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Factsheet for case **AT-2020-13/212**

Hardship case fund: Safety net for self-employed

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Country	Austria, applies nationwide
Time period	Temporary, 27 March 2020 - 31 December 2020
Type	Legislation or other statutory regulation
Category	Income protection beyond short-time work – Extensions of income support to workers not covered by any kind of protection scheme
Case created	31 March 2020 (updated 20 April 2020)

Background information

As part of the 4 billion euro fund to mitigate the effects of the Corona crisis, which the Austrian national government and the social partners presented on 14 March 2020, they also presented two hardship funds: one for self-employed in one person companies; and the other for family-run businesses. This was complementary to other measures (see case AT-2020-12-/229), as those two target groups would not be able to profit from the short-time working schemes.

Content of measure

The support is a one-off payment and does not have to be paid back. In addition, affected owners of one person companies may also obtain funds from the "emergency fund" (Notfallfonds). The payments cannot be accumulated though.

The hardship fund for self-employed is divided in two phases:

Phase 1: Applications are possible until 17 April. Eligible are those who can prove that they are no longer able to cover the running costs or are affected by an officially ordered ban on entry due to COVID-19 or have a drop in sales of at least 50% compared to the same month of the previous year. The amount of the funding is €500 if the net income p.a. was below €6,000 and €1,000 if it was above €6,000. The upper income threshold (above which no grant is paid) is €33,812 net in the last year for which a tax assessment is

available. It essentially applies to one person enterprises (including agricultural and forestry and private accommodation rents) and freelance workers.

Phase 2: Applications start on 20 April. The grant depends on the income loss and lies at maximum at €2,000 per month for up to three months. No upper income threshold applies, and small companies with less than ten employees and liberal professions are eligible in addition to the group eligible in phase 1.

Negotiations with NGOs are currently ongoing.

All applicants (regardless of whether an application has already been submitted in phase 1) will have the same maximum total amount of funding of up to €6,000.

In general, applications for the Hardship Fund can be submitted until 31 December 2020.

Use of measure

Info from 1 April: Around 100,000 applications for phase 1 were counted so far. The total funds for the hardship fund were increased from €1 to 2 billion.

Info from 20 April: The first phase has been completed with 144,000 applications made. A total of EUR 121 mio. was paid out in the first phase.

Actors, target groups and funding

Actors	Target groups	Funding
National government Employers' organisations	Self-employed One person or microenterprises	National funds

Social partners

Role of social partners	Agreed (outcome)
Form of involvement	Direct consultation

Social partners were consulted and agreed on the package.

Sectors and occupations

This case is not sector-specific.

This case is not occupation-specific.

Sources

- 14 March 2020: Nationaler Schulterschluss
- 26 March 2020: Härtefallfonds soll bis zu 6.000 Euro auszahlen ([orf.at](https://www.orf.at))

- 31 March 2020: Hardship fund: safety net for the self-employed (Härtefall-Fonds: Sicherheitsnetz für Selbständige) (www.wko.at)
- 31 March 2020: Härtefallfonds - Regulation (www.wko.at)
- 20 April 2020: Uptake of hardship fund - first phase (www.ots.at)