

Study Tour on Pensions for MoLSS officials and Directors from 8 Provincial Social Security Bureaux to Austria and Slovakia

This study tour was successful. Mr Yin Zhiyan, the Deputy Director-General of the Old Age Insurance Department, as leader of the tour party, and the participants were very interested in the topics covered, although in some cases the issues covered were not within the experience and responsibility of the study tour participants. The Austrian leg of the study tour was offered by the Austrian Ministry and the Slovakian leg took place following a request from the project.

The specific objective of the study tour was to study arrangements in the European Union, specifically in Austria and Slovakia in the field of pension and other social insurance provision respectively for urban, migrant and rural workers:

- The operation of social security and pension provision for different categories of workers
- Policy considerations for the provision of pensions and other social insurance benefits
- Arrangements for transfer of accrued rights on change of employment
- Social security provision for farmers
- Pension considerations applicable during periods of unemployment
- Adoption of provisions to encourage workers to continue in employment until a later age
- Social security administration in relation to contribution and benefit payments
- Human resources policy and implementing strategy, job classification, recruitment, salaries, mobility, promotion according to the situational analysis, within the social security administration in European Countries.
- The job requirement and qualification of the high level management and policy makers in provinces for social security administration.
- EU commission directives and policy

The majority of these objectives were fully met.

The visit to Vienna started with meetings at the Federal Ministry of Social Affairs and Consumer Protection to consider Austrian labour market policy and in particular provisions to encourage workers to remain in employment until an older age. This was followed by a visit to the Austrian Labour Market Service to discover how the policy is put into practice. The visits provided the tour party with possible means of encouraging Chinese workers to continue in employment up to, and possibly beyond, pension age.

The following day further meetings at the Ministry examined Austrian policies for support of the elderly and the Austrian social security system, looking particularly at pension policy and long-term developments, followed by a meeting with the Association of Austrian Social Security Associations, at both of which discussions took place comparing Austrian and Chinese pension arrangements and what each could learn from the other. In particular the

discussions discussed issues of ageing and respectively how Austria and China were addressing the issue. The Austrian institutions explained how social security in Austria was not administered by the responsible Ministry, but by a number of autonomous institutions, with coordination by the Association.

One of the members of the Association is the Pension Insurance Institute. Their representatives outlined how pensions are administered in practice. The institute provided booklets outlining for members of the public details of the social insurance arrangements.

The study tour visited an Austrian rehabilitation centre for those suffering work injury or other injury. Although not directly relevant to the subject of the tour, it provided further information to Chinese officials on how to address issues of rehabilitation for those suffering from work injury.

Finally the tour party visited respectively the Vienna Health Insurance Company and the Health Farmers Social Insurance Institute. The discussions outlined how medical insurance is administered in Austria with particular reference to provision for elderly people. Subsequently representatives of the Social Security institution for farmers explained in detail how Austrian farmers are covered for both health and old age social insurance provision.

The study tour party then transferred to Bratislava, the capital of Slovakia. On the first day representatives of the Slovakian Ministry of Labour, Social Affairs and Family described how social security policy had developed in Slovakia over recent years and what its objectives were. Following the description of the policy the tour party visited the headquarters of the Social Security Agency which administers the social security scheme. Officials of the Agency described how social security was administered in Slovakia.

The following day the tour party was taken to a local social security office in Bratislava to see how the scheme operated in practice. In the afternoon the study tour visited a major insurance company, which provided a regime for third pillar individual pensions to supplement the state social insurance pension scheme. They described how they advertised for individuals to participate in the scheme, how accounts were invested and the transparency of the arrangements. This was complemented the following day by a visit to the Pensions Regulator, who described in detail how private pensions were invested, the basis for asset allocation and how the Regulator regulated non-state pensions arrangements. The Pensions Regulator provided much printed information on how the system operates

Finally the tour party met officials of the Ministry to discuss incentives that the Slovakian Government had introduced to encourage workers to continue in employment up to, and beyond pension age.

The study tour gave the Chinese delegation experience of the operation of pension arrangements in both a "western" and a transition state. The meetings in Slovakia provided the delegation with valuable information on the operation, fund management and supervision

of 2nd and 3rd pillar pension schemes.