

Declaration from Denmark and Austria on the revision of the Family Benefits Chapters in Regulations (EC) No 883/2004 and 987/2009

Denmark and Austria fully support the free movement of workers in the European Union. We welcome workers from all parts of the European Union and appreciate their contribution to our society. Many EU-citizens have chosen to settle in Denmark and Austria with their family where they enjoy access to social security coverage.

For the Danish and Austrian government it is important to maintain public support to the EU and to the free movement of workers. We risk undermining public support if the rules on free movement are not logical and reasonable. It is reasonable and logic that people living in Denmark or in Austria with their family receive the same benefits as Danish and Austrian citizens living with their family here. It is not reasonable and logic that people working in Denmark or Austria with family members in other Member States receive full family benefits even if costs of living are much lower in the state of residence.

In many Member States the amount of family benefits paid depends on the income of the parents. This means that those parents who earn more and who pay higher taxes receive lower family benefits or do not receive any family benefits at all, while those who pay lower taxes are eligible to receive family benefits in full. The consequence of having income thresholds for family benefits in some Member States is that those Member States which do not have income thresholds in their legislation end up paying the full amount of family benefits to citizens from other Member States, rather than only a differential supplement.

We therefore firmly believe that it is fully in line with the principle of free movement to adjust family benefits with the cost of living in the Member State of residence of the children.

The anomalies outlined above are inconsistent with the rules of the regulation and should be solved at the European level in order to create a coherent European coordination framework and ensure the credibility of the EU. It is clear that this "double unfairness" was definitely not intended by the European legislator when the coordination rules for family benefits were originally formulated.

Therefore, Denmark and Austria cannot accept the general approach that does not reform the coordination rules for family benefits.