

Transformation of the Social Assistance Scheme in Austria –

Towards a Means-Tested Guaranteed Minimum Income Comparing Changes in Upper Austria and Styria

Stream 8.2: Social Assistance

In September 2010 a 'Means-Tested Guaranteed Minimum Income' (MGMI) should level the current nine provincial social assistance regulations boosting the '*combat and avoidance of poverty and social exclusion*' and '*(re-)integration of its recipients in the labour market*' in Austria (Art. 1 Ministerialentwurf 2008). The major changes are twofold: Firstly, a national threshold should replace the nine current rates of the provinces and, secondly, the public employment service serves as entry point and activation agency for social assistance recipients categorised as fit for work.

The proposed paper starts with an analysis of the changes in the last two decades in the Austrian social assistance scheme and its causes. Then, it describes the legal and administrative aspect of the new regulation comparing to the current situation focusing on the disparity between the configuration of the social assistance net and the actual need.

The main part displays a comparative study of the transformation in two provinces, Upper Austria and Styria. The research question is, whether the introduction of the new national legislation leads to the avoidance of poverty and exclusion, fosters employment and introduces a national more equal system allowing for lower provincial differences. The research design is established as a trend analysis in three waves with a sample of 700 for each wave and province to allow for a sufficient empirical basis for further analysis. The first wave is conducted this summer, the second wave in March 2011, when the legal transformation should be put in place on administrative level in the two provinces and the third one in 2012 allowing for a completed implementation of the transformation. In addition, a qualitative study emphasis on the claimants and administrative level in dept after the introduction of the reform and enriches the findings in 2011.

The first quantitative survey starts in May this year and preliminary results will be presented at the conference in addition to the research design and theoretical background. The questionnaire evolves around four issues of interest relating to the claimant's experiences and socio-demographic composition of claimants:

- intake procedure (stigmatisation, accessibility)
- benefit calculation (transparency, sufficiency)
- job search (requirements, assistance)
- social exclusion (comparable with EU-SILC data)
- socio-demographic aspects

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