

SUMMARY

ECJ 21 January 2016, case C-453/14 (Knauer), free movement – social security

<p>Austrian statutory pension benefits and Liechtenstein occupational pension benefits are “equivalent”.</p>

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Austrian statutory pension benefits and Liechtenstein occupational pension benefits are “equivalent”.

Facts

Mr Knauer and Mr Mathis reside in Austria and, in their capacity as recipients of an Austrian pension, are insured under the Austrian health insurance scheme. On account of their previous employment in Switzerland and Liechtenstein, they receive old-age pensions provided by a pension fund under the Liechtenstein occupational pension scheme. The Austrian Health Insurance Fund requires Knauer and Mathis to pay contributions in respect of their Liechtenstein pension benefits.

National proceedings

Knauer and Mathis brought proceedings, following which the amount of their contributions to the health insurance scheme were reduced on the ground that only a portion of the occupational pension scheme, namely that corresponding to the minimum statutory benefits, was within the scope of Regulation 883/2004. The Health Insurance Fund brought an appeal against both those decisions and Knauer cross-appealed. According to the Health Insurance Fund, the contributions payable must be calculated on the basis of the whole of the pension payments made by the Liechtenstein pension fund to Knauer and Mathis, whilst, in Knauer’s submission, no contribution at all is due on those pension payments. The issue before the

referring court came down to whether the Austrian pension and Liechtenstein pensions are ‘equivalent’ within the meaning of Article 5(a) of Regulation 883/2004, which provides that “where, under the legislation of the competent Member State, the receipt of social security benefits and other income has certain legal effects, the relevant provisions of that legislation shall also apply to the receipt of equivalent benefits acquired under the legislation of another Member State or to income acquired in another Member State”.

ECJ’s findings

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The concept of ‘equivalent benefits’ within the meaning of Article 5(a) of that regulation must be interpreted as referring, in essence, to two old-age benefits that are comparable. As regards the comparability of such old-age benefits, account must be taken of the aim pursued by those benefits and by the legislation which established them (§33-34).

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The aim of both the old-age benefits paid under the Liechtenstein occupational pension scheme and those paid under the Austrian statutory pension scheme is to ensure that the recipients of the benefits maintain a standard of living commensurate with that which they enjoyed prior to retirement. It follows that old-age benefits such as those at issue in the main proceedings must be regarded as being comparable. The fact that there are differences relating, inter alia, to the way in which the rights to those benefits have been acquired, or to the fact that it is possible for the insured to obtain voluntary supplementary benefits, does not give grounds for reaching a different conclusion.

Judgment

Article 5(a) of Regulation (EC) No 883/2004 [...] on the coordination of social security systems must be interpreted as meaning that, in circumstances such as those at issue in the main proceedings, old-age benefits provided under an occupational pension scheme of one Member State and those provided under a statutory pension scheme of another Member State — both schemes being within the scope of that regulation — are equivalent benefits within the meaning of that provision, where both categories of benefits have the same aim of ensuring that their recipients maintain a standard of living commensurate with that which

they enjoyed prior to retirement.

Creator: European Court of Justice (ECJ)

Verdict at: 2016-01-21

Case number: C-453/14 (Knauer)