt may vary between six months and one year. To receive it for the maximum of one year, people must have an insurance record of at least six months during the previous 52 weeks. A new entitlement period arises after 13 weeks of fitness for work. The minimum (and usual) level of monthly sickness benefit is 50% of previous gross pay, including pro-rated special bonus payments, or 60% as from the 43rd day of incapacity to work. Some social health insurance funds grant higher sickness benefits in cases where benefit recipients have dependent spouses and/or other dependent family members. But the increased benefit may not exceed 75% of previous earnings.

##### **3.1.1 Eligibility conditions and benefit entitlements**

The main eligibility conditions and benefit entitlements that apply to the scheme in Austria as far as young people are concerned are the following.

###### **a) Age**

In general, sickness benefits (cash benefits) for people aged 15-29 are covered by the same rules as those for other age groups.

###### **b) Activity status requirement**

Regarding cash transfers from health insurance (i.e. sickness benefit), employees (including in fixed-term employment and temporary agency work) and freelance contractors covered by statutory health insurance have access to sickness benefit from the health insurance scheme. Trainees/apprentices and freelance contractors also have access to sickness benefits.

Employees with an income below the marginal earnings threshold, currently €475.86 per month, are usually not covered by statutory health insurance. This is called marginal part-time employment. However, unlike unemployment insurance (see above, Section 2.1), in cases where employees are engaged in more than one employment relationship of this type and total income exceeds the marginal earnings threshold, statutory health insurance applies. Furthermore, people in marginal part-time employment may opt in to statutory health (and pension) insurance, for which the monthly insurance contribution is currently

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<sup>8</sup> Active self-employed people who had started their business before 1 January 2009 had the opportunity to opt in to unemployment insurance during the whole of 2009.

€67.18. People in marginal part-time employment who opt in to health insurance also have access to sickness benefits.

A second group generally not covered by statutory health insurance are the new self-employed,<sup>9</sup> in cases where their income is lower than €5,710.32<sup>10</sup> per year. However, they can also opt in to health and pension insurance. In such cases, the minimum insurance contribution for health insurance is €32.36 per month.

Insured self-employed people can normally only receive limited sickness benefits in cases of prolonged illness, payable from the 43<sup>rd</sup> day of work incapacity. However, voluntary supplementary insurance for sickness benefit is available to self-employed tradespeople and the new self-employed (for details, see Fink and Nagl 2018). It provides an additional cash benefit to replace earned income during a short-term illness – see point d) below. This voluntary insurance can partly compensate for the fact that they are not entitled to wages when on sick leave, unlike standard employees (see above).

### **c) Contributory history required to access the scheme**

No specific contributory history is required in order to get access to sickness benefit provided by the health insurance scheme.

### **d) Waiting period**

Sickness benefit is paid to employees after their right to receive (full) continued payment of wages by employers has been exhausted. Here, no additional waiting time applies.

Freelance contractors have no right to receive continued payment of wages, but get sickness benefit from the fourth day of illness. The same applies to self-employed people who have opted in to the supplementary insurance scheme for short-term sickness. Without such supplementary insurance, self-employed people only get sickness benefit from the 43<sup>rd</sup> day of sickness.

The regulations do not vary according to the age of recipients.

### **e) Replacement rate/benefit level**

The income-replacement rate of sickness benefit does not vary according to the age of recipients.

## **3.1.2 Gaps/obstacles in access for young people**

The main gaps and obstacles in access for young people identified for this scheme in Austria are the following.

### **a) Main gaps in access for young people**

Concerning sickness benefits, a gap is especially evident regarding the self-employed, because only a small proportion of them decide to opt in to voluntary supplementary insurance for sickness benefit in cases of short-term sickness. In 2016 only 7.6% of all active self-employed people insured under the GSVG (tradespeople and the new self-employed) were insured within the supplementary health insurance scheme (Fink and Nagl 2018).

As described above, the maximum period of continued payment of wages depends on job tenure, and the maximum period of sickness benefits on the previous contributory history. Both are disadvantageous for young people with little work and insurance history.

<sup>9</sup> They perform self-employed work without specific professional registration or regulation, for example as lecturers, artists, trainers, scientists and experts, journalists, writers and people who work independently in specific jobs in healthcare (such as nurses and midwives).

<sup>10</sup> This income limit is equal to the monthly marginal earnings threshold for standard workers and freelance contractors (€475.86) multiplied by 12 (months).



## **b) Main obstacles in access for young people**

The main obstacles in access to health insurance concerning sickness benefit may especially result from knowledge gaps about opting in to insurance (for people in marginal part-time employment and the new self-employed with low income), and about supplementary insurance for the self-employed.

## **3.2 Healthcare benefits**

Coverage by the public health system is in the first instance organised according to an insurance model on a contributory basis. Overall, the multitude of different options to obtain public health insurance – see point b) below – results in a very high actual coverage rate. The Austrian health insurance system covers a wide variety of different services, such as primary healthcare services provided by contracted physicians, specialised in-patient and out-patient care, emergency care, dental services, prescription medicines, medical devices such as walking aids, wheelchairs or blood glucose strips, ambulance services, preventive and health promotion services including vaccinations or screening examinations, and rehabilitation services (see Fink 2018).

### **3.2.1 Eligibility conditions and benefit entitlements**

The main eligibility conditions and benefit entitlements that apply to the scheme in Austria as far as young people are concerned are the following.

#### **a) Age**

In general, for people aged 15-29 the same rules regarding healthcare benefits (i.e. healthcare services and benefits in kind) apply as those for other age groups. The only exception is specific rules for young people regarding access to coverage by the healthcare system via co-insurance with one of their parents – addressed in point b) below.

#### **b) Activity status requirement**

Regarding health insurance, four different pathways to coverage are of importance: (i) insured employment; (ii) receiving a social benefit that confers health insurance (for example, benefits from unemployment insurance, the statutory pension scheme or the minimum-income/SA scheme); (iii) being a co-insured family member; and (iv) voluntary self-insurance (for details see Fink 2018). Age is especially important regarding co-insurance as a family member.

Most forms of employment are covered by statutory health insurance. This also holds for most forms of non-standard employment (such as part-time employment, freelance contracts, fixed-term employment and temporary agency work) and standard self-employment. Trainees/apprentices are also covered by statutory health insurance.

Employees in marginal part-time employment and the new self-employed with low income are generally not covered by statutory health insurance, but they may opt in on a voluntary basis (see above, Section 3.1, for more details).

Regarding young people, co-insurance as a family member plays an important role. Co-insurance is available free of charge for children up to age 18, and up to 27 for those in ongoing further education. For unemployed children the age limit of 18 can be raised by an additional 24 months; and for disabled children free-of-charge co-insurance is available without age limit. The possibility of co-insurance also applies to spouses, registered partners and – under specific conditions – life-mates and relatives managing the household. In these cases, co-insurance is usually not free of charge but is subject to an insurance contribution amounting to 3.4% of the assessment base (i.e. gross income) of the directly insured person. However, co-insurance is free of charge if: the co-insured person is looking after a child under 18 or has been doing so in the past for a minimum of four years; the co-insured person is looking after an insured person in need of long-term care; or the net income of the directly insured person does not exceed the level of the

“compensatory allowance” (*Ausgleichszulage*) for couples, currently (2021) €1,578.36 per month.

One other option for getting public health insurance cover is voluntary self-insurance. The insurance contribution in this case is a maximum of €454.86 per month. However, depending on a person’s financial situation, the monthly insurance contribution may be reduced to a minimum of €63.44. The latter (minimum) contribution also generally applies to university students, if specific conditions on maximum income etc. are met.<sup>11</sup>

### **c) Contributory history required to access the scheme**

No specific contributory history is usually needed in order to get access to health services and benefits in kind provided by health insurance. However, in cases of voluntary self-insurance, immediate access to benefits requires a directly preceding other form of statutory health insurance with a minimum duration of six weeks (co-insurance with a family member counts towards this), or of 26 weeks if statutory health insurance within the previous 52 weeks. If neither of these two conditions is met, voluntarily self-insured people only have access to benefits after six months.

The regulations do not vary according to the age of recipients.

### **d) Waiting period**

For healthcare benefits no waiting period applies.

The regulations do not vary according to the age of recipients.

### **e) Replacement rate/benefit level**

The basket of services available from health insurance generally does not vary according to the age of recipients.

### **f) Duration**

There is no maximum duration of healthcare benefits for people covered by health insurance.

## **3.2.2 Gaps/obstacles in access for young people**

The main gaps and obstacles in access for young people identified for this scheme in Austria are the following.

### **a) Main gaps in access for young people**

The different options for health insurance coverage result in a very high overall coverage rate. According to estimates, more than 99% of the population are covered by health insurance (Dachverband der Sozialversicherungen 2021; Fuchs 2018). Regarding young people, coverage gaps may especially occur after reaching the age limits for co-insurance of family members or after completing school or tertiary education, in cases where the option for voluntary self-insurance is not used (Fuchs 2018).

### **b) Main obstacles in access for young people**

The main obstacles in access to health insurance may result from knowledge gaps about opting in to insurance (for people in marginal part-time employment and the new self-employed with low income), and about voluntary self-insurance. Regarding voluntary self-insurance, in particular, it might occur that the window of opportunity for self-insurance directly following another form of statutory health insurance is missed, and that as a consequence six months of self-insurance is necessary before access to benefits can be gained.

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<sup>11</sup> For details see:

<https://www.gesundheitskasse.at/cdscontent/?contentid=10007.837818&portal=oegkwportal>.

## 4 ACCESS TO MATERNITY, PATERNITY AND PARENTAL CASH BENEFITS

Regarding this policy area, the following main schemes/benefits can be distinguished:

- maternity benefit (*Wochengeld*)
- parental leave bonus for fathers (*Familienzeitbonus für Väter/FZB*)
- childcare allowance (*Kinderbetreuungsgeld*).

### 4.1 Eligibility conditions and benefit entitlements

The main eligibility conditions and benefit entitlements that apply to these schemes in Austria as far as young people are concerned are the following.

#### a) Age

Eligibility conditions do not explicitly differentiate according to age.

#### b) Activity status requirement

**Maternity benefit:** Maternity benefit is intended as financial support for the (expectant) mother during maternity leave (*Mutterschutz*). In order to get maternity benefit, expectant mothers must have statutory health insurance at the beginning of maternity leave as an employee (including temporary agency workers and people with a fixed-term contract) or freelance contractor, as self-employed or having opted in to health insurance while working in marginal part-time employment. Apprentices and expectant mothers receiving benefits from unemployment insurance also have access to maternity benefit. (Expectant) mothers may not work during maternity leave.

**Parental leave bonus for fathers:** Parental leave bonus for fathers is granted to working fathers who, directly after the birth of the child, dedicate themselves intensively and exclusively to their family and therefore have interrupted employment for between 29 and 31 days during the first 91 days following the birth of a child. In order to have access to parental leave bonus, fathers have to prove they had actual and uninterrupted work in Austria subject to compulsory sickness and pension insurance during the 182 calendar days immediately preceding the start of the parental leave (interruptions of up to 14 days in total are disregarded). Fathers may not work while receiving parental leave bonus.

**Childcare allowance:** Within this scheme, parents can choose between income-related and flat-rate alternatives. For income-related childcare allowance, recipients must have worked uninterruptedly in Austria subject to compulsory sickness and pension insurance during the 182 calendar days before the birth of the child (interruptions of up to 14 days in total are disregarded; maternity leave counts as employment). Flat-rate childcare allowance is not subject to the condition of preceding insured employment. Recipients of childcare allowance may have additional earned income from gainful employment, but maximum amounts of earned income apply: in the case of income-related childcare allowance, earned income may not exceed €7,300 per year; and in case of flat-rate childcare allowance, it may not be higher than 60% of the previous earned income. If the latter threshold is lower than €16,200 per year or if previous earned income cannot be calculated, earned income may not exceed €16,200 per calendar year while receiving childcare allowance. This means that childcare allowance is available for both economically inactive and employed people (subject to the described earning limits from gainful employment).

#### c) Contributory history required to access the scheme

**Maternity benefit:** No defined minimum duration of insurance (i.e. even one day would be feasible).

**Parental leave bonus for fathers:** Uninterrupted work in Austria subject to compulsory sickness and pension insurance during the 182 calendar days immediately preceding the start of the leave (interruptions of up to 14 days in total are disregarded).

Income-related childcare allowance: Uninterrupted work in Austria subject to compulsory sickness and pension insurance during the 182 calendar days before the birth of the child (interruptions of up to 14 days in total are disregarded; maternity leave counts as employment).

Flat-rate childcare allowance: No requirement for contributory history.

No special rules apply for young people.

#### **d) Waiting period**

No waiting period applies.

#### **e) Replacement rate/benefit level**

The replacement rates/benefit levels of maternity, paternity and parental cash benefits do not vary according to the ages of recipients.

#### **f) Duration**

The duration of maternity, paternity and parental cash benefits does not vary according to ages of recipients.

## **4.2 Gaps/obstacles in access for young people**

The main gaps and obstacles in access for young people identified for this scheme in Austria are the following.

### **a) Main gaps in access for young people**

A gap in access to maternity benefit may especially occur if people in marginal part-time employment, or the new self-employed with low income, do not make use of the opportunity to opt in to healthcare insurance.

Regarding childcare allowance, no access gap is evident, as parents can in any case opt for the universal flat-rate version of the scheme.

### **b) Main obstacles in access for young people**

There may be information deficits in relation to opting in to statutory health insurance in cases of marginal part-time employment or the new self-employed with low income. However, empirical evidence on this issue is lacking.

## **5 GUARANTEED MINIMUM INCOME SCHEMES**

Between 2010 and 2019, the Austrian minimum-income scheme was generally called *Bedarfsorientierte Mindestsicherung* (means-tested minimum income; MMI). Concrete legislation on MMI during this time was entirely the responsibility of the nine federal provinces (*Bundesländer*), but between 2010 and 2016 some nationwide co-ordination existed in the form of a "treaty according to §15a of the Austrian constitution" (hereafter: "15a treaty"), which outlined the most important features and basic principles of the MMI. The 15a treaty expired at the end of 2016 and the federal republic and the federal provinces could not find a compromise on a renewed agreement. In May 2019, the Basic Social Assistance Act<sup>12</sup> (*Sozialhilfe-Grundsatzgesetz*) was passed by both houses of parliament. It again is aimed at co-ordinating the legislation on the minimum-income schemes of the federal provinces. Within this reform, the earlier MMI was also renamed, back to the term used before 2010, which is SA. Unlike the earlier 15a treaty, the Basic Social Assistance Act does not define minimum standards, but in the first instance maximum benefit levels for different types of benefit recipients, which may not be exceeded by the minimum-income schemes of the federal provinces. The Act came into effect on 1 June 2019 and the

<sup>12</sup> For details see: [https://www.parlament.gv.at/PAKT/VHG/XXVI/I/I\\_00514/index.shtml](https://www.parlament.gv.at/PAKT/VHG/XXVI/I/I_00514/index.shtml) and <https://www.ris.bka.gv.at/GeltendeFassung.wxe?Abfrage=Bundesnormen&Gesetzesnummer=20010649>.

federal provinces were expected to adapt their legislation on minimum income by the end of 2019. However, so far (May 2021) the regulations of the Basic Social Assistance Act have only been implemented in legislation by five of the nine federal provinces. In the remaining provinces the earlier MMI legislation remains in place.

Overall, the current situation is marked by substantial differences between the SA schemes of the federal provinces, which is caused by the fact that: (i) not all federal provinces have so far implemented the Basic Social Assistance Act; and (ii) the Act only enacts some basic co-ordination, only setting maximum standards and leaving important issues unregulated and thereby completely the responsibility of the federal provinces. The following sections can therefore only give a general overview of regulations within the Basic Social Assistance Act. The actual situation in Vienna, where most recipients of minimum-income benefits live,<sup>13</sup> is addressed, as is (to give a second example) that in the federal province of Tyrol.

## 5.1 Eligibility conditions and benefit entitlements

The main eligibility conditions and benefit entitlements that apply to the scheme in Austria as far as young people are concerned are the following.

### a) Age

The Basic Social Assistance Act, regarding the right to claim SA, does not explicitly mention age limits. However, the Vienna Minimum Income Act (for example) explicitly limits this right to applicants who are at least 18.<sup>14</sup> Conversely, in the federal province of Tyrol (for example) young people living independently of their family can apply for minimum income in their own name from the age of 14.<sup>15</sup>

### b) Activity status requirement

MMI/SA may be granted to economically inactive people, to unemployed people and also to people in employment. Employed people<sup>16</sup> and unemployed people receiving unemployment benefits can get a top-up from MMI/SA, adding to low earned income from employment or to low benefits from unemployment insurance. As a general principle, claimants must be available for employment and willing to work. Within the legislation of the federal provinces, different exceptions to this rule exist. Such exceptions include: having reached statutory retirement age; having care duties for young children and/or being unable take up jobs due to lack of suitable care options; being a primary caregiver to relatives in need of long-term care; nursing dying family members or seriously ill children; continuing training begun prior to age 18 (usually not applicable for tertiary education); or facing invalidity.<sup>17</sup> Apprentices also usually have access to minimum-income benefits.

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<sup>13</sup> In 2019, 58% of all recipients of MMI/SA lived in Vienna (source: Statistik Austria), [http://www.statistik.at/wcm/idc/idcplg?IdcService=GET\\_NATIVE\\_FILE&RevisionSelectionMethod=LatestReleased&dDocName=068819](http://www.statistik.at/wcm/idc/idcplg?IdcService=GET_NATIVE_FILE&RevisionSelectionMethod=LatestReleased&dDocName=068819).

<sup>14</sup> §5(1) Vienna Minimum Income Act: <https://www.ris.bka.gv.at/GeltendeFassung.wxe?Abfrage=LrW&Gesetzesnummer=20000246>.

<sup>15</sup> §29(5) Tyrol Minimum Income Act: <https://www.ris.bka.gv.at/GeltendeFassung.wxe?Abfrage=LrT&Gesetzesnummer=20000455>.

<sup>16</sup> This – in principle – includes all types of employment, including self-employment. However, in cases of self-employment problems repeatedly arise concerning means-testing, which de facto make it very difficult for self-employed people to get a top-up to income from self-employment via minimum income. Furthermore, they have to be available for employment as an employee, which normally might not be compatible with continued self-employment.

<sup>17</sup> See for example for Vienna: §14(4) of the Vienna Minimum Income Act: <https://www.ris.bka.gv.at/GeltendeFassung.wxe?Abfrage=LrW&Gesetzesnummer=20000246>.

### **c) Other eligibility conditions**

A number of other eligibility conditions apply according to the Basic Social Assistance Act and the related legislation of the federal provinces. First, there are conditions on residential status and nationality, but they are not different for young people.

One other important point is the issue of the definition of the “needs unit” (*Bedarfsgemeinschaft*), which a benefit claimant is defined as being part of. When under-age people live in a common household with parents or grandparents, or with another person entitled to custody, they are part of a common needs unit. Within applications for minimum income/SA, this needs unit is evaluated jointly (i.e. taking into account the available income and assets of all of its members).

Related regulations, which differ between federal provinces, also exist regarding young people of adult age (18 or over). For example, in Vienna, young adults are supposed to be a needs unit in their own right, even if they live together in a common household with parents or grandparents. The only exception is young people aged 18-21, if they continue to be in school education which started before their 18<sup>th</sup> birthday. On the other hand, in the federal province of Tyrol a needs unit is defined as a “community who live in a common household and act as an economic unit, whereby a relationship must exist between these people in which mutual support can be assumed to an extent comparable to that of family”.<sup>18</sup> Here, young adults living in a common household with relatives such as parents or grandparents will usually not be supposed to be a needs unit on their own. This – in many cases – will make it more difficult for them to get access to benefits from the minimum-income scheme, as income and assets from the entire household will be taken into account within means-testing.

As mentioned above, adult recipients of minimum income/SA generally have to be available for employment and willing to work (see above for exemptions). This also implies that minimum income will normally not be granted to (for example) people studying at university or in school education, in cases where the latter was started after the 18<sup>th</sup> birthday.

### **d) Benefit level**

The benefit level of minimum income/SA is calculated according to standard rates (which vary to some degree between federal provinces), household composition, housing costs (in some federal provinces), and the level of other financial resources available (for example from earned income or from unemployment insurance). Regarding standard rates, a distinction is usually made between under-age people and young adults. Generally, standard rates for under-age people are lower than for adults. Usually, no additional differentiations exist according to age. However, in Vienna lower standard rates are granted to young adults up to age 25 if they do not participate in specified active labour market programmes.

### **e) Distinctions between different groups of young people**

Young people under 18 in most federal provinces (but not, for example, in Tyrol – see above) only have access to minimum income/SA via a common household with parents or other relatives. From the age of 18 young adults may theoretically apply for minimum income/SA individually. However, as mentioned above, differences exist between federal provinces regarding the definition of needs units. In many federal provinces (but not, for example, in Vienna – see above), young adults will only be treated as an own/independent needs unit if they do not live in a common household with close relatives.

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<sup>18</sup> §2(6) Tyrol Minimum Income Act:  
<https://www.ris.bka.gv.at/GeltendeFassung.wxe?Abfrage=LrT&Gesetzesnummer=20000455>.

## 5.2 Gaps/obstacles in access for young people

The main gaps and obstacles in access for young people identified for this scheme in Austria are the following.

### a) Main gaps in access for young people

The main gaps in access to minimum income exist due to nationality and residence conditions. Furthermore, rather rigid regulation concerning means-testing in terms of assets may exclude substantial groups with low actual income (Fuchs 2009). Another structural issue is the definition of needs units. In many federal provinces young adults living in households with family members are not treated as independent individual needs units. This in many cases will result in exclusion from related individual benefits, even in cases of low individual income and absence of assets. Another issue especially worth mentioning is the case of people with subsidiary protection status. According to the Basic Social Assistance Act they now have to be excluded from receiving minimum income/SA. This has already been implemented by most federal provinces, with Vienna being the only major exception.

### b) Main obstacles in access for young people

According to simulations by Premrov and Fuchs (2019), non-take-up of minimum income amounted to around 30% in 2015. This was caused by information gaps, complicated application procedures, the large number of documents and information to be provided, and by social stigmatisation (ibid.). Self-employed people, in particular, also reportedly often face problems in claiming minimum income, partly because they have to be available for any (other) job offered by the PES and partly because their income situation is often difficult to assess or may be rather volatile.<sup>19</sup>

## 6 HOUSING BENEFITS

As with minimum income/SA, housing benefits are the responsibility of the nine federal provinces. In some federal provinces, housing costs are also dealt with via the minimum income/SA scheme. Furthermore, in all federal provinces additional separate schemes for housing benefits are in place. Regarding these specific housing benefits (different from minimum income/SA) no national co-ordination exists. This implies, among other things, that the related regulations differ substantially between federal provinces.<sup>20</sup> As with minimum income/SA, for the more specific housing benefit schemes means-testing also applies. However, unlike minimum income/SA, only earned income is taken into account, and not assets (with the exception of the federal province of Vorarlberg).

### 6.1 Eligibility conditions and benefit entitlements

The main eligibility conditions and benefit entitlements that apply to the scheme in Austria as far as young people are concerned are the following.

#### a) Age

The regulations on housing benefits usually do not explicitly address the issue of age. However, because under-age young people do not have full legal capacity, they normally may not sign a rental contract. For this reason, housing benefits are in practice only accessible by young adults.

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<sup>19</sup> See for example: <http://derstandard.at/2000021751673/Schwieriger-Umgang-mit-Mindestsicherung-fuer-Selbststaendige>.

<sup>20</sup> For an overview see for example: <https://www.wohnet.at/finanzieren/wohnbeihilfe-oesterreich-49741791>.

### **b) Activity status requirement**

In most federal provinces no activity status requirements exist. However, in Vienna and Upper Austria applicants must prove they have a specific minimum level of (earned) income, and in Vorarlberg the applicant must be employed full time or receive a benefit from the statutory pension system. An exception to this condition applies to single adults with children aged under 6. These regulations do not differentiate according to the age of applicants.

### **c) Other eligibility conditions**

The other main conditions for eligibility are: (i) the income situation of the household; (ii) the actual housing costs; and (iii) maximum space per person in the household. If actual housing costs exceed "reasonable" maximum housing costs, housing benefit may be granted. These conditions do not vary according to age of applicants.

### **d) Benefit level**

The benefit level does not vary according to the age of applicants.

### **e) Distinctions between different groups of young people**

Usually, no distinction between different groups of young people is made. However, in the federal province of Carinthia an additional housing benefit exists for young people aged 18-25 who for the first time move to their own dwelling. This additional housing benefit amounts to €50 per month and can be granted for a maximum of two years.

## **6.2 Gaps/obstacles in access for young people**

The main gaps and obstacles in access for young people identified for this scheme in Austria are the following.

### **a) Main gaps in access for young people**

A first major gap results from the regulations on minimum earned income or the necessity for gainful employment, which exist in some federal provinces. Another issue is the sometimes rigid regulations on maximum income and maximum living space. However, it appears that no detailed and recent evaluation of the impact of housing benefits exists covering the situation across the nine federal provinces.

### **b) Main obstacles in access for young people**

A main obstacle for young people is that housing benefits may only be granted after a dwelling has been rented. However, many landlords ask prospective tenants for proof of income or for costs to be underwritten by relatives (with related proof of their income).

## **7 REFORMS, NATIONAL DEBATES AND RECOMMENDATIONS**

### **7.1 Reforms implemented since 2015**

No major structural changes have taken place in Austria since 2015 that improved or worsened the access of young people to social protection provided by the schemes dealt with in this report. What, however, has to be mentioned in this context is the exclusion of people with subsidiary protection status from minimum income/SA, stipulated by the Basic Social Assistance Act of 2019. Furthermore, reforms of minimum income in the federal provinces, implementing the maximum benefit levels according to this Act, often implied a reduction of benefit levels.

On the other hand, it is worth mentioning that the level of UA was temporarily increased to that of UB in response to the COVID-19 crisis. However, this improvement was of a temporary nature and was planned to expire by the end of June 2021.



## 7.2 National debates

Young people are rarely dealt with as a distinct group in Austrian debates on access to social protection. This changed somewhat more recently, against the background of rising housing costs, which make affordable housing an issue especially (but not only) for young people. However, these debates usually do not go beyond naming this problem, with concrete new policy proposals on how to deal with the issue lacking.

Another point increasingly addressed is unemployment of young people, as this is a group that has been hit especially hard by the COVID-19 crisis. However, this has not led to a debate on how to increase the access to and the level of social protection for young people. On the contrary: recently a debate started on a possible reform of unemployment insurance, with related proposals pointing in the direction of lower generosity and stronger conditionalities and sanctioning.<sup>21</sup> However, this debate is not specifically focusing on young people.

Interestingly, the issue of minimum-income schemes in the form of SA has not generally been addressed in more recent political debates. Only civil society organisations have repeatedly stressed that the minimum-income schemes of the federal provinces do not provide sufficient benefits and that the system generally lacks nationwide co-ordination and/or harmonisation.

## 7.3 Good practice and recommendations

The de facto high coverage and quality of health benefits can serve as a good practice. However, awareness of the opportunity to opt in to health and pension insurance in cases of marginal part-time employment and for the new self-employed with low income, as well as of the opportunity for voluntary self-insurance, should be further strengthened by information campaigns etc. in order to further minimise insurance gaps.

Another policy that appears to be a good practice is the universal access to flat-rate childcare allowance.

On the other hand, an especially problematic issue appears to be access to social monetary transfers for the time between completion of school or university education and finding a job with sufficient income. This situation tends to be well covered by neither unemployment insurance nor minimum income. Here, the author thinks that a new kind of universal flat-rate “transitory benefit” could be introduced, which only requires availability for gainful employment (but which is not means-tested or insurance-based).

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<sup>21</sup> See for example: <https://www.derstandard.at/story/2000126474898/oevp-wirtschaftsbund-will-strengere-regeln-fuer-arbeitslose>.

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