Beyond the “guest worker” agreement – Portability of pensions and health insurance for pensioners in the migration corridors Austria/Germany vs. Turkey*

Michael Fuchs**

I Introduction

With the increase of international integration in Europe and beyond, the number of persons who acquire pension insurance periods in more than one country is on the rise. Thus, the portability of social benefits becomes an increasing concern for individuals and policy-makers. Portability is defined as the ability to preserve, maintain and transfer vested social security rights, independent of nationality and country of residence.

Portability should render the labour mobility, labour supply, and residency decision independent of social benefits. Lacking or incomplete transfers of acquired social rights are feared to negatively impact individual labour market decisions as well as the capacity to address social risks with consequences for economic and social outcomes. Individuals (and families) may decide not to migrate or return, or to offer labour in the informal sector, possibly with implications for the overall tax revenues and economic growth both of the host and the home country. From the individual point of view, an individual has the human right to social protection and these rights should carry over when a certain country is left. Acquired rights are a critical element of the individual’s (or family’s) life cycle planning and social risk management.

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** Expert interviews for Germany were carried out by Juliane Winkelmann.
Efficient portability regulations should fulfill the following criteria:

- No benefit disadvantage (e.g., lower pensions, gaps in health care coverage) for migrants and their dependents (fairness for individuals).
- Fiscal fairness for host and home countries.
- Bureaucratic effectiveness in the sense that the administrative provisions should not cause a bureaucratic burden for the institutions involved and should be easy to handle for migrants (Holzmann/Koettl, 2012).

Full portability is only established via bilateral social security agreements between individual countries or multilateral social security agreements that establish a general framework for a group of countries. The most effective regulations on the multilateral level are to be found in the respective decrees of the European Union (Holzmann/Koettl, 2012: 15f; Jousten, 2012: 7).

The Policy Brief looks at portability of pensions and health insurance for pensioners in the migration corridors Austria/Germany vs. Turkey and focuses on the situation in Austria and Germany. It backs on a detailed analysis of the bilateral social security agreements and other relevant literature. For in-depth information, expert interviews with representatives from the Austrian Federal Ministry for Labour, Social Affairs and Consumer Protection (BMASK), the Umbrella Organisation of the Austrian Social Insurance Institutions (Hauptverband der österreichischen Sozialversicherungsträger), the German Pension Insurance (DRV), the German Trade Union (DGB), Turkish migrant organisations and from the Turkish Embassy in Berlin were carried out.

2 Pension entitlements and health insurance for pensioners in Austria and Germany

2.1 Pension entitlements

The basic requirements for an entitlement to an old-age pension in Austria and Germany are the achievement of a certain age and the fulfillment of the stipulated minimum insurance period. Each pension can only be granted upon application. The regular pension age is 65 years for men and 60 years for women in Austria; in Germany it is currently 65 years and 4 months (birth year 1950) for both genders.¹ In Austria, basically 180 contribution months of compulsory or voluntary insurance are required. In Germany, the minimum insurance period comprises of 5 years incl. childrearing periods (DRV, 2015a: 8; PVA, 2015a: 3).

¹ Gradual increase from 65 to 67 years for the birth cohorts 1947 till 1964.
In Austria, based on the incomes from all employments liable to pension insurance, an average value, the assessment base, is calculated. The pension percentage related to the assessment base depends on the number of insurance months and amounts to 1.78% per year (PVA, 2015c). In Germany, for a year of contributions based on the average yearly wage (preliminary value in 2015: EUR 34,999), one point of remuneration is earned. From 1.7.2015 one point of remuneration amounts to a monthly pension of EUR 29.21 (27.05) in the old (new) federal states (DRV, 2015a: 7). In both countries, early retirement is possible with certain deductions. A tax-financed minimum pension top-up (Austria) and a basic income benefit in old age (Germany) is granted in addition to a pension, if the total income of the pensioner (and the spouse) does not reach the stipulated standard rates.

2.2 Health insurance for pensioners

Once an Austrian pension is received, basically there is compulsory insurance in the health insurance for pensioners. The health insurance contribution rate for pensioners amounts to 5.1% of the pension (PVA, 2015d: 2).

In Germany, the required insurance time for the compulsory health insurance for pensioners is fulfilled if for at least 9/10 of the second half of the time period between the take-up of the first employment and retirement, a compulsory insurance (e.g. as an employed person), voluntary insurance or family insurance has existed in the legal health insurance. Alternatively, there is the possibility of a voluntary insurance in the legal or in a private health insurance. Compulsorily and voluntarily insured members of the legal health insurance for pensioners have to submit a pension-related monthly contribution of basically 7.3% (DRV, 2015b).

3 Turkish migrant population in Austria and Germany

Turkey is traditionally a country of emigration. It has been one of the main providers of migrant labour to Europe since the 1960s. In the 1960s and -70s, a large number of Turkish nationals were encouraged by the guest worker programmes of Western European countries (Holzmann et al., 2005: 13/50).

Since the 1960s, immigration represents a major element of the demographic development in Austria and Germany. In the second half of the 1960s and at the beginning of the 1970s, the number of foreign persons
increased substantially due to targeted recruitment of workers from the former Yugoslavia and Turkey. The bilateral social security agreement between Germany and Turkey was already concluded in 1964, between Austria and Turkey in 1966. By the beginning of the 1970s, in both countries the recruitment process came to an end. The next phase of Turkish emigration was family reunification (DGB Bildungswerk, 2003: 6; Himmelreicher/Scheffelmeier, 2012: 22; Statistik Austria, 2013: 16).

In 2014, 3.1% of the Austrian population and 3.5% of the German population had a Turkish migration background. The figures include 1.4% with Turkish citizenship in Austria and 1.9% with Turkish citizenship in Germany (Destatis, 2014: 7f; Destatis, 2015: 29/37; Statistik Austria, 2015: 27). Of persons with Turkish citizenship, in Austria only 6.5% were above 65 years, in Germany 14.8% (Destatis, 2015: 47; www.statistik.at).

Today, the migration balance with Turkish citizens is positive approximately till the age of 40, while in older age groups the return migration prevails (Destatis, 2015: 179/193; Statistik Austria, 2013: 26). A major part of emigrating elder persons (65+) is represented by persons who return to their home country after gainful employment (Destatis, 2011: 10).

### 4 Pensions paid by Austria/Germany to Turkish citizens to Turkey

In August 2012, 29,119 Austrian pensions were paid to Turkish citizens (1.3% of all pensions), thereof 20,231 direct pensions (1.1% of all direct pensions). In total 15,772 pensions with a yearly value of EUR 68.0 million were transferred to Turkey in 2012 (data PVA).

In December 2012, the German Pension Insurance paid 354,706 pensions to Turkish citizens (1.4% of all pensions), thereof 266,036 direct pensions (1.4% of all direct pensions). In total, Germany transferred 59,459 pensions worth EUR 346 million annually to Turkey in 2012 (data DRV).

Taking the stock of pensions in 2012, 52% of all Austrian pensions paid to Turkish citizens were transferred to Turkey. On the contrary, of all German pensions to Turkish citizens only 16% were transferred to Turkey. An explanation for the differences in these rates could not be provided: incentives and disincentives to re-migrate to Turkey are comparable in the two countries. Apparently the return orientation for Turkish citizens...

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2 Data available can only be distinguished according to citizenship but not according to migration background.

3 For example, the lower price level favours a residence in Turkey after retirement (Interviews B. Spiegel; P. Wieninger). On the other hand, one of the decisive factors...
in Germany, which was still important for the working migrants of the first generation, has lost its guiding role (Himmelreicher/Scheffelmeier, 2012: 10/15.4

By trend, the wages and the resulting average contribution bases (remuneration points) of insured persons with Turkish citizenship are lower compared to Austrian (German) citizens. In addition, the employment biographies are shorter, possibly also due to immigration in adulthood. Especially for Turkish women, the combination of low wages (often with reduced working hours) and rather short insurance biographies leads to low old-age pensions (Himmelreicher/Scheffelmeier, 2012: 17/21). Thus, the average pensions of Turkish citizens are clearly below the average pensions for Austrian (German) citizens.5

5 Bilateral social security agreements Austria/Germany vs. Turkey

5.1 Objective area of application
The objective area of application of the bilateral agreement with Austria includes health insurance, accident insurance and pension insurance. For Germany, it includes child allowance for employees in addition (Bundesrepublik Deutschland/Republik Türkei 1984, I, Art. 2; DGB Bildungs- werk, 2003: 7).

The agreements rely on the following principles:
• equal treatment of citizens of the contracting states in social security,
• consideration of insurance periods in the other contracting states for the entitlement to benefits,
• export of monetary benefits to entitled persons in the other contracting state,
• service support in the area of health and accident insurance by the insurance agencies in the other contracting state (Soziale Sicherheit, 2012: 389f).

4 However, an opposing explanation might be that many Turkish citizens who have worked in Germany and re-migrated to Turkey have still their bank account in Germany.
5 However, the available statistics for treaty pensions show only the Austrian (German) part of the total pension.
5.2 Pensions

5.2.1 Voluntary contributions to the German Pension Insurance
German citizens may also pay voluntary contributions in case of residence abroad. However, for the duration of a regular residence in Turkey, Turkish citizens are only entitled to this option if they have already paid at least one voluntary contribution before the commencement of the supplementary agreement (1.4.1987) (DGB Bildungswerk, 2003: 10).

5.2.2 Option of refunding of contributions by the German Pension Insurance
Turkish citizens are entitled to the refunding of employee contributions (but not employer contributions!) on application, in case they have relocated their residence outside Germany. In principle, a waiting period of 24 months has to be passed. When contributions are refunded, the previous insurance relationship is abolished (DGB Bildungswerk, 2003: 23f).

By forfeiting the entitlement for an old-age pension, also the entitlement for public health insurance during retirement with responsibility of the host country is forfeited. In addition, the loss of contribution periods (incl. contributions by the employer) in the host country might deprive of an entitlement in another public pension system and, therefore, public health insurance. Hence, lump sum payments of past contributions only benefit the migrant if entitlements similar to those forfeited can be acquired, for example, by being able to buy periods of coverage in the home country (Holzmann et al., 2005: 23).

5.2.3 Pension application
Persons that were insured in Austria or Germany and in other contracting states incl. Turkey hand in their pension application at the responsible insurance agency in the residence state. The application is considered as application for the corresponding benefit from the other involved countries, too (PVA, 2015b: 4).

5.2.4 Calculation of benefits
In case the pre-conditions for an entitlement to an Austrian (German) pension are already fulfilled with Austrian (German) insurance periods only, the pension is “autonomously” calculated on their base.

Alternatively, also insurance periods in Turkey (or in other contracting states) are considered. The acquired insurance periods in Turkey and in Austria (Germany) are summed up, as long as they do not apply to the same time period. However, the summing up is only relevant for the fulfillment of the required waiting period and the other pre-conditions for entitlement to the different pension types. Following the bilateral agree-
ments, the calculation of the amount of the Austrian (German) pension is based on the “direct calculation”: exclusively Austrian (German) insurance periods and related contribution bases are considered (Bundesrepublik Deutschland, Republik Türkei 1984, V, Art. 28 (2); DGB, 2003: 13; PVA, 2015b: 5; Republik Österreich, Republik Türkei, 1999: 948).

5.2.5 Transfer and pay-out of benefits
The bilateral agreements between Austria/Germany and Turkey regulate that pensions and other monetary benefits that are due to the legal regulations in one contracting state, have also to be paid in case of residence in the other contracting state. However, a transfer outside Germany is not possible for pensions related to reduction in earning capacity, which are granted under consideration of the labour market situation in Germany (DGB Bildungswerk, 2003: 12; Republik Österreich, Republik Türkei, 1999: 945; Republik Österreich, Republik Türkei, 2000: 977).

5.3 Health insurance for pensioners
5.3.1 Responsibility
The general rule for retired migrants in the absence of a bilateral agreement is that without a pension from the country of residence, there is no health care coverage. However, any person who is insured with the Austrian public health system will be reimbursed for private health expenses abroad to a certain degree. In Germany, reimbursements for health expenses in countries not covered by an agreement are only granted in exceptional cases (Holzmann et al., 2005: 27/57).

Based on the bilateral agreements, for the health insurance of pensioners and the provision of related benefits in-kind always the responsibility of the residence state applies. However, for the cost coverage there are two possibilities: a) the country of residence covers the health expenses, in case a pension is received from that country; b) the Austrian (German) Health Insurance for Pensioners has to bear the cost for pensioners with permanent residence in Turkey, in case they only receive an Austrian (German) pension (DGB, 2003: 21; Holzmann/Koettl, 2012: 31f; PVA, 2015e: 20ff).

In case of a regular residence in one contracting state, the insured person and her dependents are eligible to take-up urgently required medical assistance during a temporary stay in the other contracting state. The costs are at the expense of the health insurance agency in the residence state (PVA, 2015e: 20ff, Interview Wieninger).

6 The tax-financed minimum pension top-up (Austria) and the basic income benefit in old age (Germany) are exclusively provided by the residence state to all entitled inhabitants and are not exportable.
A pre-condition for a targeted medical treatment in the other contracting state is that the agency responsible for the health insurance in the residence state that has to pay for the treatment, has given its permission before (Bundesrepublik Deutschland, Republik Türkei, 1984, II, Art. 12 (1) und Art. 15 (3); Republik Österreich, Republik Türkei, 1999: 946; Republik Österreich, Republik Türkei, 2000: 976). This requirement aims at avoiding “hospital tourism” (Holzmann et al., 2005: 52).

5.3.1 Reimbursements

In the constellations described above the responsible agency reimburses the agency that provided the health care. On request of the involved agencies it can be agreed that expenses are (partly) reimbursed via across-the-board payments (Bundesrepublik Deutschland/Republik Türkei, 1984, II, Art. 15a (1); Republik Österreich, Republik Türkei, 1999: 947). Between Austria and Turkey, across-the-board accounting for the reimbursement of health care costs for pensioners is agreed.

6 Differences to the respective decrees of the European Union and other bilateral agreements

Most differences to the EU-decrees relate to the objective of fairness for individuals.

In connection with the law related to the promotion of the return of migrants to Turkey, in the supplentary agreement from 1987 it was regulated that a voluntary insurance in the German pension insurance is only possible for Turkish citizens in the case of a continued insurance (at least one voluntary contribution before 1.4.1987). Thus, in case no pension entitlement is realised based on insurance periods in Germany (and Turkey), for returning Turkish migrants there is only the possibility of the refunding of contributions. In other German agreements (e.g. with Israel, USA) there is a principal entitlement to voluntary insurance under certain pre-conditions, even in case of residence outside Germany (Interview Hauschild/Hopfe).

For the calculation of pensions, within the EU basically a theoretical amount is calculated, as if all insurance periods were acquired in Austria (Germany). From this theoretical amount, in relation of the Austrian (German) insurance months to the total number of insurance months, the Austrian (German) pension is calculated on a “pro-rata basis”. There is entitlement to the higher amount resulting from the pro-rata method vs. the direct method. According to the bilateral agreements, only the
direct method is used. However, in many cases there are no resulting differences between the two calculation methods (Europäische Union, 2015; Interview Spiegel).

A pension transfer outside Germany is not possible for pensions related to the reduction in earnings capacity, which are granted under consideration of the labour market situation in Germany. This regulation represents a major constraint compared to European law and is not included in new bilateral agreements by Germany anymore (Interview Hauschild/Hopfe).

Another difference in Austria relates to the objective of fiscal fairness for countries: the agreed across-the-board accounting for the reimbursement of health care costs for pensioners and their dependents corresponds to the old EU-decree. Basically there is a trend towards the accounting of real costs (Interview Spiegel).

7 Potential gaps and problems in the bilateral agreements

According to the interviewed experts no major gaps or implementation problems exist. The legal framework of the bilateral agreements with Turkey is advanced and they contain sufficient mechanisms to solve smaller problems. Due to the consideration of feedbacks and comments by the involved agencies as well as the regular exchange, practical considerations are always incorporated in the legal regulations (Interviews Garibagaoglu; Hauschild/Hopfe; Spiegel; Wieninger).

7.1 Objective of individual fairness

7.1.1 Potential problems related to pensions

Partly, Turkish migrant workers were not registered for social insurance in the 1970s in Austria and Germany (“black market”). However, effective non-take-up of actual pension entitlements should be restricted to a few individual cases (Interviews Ceviz/Kolm; Hauschild/Hopfe; Wieninger).

However, although not actually non-take-up, it was reported that a considerable number of returned Turkish migrants who opted for the refunding of employee contributions, later regret this decision being not entitled to a German pension (Interview Erdem).

7.2.2 Potential problems related to health insurance for pensioners

In the corridor Austria/Turkey, potential problems are related to temporary stays in the other contracting state. In the individual case, for the concerned person it might not be 100% clear, to what extent a certain
medical treatment can be subsumed under a medical emergency case. Thus, it might be possible that owing treatments are foregone. However, this problem occurs only in rare individual cases (Interview Spiegel).

For Germany it was reported that some persons (due to deficient knowledge of German language, etc.) do not indicate at which age they have taken up their first employment. In this case it is assumed by the Health Insurance for Pensioners that they were employed starting from their 16th birthday. Thus, the reference period is wrongly enlarged. As a result, in some cases contributions to a voluntary health insurance are paid although there would be entitlement to a compulsory health insurance for pensioners (Interview Doganay).

7.2 Objective of fiscal fairness for countries

The general motivation for the bilateral agreements with Turkey are the macroeconomic benefits resulting from the guest worker programme (safeguarding of dispatching of workers, guarantee of entitlements, etc.) (Interview Wieninger).

7.2.1 Financial balance pension systems

Pension benefits distinguish between saving (pre-funding) and risk coverage. At retirement, accumulations are transformed into an annuity (Holzmann/Koettl, 2012: 9). Without the bilateral agreement, partly no pension benefits would have to be paid by Austria (Germany), e.g. in case 15 (5) contribution years in Austria (Germany) are not reached without aggregation.

Basically, re-migration upon retirement corresponds to a shift of purchasing power from the country of work to the home country (Jousten, 2012: 4). In addition, according to the double tax agreement between Austria and Turkey, the pension is taxed in the residence state (PVA, 2015e: 18). On the contrary, Germany introduced the principle of tax at source for its pensions (Interview Hauschild/Hopfe). In Turkey, pensions do not represent a taxable income at all.

7.2.2 Financial balance of health care systems

Public health care systems are typically designed to give everyone access to a comprehensive set of services. Contributions are typically flat or a fixed share of income, while expenditures rise strongly with age. When countries like Turkey send more young net contributors abroad and receive more elder net beneficiaries, it results in a burden for the

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7 On the other hand, it might also be possible that a certain medical treatment is not recognised as an emergency case by the responsible authorities later and thus, no reimbursement is effected.
In general, there are enormous increases in transnational insurance courses that are difficult to handle without electronic data exchange. In principle there is also a need for general modernisation and actualisation of the bilateral agreements.

Public health systems. However, worldwide there is no arrangement to share the health costs of a migrant who contributed to the public health institutions of various countries (Holzmann et al., 2005: 30ff; Holzmann/Koettl, 2012: 10; Werding/McLennan, 2011: 8).

In the concrete case, the Turkish health insurance agency is financially responsible for persons residing in Turkey with both an Austrian (German) and a Turkish pension. Thus, by trend, more frequent and more expensive health care benefits in pension age have to be financed by Turkey, although parts of the health insurance contributions went to Austria (Germany). The costs for pensioners with only an Austrian (German) pension are covered via reimbursements by Austria (Germany) (Interview Spiegel).

In case of entitlement to benefits in kind provided by the Austrian (German) Health Insurance and regular residence in Austria (Germany), since 2011 also for pensions by a state, which has concluded a bilateral social agreement (incl. health insurance) with Austria (Germany), a health insurance contribution is levied (DRV, 2015b; PVA, 2015d: 1). On the other hand, Turkey does not collect any health contributions from pensioners (Interview Garibagaoglu).

### 7.3 Objective of minimal bureaucratic burden

#### 7.3.1 Electronic data exchange and modernisation

The processing of cross-national pension applications lasts longer than of pure national ones. The longest time effort usually relates to the information on the extent of insurance periods in Turkey. The Turkish side partly needs some time to generate the individual insurance course from documents in paper form provided by the regional offices. The list of insurance periods is only collected at the time of a pension application. Thus, the pension application for the Austrian/German part is processed very fast, in Turkey it may last up to 2-3 months (Interviews Dogan; Hauschild/Hopfe; Wieninger).

In general, there are enormous increases in transnational insurance courses that are difficult to handle without electronic data exchange. In Austria, the electronic exchange with Turkey (and with other contracting states) was envisaged for 2015.

In principle there is also a need for general modernisation and actualisation of the bilateral agreements, e.g. related to agreements on cost reimbursements. From the Austrian point of view, for reasons of unification it would be useful to harmonise the method for the pension calcula-
tion between the bilateral agreement and the corresponding EU-decrees (Interviews Spiegel; Wieninger).

7.3.2 Available information sources for Turkish migrants

Basically, the advisory services by the Austrian and German administrations are reviewed positively. In Austria, it is planned that, in the first instance in the Vienna area and in Vorarlberg, consultation days by the pension insurance association are set up. However, an advisory service in the mother tongue of the clients by the pension insurance association and the MA 17 (integration and diversity) of the City of Vienna was abandoned for administrative reasons (Interviews Ceviz/Kolm; Dogan; Wieninger). In Germany, there exist already consultation days for insured persons with Turkish citizenship (Interview Hauschild/Hopfe).

However, a general deficit in spreading information lies in the fact that the administration does not provide adequate information media. Migrants often can’t do anything with traditional information measures: documentations – even in Turkish language – are in many cases not sufficient. Often the migrants are not able to read through documentations or to fill in forms on their own. Their personal situation requires more time and empathy by advisory services as regards the access to social benefits (Interview Ceviz/Kolm).

8 Conclusions

With the increase of international integration in Europe and beyond, the number of persons who acquire pension insurance periods in more than one country is on the rise. Thus, the portability of social benefits becomes an increasing concern for individuals and policy-makers. Portability is defined as the ability to preserve, maintain and transfer vested social security rights, independent of nationality and country of residence.

The present Policy Brief looks at the portability of pensions and health insurance for pensioners in the migration corridors Austria/Germany vs. Turkey and focuses on the situation in Austria and Germany. The bilateral social security agreement between Germany and Turkey was already concluded in 1964, between Austria and Turkey in 1966. They represent typical recruitment agreements with a broad objective area of application incl. health insurance.

In 2014, 3.1% of the Austrian population and 3.5% of the German population had a Turkish migration background. The figures include 1.4% with Turkish citizenship in Austria and 1.9% with Turkish citizenship in Ger-
many. Of the persons with Turkish citizenship, in Austria only 6.5% were above 65 years, in Germany 14.8%.

According to data from the Austrian and German pension insurance for 2012, the return orientation that was still important for the Turkish working migrants of the first generation, has lost its guiding role in Germany, but not in Austria: Germany paid 355,000 pensions to Turkish citizens, thereof only 16% were transferred to Turkey. On the contrary, of all 29,000 Austrian pensions paid to Turkish citizens, 52% were transferred to Turkey. The total annual sum of pensions transferred to Turkey amounted to EUR 346 million for Germany and EUR 68 million for Austria.

The average pension paid to Turkish citizens is clearly below the average of all Austrian (German) pensions paid. By trend, the wages and the resulting contribution bases (remuneration points) of insured persons with Turkish citizenship are lower compared to Austrian (German) citizens. In addition, the employment biographies are shorter; possibly also due to immigration in adulthood. Especially for Turkish women, the combination of low wages (often with reduced working hours) and rather short insurance biographies leads to low old-age pensions.

The quality criteria of portability regulations, namely individual fairness for individuals, fiscal fairness for host and home countries and bureaucratic effectiveness, are more or less fulfilled in the migration corridors Austria/Germany vs. Turkey. Compared to the respective decrees of the European Union, which represent the most extensive regulations on the multilateral level, and other bilateral agreements concluded by Austria and Germany, there are only minor differences in the agreements with Turkey:

- Related to the objective of fairness for individuals, for the duration of a regular residence in Turkey, Turkish citizens are only entitled to voluntary insurance in the German pension insurance in case they have already paid at least 1 voluntary contribution before the commencement of the supplementary agreement in 1987. In other German agreements (e.g. with Israel, USA), there is a principal entitlement to voluntary insurance under certain pre-conditions, even in case of residence outside Germany.
- For the calculation of pensions, according to both bilateral agreements only the direct method is used. However, in many cases there are no resulting differences to the pro-rata method that is used on the EU-level in most cases in addition.
A pension transfer to Turkey is not possible for pensions related to the reduction in earnings capacity, which are granted under consideration of the labour market situation in Germany. This regulation represents a major constraint compared to European law and is not included in new bilateral agreements by Germany anymore.

Related to the objective of fiscal fairness between countries, the agreed across-the-board accounting for the reimbursement of health care costs for pensioners and their dependents between Austria and Turkey corresponds to the old EU-decree. Basically there is a trend towards the accounting of real costs.

Also in the expert interviews, it turned out that the bilateral agreements are rather unremarkable ones. Due to the consideration of feedbacks and comments by the liaison agencies as well as regular exchange, practical considerations are incorporated in the legal regulations of the agreement. Thus, only minor problems exist:

- Related to the target of individual fairness, in some cases it seems that in Germany contributions to a voluntary health insurance are paid by Turkish migrants although there would be entitlement to a compulsory health insurance for pensioners.
- Related to the target of minimal bureaucratic burden, the information level of Turkish migrants on pensions and health insurance for pensioners is relatively high. At lot of support is provided to help insured persons to realise their entitlements. The application processes are relatively easy to handle and the bureaucratic hurdles are relatively low. However, a general deficit related to information sources lies in the fact that forms and documentations – even in Turkish language – are often not sufficient for migrants concerned. Their personal situation would require more time and empathy by advisory services as regards the access to social benefits.
- Due to globalisation, there are enormous increases in transnational insurance courses that are difficult to handle without electronic data exchange. In Austria, the electronic exchange with Turkey was envisaged for 2015. In principle there is also a need for a general modernisation and actualisation of the bilateral agreements, e.g. related to agreements on cost reimbursements.
Further reading


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