Social security: beneficiaries of pre-retirement benefits

1996/0001(COD) - 10/01/1996 - Legislative proposal

OBJECTIVE: to amend Regulations (EEC) Nos 1408/71 and 574/72 on social security schemes for employed and self-employed persons and members of the families moving within the Community with a view to inserting a new chapter on pre-retirement benefits. The aim is to enable workers in receipt of pre-retirement benefits in one Member State to transfer those benefits when they move to a new place of residence in another member State. SUBSTANCE: The proposal for a Regulation: - includes a new chapter on per-retirement benefits, which it defines as 'cash benefits for elderly employed persons who have become unemployed, either compulsorily or voluntarily, ensuring those concerned of an income substitution benefit until the age at which they qualify for an old-age pension'. These benefits may be paid under a statutory scheme or an agreement covering all employed persons or certain occupational groups. They may be funded by the State or another source and are payable: . subject to conditions relating to the age of the employed person, . whether the cessation of employment was voluntary or otherwise, . without any obligation to remain available to the employment services of the Member State concerned (the justification for the export of benefits hinges on this decisive point). The scope of the Regulation also extends to schemes under collective agreements, which have traditionally been excluded from Community rules; - establishes the principle whereby workers who qualify for pre-retirement benefits in the Member State responsible for payment may export those benefits when they move to a new place of residence in another Member State. This principle constitutes 'export of benefits' as opposed to their payment by the appropriate institution in the country of residence (bearing in mind not least that not every country has pre-retirement schemes). Provision is made to allow a worker to export benefits if, at the time of his last employment, he lived in a Member State other than the State responsible for payment. However, the institution in the place of residence, which, as a matter of course, bears the cost of unemployment benefits for workers in the above category, will be called upon to pay an amount not exceeding that due under normal circumstances by way of reimbursement to the institution responsible for pre-retirement benefits; - lays down the principle that the institution in the Member State of residence must carry out checks to ascertain whether the person concerned still satisfies the conditions required in order to retain his entitlement to the benefits provided for by the law of the Member State responsible for payment; - will apply without prejudice to national provisions debarring the concurrent drawing of benefits, thus reducing the amount of pre-retirement benefits in cases where a person in receipt of such benefits is carrying on an occupation, even on the territory of another Member State; - guarantees that health insurance benefits and family allowances can be paid to workers and members of their families; - ensures that the aggregation of insurance or employment periods and the calculation of benefits will be subject to the rules governing unemployment benefits.