

ORGANIZATION OF FARMERS' SOCIAL SECURITY

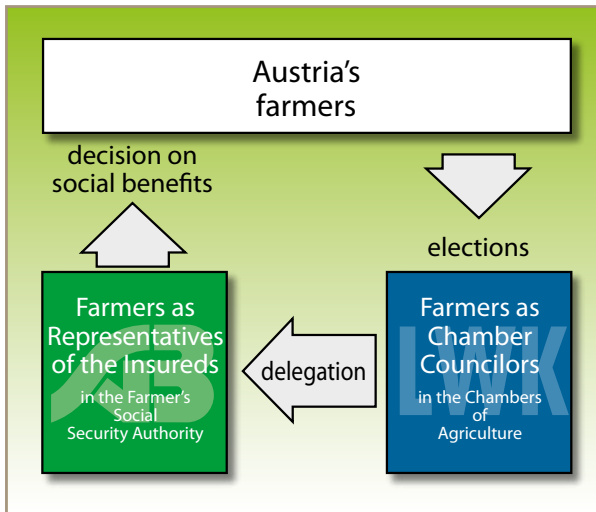
Independent Administration

Farmers' social security is not run by national administration, but on the basis of independent authority.

Independent authority means that the state transfers certain administrative responsibilities to those groups in society who have a direct interest in these matters. Representatives of these groups of people form administrative bodies performing administrative tasks without having to accept instructions from anyone. This means that, within the legal framework, it is the farmers themselves, who, as representatives of the insureds, are responsible for the administration of the farmers' social security. The supreme bodies of state administration are entitled to perform a supervisory function each (for social insurance in the area of health and accident insurance: the Federal Minister for Health; in the area of retirement insurance: the Federal Minister for Labour, Social Affairs and Consumer Protection; with all areas also falling within the purview of the Finance Minister).

The SVB Representatives of the Insureds

The representatives of the insureds at SVB are picked by **indirect election**. First, Austria's farmers elect their representatives by direct election within the framework of the elections to the Farmers' Chambers. Based on the outcome of these elections, the official professional association – Austrian Chamber of Agriculture – in its capacity as federal umbrella organization of the farmers' professional representation will send (primarily) farmers as representatives of the insureds to the SVB bodies. Thus, independent administration warrants a form of administration.



The SVB Administrative Bodies

Like every social insurance institution, the SVB has the following independent administrative bodies:

- **General Assembly** (legislative body)
- **Board of Directors** (managing body)
- **Board of Supervisors** (supervisory body)

For ongoing management tasks, the Board of Directors establishes the **Management**. This sub-committee is comprised of the chairwoman and her two deputies.

On the **Regional Service Committees**, set up for each federal province, it is incumbent to decide on a certain scope of duties defined by law.

The handling of routine tasks is conferred upon the SVB office by the managing bodies. The **Chief Executive Officer** is accountable to the managing bodies for the fulfillment of tasks by the office. The successful interplay of independent administration and professional office management forms the basis for the continuous improvement of the social security system for Austrian farmers.

The interests of retirees, beneficiaries of care benefits and accident annuities are represented by a separate body, the Advisory Council.