



# **European Minimum Income Network country report Austria**

Analysis and Road Map for Adequate and Accessible  
Minimum Income Schemes in EU Member States

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*October – 2014*

*Employment,  
Social Affairs  
and Inclusion*

**EMIN**  
EUROPEAN MINIMUM INCOME NETWORK

The European Minimum Income Network (EMIN) was a two year project (2013-2014) sponsored by the European Parliament, funded by the European Commission, under contract no Tender N° VT/2011/100 Pilot project – Social solidarity for social integration and promoted by the European Anti-Poverty Network (EAPN). <http://emin-eu.net/what-is-emin/>

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## **1. PANORAMA: SHORT DESCRIPTION OF MINIMUM INCOME SCHEME(S) IN AUSTRIA**

### **1.1 General overview: Description of minimum income scheme(s)**

In Austria, the means-tested minimum income scheme is administered at the level of the 9 provinces. In 2010, the Federal Government (which is competent for the adoption of general laws on poverty matters) and the nine Provincial Governments concluded a State Treaty on financial minimum standards which, combined with additional harmonisation aspects (with regard to procedural rules, rules for the realisation of assets, criteria for job acceptance, etc.), had to be subsequently translated into provincial law. This means that there are 9 different Minimum Income Acts and 9 different Minimum Standards Regulations. The aim of achieving harmonisation and modernisation has thus been met only in part.<sup>1</sup>

The aim is to provide a decent life for people who are not able to cover their daily costs of living – or those of their family members – with their own resources. Depending on the province, the means-tested minimum income (“Bedarfsorientierte Mindestsicherung”, BMS) scheme can also apply to persons with “considerable disabilities”.

The means-tested minimum income scheme is a general non-contributory system for the entire population (i.e. Austrian nationals; for EU nationals or nationals of third countries, eligibility is restricted). However, a few provinces grant higher benefits to certain groups of people, e.g. children, persons with disabilities or chronically ill persons. The benefits are managed at regional level by the district administrative authorities or municipalities, respectively. The funds come from the local and provincial administrations (with cost allocation schemes depending on the province in question).

The means-tested minimum income scheme is regarded as a subsidiary safety net. This means that as a rule, one’s own income, or other benefits such as unemployment benefits, are taken into account when a person’s entitlement to benefits is assessed. Accordingly, the benefits are paid either to top up incomes below a certain level or, in the absence of any income to be taken into account, as a full minimum income.

Benefits aimed at covering the daily cost of living are generally granted on the basis of a subjective right. In addition, the Provinces may grant further benefits in order to cover extraordinary needs (such as necessary repair, deposits for rented flats) – but only 2 provinces defined them as a legal right.

In the context of the retirement insurance scheme, a “compensatory allowance” may be granted to top up small pensions. This is another form of minimum income scheme, which is means-tested but does not include the obligation to realise one’s assets. The amount granted depends on the number of household members. It is paid out 14 times a year as a gross sum (i.e. including a health insurance contribution of 5.1%):

1. For single pensioners (including widows/widowers): EUR 857.73 per month;
2. For pensioners living in the same household as their spouse or same-sex civil partner: EUR 1 286.03;
3. Additional sum per child whose net income is EUR 315.48 or lower: EUR 132.34.  
For orphans, separate regulations exist (depending on age).

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<sup>1</sup> For details see the study conducted by the Austrian Anti-Poverty Network: [www.armutskonferenz.at/images/Mindestsicherung/bms\\_monitoring/matrix\\_bms\\_monitoring\\_final.pdf](http://www.armutskonferenz.at/images/Mindestsicherung/bms_monitoring/matrix_bms_monitoring_final.pdf) (in German)

## 1.2 Eligibility conditions

### 1.2.1 Nationality

Austria, and thus its provinces as well, are obliged under various international and European laws to treat certain groups of non-nationals equal to Austrian nationals – at least with regard to access to the (statutory) basic benefits granted in the context of welfare assistance, or the means-tested minimum income scheme, respectively. These groups include refugees under the Geneva Convention, persons entitled to subsidiary protection, EEA nationals legally living in Austria, as well as third-country nationals entitled to long-term residence in Austria (i.e. non-Austrians who are no EEA nationals). In Austria, the term “entitled to long-term residence” on the basis of EU law is regarded as applying to persons holding long-term residence permits (e.g. permanent residence permits in accordance with the Austrian Act on Establishment and Residence).

The problem here is that there are many third-country nationals who have legally lived in Austria for a long time and are thus regarded as persons of “consolidated residence” who can no longer be deported by the alien police on grounds of “inability to support themselves” but who still do not have permanent residence permits. However, without a permanent residence permit, they are ineligible for basic BMS benefits. Their only hope is to be granted voluntary benefits under “hardship regulations”.

### 1.2.2 Place of Residence

Legal, actual residence (“primary centre of daily and usual life activities”) in Austria.

### 1.2.3 Age

No age conditions. However, underage persons are not regarded as having full legal capacity (in accordance with the Act on General Administrative Procedures) and are thus not entitled to apply for means-oriented minimum income. Applications can be filed on their behalf by adults having custody, or the competent authorities may grant support in the exercise of their office. Only few provinces have laid down separate minimum standards for single young people. According to the member organisations of the Austrian Anti-Poverty Network, these young people are, in fact, granted benefits only in exceptional cases (depending on the province in question).

The statistics don’t count the number of single minor recipients. So we don’t have access to empirical data to this question. It’s unclear if maybe the authorities in some provinces collect unpublished data.

Just in two provinces (Tyrol and Styria) exist own minimum-standards for single minors. In Tyrol the minimum standard by law values 56,25% for single minors, who get family allowance and 75% for single minors, who do not get family allowance. In Styria single minors get by law the same amount as single adults in case of “special social hardship” (i.e. they are not able to live with their parents; they are orphans, or the distance between educational institution and parents home is too long).

In Vienna doesn’t exist a minimum standard for single youth by law. The unpublished guidelines of the executing authorities state that single living minors (from the age of 17 years) get the same amount as single adults if they get family allowance or they have their own (too small) income. However, the decision if means tested minimum income is really paid, is at the discretion of the executing authority.

### *1.2.4 Means testing conditions: Property*

A person's (owner-occupied) home, as well as other property, is considered as their own resources (assets), which are taken into account for the assessment of means-testing conditions.

The granting of benefits can be subject to entry in the land registry as a security interest on the part of the social welfare authority (e.g. in the case of a self-occupied home that fall under property to be realised).

Normally, the applicant's property has to be realised as a priority, with the exception of "protected assets", whose realisation cannot be required as a prerequisite for take-up, amounting to 5 times the BMS base value, i.e. the sum granted to single persons (2014: EUR 814 x 5 = EUR 4 070). In the case of households with several persons, the concrete regulations for "protected assets" depend on the province in question.

Entry in the land registry does not take place before a grace period of 6 months has elapsed. In a number of provinces, the authorities in charge are obliged by statute to ensure entry in the land registry. Claims under these entries are unlimited in time and can also be asserted against subsequent heirs (which is a significant reason for non-take-up).

Movable assets are included in the means test as well, with a few exceptions.

Certain forms of income, e.g. grants from charitable organisations, care-related cash benefits or family allowance, are not considered as relevant income in this context. However, in 2 provinces, the family allowance for persons with "considerable disabilities" – who are entitled to family allowance also at adult age – is, in effect, set off against the BMS (because the minimum standards defined for this group of persons are lower than those stipulated in the State Treaty between the Federal Government and the Provinces).

The following personal belongings are exempt from the obligation of property realisation: objects necessary for holding a job or satisfying intellectual/cultural needs, relevant household items, as well as a car, provided that it is needed in the context of one's work or due to disability, or if no sufficient infrastructure exists.

### *1.2.5 Means testing: Income*

There is no uniform definition of income.

Wages, social security benefits such as unemployment benefit, as well as maintenance payments received are always considered as income.

A comprehensive concept of income applies, i.e. any type of income that has not explicitly been excluded is taken into account for determining the level of BMS. For instance, family allowance and care-related benefits are expressly excluded as types of income to be considered. Again, the regulations differ according to province.

### *1.2.6 Requirements of job search and vocational training*

See section 1.5.

## 1.3 Level of living wage

The minimum standards must be adjusted at the beginning of each year, by means of the same factor that is used for calculating the compensatory allowance that is granted on top of small pensions under a defined threshold. In a number of provinces, certain groups of persons are granted better conditions than those laid down in the State Treaty between the Federal Government and the Provinces (e.g. people with considerable disabilities, children, flat mates, etc.). 2 provinces (Tyrol and Vorarlberg) have departed from the general logic of the State Treaty (75% of total spending for daily cost of living, 25% for housing) and take over the actual cost of housing (based on a system of maximum limits).<sup>2</sup>

To avoid unnecessary complexity, the minimum standards as defined in the State Treaty on the means-tested minimum income scheme are given below.

- for a single person or a single parent: EUR 814 (100%);
- for people living in a "domestic unit" with other adult persons: EUR 611 each (75%);
- in the case of three or more adults entitled to benefits, provided that said person shares the household with another person dependent on them: EUR 407 (50%);
- for the oldest, second-oldest and third-oldest of these children: EUR 147 (18%);
- for the fourth-oldest child and any other children: EUR 122 (15%).

If the family's income is below a certain limit, need for benefits is generally assumed. Domestic unit used for calculation: Beneficiaries and dependent family members living in the same household. The entire income of spouses and cohabiting partners is added up and used as a basis for assessment.

Minimum standards are defined for food, clothes, personal hygiene, household items, heating and electricity, as well as personal needs for appropriate participation in social life. In 7 out of 9 provinces a 25% proportion of housing costs is included in the minimum standards. The minimum standards are based on the compensatory allowance.

The amount for housing costs (rent and operational costs, without costs for energy) for a single living person values 203,50€ (25% of 814€) – 25% is the minimum standard regulated by the State Treaty. The State Treaty also notes, that the provinces "should" grant additional support, in case the 25%-amount doesn't cover the whole real housing costs.

Consequently you can find quite different regulations in the provincial laws:

- a) Some provinces grant additional benefits in the minimum-income-regime, others do not.
- b) In some provinces exist separate housing benefits. In some these amount is deducted from minimum income (principle of subsidiarity), in others you get the housing benefit in addition to the full amount of means tested minimum income. The amount of housing benefits and the criteria for access differ between provinces (regional law).
- c) Combinations between a) and b)
- d) 2 provinces (Tyrol and Vorarlberg) do not stick to the "25%-requirement" but pay the real, "typical local" housing costs (deducting the housing benefits). In this case the problem lies in the definition of "typical local housing costs". Anyway the benefits for housing in these two provinces are the highest.

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<sup>2</sup> For more details on provincial regulations, see the study by the Austrian Anti-Poverty Network (as at 2012): [www.armutskonferenz.at/images/Mindestsicherung/bms\\_monitoring/matrix\\_bms\\_monitoring\\_final.pdf](http://www.armutskonferenz.at/images/Mindestsicherung/bms_monitoring/matrix_bms_monitoring_final.pdf) (in German).

In only 2 provinces are BMS recipients entitled – to a restricted extent – to additional benefits for covering special needs (additional need due to illness, repair, purchases in the context of child birth, deposit payment for flat renting, furniture etc.). In the other provinces, recipients of BMS are not entitled to additional benefits.

Annual adjustment in line with the increase of the compensatory allowance.

## **1.4 Time Duration**

Unlimited, until the situation of need ends.

A periodic review whether the eligibility requirements are still met is common practice. The State Treaty doesn't include anything to the question of reviews and also the provincial laws do not. So the executing authorities decide themselves.

There are examples for practices, where people with severe disabilities have to appear at the public authority every month, although it is clear that the living conditions and so the right to receive minimum income hasn't changed. This leads to non-take-up, especially for people with mental illness. The Austrian Anti Poverty Network considers this approach as harassment.

Recipients of means tested minimum income have to announce every alteration in their personal situation. Unjustly received benefits have to be repaid. In case of culpable behaviour high administrative penalties are possible, even imprisonment as alternative ("substitute penal servitude") in some provinces.

## **1.5 Conditionality**

### *1.5.1 Assessment*

The requirements for eligibility are assessed by the social welfare authority, on the basis of an application (proof of income, statements of assets); in accordance with the provisions of the Act on General Administrative Procedures, only adult persons are permitted to apply for BMS; in the case of single underage persons, the authorities may, at least in theory, grant benefits in exercise of their office. Unemployed persons who are not exempted from the job-seeking obligation are referred to the Public Employment Service (AMS) in order to be registered as a job-seeker.

### *1.5.2 Job-seeking and vocational training obligations*

Persons who are fit to work must be willing to do work to a reasonable extent. Exceptions: older persons (men aged 65 or older and women aged 60 or older), persons with care duties or currently undergoing training, if the training was started before their 18th birthday and has been pursued with due diligence (university study excepted). As far as training is concerned, depending on the province in question, exceptions may be granted with regard to take-up during retraining or education (e.g. for completion of compulsory school).

## 1.6 Link with other social benefits

The principle of subsidiarity applies, i.e. entitlement to any other social benefits and maintenance payments must be exhausted. An attempt must be made to enforce maintenance claims unless a positive outcome seems unrealistic from the very beginning, or unreasonable.

Means-tested minimum income (BMS) can be granted to top up a person's income from employment. However, there is no exempt sum, i.e. whenever one's wage rises, the BMS is reduced accordingly – with a temporary exception for persons starting to work again after a period of unemployment, in order to provide incentives.

A proportion of 25% of housing costs is accounted for in the minimum standards. If the actual housing costs are higher than 25%, additional benefits (e.g. housing or rent allowance) can be granted.

Several provinces use their BMS budget to grant additional housing benefits. And in a number of provinces, recipients of BMS are also entitled to housing assistance (individual support in the context of Provincial Housing Support); however, in a few provinces take-up of this assistance is set off against the regular means-tested minimum income, and there are provinces that grant housing assistance only for state-subsidised housing.

## 2. THE LINK BETWEEN MINIMUM INCOME AND THE OTHER TWO PILLARS OF ACTIVE INCLUSION

### 2.1 Inclusive labour markets

The means-tested minimum income scheme was introduced in 2010/11. Compared to the former welfare assistance system, the obligation to show willingness to enter the labour market has now been emphasised more strongly, and has been communicated to the public as a stepping stone into employment. However, exceptions from the obligation to show willingness to work have meanwhile explicitly been defined on a statutory basis as well, and in the case of sanctions for this reason, benefits must not be completely cancelled immediately and in full, but only following a written warning and in steps (benefits for housing must be continued, as well as benefits for relatives).

Under the new scheme, recipients of the minimum income (BMS) whose benefits are not granted to top up unemployment benefits, and who thus had not been among the regular clients of the Public Employment Service (AMS) before, now have access to the active labour market programmes offered by the AMS. This has not been the case in the past. A number of provinces have established specific activation services for this target group, in addition to the AMS services that are now open to them. However, information and statistics on these services have not, or only sporadically, been published.<sup>3</sup>

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<sup>3</sup> See [http://www.sozialministerium.at/cms/site/attachments/2/2/6/CH2297/CMS1314622448556/1.\\_bericht\\_des\\_arbeitskreises\\_bms\\_web.pdf](http://www.sozialministerium.at/cms/site/attachments/2/2/6/CH2297/CMS1314622448556/1._bericht_des_arbeitskreises_bms_web.pdf) (in German), as well as the Provincial Social Reports, e.g. from Upper Austria: [http://www.land-oberoesterreich.gv.at/cps/rde/xbcr/oe/so\\_02\\_Sozialbericht\\_2012.pdf](http://www.land-oberoesterreich.gv.at/cps/rde/xbcr/oe/so_02_Sozialbericht_2012.pdf), p. 7 ff (in German).

Figures from the Public Employment Service on support programmes for recipients of BMS are available only to a limited extent, too, as they cannot be accessed through the Service's public databases. The most recent data that have been available to us are those presented at a meeting in December 2013 of the BMS advisory board at the Federal Ministry of Labour, Social Affairs and Consumer Protection. According to these figures, in November 2013 a total of 41 100 recipients of BMS were registered at the Public Employment Service (AMS) as unemployed or undergoing AMS-organised training, and as many as 26 600 of them in Vienna. 28 650 out of the total of 41 100 BMS recipients registered at the AMS did not receive any unemployment insurance benefits (for short-term or long-term unemployment), i.e. the means-tested minimum income was either their only source of income or was paid out to top up other benefits.

From January to October 2013, approximately 53 000 BMS recipients were supported through AMS programmes. Data specifying how many of these persons took up BMS to top up unemployment benefits have not been made available.

From January to October 2013, 20 900 recipients of BMS were referred to the regular labour market. Data on their sustainable integration (i.e. whether their employment was permanent or not) and whether they were able to earn a living wage (for themselves or the household) have not been available.

## 2.2 Access to quality services

In a number of provinces, eligibility for housing assistance (individual financial support through Provincial Housing Support) has been abolished or restricted for recipients of means-tested minimum income (BMS), whereas rents have risen. In all provinces, access to affordable, energy-efficient housing that does not pose health hazards (mould!) is a massive problem for BMS recipients.

In other provinces, recipients of BMS are granted price reductions for local public means of transport (e.g. mobility card for urban public transport in Vienna) and for cultural attractions ("hungry for art and culture" card).

Health-care services: Recipients of the means-tested minimum income are integrated into the statutory health care insurance system – unless health insurance coverage has been provided anyway (e.g. due to take-up of unemployment insurance benefits). Under the former system of welfare assistance, recipients were eligible for benefits in kind through the "illness assistance" system. This meant that they had to present a special health-insurance voucher at doctor's offices and were thus identifiable as recipients of welfare assistance. As a result, they were at times denied health-care services (the reason given was that the system of accounting and settlement was complex), and obviously it was stigmatising for them. Now that this group has been integrated into the regular health-care system the above problems no longer exist, but new problems have emerged: co-payment is required for devices and appliances such as glasses, hearing aids, "indispensable" dentures, motorised wheelchairs etc., as well as for hospital stays of co-insured persons (usually children); not all of the relevant provincial laws stipulate a statutory obligation of full cost coverage by the Province. Regarding eligibility for benefits, BMS recipients are regarded as equal to recipients of the compensatory allowance to top up small pensions.

Child-care services: In recent years, child-care services have been expanded considerably as one year of kindergarten (the last year before school entry) has become obligatory. As a rule, the kindergarten costs are tiered according to social situation, and in part, free kindergarten places are available. The initiative for expanded child-care services is not connected with the introduction of the means-tested minimum income.

Cost increases as a direct result of the economic crisis have not been recorded in Austria.

### **3. IDENTIFICATION OF OBSTACLES TO THE IMPLEMENTATION OF ADEQUATE MINIMUM INCOME SCHEMES AND THE SUGGESTED NEXT STEPS TO IMPROVE ADEQUACY, COVERAGE AND/OR TAKE-UP OF MINIMUM INCOME SCHEMES**

*This section also includes expert statements by recipients of means-tested minimum income (BMS) who have discussed and reflected on this issue in the context of the Austrian Anti-Poverty Network and/or stakeholders' initiatives (no real names are given!). Their experience of and attitudes towards the obstacles and problems in connection with the BMS have been surveyed in interviews, and are included in specially marked sections in this report. (For easier reading in transnational contexts, quotes may have been slightly modified.)*

#### **3.1 Coverage and take-up**

No recent figures on non-take-up of the means-tested minimum income have been made available. The most recent study is based on data from 2003, which relate to the predecessor of the current BMS scheme, i.e. the "open" welfare assistance system. At that time, non-take-up was between 49% and 61% of the households that were identified as eligible, or 39% to 53% in terms of expenditure.<sup>4</sup>

The introduction of the BMS scheme led to a significant increase in take-up, with pronounced differences, depending on province. However, the rise has remained below the predicted 30% in all provinces.

The greatest challenge for drawing up non-take-up studies is to simulate the households that would potentially be eligible for benefits. For lack of recent surveys, the pertinent calculations can only be made on the basis of EU-SILC data on poverty risks, gathered at the provincial level. The resulting non-take-up figures are thus only rough approximations. Apart from considerable statistical variation in the EU-SILC data themselves, and the fact that EU-SILC does not cover persons who live in institutional households (e.g. homeless people in shelters for the homeless), one has to bear in mind that the EU-SILC limit is always above the BMS limit for households. Furthermore, not all people in the income-poverty group according to EU-SILC are entitled to the basic BMS benefits (e.g. students, persons without long-term residence in Austria, or without a permanent residence permit, recipients of compensatory allowance from the pension insurance fund). In view of these limitations, our own calculations based on EU-SILC and 2011 BMS data indicate that non-take-up is highest in Carinthia (80%–83%) and lowest in Vienna (23%–56%).

Obviously, the non-take-up rate can in fact only be reduced if policy-makers and administrators are actually willing to spend more money. One has to assume that the relevant actors in legislation, politics and administration know which factors will encourage non-take-up. The current conditions and regulations are thus unlikely to result from lack of expertise. At present, no efforts seem to be made to increase the number of recipients, and thus expenditure, among the group of people entitled to BMS, by enhancing and improving information on BMS, and by easing the criteria for take-up.

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<sup>4</sup> See [www.euro.centre.org/data/1191495059\\_72704.pdf](http://www.euro.centre.org/data/1191495059_72704.pdf)

In our view, 2 different groups can be identified regarding take-up:

- a) (Groups of) persons who would be entitled to BMS but do not apply for it;
- b) Persons who live in poverty but do not have access to BMS.

**Re a) (Groups of) persons who would be entitled to BMS but do not apply for it:**

Regulations for asset realisation

After 6 months of take-up, a claim on the home owned by the recipient can be entered in the land registry; and in a few provinces the authorities are obliged to effect such an entry. In the rural areas of Austria, where many poor people are also home owners, this is a significant reason for non-take-up.

Secondary liability of relatives

*(i.e. obligation to pay back BMS that has been granted) may affect both recipients of BMS and relatives with support obligations towards them).*

2 provinces, contrary to the provisions of the State Treaty on means-tested minimum income, reintroduced secondary liability of relatives, but one province meanwhile revoked this regulation. In almost all other provinces, many welfare offices (inconsistent execution!) are reported to request of overage applicants that they assert (alleged) claims against their parents, and vice versa: an essential reason for non-take-up.

Local authorities in charge of registration

Even though applications can be filed at the district authorities (which are in charge of issuing decisions on eligibility), the local authorities at the applicant's place of residence are informed that an application has been filed as they are in charge of the registration of places of residence (and have to bear the largest part of the cost of BMS). In addition, some provinces have laws under which the local authorities have the right to give a statement on the application. This lack of anonymity is an important reason for non-take-up.

Access to information

It is hardly possible to obtain information on requirements for entitlement anonymously, as well as on the rights and duties connected with the means-tested minimum income, and particularly so because the legal situation is different in the individual provinces.

- Most of the information on the internet is not specific enough (with the exception of the info pages compiled by networks of social-care NGOs in individual provinces.<sup>5</sup>

- Lack of advisory services

Apart from the advisory services provided by social-care NGOs, independent advice is hardly available; and the NGO's advisors often do not have the necessary legal expertise, i.e. their possibilities regarding enforcement of rights are limited; the authorities' obligation to provide advice ("guidance obligation") is limited to procedural questions; and the advisory services of the Chambers of Labour (statutory bodies representing workers' interests) do cover many areas but do not extend to BMS matters).

*The problem of access to information is one of the main reasons that respondents have given for non-take-up:*

**Birgit:** *Only the Public Employment Service worker informed me, but that wasn't anonymous. You can't get advice anonymously there. Unless you can contact a social worker you won't know*

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<sup>5</sup> See <http://www.mindestsicherungtirol.at> (in German) and <http://www.mindestsicherungvorarlberg.at/> (in German)

*anything about the minimum income. And it's particularly hard for immigrants who don't speak German well. Besides, the forms you have to fill in are extremely hard to understand for many people. They just can't handle them without help.*

**Jan:** *The Public Employment Services does have a lot of information. The point is you first have to find the leaflets, and you must be able to understand them, too.*

## **Re b) Persons who live in poverty but do not have access to BMS:**

### Third-country nationals

According to EU legislation, the member states are obliged to grant non-Austrians access to obligatory minimum income (BMS) benefits, conditional on their long-term residence in Austria. A number of provinces interpret this provision as an obligation for applicants to hold a permanent residence permit in order to be entitled to BMS, which excludes those third-country nationals who hold a limited-term residence permit but have the status of "consolidated residence" (at least 5 years of uninterrupted legal stay in Austria), who cannot be deported on grounds of insufficient means of subsistence. This, of course, also excludes undocumented immigrants from entitlement to BMS.

### EU nationals

EU nationals are only entitled to support through the BMS scheme if they have the status of employees (i.e. they can receive BMS to top up their wages, or during the first few months of unemployment). Persons regarded as "poverty migrants" who do not have legal access to the Austrian labour market are not entitled to BMS.

### Self-employed people with precarious earnings

The relevant BMS regulations usually do not include provisions on self-employed persons, but in fact, eligibility for means-tested minimum income (BMS) is often linked with the obligation to suspend the business licence, and to register as looking for work at the local Public Employment Service (which often results in non-take-up).

### Domestic poverty migration

Social-care organisations all over Austria continue to report the practice pursued by quite a few welfare offices of encouraging "cases of social hardship" to move to Vienna, and to offer them a one-way train ticket to Vienna. The province of origin is obliged for a period of 6 months to refund the cost of BMS benefits that have been granted by the other province. According to the applicable legislation, the province of the applicant's "primary centre of daily and usual life activities" shall be the competent authority; for persons living in acute poverty who move to another province it may be difficult for quite some time to prove where their "primary centre of activities" actually is.

### Young people

According to the Act on General Administrative Procedures, underage people are not entitled to apply for BMS (due to lack of full legal capacity). Even though it would be possible for the competent authorities to grant them the BMS in exercise of their office, according to the social-care organisations this is the exception rather than the rule.

## **Suggested steps to improve take-up:**

### **Re a)**

- Better access to information through the internet; provision of qualified, detailed information on entitlement to, eligibility for, and obligations linked with, the means-tested minimum income (BMS), in the individual provinces.
- Establishment of independent advisory centres, also in rural areas (consultation days?) providing information on BMS entitlement, and which may help clients

assert their rights if needed (e.g. assistance in filing complaints before the Provincial Administrative Courts).

### Re b)

- Non-Austrian nationals of “consolidated residence” should be entitled to the statutory BMS benefits in all provinces.
- Young people should have the right to file applications for themselves in “cases of social hardship”.

## 3.2 Adequacy

The base value of the means-tested minimum income (BMS) is oriented towards the single-person net reference amount for the compensatory allowance to top up low pensions (i.e. in 2014: EUR 814, minus health insurance contribution). However, compensatory allowance is paid out 14 times a year, and BMS only 12 times a year (with exceptions for specific groups of persons in a few provinces). The compensatory allowance is not calculated on the basis of a market basket or a similar reference amount; it is not linked to actual living costs. Only its annual adjustment must at least cover the current inflation rate. The BMS must be increased by the same percentage as the compensatory allowance. The weighting factors for calculating the income granted to households of more than one person are based on EU-SILC. However, under EU-SILC, only persons aged 14 or younger are considered children (weighting factor: 0.3), whereas for the purposes of BMS, all underage persons (up to age 18) are considered children. According to the definition in the State Treaty, the minimum standards for underage people shall be 15% to 18%, and a percentage of approximately 30% of the base value is only achieved after adding family allowance, a universal welfare benefit for all children.

According to the notes to State Treaty, the explanation why housing is assumed to account for (only) 25% of the total benefit granted is that this percentage has been determined “on the basis of calculations, particularly calculations by Statistics Austria”.

In the context of the reform that replaced the former welfare assistance with the BMS scheme, almost all provinces abolished entitlement to special benefits (e.g. for repairs, large household appliances such as refrigerators, ovens or washing machines, or deposits for renting a flat).

*All persons interviewed, without exception, said that the means-tested minimum income was too small to enable a life in dignity. For the majority, subsistence would not be possible without help from their friends or relatives. The consequences of poverty include social isolation, depression and fear of the future. Many indicated that being poor was humiliating and stigmatising.*

**Peter:** *As long as you get unemployment benefit you’re allowed to earn something extra (note: up to a defined limit) but when you’re in the minimum income scheme that’s impossible. You must not earn a single extra cent. You can’t even earn some pocket money so that you might afford a little bit more. Eventually you get depressed. You’re forced to reduce everything to nil before you get benefits by the state. You’re pushed downwards deliberately. The minimum income doesn’t help you maintain your situation, it makes you lose ground.*

**Maria:** *You have to be absolutely poor and feel poor as well, and what you’ll get then is hardly enough to make ends meet.*

**Jan:** One week, and for some people even two weeks, before the end of the month there's no money left to buy food. That's one thing. And there's something else: everybody wants to go on holiday sometimes, but that's just out of the question. Your social life is restricted to the point where all you can do is in fact stay at home. Or, say, you'd like to save some money, as maybe you need a new couch and the welfare office won't take over the cost: forget it. It's just impossible.

**Ruth:** What's worst is the small income your partner gets. Between the two of us we have 1280 euros, and our overhead cost is 500 euros. If we didn't have the additional earnings from selling Augustin, the homeless people's paper, we wouldn't have food for 2 weeks.

**Herbert:** Sometimes the customers who buy an Augustin copy buy me a meal as well. And sometimes my children call and say, "Come eat with us, Pa!" And they give me a little food to take home. We're helping one another, but it's not enough by far.

**Birgit:** It's especially hard for the children. For example, when there's a birthday party. People usually spend between 10 and 20 euros for a gift nowadays, but I can't afford that. In our case, that's the price of a Christmas present for a family member – I can't spend so much for other children. But you stand out when you just bring a small present from a discount store or thrift shop. My children are quite popular and are invited frequently, but they can never invite others in turn, of course. The children often say, "The other kids are going to the swimming pool or the indoor playground." I can't afford such things, and that hurts.

**Elisabeth:** What always worries me is the annual energy bill. I always have to apply for an instalment plan then, but when I have to spend the money for electricity and rent I can't buy food. On the other hand, buying food means I don't have money for electricity and rent. The social welfare official said, "Well, if you don't have a flat you won't need money for electricity." The welfare officials would obviously rather risk making you homeless before they help you.

### **Suggested steps to improve adequacy:**

The Austrian Anti-Poverty Network strongly favours an orientation towards reference budgets, and as far as the coverage of housing costs is concerned, the fact that massive regional differences exist in cost structures must be taken into account.

However, such a demand will only be politically feasible if other steps are taken at the same time in other systems in order to secure people's livelihood (living minimum wages, minimum unemployment benefits also in the context of unemployment insurance, raising the compensatory allowance for pensioners, as well as: measures ensuring(?) that higher benefits will not result in higher rents etc.), as the issue of BMS also includes questions of reservation wages, as well as fairness in the welfare system, and "(in)dignity in poverty".

Another problem regarding adequacy is that BMS matters have been delegated to the provincial level, a result of Austria's federal system, in which such delegation is found in many policy areas, particularly in poverty contexts. A federal act that takes into account regional differences in housing costs would be the most appropriate solution here, but at present this is not at all politically realistic (and would require an amendment to the Constitution).

## **3.3 Effectiveness**

As the threshold for the means-tested minimum income (BMS) is below the EU-SILC poverty threshold (e.g. for a single-person household: EU-SILC 2012: EUR 1 090; BMS: EUR 814), the BMS scheme does not reduce income-poverty according to the EU-SILC definition, and one must bear in mind that the benefits granted under the preceding scheme, i.e. welfare assistance, were at a similar level in the majority of provinces.

Of course, receiving BMS benefits reduces the intensity of the poverty situation for the household concerned. Again, no statistical data are available.

Another problem concerns the issue of “effective immediate help”: in principle, the provinces are obliged to adopt measures aimed at effective immediate help. But in fact, they can take 3 months before a decision on an application is made. Many social-care NGOs indicate that the welfare offices often refer applicants in situations of acute need to the NGOs as an “immediate help service”. And when immediate help measures are taken they are often inadequate for the specific case in question.

Again: one must bear in mind that not, by far, are all persons with low incomes entitled to, or have actual access to, BMS (see section 3.1 on coverage and take-up).

*Red tape and its inconsistencies and complexities run counter to the effectiveness of benefits. Many applicants complain about having to spend a great deal of time and effort to overcome absurd bureaucratic obstacles, as well as discriminatory behaviour on the part of the officials handling their case, which makes filing an application a humiliating ritual.*

**Maria:** *When you're working 20 hours a week and have a large family, you can hardly manage the red tape involved in applying for minimum income. Handling this bureaucracy takes almost as much time as a regular job, and I simply can't do that in addition to my job, household duties and the children. I take sick leave in order to get together all the documents I need for applying for the means-tested minimum income. I have to reapply every three months, and must present the authority's decision on BMS everywhere: for getting an orphan's pension, at the kindergarten, at the daycare centre, etc. It's a never-ending cycle: applying for orphan's pension, applying for minimum income, applying for housing benefit, applying for pupils' daycare, applying for exemption from prescription fees, applying for school grants, applying for student grants, applying for financial support for the one-week school field trip, applying for exemption from TV licence fees, etc. I'm now paying TV licence fees voluntarily as I just can't handle another application. It's incredibly stressful to bear this bureaucratic burden. And there are times when it feels like a threat: "If I don't handle that in time I will lose my flat, which means no housing benefit, which means that the kindergarten will charge fees retroactively, etc." It makes me sick, and I've already suffered from burnout for this reason.*

**Herbert:** *After you've completed a training programme organised by Public Employment Service you have to reapply for means-tested minimum income. It takes six to eight weeks until your reapplication has been handled. But what's most annoying is that the Public Employment Service won't give you the reapplication form before the end of the training programme. This means that you're regularly left without any money for six to eight weeks.*

**Ruth:** *Filing the application is just humiliating, or if you miss an appointment and say, "I couldn't make it, I just wasn't able to, I'm so exhausted." This is what they will answer: "That's your problem. You won't get money for the period missed." Within six months my rent has risen by 70 euros. If I tell them that I need higher housing benefits because the current money is not enough to make ends meet, the official just says, "Alright, then move to a smaller flat!" Or, "Then try to find a cheaper flat." Being shouted at is so humiliating. Why do I have to endure this?*

**Elisabeth:** *It's still very hard for me to tell others that I'm living on the means-tested minimum income. It's a tremendous effort to admit it. It's still difficult to turn to the welfare office. The first time I actually ran away. The atmosphere is just horrible. You have to wait so long, and there are arguments between the officials and the clients all the time. But I must go there nevertheless, it's my responsibility towards my children. And on top of that, the official are rude: "You'll just have to work more!" – that's what they say. They always treat you as if you didn't want to work, or they are patronising. Going there robs you of your dignity.*

## 3.4 Active Inclusion policy

### 3.4.1 Link with inclusive labour markets

There are no statistical data that are available to the public and would permit an answer to the question as to how the labour market integration of recipients of means-tested minimum income (BMS) has changed due to the transformation of the former welfare assistance system into the new means-tested minimum income scheme (see welfare assistance v. BMS).

A system that permits recipients to earn additional money for a limited time is only open to persons who, after a period of unemployment during which they also received BMS, find employment in the regular labour market.

At the outset of the negotiations on the means-tested minimum income scheme, the Minister for Social Affairs proposed the introduction of in-work benefits, which was not endorsed by the majority and thus was not implemented.

The reform under which the welfare assistance system was replaced by the means-tested minimum income scheme (2010/11) includes access to all active labour market policy programmes run by the Public Employment Service also for BMS recipients who do not get benefits based on unemployment insurance, and a number of provinces launched additional labour market integration projects. Attendance is obligatory for BMS recipients, and refusal or evasion on their part is punished with a reduction of benefits, up to withdrawal of the entire BMS.

A study commissioned by the Ministry of Social Affairs on labour market integration of BMS recipients is currently being implemented.<sup>6</sup>

An early study conducted on this very question, with a rather short follow-up period of 9 months, obviously provides only preliminary answers, but its authors point out that immediate entry into the regular market, or even subsidised employment, is impossible for many people, and that comprehensive social work interventions, as well as appropriate rehabilitation measures are needed in order to make them fit to work.<sup>7</sup>

A study covering the group of working poor among the (then) recipients of welfare assistance in Vienna (from 2001 to 2008) has made it apparent that the problems regarding a sustainable integration into the labour market result from a combination of several factors: the general labour market situation on the one hand, and the problems of the working poor who earn the minimum income on the other: low level of formal qualification, insufficient German language skills, massive health problems, and social/family-related problems. As a rule, they are facing multiple obstacles. Very many working poor change from phases of employed work to phases of take-up of minimum income. The structure of the means-tested minimum income scheme, as well as its effectiveness with regard to the prevention of "voluntary" unemployment must be assessed against the background of the Austrian labour market situation (hardly any chances of employment for persons facing multiple placement obstacles) and the profiles of BMS recipients who are deemed to be fit to work (most of them facing multiple placement obstacles).

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<sup>6</sup> See <http://www.lrsocialresearch.at/sozialforschung/archiv-de/593-3+Jahre+Bedarfsorientierte+Mindestsicherung+%28BMS%29+%96+Auswirkungen+auf+die+Wiedereingliederung+der+BezieherInnen+ins+Erwerbsleben+seit+2010> (in German)

<sup>7</sup> See <http://www.lrsocialresearch.at/sozialforschung/archiv-de/559-Auswirkung+der+Einfluss+der+Bedarfsorientierten+Mindestsicherung+auf+die+Wiedereingliederung+der+LeistungsbezieherInnen+ins+Erwerbsleben> (in German)

*The State Treaty on the means-tested minimum income scheme that was concluded between the Federal and Provincial Governments includes a provision (in Article 1) according to which the means-tested minimum income (BMS) should be aimed, to the greatest possible extent, at sustainable (re)integration into the labour market. Since the introduction of the BMS, recipients of the "full minimum standard" (i.e. persons with the BMS as their only income, v. BMS to top up another – low – income) have become clients of the Public Employment Service, which in principle means equal access to active labour market policy programmes. The training programmes offered in this context have met with much criticism on the part of participants: as compulsory measures which are ineffective at that.*

**Elisabeth:** *The computers we're working on are so "fast" ... there's enough time enough for a cigarette and a cup of coffee before the next web page has been loaded. There are only two printers for the entire group, and they're out of cartridges or out of paper more often than not. At the same time, you're under enormous pressure to find a job. The training programme I'm in is actually intended for people who need intensive support. Let's face it: there's one trainer for four groups, with 15 to 20 participants in each group. Groups in the morning, groups in the afternoon, in addition to clients who are already in work placement or do temporary agency work, and the administrative work takes up 30% to 40% of the trainer's time. So, how much time will they have for each individual client? The trainers are under pressure themselves. They have to achieve a certain referral quota or they'll lose their job. Of course, this pressure is passed on to the participants. Unless you're a very stable person and know how to fend for yourself, you'll have a hard time. And you must not say anything critical, you must not question the training, you must not think for yourself, or else there will be sanctions.*

**Jan:** *You've been looking for a job for half a year or a year, and all of a sudden you must find a work placement within one month. As if you hadn't tried anything before! If you can't achieve that you are ordered into any work placement, even if it doesn't have anything to do with your training profile or your interests. If you don't accept the placement you're expelled from the training programme and cut off for six weeks (i.e. won't get benefits: as a sanction on the grounds of lack of willingness to work), and get neither unemployment benefit nor minimum income.*

**Maria:** *My daughter suffers from a psychological disorder, and can't cope with the pressure at the Public Employment Service. The stress is indeed enormous, particularly for young people. They have to start an apprenticeship or work placement immediately even if it's a type of work that's contrary to what they'd like to do. If she fails to keep an appointment at the Public Employment Service they immediately inform the welfare office, and she will lose the minimum income at once. Which means she loses her health insurance as well. That's a massive problem for people who can't stand the pressure they are put under by the Public Employment Service. They have no health insurance, and of course, no money.*

### **Suggested next steps to improve the link with inclusive labour markets:**

A sustainable integration of BMS recipients into employment with living wages, would require a change in the general conditions:

- a significant reduction of structural unemployment rates, which is the reason why "simple jobs" (requiring only a low level of qualification) are filled with overqualified staff (fierce competition for jobs);
- introduction of living minimum wages;
- in view of this situation, the question of adequate active labour market policies can only come second.

### **3.4.2 Link with access to quality services**

*Recipients of the means-tested minimum income (BMS) indicate three large problem areas regarding access to services:*

1. **Health care:** *BMS recipients have health insurance, they are exempt from prescription fees and the service fee for the health-insurance e-card, and compared to other groups of insured persons, they are granted certain advantages regarding contribution to the costs of hospital care or co-payment for devices and appliances such as dental braces or glasses, as well as*

physical therapy. However the remaining costs that accrue in the context of health care may still be above the insured's means, and treatment may in fact become unaffordable.

2. **Housing:** The cost of housing is not fully covered by the BMS, and because BMS recipients face social stigmatisation, their access to housing is restricted.
3. **Education:** The fact that recipients of BMS are poor and socially marginalised also affects their children. It is often difficult to afford the services of institutions providing early childhood education and developmental support such as kindergartens and daycare centres for pupils (note: in the year before school entry, kindergarten attendance is compulsory for at least half of the day, and it is free at least during that year. In most provinces, half-day kindergarten attendance is also free beyond that year. Expenses in this context mainly concern meals, but there are support options available.)

**Maria:** The hardest thing for me is that I can't afford the medical treatment for my children. The health insurance fund doesn't cover much. My daughter suffers from a particular bone disease and needs special physical therapy, that's the only effective treatment. As long as she is growing she needs intensive PT as later the spine hardens and she will suffer from physical impairments for her entire life. 40 minutes of therapy cost 60 euros, and my daughter would need 2 to 3 sessions a week. But the health insurance refunds 20 euros, that's all. I just can't afford that! As I'd put it, in this way, the State produces a cripple. It's the same with expensive dental treatment or similar things. But the bone disease issue, that's breaking my heart.

**Ruth:** If you need rehabilitation or have to stay in hospital for a longer time, the minimum income is reduced to the housing share (note: which, as a rule, does not cover the actual cost of housing!) for the time of your stay, or part of it, and the money from the health insurance refunds is paid out afterwards! But the direct debits continue to run! In other words: nothing is paid into your account but the account is still debited. Sooner or later the account is blocked and the monthly payments are no longer made. Finally you return home, presumably relaxed and recovered, and that's a rude awakening. The minimum income isn't enough to cover your expenses anyway, and then you have instalments on top! You panic because when you don't pay the rent, court proceedings will follow soon, and it won't take long until you're evicted. I know a few people who were in a rehabilitation centre for three or four months. And when they return they don't have a home any longer. That's crazy!

**Jan:** There are different regulations in the individual provinces. For instance, the welfare offices of Lower Austria sometimes do not cover any rent expenses at all because they say that in the long run, you won't be able to afford your flat. They just conclude that in the long run, you'll lose your flat anyway, so the best thing to do is give it up right now. That seems to be their logic. In this way, the welfare department increases the number of homeless people. In the western provinces, particularly in Tyrol and Vorarlberg, the welfare offices take actual rents into account, instead of using fictitious upper limits, and they take over the actual costs.

**Ruth:** The rent, and especially the extra charges, in the council flats have gone through the roof. Today an old, run-down council flat built in the 1970s is almost as expensive as a newly built flat. That's nothing to do with social housing any longer. It's next to impossible to find a flat when you're living on the minimum wage. The landlord will ask what your income is, and as soon you use words like "welfare office" or "minimum income" they'll refuse to rent you the flat. And those who do accept you as a tenant make you pay through the nose.

**Elisabeth:** I've noticed that mothers who receive BMS and have a job as well, or do freelance work, no longer send their children to the daycare centre after school because they can't afford it. But it's precisely these children who would need a daycare place, as their mothers can hardly cope with all the bureaucracy, they are stressed out. The children would need a stable place where they can do their homework, but it's precisely these children who drop out of pupils' daycare and stay at home, amidst the chaos there. Not to mention private lessons in the event that your children have difficulties at school! I've been lucky with my children, they haven't needed private lessons so far, but there are many others who aren't that lucky. On the minimum income, you can't pay for private lessons. That's a massive disadvantage for children whose parents depend on the minimum income.

(See section 2.2) In a number of provinces, eligibility for housing assistance (individual financial support through Provincial Housing Support) has been abolished or restricted for BMS recipients, whereas rents have risen. In all provinces, access to affordable, energy-efficient housing that does not pose health hazards (mould!) is a massive problem for BMS recipients.

In other provinces, recipients of BMS are granted price reductions for local public means of transport (e.g. mobility card for urban public transport in Vienna) and for cultural attractions ("hungry for art and culture" card).

Health-care services: Recipients of the means-tested minimum income are integrated into the statutory health care insurance system – unless health insurance coverage has not been provided anyway (e.g. due to take-up of unemployment insurance benefits). Under the former system of welfare assistance, recipients were eligible for benefits in kind through the "illness assistance" system. This meant that they had to present a special health-insurance voucher at doctor's offices and were thus identifiable as recipients of welfare assistance. As a result, they were at times denied health-care services (the reason given was that the system of accounting and settlement was complex), and obviously it was stigmatising for them. Now that this group has been integrated into the regular health-care system the above problems no longer exist, but new problems have emerged: co-payment is required for devices and appliances such as glasses, hearing aids, "indispensable" dentures, motorised wheelchairs etc., as well as for hospital stays of co-insured persons (usually children); not all of the relevant provincial laws stipulate a statutory obligation of full cost coverage by the province. Regarding eligibility for benefits, BMS recipients are regarded as equal to recipients of the compensatory allowance to top up small pensions.

Child-care services: In recent years, child-care services have been expanded considerably as one year of kindergarten (the last year before school entry) has become obligatory. As a rule, the kindergarten costs are tiered according to social situation, and in part, free kindergarten places are available. The initiative for expanded child-care services is not connected with the introduction of the means-tested minimum income.

Cost increases as a direct result of the economic crisis have not been recorded in Austria.

### **Suggested step to improve link to quality services:**

Affordable housing is obviously the most pressing problem, and probably not only in Austria. The vast majority of social-care NGOs agree that the funds for Provincial Housing Support that the provinces get out of the federal budget should again be earmarked in order to ensure an expansion of council housing programmes (which will in turn help bring down the rents on the free market).

## 4. CONCLUSIVE REMARK – SUMMARY

### 4.1 Main demands expressed by recipients of the means-tested-minimum income (BMS)

*The main demands expressed by recipients of the means-tested minimum income (BMS) include an unconditional basic income scheme, or at least a considerable increase of the present BMS, affordable housing, the right to holidays, no setting off of partner incomes against the BMS, and less bureaucracy regarding take-up.*

**Maria:** *An unconditional basic income for everybody, that's what I'd wish for. Then you wouldn't have to permanently defend yourself for the fact that you have four children, or live in a beautiful flat. Everybody has the right to live, and it simply makes sense economically and socially if nobody is marginalised, and if children get an adequate education. Until then, I'd like to have an end of bureaucracy for the take-up of minimum income and all the other benefits. My third wish is that children shouldn't be considered worth a mere 200 euros (note: plus family allowance of EUR 110 to EUR 180 depending on age and number of children). The amount per child should be considerably higher in order to prevent children from being excluded from typical spare-time activities: going out with friends; taking part in school-organised skiing holidays, the graduation ball, the school-leavers' trip; organising birthday parties, and maybe even dancing or music classes etc. In our society, the actual expenses for a child are 500 euros a month. And finally, I'd say that everybody has a right to holidays, the right to relax.*

**Ruth:** *The provision that a person in a household of several persons gets only 75% of the amount granted to those in single-person households needs to be withdrawn. I don't see the reason why two persons should need less money than one. Now the minimum standard for couples applies to all people in the same household, including live-in partners, your best friend or your adult children (note: in this respect, the situation differs according to province). The total income of all these people is used as a basis, and that's neither fair nor just. The level of the BMS should at least be as high as the poverty threshold. And of course we need affordable housing.*

**Jan:** *Apart from a minimum income and affordable housing, my wish is that the minimum income should no longer be linked to the Public Employment Service, or that you could apply for all benefits at one single office, and that the duration standards should be harmonised. Introducing a one-stop shop system is a long-standing demand of the Austrian Anti-Poverty Network. In any case, the application routines must become less bureaucratic.*

**Herbert:** *We need more social workers whose education is oriented towards the actual social situation. They need more independence in their work, and less pressure from their superiors, i.e. people who have no idea of the practical side of their work. And the routine humiliation of clients must be abolished.*

### 4.2 Key issues that need to be addressed and proposals for the progressive realisation of adequate minimum income schemes in Austria

From the point of view of "Die Armutskonferenz" (the Austrian Anti-Poverty Network) and other social NGOs, the Austrian means-tested minimum income scheme, in its current form, is not aimed at enabling a life in dignity. A political and social discourse that discredits recipients as 'welfare scroungers' further increases the **social marginalisation** of socially disadvantaged groups. The means-tested minimum income scheme definitely has **weak points and shortcomings** in several areas. On the one hand, the **benefits are too low**; they are, in fact, approx. 25% below the poverty threshold (60% of the median income). On the other, applicants are facing **bureaucratic obstacles**: lack of information on the part of (welfare) offices, the application forms are

difficult to understand, etc. This, in turn, results in high **non-take-up** rates, particularly in rural regions. The Austrian Anti-Poverty Network estimates that there are provinces in which less than 1 out of 4 persons entitled to means-tested minimum income actually receive benefits. And there is the problem of different regulations in the nine Austrian provinces.

The main **proposals for an improvement of the means-tested minimum income scheme (BMS)** in Austria include the following:

- Higher benefits, especially for households with several persons (children and young people are entitled to 30% of the minimum income, which is too low). The benefits should be oriented towards reference budgets, and should be at least at the level of the minimum pensions (i.e. 2 additional monthly payments should be granted).
- Improve access to information for persons eligible to means-tested minimum income: obligation on the part of authorities to provide information; more social advisory offices; better transparency.
- Harmonisation of regulations: there is no sensible reason why nine different laws (for each province) should be necessary.
- Combat inconsistent execution: those in need of benefits should be legally entitled to them in order to prevent arbitrary decisions (discretionary provisions should be replaced with directory provisions).
- Housing: actual, appropriate housing costs must be taken into account!
- Improve access to benefits for third-country nationals: they are often excluded from benefits even though they have lived in Austria for a long time.
- Health care: the minimum income must cover co-payment for necessary treatment!
- People with disabilities: the greater financial needs of this group must be taken into account!
- Faster processing of applications: in a situation of acute need, 3 months are, in fact, a very long time. The 'effective immediate assistance' that can be granted in such a situation is not made available as often as it would be needed.

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### *Gesetzliche Grundlage:*

Vereinbarung zwischen dem Bund und den Ländern gemäß Art. 15a B-VG über eine bundesweite bedarfsorientierte Mindestsicherung. Im Internet: [http://www.parlament.gv.at/PAKT/VHG/XXIV/I/I\\_00677/](http://www.parlament.gv.at/PAKT/VHG/XXIV/I/I_00677/)



