International Labor & Employment Law Committee Newsletter

Issue: February 2013

Editor: <u>Tim Darby</u> | Africa and Middle East Editor: <u>Karen Seigel</u> | Asia and Oceania Editor: <u>Ute Krudewagen</u> | Canada Editor: <u>Gilles Touchette</u> | European Editor: <u>Paul Callaghan</u> | Latin America Editor: <u>Juan Carlos Varela</u> | Law Student Editor: <u>Irene Lehne</u>, Earle Mack School of Law at Drexel University

India

India Signs Social Security Agreement with Austria

<u>Veena Gopalakrishnan</u> and <u>Vikram Shroff</u>, Nishith Desai Associates, Mumbai/Bangalore/Delhi

India and Austria signed a social security agreement (SSA) on February 4, 2013.¹ A press release issued by the Indian Embassy in Vienna, Austria highlights that the SSA will enhance cooperation on social security between the two countries and provide for the following benefits to Indian nationals working in Austria:

- For a short-term assignment to Austria of up to 5 years, no social security contribution would need to be paid under Austrian law by the detached workers, provided they continue to make social security payment in India.
- This benefit would be available even when the Indian company sends its employees to Austria from a third country.
- Indian workers will be entitled to bring back the social security benefit if they relocate to India after the completion of their service in Austria.
- Self-employed Indians in Austria would also be entitled to bring back social security benefits on their relocation to India.
- The period of contribution in one contracting state will be added to the period of contribution in the second contracting state for determining the eligibility for social security benefits.

While the SSA with Austria has been signed, the benefits contained thereunder will come into effect only once the SSA is notified by the Government of India. In addition to Austria, India has signed SSAs with several other countries including Belgium, Germany, Switzerland, France, Luxembourg, Netherlands, Hungary, Denmark, Czech Republic, Republic of Korea, Norway, Finland, Canada, Japan and Sweden.

¹<u>http://www.indianembassy.at/?p=3989</u>

Canada | China | France | India | Taiwan

American Bar Association Section of Labor and Employment Law 321 N Clark | Chicago, IL 60654 | (312) 988-5813