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EUROPEAN SOCIAL CHARTER

Ad hoc report on the cost-of-living crisis

submitted by

THE FEDERAL GOVERNMENT OF AUSTRIA

Report registered by the Secretariat

on 28 December 2023

CYCLE 2024

REVISED EUROPEAN SOCIAL CHARTER

AD HOC REPORT 2023

submitted by

THE FEDERAL GOVERNMENT OF AUSTRIA

The ratification instrument of the Revised European Social Charter was deposited on
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Copies of this report have been communicated to:

the Austrian Trade Union Federation (*Österreichischer Gewerkschaftsbund*)

the Austrian Federal Chamber of Labour (*Bundesarbeitskammer*)

the Austrian Federal Economic Chamber (*Wirtschaftskammer Österreich*)

the Federation of Austrian Industry (*Vereinigung der Österreichischen Industrie*)

the Presidential Conference of Austrian Chambers of Agriculture (*Präsidentenkonferenz der
Landwirtschaftskammern Österreichs*)

the Council of Austrian Chambers of Agricultural Labour (*Österreichischer
Landarbeiterkammertag*)

According to the decision of the Ministers' Deputies adopted on 27 September 2022 concerning the new system for the presentation of reports under the European Social Charter, and the decision by the European Committee of Social Rights and the Governmental Committee, adopted by the Governmental Committee during its 146th meeting from 9-12 May 2023 to request an ad hoc report on the cost-of living crisis, Austria provides the following answers to the list of questions transmitted to the States Parties on 12 June 2023.

1) Please provide information as to whether and how the statutory minimum wage is regularly adjusted/indexed to the cost of living. Please indicate when this last happened, specifically whether it has been adjusted /indexed since the end of 2021

2) Please provide information on any supplementary measures taken to preserve the purchasing power of the minimum wage since the end of 2021.

3) For States Parties with no statutory minimum wage, please describe any measures taken to preserve the purchasing power of the lowest wages since the end of 2021.

The Index of Agreed Minimum Wages 16 (*TLI 16*) measures changes in the Austrian minimum wage based on selected wage and salary items. Compared to the 2021 average, the index rose by 3% on average in 2022. The figure in August 2023 was 8% higher than in the same month of the previous year. Collective wage agreements in late 2023 resulted in an average wage hike of roughly 10%, and as much as 15% for lower wage brackets.

Social benefits have been adjusted annually for inflation, i.e. increased each year by specified amounts, since 1 January 2023; benefits now adjusted annually include family allowance, multiple-child supplement; tax credits for family maintenance and for children, for single-earners or for pensioners; childcare benefit; school start benefit; family time bonus; educational grants for pupils and students; sick pay and benefits for rehabilitation, reintegration and retraining. For other benefits such as pensions, equalisation supplements, long-term care allowance and social assistance, annual inflation adjustment was introduced long ago.

4) Please provide information as whether the cost of living crisis has led to the extension of in-work benefits.

Please refer to the responses to question number 3) above in relation to tax relief measures and social benefits.

As an example of measures adopted at *Laender* level, additional programmes introduced in **Vorarlberg** are described below.

Family supplement (*Familienzuschuss*) is granted in Vorarlberg for each child immediately following the end of eligibility for childcare benefit and continuing for a maximum of 18 months. The family supplement amount varies based on the number of family members living in the same household as well as on the net family income. The lower the family income, the higher the supplement.

Vorarlberg passed a comprehensive package of measures on 1 October 2022 to ease the financial burden on the population. As a result, the family supplement was increased and the weighting factors were adjusted. The minimum supplement was raised by a factor of 3, from EUR 51 to 150, while the maximum supplement increased from EUR 505.50 to EUR 600.

The new weighting is aimed to benefit (young) couples with between one and three children. At the same time, maximum income levels were adjusted to accommodate families with several children.

The average Vorarlberg household has 1.72 children, with only 1.9% of households having four or more children. Increasing the maximum income levels specifically for families with between one and three children has broad impact, enabling in particular working middle-class families to draw the supplement. Meanwhile, single parents also benefit from the new weighting.

Another response to the increased cost of living was an additional one-off family supplement payment to all recipients in October 2022. An information campaign was launched to target eligible families who for one reason or another have not yet claimed the supplement.

The monthly salaries of land and municipal public employees in lower wage brackets were increased by a higher fixed euro amount in relative terms than the salaries of *Land* Government employees falling into higher wage brackets.

5) Please provide information on changes to social security and social assistance systems since the end of 2021. This should include information on benefits and assistance levels and the allocation of benefits

The base value for assessing social assistance and minimum income benefits is based on the reference rate for the net equalisation supplement (*Netto-Ausgleichszulagenrichtsatz*). This means that annual pension adjustment directly impacts levels of social assistance and minimum income benefits.

These benefits have been increased twice since the end of 2021, by roughly 3% in 2022 and 7.7% in 2023.

The Social Assistance (Principles) Act (*Sozialhilfe-Grundsatzgesetz, SH-GG*), which entered into force on 1 June 2019, introduced new regulations that define **maximum amounts** instead of minimum standards. The maximum amount in 2023 is roughly **EUR 1,054** for singles or single parents (net equalisation supplement reference rate) and about **EUR 1,475** for couples (twice 70% of the net equalisation supplement reference rate).

The **SH-GG** was amended in **2022**, in particular to allow the *Laender* more freedom in their legislation:

- Based on a new **provision for cases of hardship**, in cases of need individuals previously excluded from social assistance may now, based on discretion, be granted such benefits and covered by health insurance.
- In addition, the **provisions governing the calculation of income** that might affect eligibility or reduce benefit amounts were **loosened**, so that federal benefits granted in view of crises to cover special or additional needs no longer offset social assistance payments, with the same applying to long-term care allowance (not just those drawn directly but also those paid out to caregiving relatives). Special payments (i.e. thirteenth and fourteenth monthly wage/salary; annual leave bonus and Christmas remuneration) may, by way of discretion, be excluded from consideration when calculating the benefit.
- Provisions were also amended to exclude **specific forms of housing** from the definition of the 'same household', so that, e.g. therapeutic residential units and women's shelters must no longer be regarded as common households. As a result, residents of such facilities may now, based on discretion, receive benefits in full instead of only a maximum of 70% per person as previously.

On average in 2022, a total of 189,957 individuals were living in 103,038 households referred to as *Bedarfsgemeinschaft* (i.e. household members are mutually dependent) supported by minimum income/social assistance. Only 36% of recipients were unemployed and generally available for gainful work on the labour market. Another 9% were employed, while of the remaining 42% were either of preschool or compulsory school age or retired, 9% not able to work, and 5% attending school beyond the compulsory school age. At 36%, singles represented the largest group receiving social assistance benefits, while 33% were living in households of couples with children and 23% in single-parent households with children.

A total of three one-off payments have been disbursed from the **unemployment insurance** fund since the end of 2021, to cover special needs arising from the COVID-19 crisis and to compensate for the increased costs of living and energy.

- To cover special needs arising from the COVID-19 crisis, a one-off payment of EUR 150 was made to all individuals who had drawn unemployment benefits or related supplements for at least 30 days in November and December of 2021 based on Section 66 Para. 3 of the Unemployment Insurance Act (*Arbeitslosenversicherungsgesetz, AIVG*).
- Section 66 Para. 4 AIVG specified a one-off payment – to cover special needs arising from the COVID-19 crisis – of EUR 150 for each individual who had drawn a monetary benefit from unemployment insurance under Section 6 Para. 1 nos. 1 to 3 and no. 9 for at least 30 days in January and February of 2022.
- Section 66 Para. 5 AIVG specified a one-off payment – to cover special needs arising from the increased costs of living and energy – of EUR 300 for each individual who had drawn a monetary benefit from unemployment insurance under Section 6 Para. 1 nos. 1 to 3 and no. 9 for at least 31 days in May and June of 2022.

The following **family benefits** were increased as of January 2023:

The amount of family allowance varies depending on the age of the child. General family allowance per child and month:

- from birth: EUR 120.6
- for children over the age of 3: EUR 129
- for children over the age of 10: EUR 149.7
- for children over the age of 19: EUR 174.7

The total monthly amount of family allowance is increased by the sibling supplement for each child (*Geschwisterstaffelung*). The amounts received in addition to the basic monthly family allowance are:

- if family allowance is granted for 2 children, EUR 7.5 for each child,
- if family allowance is granted for 3 children, EUR 18.4 for each child,
- if family allowance is granted for 4 children, EUR 28 for each child,
- if family allowance is granted for 5 children, EUR 33.9 for each child,
- if family allowance is granted for 6 children, EUR 37.8 for each child,
- if family allowance is granted for 7 or more children, EUR 55 for each child.

For children with severe disabilities, an increased amount of EUR 164.9 per month is paid on top of the general family allowance.

A school start allowance (*Schulstartgeld*) of EUR 105.8 is granted for each child between 6 and 15 years. It is paid with the family allowance for the month of August.

The tax credit for children (*Kinderabsetzbetrag*) is transferred along with the family allowance without requiring a separate application. It is not an allowance in the strict sense of the word but a fiscal measure which is paid to all parents entitled to family allowance, as a kind of negative tax. The amount of the tax credit for children is EUR 61.8 per child and month.

The multiple-child bonus (*Mehrkindzuschlag*) of EUR 21.2 per month is due for the third child and further children for whom family allowance is granted, the family income subject to taxation must not exceed a certain ceiling, which is EUR 55,000 per calendar year.

Various measures were also taken at **Laender** level. In the following a number of examples is given.

While **Burgenland** has not made any changes to the social security and assistance systems since 2021, the reference rates for means-tested minimum income are adjusted each year (tied to the equalisation supplement reference rate).

In **Lower Austria**, social assistance benefits (both in the form of monetary and non-monetary benefits) provided under the Lower Austria Social Assistance Implementing Act (*Sozialhilfe-Ausführungsgesetz, NÖ SAG*) are similarly based on lump-sum reference rates.

In implementing the requirements set out in the *SH-GG*, the Styria Social Support Act (*Steiermärkisches Sozialunterstützungsgesetz, StSUG*) entered into force 1 July 2021 in **Styria**. Following a transitional period ending on 1 January 2022, social support was thereby introduced to replace the means-tested minimum income regime and monetary benefits based on reference rates, as previously stipulated in the Styria Social Assistance Act (*Steiermärkisches Sozialhilfegesetz*). Eligible parties as defined in the *StSUG* are entitled to benefits to help meet general living expenses and housing needs. To cover housing costs, adult recipients can be granted an additional lump-sum payment in the amount of 20% of the maximum rate applicable in the particular case if they meet certain prerequisites. Those eligible for social support are also entitled to benefits during illness, pregnancy and childbirth. Health insurance contributions are provided as a non-monetary benefit, through direct payment of contributions for statutory health insurance to the respective insurance provider. Additional benefits can be granted in individual cases in order to avoid any exceptional hardship.

Based on the corresponding Policy Guideline, the **Tyrol** Government granted a one-off payment for heating and energy in 2022 to individuals having their primary residence in Tyrol. The heating allowance of EUR 250 was paid out to each household in 2022.

Inflation stemming from the crisis in Ukraine was partially compensated through an additional energy allowance of EUR 250 per household,

i.e. a maximum of EUR 500 was paid out to each household.

As a measure to combat inflation, residents could apply for a **Tyrol subsidy** (*Tirol-Zuschuss*) between 1 April and 31 October 2023. This benefit consisted of a housing and heating allowance in 2023. To be eligible, applicants had to have their primary residence in Tyrol. This additional programme to ease the burden on Tyrol's households specifically targeted those with low and moderate incomes to help defray housing, heating and energy costs.

Tyrolean households especially hard hit by high heating costs receive assistance through a subsidy for heat pumps and electric heating. Applications for the subsidy were accepted between 17 July and 31 October 2023. To be eligible, applicants had to demonstrate that their houses or flats (primary residence) mostly require heating by means of a heat pump or permanently installed electric heating system.

In relation to social assistance benefits, as of 1 January 2023 **Vorarlberg** raised the reference rates for children (*Kinderrichtsätze*), i.e. the staggered amount payable for minors in families receiving social assistance benefits, by 5 percentage points; 60% of the reference rate for children is designated as subsistence benefit. Eligibility is tied to receipt of family allowance. The new amount of subsistence benefit is EUR 202.30 per child for the first three minor-age children, EUR 139.08 for the fourth to sixth child, and EUR 107.47 for seven or more children.

Another measure was to significantly increase as of 1 January 2022 the maximum amount for covering accommodation needs paid out as part of social assistance benefits, with the rates for all household categories adjusted.

Residents with a low household income who meet the requirements set out in the Housing Allowance Policy Guideline (*Wohnbeihilferichtlinie*) receive support in the form of a benefit to cover housing expense (rental payments or repayment of a mortgage or refurbishment loan). Single-parent households and households with three or more dependent children are additionally granted a single-parent supplement (*Alleinerzieherbonus*) or favoured in net income calculation (*Begünstigungsklausel*).

As part of a package of measures to combat inflation, the Vorarlberg *Land* Government has responded to rising housing costs and inflation by significantly enhancing the provisions of the Housing Allowance Policy Guideline (*Wohnbeihilferichtlinie*) since 1 July 2022. The 2023 amendment, which entered into force on 1 January 2023, stipulated additional adjustments.

The package of measures to combat inflation resulted in recalculation of all current housing allowance entitlements as of July 2022 based on the provisions as amended in 07/2022 – 2023. The provisions of the 2023 amendment, i.e. those of the Housing Allowance Policy Guideline 2023, are applicable to all applications since January 2023.

The legislation applying to minimum income in **Vienna** has been amended since the end of 2021, including in particular the following: certain benefits or types of property are no longer considered when calculating the benefit level; changes relating to social workers' services were introduced; the provisions governing reimbursement of costs and expenses (*Kostenersatz*) were amended. The amendments have not affected minimum benefit standards or the amount of benefits.

6) Please provide information as to whether social security benefits and assistance are indexed to the cost of living, as well as information in particular on how income-replacing benefits such as pensions are indexed. Please indicate when benefits and assistance were last adjusted/indexed.

Adjustment of pension levels and equalisation supplement reference rates also impact the levels of social assistance and minimum income benefits.

As the base value of social assistance and minimum income benefits is tied to the reference rate for the net equalisation supplement, recipients of social assistance or minimum income directly benefit when the equalisation supplement reference rate is increased.

Regarding one-off payments from unemployment insurance to cover the special requirements due to the COVID-19 crisis and the special requirements due to the increased cost of living and energy costs, please see answers to question number 5).

Since January 2023, family allowance and an increased amount for children with severe disabilities, sibling supplement, school start allowance, tax credit for children and the multiple child bonus has been indexed to the cost of living annually.

Various measures were also taken at **Laender** level. In the following a number of examples is given.

In **Burgenland**, the reference rates for means-tested minimum income are adjusted each year (tied to the equalisation supplement reference rate).

In **Lower Austria**, the *Land* Government redefines each year, and most recently as of 1 January 2023, the reference rates for monetary benefits to help meet general living expenses as well as housing needs.

Upon adoption of the Pension Adjustment Act (*Pensionsanpassungsgesetz*) 2023, the equalisation supplement reference rate as defined in the General Social Insurance Act (*Allgemeines Sozialversicherungsgesetz, ASVG*) was increased by 5.8% and additionally by a one-time amount of EUR 20 for 2023. This results in a total increase of 7.74%. The net equalisation supplement reference rate is EUR 1053.64 per month for 2023.

Tyrol amended its Ordinance governing housing expense as of 1 September 2022. In setting the maximum rates, special consideration was given to the extremely high inflation rate, which in relation to housing expense includes increased heating and operating costs. As inflation had already reached 8% by August 2022, this percentage was set as the minimum increase to be applied to maximum rates throughout Tyrol. The minimum rates for subsistence assistance (*Hilfe zur Sicherung des Lebensunterhaltes*) was adjusted as of 1 January 2023.

Retired civil servants in Tyrol receive their pensions (referred to as *Ruhegenuss*) from the *Land* Government. By contrast, the pensions of contractual public employees are governed by the ASVG as amended. Pensions of civil servants are periodically adjusted for inflation, the difference compared to adjustment of salaries for civil servants being that any pension amount superseding a set threshold is adjusted only by 50%: This is referred to as a “minor inflation adjustment” (*Mindervalorisierung*). Nevertheless, pensions are increased in this way in step with the rising cost of living.

In **Vorarlberg**, the subsistence benefit paid out as part of social assistance benefits is tied to the (net) equalisation supplement reference rate. This rate is annually indexed as of 1 January and thus adjusted to the cost of living.

Valid for one year, the Housing Allowance Policy Guideline is usually passed in advance by the Vorarlberg Government for the following calendar year. However, the Policy Guideline may also be amended during the year if need be.

Legislation in Vorarlberg specifies that the pensions of former civil servants at *Land* and municipal levels are to be increased by an inflation supplement, which also applies to pension supplements and other supplements. Survivors’ pensions based on entitlements of former civil servants at *Land* and municipal level are similarly increased by the inflation supplement. Pensions were most recently adjusted as of 1 January 2023.

Minimum standard payments under the Vienna minimum income scheme were adjusted twice, as of 1 January 2022 and 1 January 2023. Minimum standard payments were increased by 3% for 2022 and 7.74% for 2023.

The minimum standard is adjusted based on the equalisation supplement rate as defined in the ASVG, which in turn is connected to the inflation rate.

7) Please provide information as to whether any special measures have been adopted since late 2021 to ensure persons can meet their energy and food costs, such as price subsidies for energy,

WOHNSCHIRM (“Housing Umbrella”) is a programme initiated in March 2022 to support tenants throughout Austria who because of the COVID-19 pandemic or current inflation have rent arrears and thus face potential eviction (the rent-related programme is referred to as *WOHNSCHIRM Miete*). The programme was expanded at the beginning of 2023 to include support for energy costs. Now support benefits are also available to individuals who due to inflation cannot or might not be able to pay their energy bills (*WOHNSCHIRM Energie*). A total budget of EUR 164 million is available to the *WOHNSCHIRM* programme until 2026.

The programme was established based on Section 5b of the Austrian COVID-19 Poverty Act (*COVID-19-Gesetz-Armut*). The legal basis for the inclusion of energy costs in the support scheme, the increase of related public funds and the extension of the programme until and including 2026 is stipulated in the Federal Act governing compensation for the increased costs of living and housing caused by inflation (Living and Housing Compensation Act, *Lebenshaltungs- und Wohnkosten-Ausgleichs-Gesetz - LWA-G*). The Federal Government passed the *LWA-G* with the goal of helping households better meet the increased expenses resulting from inflation, particularly from higher housing and energy costs. The additional funds have been earmarked to secure housing and prevent cases of eviction in the wake of inflation and to help households secure their energy needs. In this way, Austria is combating energy-related poverty and helping avoid energy cut-offs, besides helping tenants to secure their current housing arrangements and avoid homelessness. The related Policy Guideline governing the prevention of inflation-related eviction and securing housing and energy needs, published jointly by the Ministry of Social Affairs and the Federal Minister of Finance is available here ([in German](#)): *Wohnschirm*: help with rent arrears in Austria (sozialministerium.at). The *WOHNSCHIRM* programme, originally established based on the COVID-19 Poverty Act, is intended to be continued and additionally cover energy needs based on the above Policy Guideline under the *LWA-G* starting from 2024.

Volkshilfe Wien gemeinnützige BetriebsGmbH, a public-interest not-for-profit company, has been appointed to handle implementation and operation of the *WOHNSCHIRM* programme. The scope of services offered under the *Wohnschirm Energie* programme comprise more than 100 regional consulting centres throughout Austria that offer advice on changing energy providers and on saving energy as well as help in preparing applications. Two types of financial support are available: 1) a one-off payment to cover unsettled energy bills, and/or 2) an annual lump-sum payment for future energy costs, with the amount varying based on number of household members.

These benefits are secondary and complementary to any support provided by the *Laender*, meaning any benefits relating to heating or energy received from the *Land* Government are deducted from the federal lump-sum benefit. To receive benefits, applicants must have their primary residence in Austria, be bound by a supply contract to payment of energy costs, have or face the possibility of arrears in energy bills, and not have sufficient funds to meet ongoing energy expenses.

Inflation compensation for households receiving social assistance or minimum income benefits: To cope with the impact of inflation-related price hikes, households receiving social assistance or minimum income benefits in 2022 were granted two payments of EUR 300 each to compensate for inflation.

Special support for households receiving social assistance or minimum income benefits: The Federal Government passed an additional anti-inflation package in 2023 to relieve some of the burden felt by households in the wake of (continued) rising inflation, targeting especially families with children as well as single-parent families. The package includes a budget of EUR 124 million in total to support recipients of social assistance or minimum income:

- Adults and minors aged 14 and older with their own households (not living with their parents) who were receiving social assistance or minimum income benefits were granted a monthly supplement of EUR 60 for the months of July to December 2023.
- An additional EUR 60 has been stipulated to be paid out monthly for each child living in a household receiving social assistance or minimum income for the period of July 2023 to December 2024.

The support described above, i.e. inflation compensation and special support, is not contingent upon a separate application and is paid out automatically. These benefits are not offset against social assistance or minimum income, so that recipients are additionally entitled to the former alongside the latter. This support is paid out by the *Laender*, which are similarly competent for distributing social assistance and minimum income benefits.

A scheme referred to as *Stromkostenbremse* - **electricity price brake** - is designed to curb current electricity price hikes while offering incentives to reduce consumption. As of 1 December 2022 and continuing until 30 June 2024, the *Stromkostenbremse* subsidy is applied directly to both electricity bill instalment payments and annual bills.

Initiated by the Federal Government, this relief measure is targeted at consumers currently under valid energy supply contract with an energy supplier for the supply of electricity to a household metering point. A base quota of maximum 2,900 kilowatt-hours (kWh) per household metering point is eligible for subsidisation. This quantity equals roughly 80% of the electricity consumed annually by the average Austrian household.

The lower threshold, at which the electricity price brake kicks in, is set at EUR 0.10 per kWh, roughly the level before the crisis. The upper threshold is EUR 0.40 per kWh, meaning the amount of the electricity price subsidy is not further increased beyond this level, resulting in a maximum subsidy of EUR 0.30 per kWh. All the amounts given above are net prices. The price subsidy is not applied to the value-added tax on electricity.

A number of **examples** of subsidies and allowances granted at *Laender* level in Lower Austria, Styria and Vorarlberg are described below.

Lower Austria, for instance, pays a housing and heating allowance which depends on household size. The allowance for the first person living in a household was EUR 150, with EUR 50 being added for each additional person (registration as primary residence required). Eligibility was tied to a maximum annual gross income of EUR 40,000 for single-person households and EUR 100,000 for multi-person households. In total, this allowance was granted to approximately two-thirds of households in Lower Austria.

A heating allowance has been paid in Lower Austria for many years. For the heating period 2021/2022, the Lower Austria Government paid a heating allowance of EUR 150 specifically to single-person households or groups of persons living in the same household (*Haushaltsgemeinschaften*) who had received benefits under the Lower Austria Social Assistance Implementing Act (*NÖ Sozialhilfe-Ausführungsgesetz, NÖ SAG*) for at least one month in the period from November 2021 to March 2022.

For the winter 2022/2023 heating period, a similar scheme providing for a heating allowance of EUR 150 was adopted. The aforementioned group of eligible individuals additionally received an extraordinary one-off payment.

To reflect the ongoing changes in the energy market, the Lower Austria Government passed the Lower Austria Electricity Discount Act (*NÖ SPRG*) in July 2022. Based on this law, households in Lower Austria were granted funds to cover for increased costs of living and energy. The amount payable was tied to household size: EUR 169.58 for single-person households, EUR 272.36 for households with two persons, EUR 374.44 for households with three persons; EUR 415.80 for households with four persons, EUR 457.07 for households with five persons. An additional EUR 41.27 was disbursed for each additional person living in the same household.

The **Styria** Government responded to increasing energy prices and heating costs by deciding on 18 November 2021 to raise the heating allowance from EUR 120 to EUR 170. More than 13,000 households received the increased heating allowance.

As the second part of the Styrian “winter package”, a new scheme referred to as “winter emergency aid” (*Wintersoforthilfe*) was introduced to support persons in situations of special hardship. Under the scheme, additional support payments for energy and heating bills are provided quickly and in a non-bureaucratic manner.

Additionally, a premium referred to as the *Steiermark-Bonus* was disbursed to more than 30,000 households in Styria in 2022. Under this scheme, an amount of EUR 300 was automatically paid to households which had received either heating allowance in 2021/2022 or payments under the housing assistance programme (*Wohnunterstützung*) since 1 May 2022.

In autumn 2022, the Styria Government doubled the heating allowance and set the amount at EUR 340. More than 20,000 households received the increased allowance.

With the aim of enlarging the group of persons eligible for housing assistance, the applicable income thresholds have previously been adjusted at the beginning of each year.

In 2022, the thresholds for computing the amount of housing assistance were additionally adjusted upwards and the maximum amounts payable were raised from 1 August 2022. In 2023, the funds provided by the Federal Government were used to pay a housing and heating allowance of EUR 400 to low-income households in Styria.

In **Vorarlberg**, the Vorarlberg Electricity Allowance Act (*Landes-Stromkostenzuschussgesetz, L-SKZG*) entered into force on 1 April 2023. This provides private consumers in the *Land* of Vorarlberg with a subsidy of EUR 0.03/kWh in addition to the electricity allowance granted on a national basis under the Federal Electricity Allowance Act (*Stromkostenzuschussgesetz*). Unlike the national electricity allowance, which is granted up to a maximum consumption of 2,900 kWh, the Vorarlberg subsidy applies to the full amount billed.

All households which have a current electricity supply contract for a metering point in Vorarlberg to which a standardised load profile of the categories H0 (household), HA (household with hot water storage system at a metering point) or HF (household with storage heater at a metering point) are eligible, i.e. the group of beneficiaries of the Vorarlberg electricity allowance is identical to those of the national allowance. The Vorarlberg electricity allowance is payable from 1 April 2023 to 30 June 2024. The support provided to an average household under the Vorarlberg scheme is approximately EUR 150 (5,000 kWh x EUR 0.03/kWh).

In view of the sharp rise in energy costs, the Vorarlberg Government raised the **heating allowance** from EUR 270 to EUR 330 starting from the 2022/2023 heating season. The one-off payment of the

Federal Government to the *Laender* earmarked for mitigating the impact of increased housing and heating costs was used to introduce an additional allowance in Vorarlberg: The **Heizkostenzuschuss PLUS** added another EUR 330, resulting in a total heating subsidy amount of EUR 660 for low-income households in Vorarlberg for the heating season in 2022/2023. With the aim of significantly enlarging the group of eligible households, the income thresholds for the additional heating allowance were set at a higher amount. This way, the support was targeted at households up to and including the lower middle class and aimed to benefit some 40% of households in Vorarlberg.

The *Land of Vienna* made a total of **eight one-off payments** in 2022. Two payments referred to as the *Energiekostenpauschale* (lump-sum energy grant) and the *Alleinerzieherinnenbonus* (supplement for single parents) were made at the end of June 2022. No separate application was necessary; all recipients of social benefits automatically received EUR 200 per household. Single parents received an additional EUR 100. The scheme benefitted 233,000 households in Vienna and 13,400 single parents.

For two one-off energy allowance payments, the *Wiener Energiebonus 22* and *Wiener Energiebonus 23*, amounting to EUR 200 per address each an application was required to be filed. Eligibility was tied to annual gross income: The maximum qualifying income for the *Energiebonus* in both 2021 and 2022 was EUR 40,000 for single-person households and EUR 100,000 for multi-person households. The *Wiener Energiebonus 22* was paid out in the period from December 2022 to March 2023 to a total of 634,000 households in Vienna. The *Wiener Energiebonus 23* was paid out in the period from April 2023 to June 2023 to a total of 688,000 households in Vienna.

As a counterpart to the *Wiener Energiebonus*, a housing grant referred to as *Wiener Wohnbonus 23* was introduced in 2023. The *Wiener Wohnbonus 23* was subject to the income limits as the *Wiener Energiebonus 23*. The amount paid was EUR 200 per address. Applications had to be submitted in the period from July 2023 to September 2023. A total of 629,000 households received the grant.

Currently there are three support schemes in place for those in need: *Energieunterstützung Plus* (extraordinary energy support), *Wohnungssicherung Plus* (extraordinary housing protection) and *Wohnunterstützungspauschale* (lump-sum housing assistance), with the former two schemes requiring a claim to be filed online together with supporting documents. The *Energieunterstützung Plus* programme covers energy cost arrears of up to EUR 500. The programme is available to persons who are exempt from payment of public TV and radio licence fees (*GIS-Befreiung*), covered by the cost cap (*EAG-Kostendeckelung*) stipulated in the Renewable Energy Expansion Act (*EAG*) or in receipt of sick pay or rehabilitation benefits. The *Energieunterstützung Plus* programme runs until December 2023. To date, a total of 25,600 households have received the grant. Under the *Wohnungssicherung Plus* programme, 70% of arrears in housing costs from EUR 400 up to a maximum of EUR 15,000 are covered from public funds. It is targeted at the same group as the *Energieunterstützung Plus* programme and runs from September 2023 to February 2024.

The lump-sum housing assistance (*Wohnunterstützungspauschale*) is EUR 200 per person. Payments began on 19 October 2023. It is targeted at persons qualifying for minimum income payments (*Mindestsicherung*), long-term unemployment assistance (*Notstandshilfe*), unemployment benefit (*Arbeitslosengeld*), housing allowance (*Wohnbeihilfe*) and recipients of equalisation supplement (*Ausgleichszulage*) or pension top-up payments (*Ergänzungszulage*). A total of 245,000 individuals received assistance under this scheme. Payments are made automatically.

For further examples see responses to question number 5) above.

8) Please provide up-to-date information on at-risk-of-poverty rates for the population as a whole, as well as for children, families identified as being at risk of poverty, persons with disabilities and older persons. Please show the trend over the last 5 years, as well as forecasts for upcoming years.

Despite the COVID-19 pandemic and high inflation, the social situation in Austria has remained stable. The table below shows the people at risk of poverty or social exclusion both in absolute numbers and as percentages – among the entire population, for children under the age of 18 years, persons aged 65 or older, households with children and individuals living in households including persons with disabilities and covers the period from 2018 to 2022.

Risk of poverty or social exclusion: Numbers of persons and percentages

	2018	2019	2020	2021	2022
Total population	1,457,000 (16.8%)	1,434,000 (16.5%)	1,460,000 (16.7%)	1,519,000 17.3%	1,555,000 (17.5%)
Under the age of 18	339,000 (21.6%)	312,000 (20.1%)	345,000 (21.9%)	368,000 (22.8%)	353,000 (21.6%)
65 years and older	215,000 (14.5%)	219,000 (14.5%)	225,000 (14.7%)	232,000 (15.0%)	244,000 (15.4%)
Households with children	712,000 (18%)	633,000 (16%)	753,000 (19%)	763,000 (20%)	745,000 (19%)
Individuals in households including persons with disabilities	227,000 (31%)	248,000 (32%)	298,000 (39%)	212,000 (32%)	263,000 (40%)

Source: EU-SILC (Statistics Austria).

No reliable forecasts regarding the future development of the risk of poverty or social exclusion are available at present.

9) Please provide information on what measures are being taken to ensure a coordinated approach to combat poverty as required by Article 30 of the Charter, and to diminish reliance on last-resort relief, such as food banks and soup kitchens.

The Austrian Government is committed to maintaining and fostering social cohesion and solidarity by implementing long-term measures to prevent or reduce poverty and social exclusion and ensure equal opportunities and social participation in all areas of life and society. As poverty is a multi-dimensional phenomenon, a multidisciplinary bundle of approaches and measures must be taken to combat it. To this end, Austria has established a broad and well-developed welfare system that is continuously enhanced and adjusted to meet new challenges. The welfare state provides a broad range of services in a great number of policy areas (healthcare, education, employment, social transfer services, housing, mobility, nutrition, etc.) with the aim of preventing and reducing poverty and protecting the people living in Austria from risks in a wide variety of situations. Alongside stable structures, the Austrian system offers a combination of preventive and remedial elements and measures in the form of both monetary and non-monetary benefits, with a special focus on vulnerable groups. In this way, the welfare state makes a major contribution towards preventing and avoiding poverty and social exclusion, lays the ground for social cohesion and helps combat the effects of the multiple crises (pandemic, inflation, climate change).

In Austria, the general issue of poverty is a matter for legislation at Federal level, while implementation and enforcement rests with the *Laender*. This means that a broad range of social services (see above)

is coordinated by various *Laender*-level institutions to provide access to those in need appropriately, affordably and effectively. The great overall effectiveness of the Austrian welfare system becomes clear when looking at the risk of poverty: 25% of the population would be at risk of poverty if no social benefits were provided by the state, compared to 15% with the current welfare system in place.

By way of example, measures adopted in Styria and Vorarlberg to avoid poverty are described below in **representation** of all the *Laender*.

In general, the social department of the Styria Government provides statutory services such as social assistance and housing assistance. Additionally, further services and benefits support people experiencing difficulties such as excessive debts or who are homeless, and to promote social inclusion of people who are at risk of, or faced with, poverty.

Poverty causes disadvantages for those affected in many spheres of life. Material poverty is visible most clearly and can be put into numbers. According to EU-SILC 2022, 13% of the population in Styria were at risk of poverty – after receipt of social benefits. While poverty is often characterised mainly by insufficient income or a lack of financial resources, additional factors often play an important role, e.g. housing, family background or healthcare. Furthermore, poverty often entails social isolation and exclusion. To combat poverty, the following measures in particular are being supported and implemented:

- Advice and support for debt management;
- Measures for persons at risk of homelessness as well as care and support for homeless people;
- Measures to foster social participation of persons at risk of poverty.

In casting the requirements of the *SH-GG* into the Vorarlberg Social Services Act (*Vorarlberger Sozialleistungsgesetz*), **Vorarlberg** uses the full leeway available in order to at least approximately maintain the level of benefits provided previously under the minimum income benefit scheme. For example, the child reference rates for children, to help cover living costs for families, and the maximum housing benefit rates for covering housing needs have been set at levels that ensure as far as possible that poverty and social exclusion are prevented.

Furthermore, Vorarlberg's strategy for preventing poverty and social exclusion is based on a combination of monetary and non-monetary benefits. In late 2022, for instance, Vorarlberg introduced a programme for healthy and inexpensive lunches for children (*Gutes und günstiges Mittagessen für Kinder*). Under this programme, all children whose parents or guardians receive social assistance benefits or basic welfare support can get a warm and healthy lunch at (elementary) schools. The Vorarlberg Government contributes a maximum of EUR 5 per lunch.

10) Please provide information on steps taken to consult with, and ensure the participation of, the persons most affected by the cost of living crisis and/or organisations representing their interests in the process of designing of measures in response to the crisis.

After many years characterised by low inflation, prices have been markedly increasing since mid-2021 as a result of supply shortages due to the COVID-19 pandemic and the Russian invasion of Ukraine. Rising inflation has posed major challenges throughout Austria. Those on low and middle incomes have been hit hardest by rising inflation. Therefore, the Federal Government established an Inflation Monitoring and Analysis Expert Group (*Expert:innengruppe zur Beobachtung und Analyse der Inflationsentwicklung, EBAI*). The Group comprises experts from a total of 20 institutions, including: the Austrian Trade Union Federation (*ÖGB*), the Chamber of Labour (*AK*), the Economic Chamber (*WKÖ*), the Chamber of Agriculture (*LK*), the Federation of Austrian Industry (*Vereinigung der*

Österreichischen Industrie), the Austrian Senior Citizens Council (*Seniorenrat*), the Federal Youth Representation (*Bundesjugendvertretung*), the Ministry of Labour and Economy, the Ministry for Climate Action, the Ministry of Agriculture, the Ministry of Justice, the Austrian Institute of Economic Research (*WIFO*), the Institute for Advanced Studies (*IHS*), the Federal Competition Authority (*Bundeswettbewerbsbehörde*) Oesterreichische Nationalbank, E-Control and the Fiscal Advisory Council (*Fiskalrat*). The EBAI group is co-chaired by the Ministry of Social Affairs and the Ministry of Finance. In regular meetings and reports, EBAI provides inflation monitoring, identifies and monitors factors driving inflation and prepares measures to combat inflation.

Based on the advice of the EBAI, the Austrian Government implements measures to combat inflation: To date, a total of more than EUR 49 billion has been channelled into measures to combat and mitigate inflation, meaning that Austria ranks third internationally, after Luxembourg and Germany, in terms of per-capita public spending on relief measures. Some 40% of the relief funds are considered efficient by international organisations such as OECD and IMF, which places Austria in the top third regarding efficiency.

Measures are taken not only at federal level, but also at **Laender** level to ensure that those affected are reached and the interest groups representing them are involved. In the following a number of examples is given.

In **Styria**, projects and measures that foster social participation of people at risk of poverty are subsidised. *Armutsnetzwerk* and *InterAct* are examples of an interest group and an initiative with the aim of promoting participation by individuals and organisations:

Armutsnetzwerk Steiermark (Styrian Poverty Network) was established in mid-2018 as a non-profit association and a non-partisan, independent and interdenominational stakeholder to enter into dialogue with policymakers and public administration bodies, as well as business and the media. The organisation's major goal is to reduce poverty and social exclusion in Styria. The mission of *Armutsnetzwerk Steiermark* is not only to implement individual measures but also to improve poverty prevention and combat poverty in Styria more efficiently by providing an action platform and by pooling constructive forces. The association hence also acts as a point of contact for public discourse and a partner for politics and relevant policy stakeholders.

InterAct uses interactive, dialogue-oriented settings to jointly search for approaches towards increasing social participation and democratic involvement of people who have experienced poverty. After theatrical performances, possible solutions are discussed with the audience, including stakeholders from society, administration and politics. Current topics include affordable and needs-oriented housing for all, the subject of the working poor and precarious employment, and effective labour market policies as a pillar for crisis management.

On 26 October 2022, the Tyrol Government adopted a resolution to establish the Tyrol Inflation Council (*Tiroler Teuerungsrat*) with immediate effect. The body consists of members of the Tyrol Government with subject-matter competence and the associated organisational units of the Office of the Tyrol Government, plus one representative each of the following organisations:

- Chamber of Labour (*Kammer für Arbeiter und Angestellte*) - Tyrol,
- Economic Chamber (*Wirtschaftskammer Wien*) - Tyrol,
- Chamber of Agriculture (*Landwirtschaftskammer*) - Tyrol,
- local authorities association (*Gemeindeverband*)- Tyrol,

- Austrian Trade Union Federation (*Österreichischer Gewerkschaftsbund*) - Tyrol organisation;
- the Federation of Austrian Industry (*Vereinigung der Österreichischen Industrie*), Tyrol organisation.

In addition, experts from the research and economics fields can be consulted as need be.

Involvement of the various organisations listed above ensures that the Tyrol Inflation Council has a broad base of expert knowledge contributed not only by the individual experts but also by the social partners across the spectrum. The competent bodies of the Office of the Tyrol Government are also involved, and the results of discussions with further associations, interest groups and experts also feed into the work of the Tyrol Inflation Council indirectly via its members.

While the Council cannot adopt resolutions that are legally binding, it has submitted its proposals for consideration in the discussions preceding the resolutions of the Tyrol Government.

In many cases the **Vorarlberg** Government does not directly provide social support to persons in need, instead using independent welfare organisations and other institutions that are capable of, and experienced in, providing the services concerned. These organisations are commissioned by the Vorarlberg Government to implement the initiatives at the operational level that have been developed jointly with the *Land* Administration. Additionally, they provide valuable input for improving and refining the measures and social services in place in Vorarlberg based on their expert knowledge and feedback from their target groups. As part of the update process for the Housing Allowance Policy Guideline (*Wohnbeihilferichtlinie*), which takes place at regular intervals, talks with relevant stakeholders are held before the adoption of each amendment and potential adjustments are discussed with the Housing Subsidies Advisory Board (*Wohnbauförderungsbeirat*).