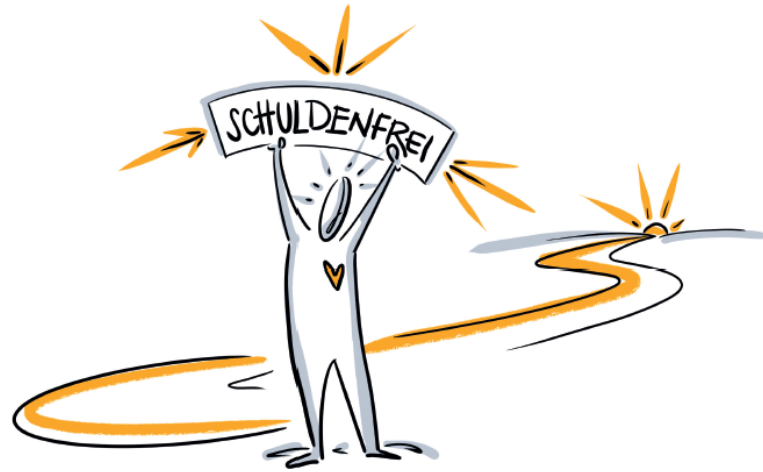




Funding of a debt advice service - Austria



Clemens Mitterlehner – ASB Schuldnerberatungen

April 19, 2023



Co-Financed by the European Union

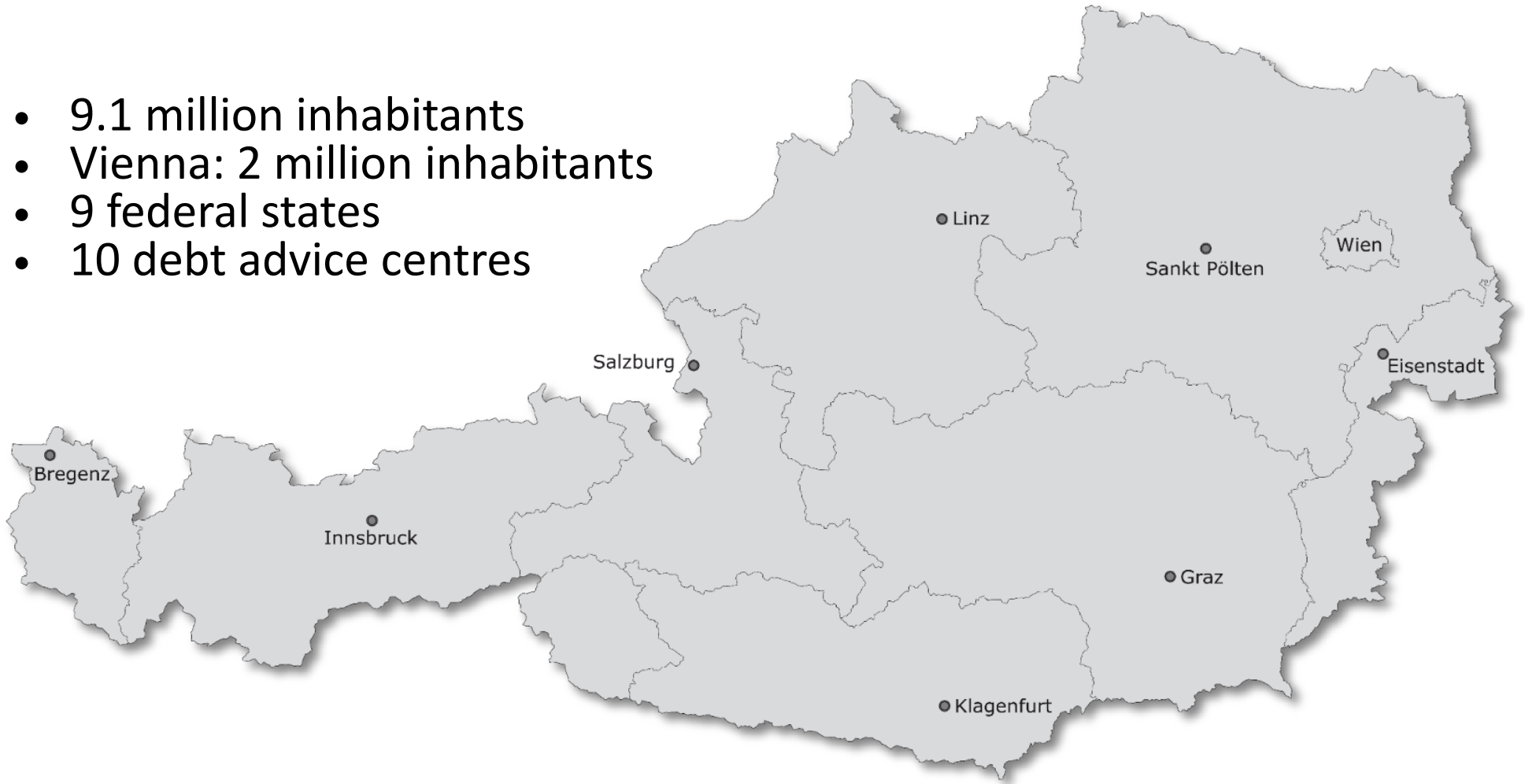
Topics for today

- Austria, federal states and funding
- Social welfare legislation
- Legal forms of organisations
- Requirements for funding
- Working as a debt counsellor
- Funding of the umbrella organisation
- Special funding – Corona
- A new concept of funding
- Statistics
- Additional offers and activities



Austria

- 9.1 million inhabitants
- Vienna: 2 million inhabitants
- 9 federal states
- 10 debt advice centres



Funding (2022)

- **87 %** of the funds from the 9 federal states
 - 7 % Public Employment Service (Vienna)
 - 6 % other Institutions
- **€ 17.7** million = **€ 1.90** per inhabitant per year
- **83 %** of funds for debt advice
 - 11 % for financial education
 - 6 % for the assisted bank account



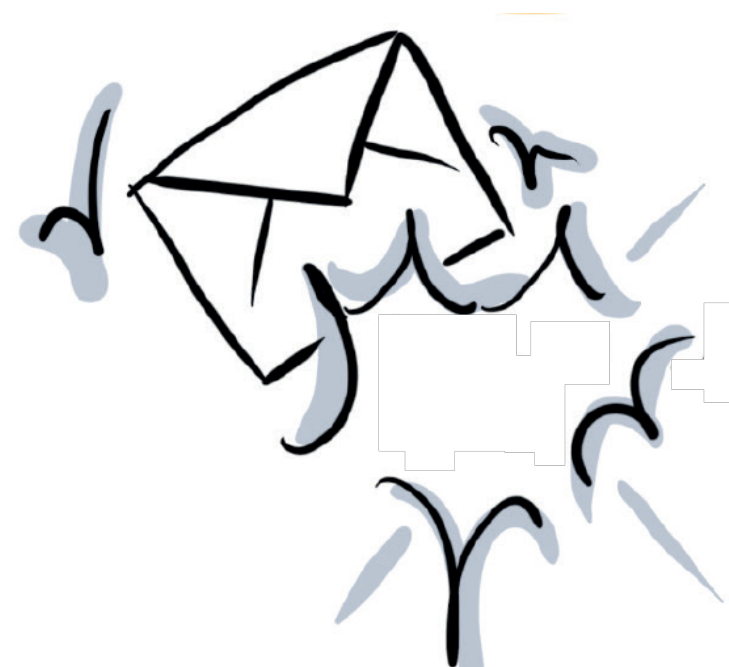
Social welfare legislation

- A separate social welfare law in each federal state
- Various forms of implementation
 - Debt counselling as a mandatory offer
 - As a special form of general social counselling
 - Not legally anchored



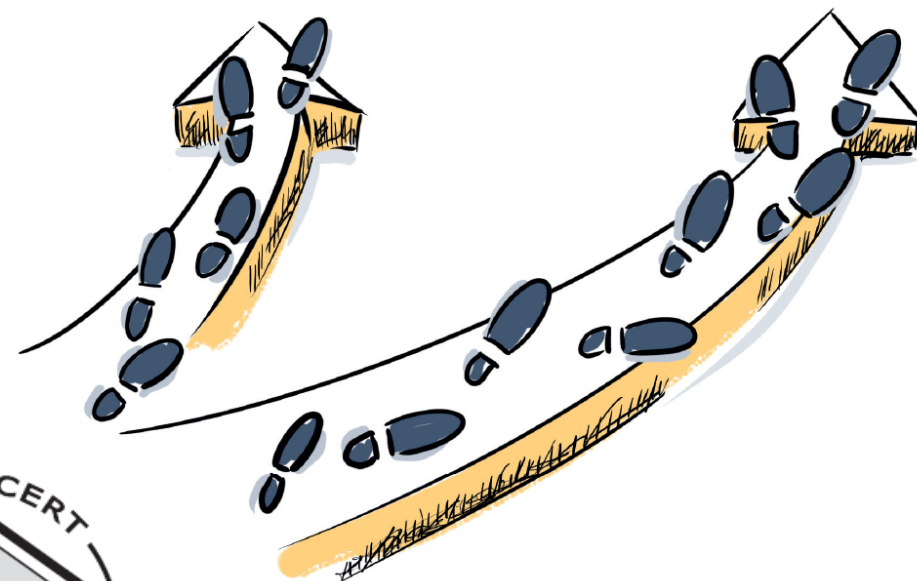
Legal forms of organisations

- Independent social associations
- Integration in large social service providers
- Run by the province itself
- Ltd. (some are non-profit from a tax perspective)



Requirements for funding

- State recognition
 - Examination procedure
 - Non-profit organisations
 - Consultations free of charge
 - 3 debt counsellors (full-time)
 - 2 years of practical experience
- Quality management system
- Proof of need and use of funds



Working as a debt counsellor

- Source professions
 - Jurists (~ 50 %)
 - Social workers (~ 35 %)
- Training to become a debt counsellor
 - Learning-on-the-job
 - Curriculum “Basics” (3 parts, each 4 days)
- Certificate after 2 years of professional experience



Umbrella organisation

- Quality management
- Debt counsellor training
- Liaison office between the 10 debt advice centres
- Media relations
- Common spokesperson for politics
- Scientific findings
- National and international projects



Funding of the umbrella organisation

- Basic funding Federal Ministry of Social Affairs
- Settlement agency in the repayment procedure
- Projects



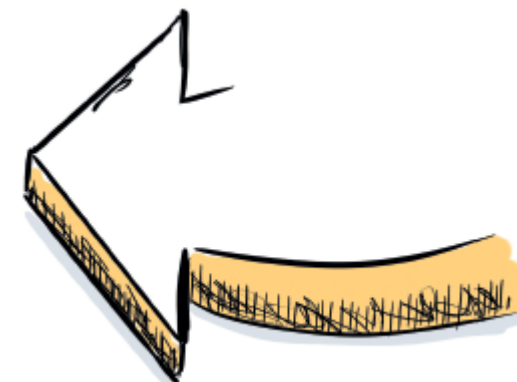
Special funding - Corona

- € 1 Million
- 2021 – 2023
- Ministry of Social Affairs → asb → debt advice centres
- 21 additional employees



Regional differences

- Average: 15 full-time debt counsellors per 1 million inhabitants
- Range from 9 to 21
- Long waiting times in some areas
- Financial education not nationwide



A new concept of funding

- The causer pays...
- New loans: 34 billion Euros *
- 1 per mille = 34 million Euros
- Advantages
 - Public purses would be relieved
 - More loans = more funds for debt advice centres
 - Uniform nationwide supply



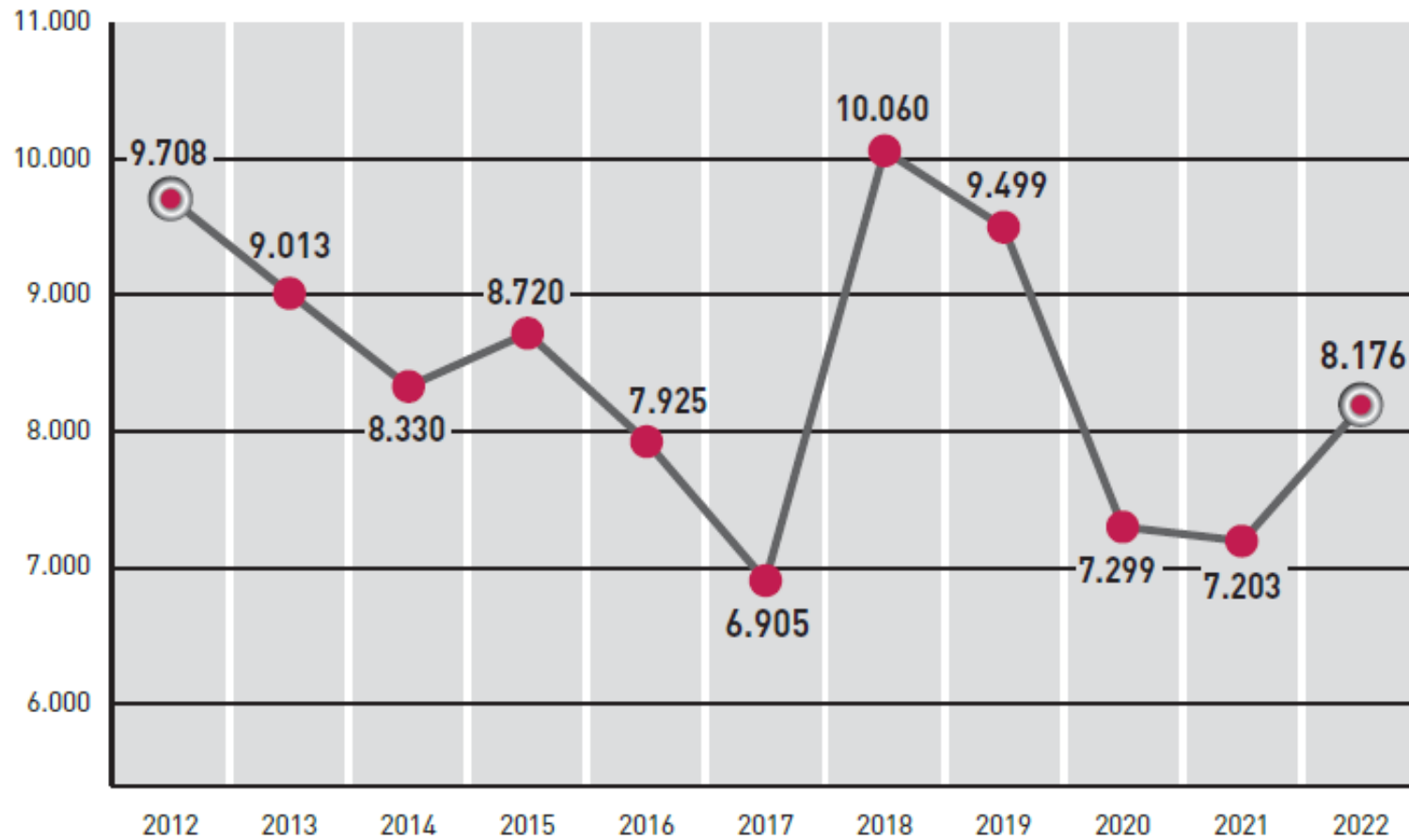
* Year 2022, <https://www.oenb.at/isaweb/report.do?report=1.5.51>

Statistics (2022)

- 56,000 people supported – 19,000 for the first time
- Reasons for over-indebtedness
 - 30 % unemployment or reduction in income
 - 23 % poor handling with money / lack of financial education
 - 18 % failure of self employment
 - 14 % Corona
- € 61,000 average amount of debt



Private bankruptcies (2012 – 2022)



Additional offers

- Budget Consulting
- Volunteer projects
- Reference Budgets
- Financial Education



Contact

Clemens Mitterlehner

Managing Director

ASB Schuldnerberatungen GmbH

+43-732-65 65 99

clemens.mitterlehner@asb-gmbh.at

www.schuldenberatung.at

Follow me on Twitter [@clemitter](https://twitter.com/clemitter)

All **illustrations** by Anna Egger

Anna

