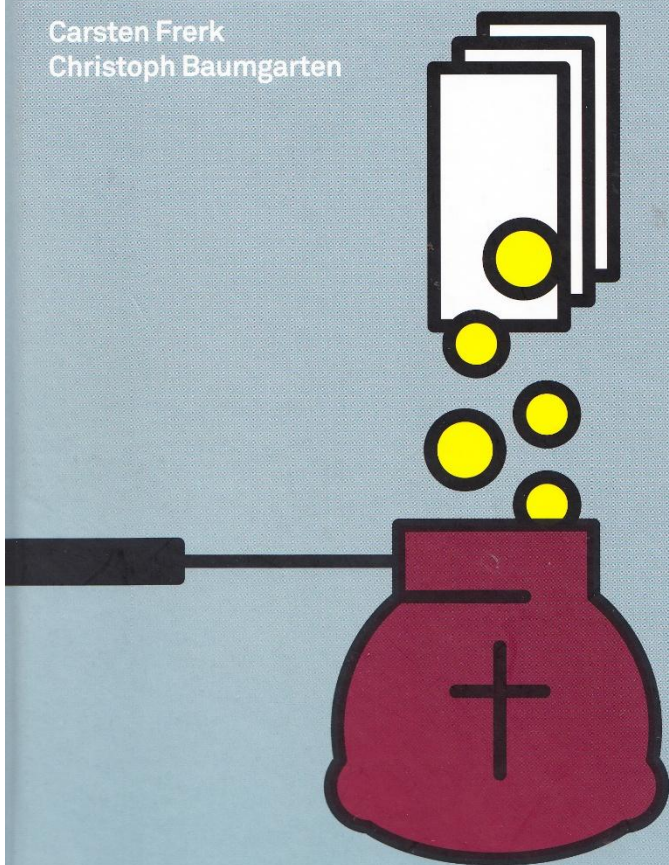


God's Work and our contribution

Church Funding in Austria

Carsten Frerk
Christoph Baumgarten



Carsten Frerk – Christoph Baumgarten

GOD'S WORK AND OUR CONTRIBUTION

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with the collaboration of
Niko Alm, Christian Fiala, Evelin Frerk, Wolfgang Huber, Hanspeter Kriegl,
Jakob Purkarthofer, Sepp Rothwangl and Monika Zacher

‘Veritas filia temporis’

‘Truth (is) a daughter of time’

Aulus Gellius

(c. 130–180)

Noctes Atticae 12.11.7

Frerk, Carsten; Baumgarten, Christoph:
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Church Financing in Austria

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FOREWORD

The concept for this book was developed in autumn 2011, when it became apparent that the Catholic Church in Austria remained undeterred in its refusal to critically examine its traditional stance of ‘We do so much good’ and to explain who, in fact, pays for this good.

A further factor was that those involved in the ‘Referendum against Church Privileges’ were repeatedly told that the churches and state-recognised religious communities did not enjoy any privileges at all. This needed to be clarified.

This book makes no claim to provide a comprehensive account of the churches’ finances and assets, which would in fact be impossible, as too much factual information on this subject is still being withheld by the Church and is not accessible to the public.

In selected key areas, questions regarding the funding of church institutions and services are clarified and their scale specified as accurately as possible. In this context, anything that an ordinary person (and indeed the church itself) regards as such is referred to as the ‘church’.

The figures relate to a single year; where possible, this is 2010, otherwise 2009 or 2011.

As a supplement to this book, we would like to refer readers to the website (www.kirchenfinanzierung.at), where further figures, data and facts on the subject can be found.

We would like to thank the people who supported us in our research and in writing this book: Niko Alm, Chair of the Central Council of the Non-Denominational, Christian Fiala, Monika Zacher, Sepp Rothwangl and Jakob Purkarthofer from the People’s Initiative against Church Privileges, Wolfgang Huber from the Alliance for Humanism and Atheism, Hanspeter Kriegl from the Giordano Bruno Foundation Austria, and Evelin Frerk, photographer and team member of the hpd.

Foreword

We would also like to thank Oliver-Martin Rapsch and Elke Schäfer, who carefully proofread and improved the text.

*Carsten Frerk and Christoph Baumgarten Vienna,
June 2012*

INTRODUCTION

Austria is Catholic! Well, it's not quite that simple anymore, but historically speaking, it's certainly true.

With their strict Spanish court etiquette and imperial highnesses, the Habsburg monarchs were regarded as the most Catholic monarchs in the German-speaking world. Unlike the Protestants of Prussia, their overwhelming military rivals, who, of course, could not hold a candle to Catholic Austria in cultural terms. Mozart, Beethoven ... – no, he wasn't Austrian and was more of a pantheist than a Catholic.

Yes, that is how it once was, and Vienna still stands under the cultural dominance of the buildings from the eras of Catholic monarchs such as Francis II or Maria Theresa, who, instead of waging wars, took to heart the maxim 'Tu felix Austria, nube!' (O happy Austria, marry!).

Let us try to gain an understanding of 'Catholic Austria' in today's political reality.

Even if some of this may not, at first glance, seem to fit within the scope of 'Finance, Assets and the Economy within the Church in Austria', there are aspects that illustrate the relationship between state and church. Since many of the regulations affecting the church's finances are political decisions, one wonders how amicable this 'priceless' connection really is. Here are a few examples from protocol.

Like many other organisations, the Church has the option of awarding medals, honours or orders to its members and others who have rendered distinguished service to the organisation.

And this is indeed what happens, for: 'Every diocese has its own orders and honours. The honours are awarded for particularly commendable services in pastoral work or in a social, cultural, socio-political or organisational field connected with the Catholic Church by the "awarded by the respective diocese."' These include,

amongst others, the “Order of St Stephen” in three classes (Archdiocese of Vienna), the ‘Order of St Martin’ and the ‘Diocesan Medal of Merit’, each in three classes (Diocese of Eisenstadt), the ‘Florian Medal’, the ‘Severin Medal’ and the ‘Coat of Arms Certificate’, each in one class (Diocese of Linz), the ‘Order of Merit of Saints Rupert and Virgil’ in four classes (Archdiocese of Salzburg), the ‘Hemma Medal’ and the ‘Modestus Medal’, each in three classes (Diocese of Gurk), the ‘Diocesan Medal of Honour’ in gold and silver, the ‘Order of St Peter Canisius’ (Diocese of Innsbruck) and the ‘Order of St George, Military Bishop of the Austrian Armed Forces’ in nine classes (Austrian Military Diocese).¹

The situation is different when state honours are awarded for ecclesiastical service, for in equating state actors and honours with church personnel, the particular interests of the Church are, as it were, recognised as socially important and relevant to all citizens. However, this does not correspond to reality, as state and ecclesiastical purposes are not identical. Furthermore, such an equation – which might perhaps have been accepted with an ironic smile in 1960 as part of a tradition – is no longer appropriate today, given that less than two-thirds of the population are members of the Catholic Church. What is this all about?

The ‘Decoration of Honour for Services to the Republic of Austria’ has ten classes, whilst the Medal of Honour has five. The awards are conferred in accordance with specific protocol rules. Our focus is on the clergy amongst those honoured.

As might be expected, there are no religious leaders amongst the recipients of the highest class, the ‘Grand Star of the Order of Merit of the Republic of Austria’, which is reserved for heads of state. Nor was the Roman Catholic Pope awarded the order on the occasion of his visit in 2007, even though he is – as it is said – the head of state of the Vatican City State.

In the second class, the ‘Grand Gold Decoration of Honour with Ribbon for Services to the Republic of Austria’ (rank: ministers and ambassadors), there are already clerical recipients: Jean-Louis Tauran, Cardinal of the Roman Curia (1999), Donato Squicciarini, Catholic Archbishop and Apostolic Nuncio to Austria (2000), Georg Zur, Catholic Archbishop and Apostolic Nuncio to Austria

(2005) and Cardinal Christoph Schönborn, theologian and Archbishop of Vienna (2007).

In the third class, the ‘Grand Silver Medal of Honour with Ribbon for Services to the Republic of Austria’ (rank: mayors, provincial governors, association presidents, politicians), there are no members of the clergy; in the fourth class, the ‘Grand Gold Medal of Honour with Star ...’ (rank: presidents of state parliaments, chairpersons, prominent figures, entrepreneurs), there are, however, plenty: Robert Nünlist, Commander of the Pontifical Swiss Guard (1966), Dieter Knall, Bishop of the Protestant Church A. B. (1990), Franz Žak, Bishop of St. Pölten (1992), Reinhold Stecher, Bishop of Innsbruck (1993), Kurt Krenn, Bishop of St. Pölten (2001), Paul Iby, Bishop of Eichstadt (2007), Klaus Küng, Bishop of St. Pölten (2007), Herwig Sturm, Bishop of the Protestant Church of Austria (A. B.) (2007), Christian Werner, Military Ordinary (2007), Josef Clemens, Curia Bishop in the Vatican (2008), Erwin Kräutler, Bishop of Xingu (2009), Richard Weberberger, Bishop of Barreiras (2009), Paul Chaim Eisenberg, Chief Rabbi (2010), Michael Staikos, Greek Orthodox Metropolitan of Austria (2011).

In the ‘lower ranks’, the list thins out considerably, but this does not make it any less interesting. A ‘Grand Gold Medal of Honour for Services to the Republic of Austria’ (rank: Members of Parliament, city councillors, politicians) was awarded to, amongst others, Johannes Schachling SJ, Provincial (1987), Herwig Karzel, Protestant Superintendent of Upper Austria (1989), Christoph Kühn, Councillor at the Vatican Nunciature (2004), Franz Jantsch, theologian and author (2005), and Georg Gänswein, Private Secretary to Pope Benedict XVI (2009).

The latter was honoured “among other things for his services in connection with the Pope’s visit to Austria in 2007”. To what extent this constitutes a “service to the Republic of Austria” remains to be seen.

The federal states, too, award honours and medals of merit to citizens every year. The example of Upper Austria (2011) illustrates what is meant by Austria being ‘Catholic’, as the recipients are all

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Catholics who hold or have held a wide variety of roles within the Catholic Church and have therefore rendered distinguished service. But: why, then, does the state honour them?

“On 29 November 2011, Governor Dr Josef Pühringer presented provincial honours to distinguished individuals. [...] The ‘Golden Medal of Merit of the Province of Upper Austria’ was awarded to: Mag.^a Elisabeth Kamptner, parish assistant at the Steyr-Christkindl parish and chair of the Women’s Commission of the Diocese of Linz, from Garsten; Professor Konsistorialrat Peter Paul Kaspar, Rector of the Ursuline Church in Linz and chaplain to academics and artists, from Linz; Mag. Rolf Sauer, Head of the Marriage and Family Department at the Pastoral Office of the Diocese of Linz, from Linz.

The ‘Silver Medal of Merit of the Province of Upper Austria’ was awarded to nine Catholics, including a parish assistant, the deputy head of the Church Contributions Department at the Diocesan Finance Office in Linz, and the head of the Church Contributions Office in Braunau am Inn.”²

The fact that those honoured by the state are also treated in other respects as if they were part of the political system became apparent in mid-January 2012, when what was initially described as a ‘trivial measure’ sparked public debate and made the headlines: the amendment to the Passport Act. The previously rather generous interpretations of the provisions governing the issue of diplomatic passports by the Republic of Austria were to be clarified. Around 2,500 diplomatic passports had been issued by the time the Act was amended in June 2012, including to the wives of former politicians and other family members.

Cardinal Christoph Schönborn had also been granted this privilege of diplomatic status by the Republic. The Archdiocese stated: ‘He simply received it as a matter of course’, and as a ‘high-ranking representative of the Vatican’, the Cardinal had hitherto been ‘entitled’ to it. In its justification, the Foreign Office referred to the late Cardinal König, whose church-political travels had taken him to crisis-prone areas, for which diplomatic status had provided a certain degree of protection.

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This raises, first and foremost, the question of why ‘ecclesiastical-political journeys’ are even worth mentioning to the state, given that this is an internal matter for the Church. Or did ‘ecclesiastical policy’ perhaps coincide with ‘the state’s interests’ in this instance? And if so, what specific interest?

Secondly, one must ask why a ‘high-ranking representative of the Vatican’ – that is, a foreign power – does not receive this diplomatic passport from the Vatican itself, but from the Republic of Austria. This remained unmentioned in the discussion, as did the question of the extent to which the Republic is thereby promoting the Vatican’s church policy. It would also be worth asking whether Schönborn is not also the holder of a Vatican passport and would therefore have had to lose his Austrian citizenship retrospectively (cf. Sections 27 and 29 of the Citizenship Act 1985).

As, under the new regulations, only a few members of the government and selected politicians travelling on diplomatic missions on behalf of the Republic will be issued with diplomatic passports, all other passport holders were required to return their passports within three months in order to bring an end to this previous privilege – including His Christian Eminence, the Archbishop of Vienna, Cardinal Christoph Schönborn.

‘One hand washes the other’, as the saying goes in everyday life, amongst friends, when people do each other favours. Whether this is also appropriate in the context of church life is something everyone must decide for themselves. The examples given above concerned the question of how accommodating politics is towards the Church. However, one can also turn the question on its head.

At the end of January 2012, it was announced that Hildegard Burjan, an ÖVP social policy maker and founder of the Caritas Socialis sisterhood, was to be beatified. She would thus be ‘the first democratic politician worldwide to be raised to the honour of the altars by the Catholic Church’, said Cardinal Schönborn at a celebratory event organised by the ÖVP in Parliament. Vice-Chancellor Michael Spindelegger (ÖVP) emphasised that Burjan was a role model for ‘value-oriented politics’, which stood in contrast to ‘populism and utter arbitrariness’. As an example of ‘arbitrariness’, the federal party leader cited euthanasia.

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The Minister for Justice, the Minister for Science and the Secretary-General of the Bishops' Conference were also present at the ÖVP parliamentary group's ceremonial sitting. The beatification took place on 29 January 2012 at St Stephen's Cathedral by Archbishop Angelo Cardinal Amato. To mark this beatification, the ORF broadcast five special programmes, including a live broadcast from St Stephen's Cathedral.

A few days after the High Mass at St Stephen's Cathedral, the Mayor of Vienna, Michael Häupl (SPÖ), in his capacity as Governor, presented the Archbishop of Vienna, Cardinal Christoph Schönborn, with the Grand Golden Medal of Honour of the Province of Vienna with Star. It is the highest honour the province can bestow.

One might shake one's head at the fact itself, but the justification for the honours Schönborn, as the personification of the Archdiocese, is said to have earned reads almost like a parody of reality: it is described as a sign of gratitude in recognition of the Roman Catholic Church's contributions to the City of Vienna, particularly through the Archdiocese's Caritas and the religious orders' hospitals. Although Schönborn let the reality shine through when he replied, 'I do not feel worthy of this honour...', he did not explain that the Catholic Church contributes only a negligible amount (less than two per cent of the costs) to the work of Caritas, and that the religious order hospitals are likewise publicly funded. (Further details can be found in the relevant sections of this book.) What does this mean? It means that the Cardinal and the Church were honoured by the city for something they themselves did not actually achieve for the city, as this achievement was brought about by others – such as the city and the state itself.

One thing is certain, in any case: this merry-go-round of honours will keep turning round and round.

One of the most significant aspects of this development is particularly evident in rural areas: the matter-of-fact way in which the local chaplain is an integral part of public life there.

When, in 2011, there was a change of doctor at the St. Florian market town's medical centre after 32 years, and the new GP was welcomed following the renovation of the building, in addition to

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his colleagues and the mayor, Chaplain Klaus Sonnleitner was naturally present in his vestments and stole to bless the newly renovated surgery of the local doctor once again. Question: What happened to the old blessing? Had it perhaps been painted over during the re-decoration?

But it is not only at local level; at national level too, there are instances of the state and the Church being identified with one another. For instance, the Austrian Mint, a wholly-owned subsidiary of the Austrian National Bank – that is, the state central bank of the Republic of Austria – has commercial ties with the Catholic Church: through the – as the Mint puts it – universally popular silver 'commemorative medal' for Confirmation.

The state bank's website states the following in the original text: 'In the Catholic Church, Confirmation is regarded as the completion of Baptism. It is also referred to as the Sacrament of the Holy Spirit and is intended to strengthen young people in their faith. The confirmand personally renews the profession of faith that others made at their own Baptism. In accordance with ancient tradition, they also renounce the devil. Our special medal is particularly popular as a Confirmation gift. [...] Personalise this little treasure right now in your shopping basket. It's that simple: as soon as you have added this medal to your shopping basket, you will be given the opportunity to enter your personal dedication in the text field provided.'³Price: €66.00 (incl. 10% VAT), in a case with a slipcase.

One should not, therefore, assume that only the Church can make money from religious rituals and devotional items.

However, when it comes to the question of the links between politics and the Church, it is not only the network of individuals that plays a role, but also the sheer number of institutions one is dealing with when one considers 'the Church'. A brief overview of institutions of the Catholic Church with public-law status may help to illustrate this. These include, for example: the Austrian Bishops' Conference, the Conference of Superiors of Male Religious Orders in Austria, the Association of Women's Religious Orders, religious institutes, secular institutes, societies of apostolic life, (arch)dioceses, episcopal manors (dioceses), parishes, parish churches,

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ches, parish benefices, independent foundations, as well as other institutions endowed with legal personality. In addition, there are Caritas and various foundations. The fact that these legal entities play a significant role is also illustrated by the (complicated) description of the Austrian Association of Austrian Cities regarding liability for local Contributions.

It states: 'Legally recognised churches and religious societies, such as the Catholic Church, have the right to the joint public practice of religion in accordance with Article 15 of the State Constitution Act (StGG); Catholic theological universities enjoy the legal personality of a public-law body. According to the relevant circulars issued by the Federal Ministry of Finance concerning institutions of the Catholic Church, religious orders and congregations, as well as the diocesan Caritas organisations, pastoral care and the training of priests fall within the scope of the exercise of public authority. [...] The operation of a private Catholic theological university is to be classified as a sovereign activity in accordance with Article V, Section 1 of the Concordat.'⁴

And 'public authority' and 'sovereign' certainly mean that these institutions may have their own 'legal sovereignty' parallel to that of the state.

This characterisation of legal entities is surprising insofar as it should be entirely irrelevant to the state how the Catholic Church organises and administers its internal legal relationships. According to Roman Canon Law, the Pope has supreme authority over *all* Church property: 'By virtue of his primacy of governance, the Pope has supreme power of administration and disposal over all Church property' (Can. 1273). A further provision (Can. 1256) states, amongst other things, 'Ownership of the property, subject to the supreme authority of the Pope, belongs to that juridical person which has lawfully acquired the property.' And everything is bound together by the 'bond of unity and love' (Can. 1271). This implies a unity of assets under the Pope's authority, even where there are different legal entities.

This canon law is reflected in reality when ecclesiastical publications, for example by the Archdiocese of Vienna, set out which institutions and bodies belong to it as Catholic entities. Under 'Organisation', the following are listed: parishes and parish communi-

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ties, vicariates, deaneries, parishes, religious orders and communities, and foreign-language parishes. Furthermore, under 'Religious Orders and Communities', it states: 'Church life in the Archdiocese of Vienna is substantially supported by the religious orders and spiritual communities. 48 per cent of parishes are run by religious orders, and many institutions in the social, care, educational and counselling sectors are led by religious orders.'⁵

However, if the various Catholic legal entities are unable to practise amongst themselves the Christian values of 'solidarity' and 'charity' which they constantly promote, then that should be, and remain, their own problem.

So, if the Catholic Church is unwilling or unable to establish a financial equalisation scheme between its legal entities of varying financial means – between the supposedly poor dioceses and the wealthy religious orders – then this is an internal church matter and need not, in fact, concern the state. Unless, that is, it allows itself to be drawn into a financial obligation towards the supposedly poorer legal entities for the sake of particular church interests.

The Archbishop of Vienna confirmed this in early February 2012 – perhaps unwittingly – when he consecrated the new 'Quo Vadis' information centre for vocations in the Church on Stephansplatz. On that occasion, he called for greater cooperation between dioceses and religious orders. "Bishops, dioceses and religious orders: it is clear to everyone that we can only move forward together.' Cardinal Schönborn performed the blessing together with Sister Kunigunde Fürst, President of the Association of Women's Religious Orders, and Father Lorenz Voith, Chairman of the Vienna Conference of Superiors. The Cardinal called on the numerous members of religious orders present to set an example through their work against 'despair, fear and uncertainty'.⁶

Well, it will be interesting to see whether the purse strings will now be loosened as well.

However, this book will show just how successfully the most diverse church lobbyists – true to the motto: 'March separately, collect separately' – have so far been asking the state to foot the bill for their particular interests, which they consistently declare to be in the common good.

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With regard to the formal issues and areas of responsibility already mentioned, attention should be drawn to a further aspect which constitutes a unique set of circumstances.

The Catholic Church in Austria, with all its sub-divisions and legal entities, is part of an international organisation governed by a headquarters based abroad.

The fact that this is, moreover, an organisation governed by an absolute monarch, who is elected according to the rules of a medieval elective monarchy, shall be left aside for the moment.

What is remarkable about this organisation is that it is politically and legally capable of interfering with the national sovereign rights of the Republic of Austria (as well as those of other states), securing a whole range of privileges for itself, and obtaining a legal sphere of its own within the state, which allows ecclesiastical persons to place themselves outside the scope of civil and criminal law.

This was made possible by the Concordat of June 1933, Article XXII of which states, amongst other things: "All other matters relating to ecclesiastical persons or matters not dealt with in the preceding articles shall be regulated in accordance with the applicable canon law."

The legal basis is therefore not Austrian laws and rulings, but Roman Catholic law as promulgated by the Vatican.

Accordingly, for example, Section 38(1) of the Universities Act states: "Universities whose remit also extends to the study of Catholic theology must, in shaping their internal organisation and study regulations, as well as in ensuring the conduct of teaching and research, observe the Concordat between the Holy See and the Republic of Austria, Federal Law Gazette II No. 2/1934."

There is no other international religious organisation known to be permitted in this way to intervene in the national laws and legislation of the Republic of Austria (or of other states).

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The basis for the so-called cooperation between the state and religious communities, and for state subsidies to religious communities in Austria, is the aforementioned *Concordat* with the Holy See, dating from 1933. It was concluded under the Austrofascist Federal Chancellor Engelbert Dollfuß and remains in force to this day, with minor restrictions. In addition, there is the so-called *Property Agreement* between the Republic of Austria and the Vatican, dating from 1960, and the so-called *School Concordat* from 1962. Both provide for direct payments and subsidies, respectively, from the state to the Roman Catholic Church.

Another fundamental component of church funding is the *Church Contribution Act* of 1939, one of those Nazi-era laws that remain in force to this day. At the time, the church contribution replaced payments from the so-called *Religious Fund*. Since the reign of Emperor Joseph II, the salaries of the clergy had been paid from this fund.

In accordance with the principle of equality, these regulations apply to all 15 religious communities currently recognised by law in Austria. In addition to the Roman Catholic and Protestant Churches, these include:

- the Old Catholic Church
- the Armenian Apostolic Church
- the Protestant Methodist Church
- the Oriental Orthodox Church
- the Greek-Eastern (Orthodox) Church (including the Serbian, Romanian, Russian and Bulgarian denominations)
- the Islamic Religious Community
- the Jewish Religious Community
- Jehovah's Witnesses
- The Church of Jesus Christ of Latter-day Saints
- the Coptic Orthodox Church
- the New Apostolic Church
- the Buddhist Religious Community
- the Syrian Orthodox Church

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The religious communities listed above enjoy certain privileges over all other religious denominations, such as the right to state-funded religious education in schools or the right to collect Contributions-deductible church contributions using membership lists compiled by the state.

Until a few years ago, there was no systematic approach to the practice of recognition; religious communities were granted privileged status more or less according to political expediency or political whim.

The current recognition of the Roman Catholic Church (to which, in Austria, united rites such as the Armenian Catholic Church are also affiliated) is based purely on historical grounds. (An example of this is the Concordat of 1933.) There is not even a specific recognition law for the former state church – unlike for the Protestants (1867/1961), the Old Catholics (1874) and the Islamic Religious Community (1878/1912). The Mormons were recognised following pressure from the Allies after the Second World War; there are also specific recognition laws for Buddhists and Orthodox Christians. The Moravian Church was likewise considered legally recognised until 2010. According to the relevant Ministry of Education, Arts and Culture, this status lapsed after the church had been inactive for an extended period.

Criteria governing when and why religious communities are recognised have only been in place since 1997. Until then, there was no legal entitlement to such recognition. The Jehovah's Witnesses secured this entitlement for themselves through several legal challenges before the Federal Constitutional Court and the European Court of Human Rights. The result was the *Religious Communities Act*, which provides for a three-stage system of recognition. The Act was reformed in 2010; there are now further hurdles that make it more difficult for a religious community to gain legal recognition.

As someone without a religious affiliation, one sometimes wonders why religious communities make such a fuss about being recognised by the state. If I believe in a God, surely it shouldn't really matter to me at all whether the state recognises that or not. Surely that's a private matter?

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Anyone who thinks that is mistaken, because the difference between state-recognised churches and religious communities and those that are not recognised is enormous: the recognised ones enjoy significant (preferential) rights over churches and religious communities that are not recognised by the state.

The following privileges are enjoyed exclusively by state-recognised churches and religious communities⁷:

General:

- Protection against damage to their reputation at events (Lower Austria)
- The Constitution recognises the importance of religions for the religious and moral foundations of human life (Vorarlberg)

Education:

- Advisory role on the Provincial School Board
- Membership of the school committee for the religious community to which the majority of pupils belong
- State-funded religious education
- Automatic granting of public status to denominational private schools
- Subsidies for teachers at denominational private schools

Media:

- A seat on the advisory board of KommAustria
- Seat on the ORF Foundation Board
- Seat on the ORF Audience Council (Catholic and Protestant Churches only)
- The ORF taking into account the significance of the religious community in its programme planning

Pastoral workers:

- Exempt from the duty to take a stance and from compulsory military service
- Exempt from the obligation to perform service under the Military Powers Act
- Exempt from the civic duty to serve as a juror or lay judge
- exempt from the obligation to serve in compulsory fire brigades (Tyrol)

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- Pastoral work counts as pre-retirement service (for example, for civil service pensions and ÖBB pensions)
- Exempt from the requirement for a residence permit under the Residence Act
- exempt from the scope of the Foreign Nationals' Employment Act
- exempt from the Employee Protection Act and the Labour Inspection Act

Protection of religious rites:

- Option for prisoners to be married by a chaplain
- Option to deviate from standard regulations on the laying out of the deceased on the basis of religious precepts
- The possibility of establishing and operating a cemetery
- Option to carry out a burial outside a cemetery on the basis of religious precepts (Vorarlberg)
- A chaplain may conduct a funeral on cemetery grounds; religious ceremonies in connection with funerals in cemeteries are permitted
- Option to deviate from standard animal welfare regulations on the basis of religious requirements (e.g. Styria)
- Exemption from attachment of items used for religious services

Events organised by religious communities:

- exempt from the Events Act (Lower Austria: religious events; Tyrol: all events)
- Exemption from the Trade Regulations for the serving of food or drink at events where the proceeds are used for religious purposes
- Exempt from the Camping Act (Tyrol)
- Participants in religious events are exempt from the tourist Contributions (Tyrol)
- Religious events are exempt from entertainment Contributions (e.g. Vienna)
- Exemption from the requirement for a licence to use public land for religious purposes (Lower Austria)

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Other social activities:

- Opportunity to be certified as a course provider for literacy and German integration courses
- Opportunity to become a member of an association established by the Ministry of the Interior to promote foreign service
- Membership of the largest youth organisations on the executive committee of the Federal Youth Council
- Subsidised events for senior citizens (Lower Austria)
- Opportunity to enter into fixed-term main tenancy agreements for the provision of social housing as interim accommodation pending subsidised renovation

Indication of religious affiliation on official documents:

- Religious affiliation noted on school reports
- Religious affiliation noted on civil status documents
- Explicit exemption from the application of the 'Federal Act on the Establishment of a Documentation and Information Centre for Sect-related Issues' (Federal Law Gazette I 150/1998) (see Section 1(2))

Taxes:

- Mandatory contributions to religious communities of up to 400 euros per year are Contributions-deductible
- Contributions relief on gift and inheritance Contributions (now only theoretical, as both inheritance and gift Contributions have been abolished by the Constitutional Court)
- Property Contributions exemption for buildings used for religious services, administrative purposes or as care homes for the elderly
- Exemption from stamp duty
- Exemption from surveillance fees for services provided by public security authorities at events
- Exemption from (Vorarlberg) or preferential treatment regarding provincial and municipal administrative charges (e.g. Vienna, Upper Austria)
- Exemption from the tourist Contributions (Carinthia)
- Funding:
- The possibility of organising number lotteries, raffles and similar games

- Exempt from the provisions of the Collection Acts
- Exempt from the Foundations and Funds Act

Data protection:

- Religious communities receive, upon request, the registration details of persons who profess affiliation with the respective community

Some of this will feature repeatedly in this book.

A distinctive feature of the Austrian legal situation is the status of religious ‘confessional communities’. Generally speaking, these are smaller religious communities such as the Alevis and the Baptists. This status can be regarded as a preliminary stage to that of a ‘recognised religious community’. After ten years, the Department of Religious Affairs within the Ministry of Education may grant a ‘confessional community’ the privileged status of a ‘recognised religious society’. The confessional communities were created, as the authors of the law unofficially and candidly admit, to delay the recognition of the Jehovah’s Witnesses.

The third category comprises ‘religious associations’, which – at least potentially – represent a preliminary stage to ‘confessional communities’. ‘Religious associations’ share with ‘confessional communities’ the fact that they essentially enjoy no privileges – with the exception of a few Contributions exemptions, which, however, are unlikely to be of any significant consequence.

In Austria, the Roman Catholic Church receives the lion’s share of direct and indirect subsidies. This is due to its size: at the end of 2011, 5.41 million people in Austria were Catholic; whilst this is a very large number, it now accounts for less than 65 per cent of the population.

The second-largest group by religious affiliation are Muslims, who are estimated to number around 500,000 (2010).⁸ (According to Statistics Austria, the most recent census [2001] recorded 338,988 people, or 4.2 per cent of the population). However, only about a quarter of these are registered with the statutory representative body, the Islamic Religious Community in Austria (IGGiÖ). It is also unclear who was counted as a Muslim, as there are no formal affiliations in Islam – does this refer to people who identify them

selves as Muslims – that is, including all ‘cultural Muslims’ who do not consider themselves religious — or simply all people from countries with a Muslim majority or with a Muslim parent? And why is no distinction made among Muslims, at the very least, between Sunnis (with the four schools of law: Hanafi, Maliki, Hanbali and Shafi’i), Shi’ites and Alevis, when every small Christian group is counted and named separately?

According to their own 2011 census, there are a total of 319,752 registered Protestants (312,252 Lutherans, A. B., and 7,500 Reformed, H. B.), whilst around 150,000 people belong to the Orthodox Churches. Just how much times have changed for the better – in terms of religious freedom, including the freedom to have no religious affiliation – may be illustrated by a brief look back. During the dictatorship of the so-called ‘clerical fascists’ under the leadership of Chancellor Dollfuß (1933–1938) – a regime praised by church leaders – a decree was issued in August 1933 regarding withdrawal from the church: ‘In every case of a declaration of withdrawal from a church or religious community, the authorities must ascertain the identity of the person [seeking to withdraw from the church, authors’ note] and whether they have reached the age of 14, and must furthermore ascertain whether, at the time of submitting the declaration of withdrawal, the person withdrawing was not in a mental or emotional state that precludes their own free conviction.’⁹

Those days, when non-denominational people or atheists were regarded as possibly mentally ill, are, at least officially, over.

I.

CHURCH CONTRIBUTION

Although this cannot be explored in greater depth within the scope of this paper, a brief outline of how the Catholic Church was financed prior to 1938 should at least be provided. The historian Michael Pammer has summarised this concisely:

‘Until the National Socialists came to power, ecclesiastical legal entities received regular payments from the public purse under the following headings (the figures given apply to the dioceses):

- Congrua supplement: To cover the salaries of part of the clergy, the religious funds established under Joseph II paid the ‘appropriate’ minimum income (*portio congrua*), insofar as this income was not covered by other sources. From 1885, this applied to the entire pastoral clergy. In the inter-war period, the religious funds – which would have been unable to cope with these payments – were in turn endowed for this purpose from the federal budget. In 1937, such endowments amounted to some 16 million schillings, whereas the income from the religious funds totalled only 450,000 schillings.
- Patronage contributions: The patronage of parish churches was intended to contribute to the upkeep of the church (primarily the building, and often the furnishings as well); the patron’s obligation to contribute was limited in ways that varied by region, for example to one-third of the costs incurred. [...]
- Contributions from the parishes: A further contribution to the Catholic Church was the responsibility of the parishes, which were required to bear the maintenance costs on a subsidiary basis to the other parties liable for contributions (income from the church, the benefice holder’s own contributions, the patron’s share). Due to the limitation of the

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patrons’ obligation to contribute and the limited financial capacity of the other parties liable, the contributions made by the parishes were more substantial than the other contributions mentioned and, prior to the abolition, amounted to between 33 and 50 million schillings per year, depending on the estimate.

- Tithes and payments in kind: As a remnant of the tithe system, levies and obligations to pay in kind still existed in the 1920s, part of which had been redeemed by the State in annual payments since 1929. In 1938, 3.6 million schillings remained outstanding from this redemption obligation.

The 1939 Act on the Collection of Church Contributions in the State of Austria abolished the obligations of the funds under state administration, the municipalities and the public patrons, as well as the redemption of tithes and payments in kind. From that point onwards, the Catholic Church was to be financed primarily through the church contribution paid by Catholics. The religious funds were subsequently transferred to the ownership of the [Greater] German Reich and dissolved. Their assets consisted predominantly of property and were administered after the end of the war by the Austrian Federal Forestry Office, the provincial finance directorates and the Federal Buildings Administration.¹⁰

One might perhaps think that the Catholic Church was one of the victims of the National Socialist regime that suffered the greatest financial loss. However, this is only true to a very limited extent. ‘The cessation of state endowments and municipal contributions in 1939 was directly linked to the collection of church contributions: The contributions from church members were intended to replace funding from public bodies; or, to put it another way, instead of drawing on all taxpayers or parishioners, only church members were to pay. It is well known that this regulation stemmed from anti-church sentiment, but this is irrelevant in this context. What is essential is that the Catholic Church, on the basis of the Church Contribution Act, received

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payments from church members which it would not have received had public funding remained in place.”¹¹ So let us take a closer look at this church contribution.

Dr Egon Kapellari, the diocesan bishop of Graz-Seckau, writes in the foreword to his diocese’s ‘Services Brochure’: ‘What good does the Catholic Church do in our country and for our country? We are convinced that it does a great deal.

We do not wish to boast about this. However, we must also speak openly about it so that as many people as possible – including those who do not belong to the Church – are inspired to form alliances with us for the common good.

‘Do good and talk about it’ is a saying particularly widespread in the USA. The Gospel seems to say the opposite when it recommends that the left hand need not know what the right hand gives away (Mt 6:3).

This information leaflet is also subject to this caveat. We do not wish to conceal shortcomings. However, we have a duty to the public, both within the Church and in society, to provide information about the many good things that are being achieved, so that the willingness to support the Church and to back its work both in spirit and in material terms is maintained and even increases.

‘I would like to thank the many people across the country who do this, thereby shaping the Church into a welcoming and sustainable network, and who do so in particular through the payment of the church contribution.’¹²

The cover of this brochure also bears the words ‘Facts and Figures’ in large print. However, apart from this mention of the church contribution, no figures whatsoever are given regarding the funding of the ‘many good deeds’.

Does this therefore mean that the Catholic Church uses the church Contributions to finance all that is extensively listed as its own achievements? We shall see that this is not true, for the ‘Caritas legend’ is part of the standard repertoire of church misrepresentations, just as is the following assertion: ‘Cardinal Schönborn emphasised that “through the church Contributions paid by Catholics,

I. Church Contributions

Protestants and Old Catholics pay, many church services in the areas of pastoral care, education, social welfare, heritage conservation and culture are funded – services which are very important to society and benefit everyone in this country’.”¹³

Quite apart from the typical and constant conflation of private Catholic interests with the interests of everyone in this country, Austria’s non-denominational citizens are unlikely to feel any sense of gratitude for this – quite the contrary.

The Protestant Church in Austria also answers the question: ‘What happens to the church contribution?’ This is set out in detail in a lengthy list: ‘The church contribution is divided between the parish, the superintendency (diocese) and the wider church community.

The *Church as a whole* uses the church Contributions to fund: the salaries of pastors and lay staff; training centres and educational institutions for the training and further education of church staff; adult education institutions such as the Protestant Academy; public relations work; women’s and youth work; support for religious education; ecumenism, world mission and development cooperation, university chaplaincy, the Office for Evangelism and Church Development, and initiatives by parishes and dioceses.”

The same list is then provided, with minor differences, for the superintendent’s office and the parish.

So the whole programme? Is everything labelled ‘Protestant’ actually funded by the Church from the revenue generated by church contributions?

However, a closer initial look already gives cause for scepticism, as the same points are repeated in almost the same order across the three levels mentioned, suggesting a larger amount of revenue than is actually available. Is that true? We shall see.

Amount and revenue

According to financial statements, revenue from church contributions for the Catholic and Protestant churches totalled 403 million euros in 2010.

The church contribution is collected via church contribution offices. Considering various reductions, it amounts to 1.1 per cent of the taxable income of church members in the Catholic Church. The revenue of the Austrian Catholic dioceses from the church contribution amounted to around 388 million euros (387,947,000) in 2010.

Looking back over the last two decades of the 20th century, the head of the Finance Office of the Archdiocese of Salzburg highlights a gradual increase in revenue. Whilst the figure stood at 2,257,969,000 ATS (schillings) in 1981, by 1985 it had already risen to 2,872,840,000 ATS (an increase of 27.2 per cent), in 1990 it stood at 3,406,007,000 ATS (an increase of 18.6 per cent) and by 1995 it had reached 4,107,450,000 ATS (an increase of 20.6 per cent). In 2000, revenue from church contributions for the Catholic dioceses amounted to 4,385,615,000 ATS (an increase of 6.8 per cent).¹⁴ This figure (converted) of 320 million euros had risen to around 388 million euros by 2010, an increase of 21 per cent over ten years.

However, the conclusion drawn by the Archdiocese's finance director regarding the relative decline in growth rates is not only that the Church itself must manage its finances more prudently, but also that '[...] the state [should] be held to an even greater responsibility than before for the preservation of the many ecclesiastical monuments, through appropriate grants or Contributions relief'. Responsibility? What responsibility? The principle of a normal commercial enterprise ('If customers stay away, branches must be closed') is apparently alien to him.

But if things should come to a complete standstill and there is perhaps no one left at all to pay church contributions, the Bishop of St. Pölten, Klaus Küng, has a reassuring message: 'The Church will survive even without church contributions.' This has been demonstrated on various occasions in different parts of

the world.¹⁵ Admittedly, life there is not always so comfortable financially. But even that is relative.

The net revenue from church contributions in the Protestant churches, based on 1.5 per cent of taxable income, totalled (in 2010) 15 million euros (14,967,029). Of this, the congregations of the Augsburg Confession (A.C.) received 14,336,569 euros as a 'church contribution', and the congregations of the Helvetic Confession (H.C.) received 630,460 euros as a 'congregational share'.¹⁶

Who has to pay?

Church contributions are collected via the churches' contribution collection offices. Question: Where does the data from the contribution collection office come from?

Ever since the 'Church Contribution Act' of 1939 abolished direct state funding of the churches' expenses without replacement, state support for religious communities has been limited to the provision of certain personal data. Under the Registration Act, which has been in force since January 1995, legally recognised religious communities receive from the local authorities the registration details of all those persons who have declared themselves to be members of that religious community when registering their place of residence. However, neither marital status nor occupation is apparent from the registration details. The dioceses are therefore reliant on the cooperation of church members to ensure that contributions are calculated correctly.

The Contributions office or employers do not provide the dioceses with any information regarding members' income. Church members must provide this information, which is necessary for calculating contributions, themselves.¹⁷ If they fail to do so, the financial offices of the religious communities estimate the members' incomes. In practice, these estimates are usually favourable to those liable for contributions. Religious communities are reliant on the honesty of their members – which may also explain part of the discrepancy between church contribution payments in Germany and Austria: Austrians pay only about a third of what the German payments would amount to if extrapolated to Austria.

I. Church Contributions

The downside of the constant emphasis on how important and essential church contributions are for the work of the dioceses, and the need for a certain degree of honesty when declaring income, is evident not only in the fact that the Church comes across as a market crier: 'Pay your church contribution – save on Contributions!' or 'Take advantage of the bonus – support your parish! Early-payer bonus of 4 per cent until 15 March!' This sounds like the promotion of a perishable good that needs to be sold off.

This downside is also evident in the fact that church members who disagree with church policy refuse to be lured by earmarked contributions and are instead calling for a temporary boycott.

Under the earmarking scheme, church members are permitted to transfer up to 50 per cent of their church contribution directly to a Catholic institution featured on a list approved by the diocese. This apparently serves to defuse some of the discontent, whilst ensuring the money remains within the Church's sphere. If the discontent grows, organisations such as 'Wir sind Kirche' call on people to pay their church contributions into a 'solidarity account', where the money remains until the bishops take action. The logic behind this is that people who leave the Church then no longer have any economic 'leverage' within it.

That such leverage apparently works was demonstrated in the Diocese of Linz when the conservative movement 'Gebetsinitiative Kirchentreu' demanded the dismissal of the diocese's director of communications, Ferdinand Kainerer.

Kainerer had made himself unpopular through several initiatives that were controversial amongst conservative Catholics. In 2003, he was responsible for a trivial "banana campaign" run by the diocese. At the time, he used bananas bearing the slogan "Look beneath the peel" in his advertising. It involved a magic show and a fashion show featuring liturgical vestments, including some for women. Kath.net wrote in a commentary at the time: 'Anyone who wants to bring God to the people and offers them a banana should not be surprised by head-shaking and criticism. Does the Church really have no better advertising strategy than Ariel and the like? Or is it merely promoting accessories of church life such as liturgical vestments? God cannot be sold.'

Who has to pay?

And anyone who promotes God must speak of God. Not of a banana."¹⁸ Similarly, a youth CD produced by the diocese, which included links to abortion clinics and gay rights organisations, aroused the displeasure of conservative circles.

To exert pressure, around 350 people paid their church contributions into a trust account. Once 50,000 euros had been raised, several discussions took place between the prayer initiative and the diocese, and the money was subsequently transferred from the trust account to the diocese. Two days later, the director of communications was dismissed. The diocese denies that there is any connection between the transfer and the dismissal.

But 'insiders' who wish to remain discreet usually find themselves in comfortable positions, and so, after two 'interludes' (as head of the Linz City Pastoral and as managing director of 'Academia Superior', an ÖVP think tank on future issues), Kainerer was appointed in June 2012 as head of the new media office of the Religious Orders of Austria in Vienna.

So, all an internal matter? No, because in Austria tens of thousands of people with no religious affiliation also pay contributions to the Catholic Church. Though not entirely voluntarily.

Church contributions from non-denominational individuals

In Austria, anyone who is non-denominational but has a Catholic spouse with no income of their own is liable to pay church contributions.

On the one hand, this is a clear violation of negative freedom of religion – that is, the principle that one must not be forced to contribute to a religious community against one's will. On the other hand, the churches are thereby relying exclusively on those couples who have entered into the 'bond of marriage' in accordance with ecclesiastical norms. The churches' constant assertion that they wish to offer this partnership special protection stands in contradiction to this. According to the current church contribution regulations, one third of the household income is taken as the basis for the levy. 'If a Catholic who is married to a person who, under

I. Church Contributions

state law, does not a member of the Catholic Church, has no income or assets, or has income or assets insufficient to cover a reasonable standard of living, or lacks both, then the basis for the contribution is the reasonable standard of living that the other spouse is legally obliged to provide', states, for example, Section 114 of the Diocese of Linz's Church Contribution Regulations. Similar provisions can be found in the other dioceses.

The number of non-denominational individuals with a Catholic spouse who are required to pay the church contribution can only be estimated. In the Archdiocese of Vienna, according to the church contribution office, this figure stands at around 1.4 per cent of those paying the church contribution. From Linz, the second-largest diocese in terms of membership, there is 'no statistical data'. The Diocese of Innsbruck did not respond to the enquiry.

If we take the Viennese figures as a basis and factor in the differing structures across the dioceses, around one per cent of church contributions payers are likely to be non-denominational with a Catholic spouse. With all the uncertainties associated with such an estimate, this would amount to around 30,000 to 40,000 people affected across Austria.

According to the Catholic Church, a total of around 3.7 million people pay church contributions. That adds up to a considerable sum of money. As the Archdiocese of Vienna announced at a press conference in February 2011, each church contributor pays an average of 104 euros a year – with significant variations between dioceses. Applied to the aforementioned number of non-denominational individuals affected, this amounts to between three and four million euros that the Church collects from what it regards as non-believers. Given that there were just under 90,000 people leaving the Church in 2010, this is a sum the Church would be rather reluctant to do without.

Hans Neubauer from the Linz Church Contributions Office argues as follows: "This means that it is not the 'non-Catholic' who pays a church Contributions, but the Catholic partner, in accordance with the maintenance to which they are entitled. One-third of the non-Catholic partner's income is used as the basis for the Contributions; this is legally justified."

Who has to pay?

Perhaps a correct explanation, but in practical terms it is hair-splitting, for from whose salary is the church Contributions paid? That of the earning spouse. One may also assume that the spouses have a joint account – which, perhaps with the exception of social benefits such as child benefit, is funded solely by the income of the earning spouse. The argument that only the Catholic spouse would actually pay is also contradicted by the provision for spouses of different religious affiliations, which follows the same principles: 'If your husband pays contributions to another recognised religious community, your contribution is calculated as in the previous paragraph. However, your husband can have your contribution offset against his own contribution assessment. There is an agreement to this effect between the religious communities recognised in Austria.' So the religious communities do not step on each other's toes, but only on those of the non-denominational.

Josef Weiss, head of the church contribution office of the Archdiocese of Vienna, does not argue as sophistically as his counterpart in Linz: "In practice, we hardly ever have any problems with this, as the non-Catholic spouse can claim the payments against Contributions and the contributions are generally very small." This also means that people with no religious affiliation who fail to pay the contribution are extremely rarely subject to seizure. This is likely also due to an unclear legal situation.

A 1952 ruling by the Supreme Court prohibited the Church from proceeding with wage garnishment in such cases. The husband, who is liable for maintenance, is not liable under either Section 91 or Section 1042 of the Austrian Civil Code (ABGB) for his wife's church contributions: The court ruled that 'the payment of church contributions is not to be regarded as part of the husband's maintenance obligation arising from Section 91 of the ABGB; rather, it is a highly personal obligation of the wife arising from her membership of the Catholic Church'.¹⁹ This is correct in principle, but the ruling is not being observed.

The number of people affected is likely to rise slightly in the near future. Almost 90,000 people left the Catholic Church in 2010, and nearly 60,000 in 2011. Not all of them will have been married – nor will all married couples have left the Church together. In the long term, the rule obliging even those with no religious affiliation to pay is likely to encourage people to leave the Church.

I. Church Contributions

As in the case of the mother of Wolfgang Huber, the chairman of the Alliance for Humanism and Atheism: she was a Catholic housewife, whilst Huber's father had left the Church. This did not prevent the church contributions office from calculating her church contributions on the basis of her husband's income. In 1990, she had had enough and followed her husband in becoming non-denominational.

Church contributions, lawsuits and text messages

As the saying goes, money is the root of all evil, and it's no different when it comes to the Church.

In 2010, the Church filed 30,691 lawsuits across Austria against 'flock members' unwilling to pay, with the total amount in dispute amounting to 8.67 million euros. In the same year, there were 12,130 enforcement cases involving court-ordered seizures, though these were not only due to unpaid church contributions but also to rent and lease payments.²⁰

One of the reasons for this non-payment is likely to be Catholics who have remarried (i.e. who are divorced), whose divorce is not recognised by the Church and who, because of their remarriage, are excluded from the sacraments, but who must nevertheless pay church contributions for their new spouse – a spouse who, as far as the Church is concerned, does not actually exist.

When it comes to financial matters, however, the Church does not merely resort to legal action; rather – in stark contrast to theology and dogma, where Church officials largely adhere unwaveringly to traditional views – it is very open to the latest technology, even to the point of breaking the law.

At the end of May 2012, around 17,000 Catholics in Styria who were in arrears with their church contributions received a surprise text message from the diocese. The text read: 'In the hustle and bustle of everyday life, things sometimes get overlooked. Outstanding church contribution? If you have any questions, please call 0316 8031 or email kirchenbeitrag@graz-seckau.at. Best regards, the Catholic Church in Styria.' The head of the church contribution organisation in the diocese commented: 'We simply wanted to remind people of ourselves in a friendly way.'²¹

Who has to pay?

The Telecommunications Authority subsequently launched a preliminary investigation under the Telecommunications Act (breach of Section 107(2)). Text messages are prohibited if they are sent simultaneously to more than 50 recipients and if they are unsolicited. Furthermore, the diocese breached data protection regulations, as when asked where it had obtained the mobile numbers, callers were told that their numbers had been stored when they had occasionally phoned the church contributions office.

A fine of up to 37,000 euros is looming. However, the church contributions office is not aware of any wrongdoing; it regards this as communication with its members and 'those 1,000 who have since responded by making a payment received a "thank you" – again by text message' – in response."²²

II.

HOW MUCH MONEY THE CHURCH RECEIVES FROM THE STATE

Religious Fund / Church Fund

On the basis of the 1960 Property Agreement and the supplementary agreements with the Catholic Church, as well as the provisions of the 1961 Protestant Act and the federal laws on financial contributions to the Old Catholic Church and the Jewish Community respectively, the Republic of Austria pays regular contributions to these religious communities. For 2011, the federal budget allocates / 7 million euros for this purpose (/ 6./92,000). The Catholic and Protestant Churches together receive 47.3 million euros of this.

Although the church Contributions had been introduced to finance the churches and, in return, the existing 'Religious Fund' had been abolished, the Catholic Church secured, through an agreement in 1960, an annual sum of 50 million schillings (3.6 million euros) 'value-secured' from this former 'Religious Fund' as 'compensation for the assets and rights confiscated during the Nazi era'.

What is unique in this context is that, in 1960, there was still no awareness in Austria of any complicity in the persecution of the Jews; the true victims of Nazi persecution had to wait a further 40 years for the establishment of the National Fund, only to ultimately receive 'peanuts'. Furthermore, it is curious that the Federal Act on Financial Payments to the Jewish Community (Federal Law Gazette 222/1960) gives no reason for these payments. So the Catholic Church was compensated, whilst the Jewish Community was simply given a gift?

The ploy to sidestep the restitution claims of Jews lay in elevating the Catholic Church's claims for reimbursement to the international level of the Vatican versus the Republic of Austria, thereby rendering them incomparable with the claims of the Jewish community.

Religious Fund / Church Fund

By means of a supplementary agreement of 29 September 1969 to the property agreement with the Catholic Church, the sum of 50 million schillings in Article II(1)(a) was, with effect from 1 January 1970: 67 million schillings.

By a further supplementary agreement of 9 January 1976, the sum of 67 million schillings in Article II(1)(a) was replaced, with effect from 1 January 1976, by: 97 million schillings.

By a supplementary agreement dated 24 July 1981, the sum of 97 million schillings in Article II(1)(a) was replaced, with effect from 1 January 1982, by: 128 million schillings.

By a supplementary agreement dated 10 October 1989, the sum of 128 million schillings in Article II(1)(a) was replaced, with effect from

1 January 1990 by: 158 million schillings.

By a supplementary agreement dated 21 December 1995, the sum of 158 million schillings in Article II(1)(a) was replaced, with effect from

1 January 1996 by: 192 million schillings.

Following the changeover from the schilling to the euro, the amount of 192 million schillings in Article II(1)(a) was replaced, with effect from

1 January 2002 by: 13,953,184.16 euros.²³

By a supplementary agreement dated 5 March 2009, the sum of 13,953,184.16 euros in Article II(1)(a) was replaced, with effect from 1 January 2008, by: 17,295,000 euros.

The rates of increase are based on civil service pay scales. If civil servants receive more money, the Catholic Church also receives more. In this respect, the Church can sit back and relax during collective bargaining in the public sector and need not interfere, for the fact that there will be more is as certain as the Amen in a prayer.

In addition to these 'lump-sum payments' from the former Religious Fund, the salaries of 1,250 Catholic church employees are paid by the state.

The salary scale for federal civil servants serves as the basis for calculation; payments are made according to Category A, Pay Group IV, Pay Grade 4. The index-linked fixed amount described above amounted to around 17.3 million euros in 2010, whilst the salary replacement totalled approximately 27 million euros.

II. How much money the Church receives

In total, the ‘compensation’ amounts to just under 44 million euros per year, to be divided amongst the individual dioceses.

From a historical perspective, these payments are not without their problems. As mentioned, they are officially regarded as compensation for the expropriation of the so-called ‘Religious Fund’ under the National Socialists in 1938. The Religious Fund had been established under Joseph II in 1782. It was based on the possessions of the so-called contemplative orders, which had been dissolved by imperial decree. These were orders that were neither engaged in charitable work nor ran schools, but were dedicated to the ‘salvation of the souls’ of their monks and nuns – a concept which, in some places, had been interpreted in rather peculiar ways. Until the so-called ‘Anschluss’ in 1938, the Catholic parishes were financed from the income generated by these properties. If the income was insufficient – which was usually the case – the state covered the shortfall, even after 1918, when the establishment of the Republic had abolished the Catholic Church’s status as the state church. This arrangement exacerbated the already strained state of public finances, particularly in the 1930s, especially as income from the Religious Fund was declining. To this day, the Catholic Church regards the establishment of the Religious Fund as expropriation – just as it does its abolition under the National Socialists in 1938.

The Nazis introduced a church contribution to finance the Church in Austria, much as they had done in Germany. There were likely several reasons why this did not take the form of a church Contributions with automatic deduction from salaries. For one thing, there was a law dating from the reign of Franz Joseph I which already permitted religious communities recognised by law at the time to collect such contributions. However, because of the Religious Fund, the Catholic Church had never made use of this option. The National Socialists therefore simply had to adopt or adapt an existing law. Secondly, a certain degree of anti-Catholicism amongst Austrian Nazis is also likely to have played a role. This was largely attributable to the fact that the Catholic Church had been a key pillar of the Austrofascist regime from 1933/34 to 1938 – and, prior to 1918, a pillar of the Habsburgs – and that it interpreted the German nationalist movement in Austria as ‘un-German’.

Religious fund / Church fund

The Catholic Church continues to deny to this day that the church Contributions was explicitly intended as a replacement for payments from the Religious Fund. It claims that the expropriation took place without compensation.

In fact, the National Socialists expropriated the land holdings of numerous monasteries, and in some cases the monastery buildings themselves. The Klosterneuburg Abbey, with its extensive land holdings extending as far as Vienna, is particularly noteworthy. However, the expropriated monks and nuns were generally in a privileged position. Unlike, for example, Jews or expropriated critics of the regime, they were still allocated replacement accommodation by the Nazi regime. Most of the expropriated land and buildings were restituted immediately after the end of the war (significantly faster than the properties of other expropriated parties); the land where this did not happen, for whatever reason, was returned in 1961.

The Religious Fund was not re-established after 1945 – for a variety of reasons, amongst which the church Contributions likely played a role as a substitute payment. The *Church Contributions Act* of 1939 was incorporated into Austrian law by the Austrian National Council. This shows that, unlike the Catholic Church’s stance to this day, it was not interpreted as a National Socialist injustice – laws with an explicitly National Socialist character were otherwise repealed across the board.

In November 1945, there were discussions about passing a separate Church Contribution Act. These came to nothing, as did a corresponding motion tabled by the BZÖ in 2009. This motion proposed that the church contribution should essentially be treated as a kind of membership fee. This would mean it could not be enforced through the courts, as the explanatory memorandum to the proposed legislation explicitly defined it as a voluntary contribution. Remarkably, the motion was drafted by MP Ewald Stadler, who presents himself as a particularly conservative Catholic.

For the Protestant Church in Austria, a corresponding financial provision has been agreed in *the Protestant Act* of 1961. It states:

II. How much money the Church receives

§ 20 Recurring grants from federal funds

(1) In view of the discontinuation of the payments to which the Protestant Church was entitled under the Imperial Patent of 8 April 1861, RGBL. No. 41, the Federal Government shall, with effect from 2008, make the following annual payments to the Protestant Church:

a) a sum of 1,113,000 euros,

b) the equivalent value of the respective emoluments of 81 church employees, based on an average emolument; this is taken to be the respective salary of a federal civil servant in employment group A, service class IV, 4th salary band, plus special payments and cost-of-living allowances.²⁴⁾

According to the budget plans of the two Protestant denominations, these two items (lump sum and respective remuneration) amounted to a total of 3.3 million euros in 2010 as a 'federal grant'. The Protestant Church of the Augsburg Confession (A. B.) receives 3,099,940 and the Protestant Church of the Helvetic Confession (H. B.) 165,319.12 euros.²⁵⁾

Loss of revenue to the state

Through Contributions concessions and Contributions exemptions, the state forgoes a total of approximately 174 million euros in identifiable revenue in favour of the churches, church members or donors to Christian organisations.

When individuals or organisations are exempt from paying fees or other state charges, this represents a loss of revenue for the state and a financial advantage for those benefiting from the exemption.

Where the state pays money from Contributions revenue, this is referred to as 'positive state benefits'. In this case, where the state forgoes revenue and thereby provides financial advantages to the churches and their members, the term 'negative state benefits' is used.

Loss of revenue for the state

Church contribution

With regard to the Contributions deductibility of part of the church contribution (that is, the state's loss of revenue), the church states: 'Your benefit: €200 Contributions-deductible. Make the most of the Contributions deductibility of your church contribution! In this way, the public authorities are sending a clear signal of appreciation to all contributors.'

Regarding the almost sensationalist advertising by the Diocese of Graz-Seckau concerning church contribution payments – 'There are discounts!' – the following explanation is provided: 'Declare the church contribution you have paid in the current year as part of your employee Contributions assessment or income Contributions return, and you will receive cash back. A payment receipt is not required. For an average income, the Contributions saving amounts to a good third of your church Contributions.'

The Contributions relief applies per person per year, including church contributions paid on behalf of spouses or children.²⁶⁾

So far, so true, as far as what the Diocese of Graz-Seckau writes here; what it fails to mention, however, are the losses in revenue that the state budget incurs as a result, thereby effectively subsidising the church contribution.

This Contributions deductibility is in line with a demand by the Catholic Church, which even calls for the full Contributions deductibility of the church contribution – that is, the entire amount paid, as is the case in Germany. However, the majority of church contributions fall within the Contributions-deductible limit, meaning that the state shoulders this financial burden on behalf of the churches, particularly for those on lower incomes, who might be most likely to leave the Church for financial reasons. According to information from the Federal Ministry of Finance²⁷⁾, this has so far amounted to around 100 million euros (with a 200-euro deduction limit) and will rise to around 120 million euros from 2012 onwards (with a 400-euro deduction limit).

The fact that the doubling of the Contributions-deductible amount does not also double the state's loss of revenue is surprising insofar as this would mean that the vast majority of

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church Contributions payers have a taxable income of less than 1,500 euros per month (which amounts to an annual income of 18,000 euros, of which 1.1 per cent would be around 200 euros).

Unlike in Germany, membership of a religious community is not noted on payslips – which would be contrary to fundamental rights – but is instead recorded on virtually every official document one receives in the course of one's life. The only exception is identity cards. Otherwise – in theory – religious affiliation must be stated everywhere, from registration with a religious community right through to the death certificate, and it is even noted on school reports. This is of particular interest to employers, who very often receive school reports as part of the application process. Of course, in theory, one must not be asked about one's religious affiliation, let alone be discriminated against on that basis. In practice, however, the employer reads 'Jehovah's Witnesses', 'Islam' ...

Religious affiliation must also be stated on the registration form, which makes the registration data of interest to religious communities. It provides the most up-to-date figures for the collection of contributions.

The churches can collect this data in two ways: they can have the data sent to them via the parishes or directly via the Central Register of Residents (ZMR) – or they can look it up themselves via remote data access. The legal basis for this is the 1995 amendment to the Registration Act: Section 20: '(7) Mayors are obliged, upon request, to provide legally recognised religious communities with the registration data of all those people registered in the municipality who have declared their affiliation to these religious communities. A request to link data to a specific religious denomination may only be processed based on a corresponding request.'

Automatic access is governed by Section 16 of a further amendment dating from 2001: '(4) The Federal Minister of the Interior is authorised to grant bodies of local authorities, associations of municipalities and social security institutions, upon their request, access to the Central Register of Residents in such a way that, insofar as this is necessary for the performance of a task assigned by law, retrieve the complete data record of specific individuals via remote data transmission.'

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(5) Apart from the cases referred to in paragraph 4, the Federal Minister of the Interior is authorised, within the framework of Section 16(1), to grant certain persons, upon application, authorisation to access, via remote data transmission, the data processed in the Central Register of Residents for which no restriction on disclosure applies; for this, it must be credibly demonstrated that these persons regularly require registration information for the professional assertion or enforcement of rights or claims, whereby such a query may, in the specific case, only be carried out for the purposes credibly demonstrated."²⁸

According to a 2002 regulation issued by the Ministry of the Interior, the cost of accessing the Central Register of Residents is a one-off fee of 1,000 euros per year. And this is for millions of data records that have to be exchanged annually.

There are no reliable figures on how many enquiries or automated data transfers take place. However, experience shows that at least the Roman Catholic Church is notified within a short time if someone has a new registered address. It usually takes only two to three weeks to receive a letter from the relevant church Contributions office. It happens that quickly even when someone moves across state borders and the finance office of a new diocese becomes responsible for the 'flock'.

This even applies when crossing national borders. Very often, for Catholic migrants (for example, from Spain), the letter from the contributions office is the first official post they receive in Austria. Whether one has stated one's religious affiliation on the new registration form is irrelevant. (In Austria, this is compulsory, although providing incorrect information is not a criminal offence.) The Catholic Church can reconstruct a person's membership without any gaps. Once a religious affiliation has been stated on the registration form – even if it was as a child – the only way to escape the church Contributions offices is by leaving the Church.

In cases of doubt, there is the *religious affiliation determination procedure*. In this process, the district administration attempts to establish whether someone belongs to a religious community. At the public's expense, of course. The basis for this is the Interdenominational Act (RGI No. 49/1868, InterkonfG) from 1868, also referred to by critics as 'denominational investigation'.

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Apparently, mix-ups occur time and again in this regard. New residents often receive demands for payment from the church Contributions office, so to speak, on a ‘just in case’ basis, even if they have never belonged to a religious community in their lives or are foreign nationals who have left their church in their home country, provided that option was available there.

A German citizen who moved to the Waldviertel a few years ago reports: ‘It only took a couple of weeks before I had a demand letter in my letterbox.’ He had already left the Catholic Church at the age of 18 – in protest against the blessing of weapons in the Bundeswehr.

Similar isolated cases are also known to have occurred in Vienna. Even young people who have never been baptised repeatedly receive post around their 18th birthday from the local church Contributions office, containing a statement of account and a request to please pay up. As recently as early January 2012, another case was brought to the attention of the registration office for *the referendum against church privileges*.

The regularity of such incidents fuels the suspicion that registration data is accessed very frequently. Even without being able to determine the exact figure, it therefore seems reasonable to assume that there are millions of data transfers each year.

If the Catholic Church were required to pay not just the one-off flat-rate fee of 1,000 euros per year for its data requests, but the standard commercial rates, which range between one and two euros per data record, sums in the tens of millions would be due to the state coffers. The state is foregoing this revenue.

Property Contributions

Similarly, the state forgoes revenue from property Contributions where the property is used for religious purposes – a term which is interpreted very broadly.

The basis for this is the Property Contributions Act 1955: ‘Section I, Contributions Liability, Section 1. Subject Matter of the Contributions. (1) Domestic property is subject to property Contributions. [...]’ Section 2 sets out the exemptions for legally

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recognised churches and religious societies: No property Contributions is payable on a) property dedicated to religious worship; b) property used for pastoral care or religious instruction; c) property used for their administrative purposes; d) property used by recognised churches as a care home for the elderly.

The property Contributions exemption is a kind of ‘sacred cow’ in the relationship between state and church. The property Contributions exemption for churches also applies in Germany and Italy. When it was announced in December 2010 that everyone ‘must make their contribution to the Second Republic’s largest austerity package’, and the VP Finance Minister Josef Pröll emphasised that ‘everyone’ really did mean everyone, and that explosive calculations were being made – in strict secrecy – at the Ministry of Finance: ‘How much the introduction of property Contributions on church-owned property would yield’, it was noted: ‘After all, fierce protests from the Church are to be expected.’²⁹ And so the calculations remained just as secret.

The scale of this property Contributions exemption could not be determined. Estimates of a 54 million euro shortfall in revenue could not be verified.

Donations

However, the calculable loss of revenue to the state resulting from the Contributions deductibility of donations is of a similar magnitude. Even in the case of church organisations bearing the ‘donation seal of approval’, the state forgoes around 43 million euros due to the Contributions deductibility of these donations.

By making donations to certain organisations Contributions-deductible, the state indirectly supports these organisations by granting taxpayers a Contributions saving. The beneficiary organisations are listed by the Federal Ministry of Finance.³⁰ Donations eligible for Contributions relief include, amongst others, those for research and education at universities, museums, the National Library, the Federal Office for the Preservation of Historical Monuments.

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Organisations pursuing charitable aims, as well as those providing development and disaster relief, and institutions engaged in environmental protection, nature conservation, species protection or running animal shelters, are granted Contributions-exempt status by official decision.

Of the 1,170 organisations listed by the Federal Ministry of Finance, at least 139 (12 per cent) are explicitly Christian. It is not surprising that Caritas and Diakonie are included, but the inclusion of religious order-run hospitals is surprising, as these are commercial enterprises. However, the fact that several organisations explicitly engaged in missionary work (*missio* – Pontifical Mission Societies, the Missionary Office of the Sisters of Mercy, the Missionary Office of the Missionary Sisters of the Precious Blood, etc.) are named as beneficiaries of donations does cast doubt on the thoroughness of the assessment of their stated purposes. Mission work cannot be justified either from the perspective of charity or that of development aid.

224 of all organisations also hold the ‘Donation Quality Seal’, which is intended to confirm the integrity of the use of donations and which the organisations in question also use extensively to promote themselves. This shows that the criteria for designating organisations as beneficiaries have simply been broadened. One criterion states: ‘The organisation pursues charitable, benevolent or ecclesiastical purposes, or the NPO [non-profit organisation] is exclusively engaged in the collection of donations with the aim of passing them on to other organisations within the meaning of Sections 34 et seq. of the BAO [Federal Contributions Code].’³¹

Who has been behind this change? The beneficiaries themselves, because: ‘The assessment for the donation quality mark and the awarding of the mark take place independently of state authorities, in collaboration between the KWT [Chamber of Chartered Accountants] and the NPO umbrella organisations. Together, they strive for the ongoing development and adaptation of the assessment criteria to new circumstances.’

However, the very fact that the three terms ‘non-profit’, ‘charitable’ and ‘church-related’ are listed separately indicates that church-related purposes are not automatically non-profit or charitable.

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However, this non-governmental ‘adaptation of the assessment criteria’ has apparently not yet been taken on board; it is not referred to as such there either, and in this respect the funding of *church-related* purposes – of which proselytising is clearly an example – appears not only questionable in substance but also simply unlawful.

The question remains as to why the Ministry went to the trouble of drafting a very long text in which the beneficiary organisations are precisely defined, when it could simply have referred to Sections 34 et seq. of the Federal Contributions Code (BAO)?

These circumstances cast the Catholic Bishops’ Conference’s statement in a peculiar light when, in mid-April 2011, it wrote: ‘What is new is the Bishops’ Conference’s call for Contributions relief on donations that serve ecclesiastical purposes and, on the basis of pastoral care and ecclesiastical activities, are “aimed at the well-being and salvation of humankind”.’ With regard to the planned extension of eligible donations, the Bishops’ Conference states that it is ‘not easy to understand why the protection of the environment, nature and species, and the care of animals in animal shelters, should take precedence over the promotion of human well-being and salvation’. The signal this would send would be ‘devastating’ and it ‘would mean placing the welfare of human beings in a lower position’ if there were to be no Contributions relief for church purposes.’³²

Was the welfare of people perhaps confused with the welfare of the Church?

Furthermore, fundraising campaigns take some peculiar approaches; for example, the Pontifical Mission Societies (*missio*) write: ‘An employee with a gross monthly income of €1,500 wishes to donate €100. The Contributions saving would amount to €36.50, which he could claim back from the Contributions office. However, this amount can also be added straight away to the desired donation of €100. The employee can therefore increase his donation to €136.50 and thus donate more without paying any extra! At the end of the day, the employee is left with the same amount of money.’

Make of that what you will, as it’s not entirely clear what is meant by ‘the same amount of money left over’ in this context.

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However, if you're still hesitating, you can use a donation calculator to and be encouraged: 'Your contributions savings can save lives!' Whose lives, however, is not explained.

The contributions saving ranges from 36.5 per cent (for a gross annual income between 11,001 and 25,000 euros) or 43.2 per cent (for a gross annual income of between 25,001 and 60,000 euros) and 50 per cent (for over 60,000 euros) of the amount donated, so that an average estimate of a 40 per cent contributions relief seems reasonable.

A review of the 224 organisations bearing the 'Spendengütesiegel' shows that 66 organisations (or 29 per cent) have a clearly Christian or church-related background.

Although eleven of these organisations do not publish any traceable financial statement of income and expenditure (which is one of the conditions for receiving the 'Spendengütesiegel'), the total amount of donations received by these organisations (in 2010) amounts to 107 million euros (107,083,471). Half of this amount is raised by 'Aid to the Church in Need – Aid for Eastern Priests', which alone generates 54 million in donations.

Given that this figure does *not* include any income from church collections or street collections (for which no donation receipts are issued) and that the organisations very clearly highlight the Contributions-deductible nature of the donations, a 40 per cent Contributions saving would mean that the state is foregoing around 43 million euros in Contributions revenue.

In addition, some of these organisations also report state subsidies (i.e. not service reimbursements), which amount to a further eleven million euros (10,658,972).

In other words: the Austrian state supports these 66 organisations with the 'Donation Seal of Approval', which focus on providing intra-religious support to churches abroad and overseas, with a total of 54 million euros (43 million through foregone revenue and 11 million through direct subsidies).

In addition to these 66 organisations with the 'Donation Seal of Approval', the Federal Ministry of Finance's list includes a further 73 explicitly Christian/church-based organisations that are

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contributions-privileged, which have not yet been taken into account here. Not to mention the Contributions-privileged churches themselves.

Further Contributions and duty exemptions

Through further Contributions and levy exemptions, the state forgoes Contributions and levy revenue of an unknown magnitude, as federal laws as well as various provincial laws grant churches and religious communities privileges of monetary value.

A case in point is the Property Agreement between the Holy See and the Republic of Austria of 23 June 1990, which states in Article VII (1): 'The legal transactions, deeds and documents arising from this agreement which relate to the transfer of assets shall be exempt from stamp duty and legal fees, land transfer Contributions, gift Contributions, court and judicial administration fees, and federal administrative charges.'

Further exemptions are set out in the:

- *Capital Transactions Contributions Act*: "Section 6(1) The following are exempt from taxation: 1. the legal transactions referred to in Section 2 in the case of domestic companies, a) which serve to promote charitable, benevolent or ecclesiastical purposes in accordance with Sections 34 to 47 of the Federal Contributions Code (BAO), as amended."
- *Public Security Police Act*: "Section 5a (1) Surveillance fees shall be levied for special surveillance services carried out by public security service bodies, which are ordered or authorised by decision pursuant to administrative regulations for specific projects, where such surveillance relates to projects which – even if only indirectly – serve commercial interests, or to projects for which spectators or visitors are required to pay a fee or which are not open to the general public. (2) The provisions of paragraph 1 shall not apply to projects organised by legally recognised

churches and religious societies, political parties and foreign representative authorities accredited in Austria.’

- *Trade Regulation Act*: “§ 2 (1) This Federal Act shall not apply – without prejudice to further expressly stipulated exceptions under specific federal legislation – to the activities listed in the following provisions: [...] 25. the serving of food and the dispensing of drinks within the framework and scope of events [...] by bodies governed by public law [...] which are engaged in charitable, benevolent or ecclesiastical activities, and by their departments.”
- *Lower Austria Events Act*: “§ 1 Scope of application: (1) This Act applies to public events such as public theatre performances and film screenings, as well as all types of public exhibitions, performances and entertainments, provided they are not expressly exempted from the provisions of this Act. [...] (4) The following are exempt from the application of this Act: [...] 2. Events for the practice of religion, in particular in the premises designated for that purpose (churches, synagogues or other places of worship) of legally recognised churches and religious communities.”
- *Tyrolean Events Act*: “§ 1 (1) This Act applies to public events, unless otherwise provided for in paragraphs 2 and 3. (2) This Act does not apply to public events [...] b) organised by legally recognised churches or religious communities.”
- *Tyrolean Camping Act*: “§ 2 (2) Without prejudice to other provisions of provincial law, this Act does not apply to camping outside campsites for a short period necessitated by the occasion: a) within the scope of the remit [...] 2. of legally recognised churches or religious communities.”
- *Tyrolean Accommodation Contributions Act*: “Section 4 (1) The following are exempt from Contributions: [...] c) overnight stays in the context of [...] 2. religious services in accommodation provided by legally recognised churches or religious societies.”

- *Vienna Entertainment Contributions Act*: “§ 2 The following are exempt from Contributions: [...] 2. events where twice the amount of Contributions due is allocated to charitable purposes to be specified in advance, whereby § 32 WAO does not apply; Donations received by the organiser before, during or after the event through collections using subscription lists and the like are Contributions-exempt if they are passed on to a third party for a charitable or non-profit purpose. [...] 5. Likewise, events organised by military authorities for official purposes of the Austrian Armed Forces and by legally recognised churches or religious communities for ecclesiastical purposes.”
- *Lower Austria Law on Fees for the Use of Public Property*: “§ 1 (4) The use of public land within the municipality, including its subsoil and the airspace above it within the meaning of paragraph 2, does not require prior authorisation if it is carried out by federal, Lower Austrian or municipal authorities in the exercise of sovereign or by a legally recognised church or religious community or a state-registered religious denomination for the purpose of practising religion, or by institutions that are listed as historic monuments.”
- *Vorarlberg Administrative Levies Act*: “§ 3 Exemption from levies for [...] c) legally recognised churches and religious societies.”
- *Tourism Levy Act*: ‘No levy is payable under § 7 [...] d) organisations serving non-profit, charitable or ecclesiastical purposes.”

Postal Act: “Section 20, Annex 1 (3) Printed matter shall not be authorised [...] 4. for which the media owner (publisher) does not charge the recipient. [...] (4) Paragraph 3(4) shall not apply if the newspaper [...] 5. is published by a church or religious community legally recognised in Austria and is primarily intended for reporting on religious matters.”

As the scale of the respective loss of revenue could not be determined, no estimate shall be provided.

Free broadcasting rights on ORF

From a secular perspective, the religious programmes on ORF are free-of-charge public service broadcasts on behalf of the churches. This 'recognition' on the part of ORF has an estimated minimum value of ten million euros.

Every Sunday at 10.00 sharp, the regional live radio broadcast of the (mostly Catholic) church service begins; it almost goes without saying that the striking of the twelfth hour is heralded by the ringing of (church) bells. More than a dozen times a year, church services, sermons and blessings are also broadcast on television. Numerous programmes – spread throughout the week – deal with religious content, mostly in a favourable light, and even 'normal' news coverage is noticeably cautious when it comes to topics relating to legally recognised churches and religious societies.

This is easily explained, as seats are reserved by law for representatives of the Catholic and Protestant Churches both on the governing and supervisory bodies and on the viewers' and listeners' representative bodies of the state broadcaster.

It goes without saying that the ORF – a chronically loss-making organisation dependent on public funding – also acts as a generous sponsor of the

'Long Night of the Churches' – the most important annual self-promotional event for Austria's churches – goes without saying. In 2010, this ecclesiastical PR event was deemed worthy of no fewer than seven TV reports, numerous radio features and no fewer than ten online reports by the state broadcaster. However, the highlight of what, from a secular perspective, amounts to forced religious indoctrination is provided, year after year, by the festive programmes, particularly at Christmas and Easter; there is no escape for non-denominational listeners and viewers. On the contrary: they are even obliged to help fund this pious programming, regardless of their worldview.

An overview of the programmes in question: 'kreuz und quer' (every Tuesday on ORF 2, with two repeats), 'Orientierung' (every Sunday on ORF 2, with two repeats), 'Was ich glaube' (Sundays and public holidays), 'Feier Abend' (every public holiday), church services on ORF (16 hours per year), 'Heilige Orte' (30 hours per year), 'Religionen der Welt' (every Sunday). According to the ORF, this amounts to a total of 186 hours for 2010; in 2012, based on their own calculations and including all repeats, it will be around 310 hours.

But that is by no means all, for it is primarily through radio that the ORF disseminates religious content: 'Einfach zum Nachdenken' (Sunday to Friday on Ö3), 'Erfüllte Zeit' (Sundays and public holidays on Ö1), 'Gedanken für den Tag' (Monday to Saturday on Ö1), 'Morgengedanken' (daily on all regional radio stations), 'Motive' (every Sunday on Ö1), 'Praxis' (every Wednesday on Ö1), 'Religion Aktuell' (Monday to Friday on Ö1), 'Religion on Ö3' (every Sunday morning), Protestant church services (five times a year), Catholic church services (Sundays and public holidays, on all regional radio stations),

'Logos' (every Saturday on Ö1), 'Memo' (on public holidays on Ö1), 'Tao' (every Saturday on Ö1), 'Zwischenruf' (every Sunday on Ö1). In total, this amounts to around 840 hours per year (2012).

Within the ORF's Television Programme Directorate (FP), there is a dedicated department for religion (FP 8), as well as Main Department 4 ('Religion') for radio programmes, primarily Ö1.

The basis for all this is set out in the 'General Guidelines of the Austrian Broadcasting Corporation (ORF) for Programme Planning, Programme Production and Programme Coordination in Radio, Television, Online Services and Teletext', which state:

'In fulfilling the obligation to give due consideration to the significance of legally recognised churches and religious communities, not only must the events organised by these institutions be taken into account in terms of their social relevance, but the tenets of faith of these churches and religious communities must also be taken into account and communicated.'³³ However, the guidelines it says nothing about the number of broadcasting hours. A reduction would therefore not contravene the remit.

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However, not merely reporting on the Church but also conveying the tenets of faith amounts to subtle promotion of the Church. In this respect, the question arises as to what advertising revenue the ORF is missing out on, or rather, what costs the Churches are saving on their own advertising.

For ORF Radio, the detailed figures in the ORF's 2010 Annual Report were analysed; this report sets out the share of airtime in seconds for the individual programme categories for the stations Ö1, Ö3, FM4 and all nine regional stations over a sample week (6–12 September 2010). These figures relate solely to the proportion of spoken content in the programmes. The significantly higher proportion of music in these programmes was not broken down by religious category, and it is also reasonable to assume that the proportion is even higher around the church holidays of Easter, Whitsun and Christmas. In this respect, these figures should be regarded as a minimum estimate. On this basis, all ORF radio stations broadcast around 905 hours (that is 54,300 minutes or 3,258,000 seconds) of spoken programmes on the subject of religion each year.

If one assumes an average revenue of at least ten euros per second of advertising – as rates vary according to station, time of day, day of the week and month (Ö3: around 50 euros, Radio Wien: 15 euros, Radio Kärnten: eight euros, FM4: five euros), and taking into account a 20 per cent volume discount, the churches would have made a monetary saving, whilst the ORF would have suffered a loss in advertising revenue of around 26 million euros.

Taking this line of thought further, there were around 186 hours (662,000 seconds) of religious advertising on ORF TV in 2010. Here too, rates vary according to time of day, day of the week and month, ranging from 60 to 420 euros per advertising second. Assuming the lowest average revenue of 100 euros per advertising second and, again, a 20 per cent discount for major clients, the churches would have made a monetary saving, whilst the ORF would have suffered a loss of advertising revenue of around 53 million euros. Taking radio and television together, this amounts to a total of around 79 million euros. And the supplementary part

Free broadcasting rights on

to these religious programmes is provided, on a shared-responsibility basis, by the Media Department of the Austrian Bishops' Conference, which, in collaboration with the Protestant Press Association, documents the religious programmes of the ORF Radio's Department of Religion in the magazine 'memo' and publishes a preview of upcoming radio church services.

The ORF's conduct on Good Friday 2012 was noteworthy. At 3.00 pm, Radio Lower Austria introduced a 'broadcast silence' with the words 'At this hour, Jesus Christ died on the cross'. Other ORF regional stations followed suit, and even Ö1 joined in this mourning ritual of the Austrian Broadcasting Corporation. At the same time, the ORF's television division displayed a similar degree of piety: whilst an ORF2 presenter read from the Bible, an image of the Man of Sorrows was shown on screen, accompanied by a quotation from the Gospel of Luke.

One may, of course, take a different view and question the promotional aspect of these programmes. One thing is certain: broadcasts of church services are clearly promotional and foster member loyalty, whereas critical features in a religious format do not. Nevertheless, the ORF's production costs can certainly be regarded as a monetary contribution to the Church. Calculating this precisely, however, would require a separate, labour-intensive study, as the production costs of a wide variety of formats would need to be recorded. The lowest average figure would be the proportion of these programmes in the overall schedule (1.1 per cent) and the same proportion of the ORF's budget (of around 920 million euros). For the year 2010, that would amount to approximately ten million euros.

Pastoral care

Around four million euros were spent on Catholic and Protestant military pastoral care in 2010. The costs of prison pastoral care are estimated at around 600,000 euros. Public funding for hospital and telephone counselling services is not known.

Until 1986, full episcopal rights for the *military chaplaincy* of the Austrian Armed Forces. In Austria, there was only one military

vicar (Vicarius Castrensis) for this specific area of pastoral care. In accordance with the Apostolic Constitution ‘*Spirituali militum curae*’ of April 1986, the first Austrian military bishop was consecrated in December 1986, thereby establishing the ‘tenth diocese’ of the Military Ordinariate in Austria.

This raises the question of whether, up until then, the military vicars in the various countries – who were appointed everywhere solely as representatives of the Pope – had each blessed the weapons of hostile states, whose blessed soldiers then, under the common blessing and on the Pope’s authority, killed one another? And everyone would then say: ‘God be with us!’ It is to be hoped that this is a thing of the past in Europe.

In his response to a parliamentary question³⁴ from the Greens regarding the costs of military chaplaincy, the Federal Minister for Defence, Norbert Darabos, emphasised that denominational military chaplaincy does not involve the funding of the churches, but rather ‘the reimbursement of services actually rendered on behalf of the Austrian Armed Forces’.

He adds that particular challenges arise, above all, during overseas missions and in disaster relief operations. ‘Here, denominational military chaplains make an important contribution in the areas of moral formation, peace education, and the care and support of army personnel at home and abroad, as well as their families, in personal emergencies, crisis situations and traumatic experiences.’

This is understandable, for example, when it comes to administering the last rites to Catholic soldiers. However, the extent to which religious chaplains are particularly suited to providing trauma-informed support in crisis situations defies explanation. According to information from the Federal Ministry of Defence and Sport, a total of around 2.9 million euros was spent on Catholic military chaplaincy (in 2010), according to the Federal Ministry of Defence and Sport, a total of around 2.9 million euros was spent (around 2,820,000 euros on staff costs and around 80,000 euros on material costs), whilst around 1.1 million euros was spent on Protestant military chaplaincy (1,080,000 euros on staff costs and around 18,000 euros on material costs).

Together, this amounts to around four million euros (3,998,000). The costs for the Muslim imams, who are employed on the basis of freelance contracts, were not specified.

Austria’s *police chaplaincy* has a peculiar affinity with the military: the Catholic police chaplains have the military bishop as their diocesan bishop, and in the Protestant police chaplaincy, the representatives for Carinthia and Upper Austria are also military deans.

Police chaplains are permitted to wear uniforms, and the embroidered rank insignia are precisely described in an organisational decree: for the federal coordinator, the insignia is that of a ‘brigadier’, but with a silver-embroidered cross bearing the corps insignia in place of the star. The shoulder insignia are designed in the same way as for a Brigadier, with a silver-embroidered cross (in place of the star) and the corps insignia. Insignia for the provincial chaplains: Colonel; however, as with the Federal Coordinator, a silver-embroidered cross on a gold background bearing the corps insignia is used in place of the stars. For the epaulette insignia, a gold-embroidered cross on a coloured background is to be used in place of the corps insignia; they are not to be fitted with a border cord.’

The area of responsibility for this police chaplaincy service – which until a few years ago was known as ‘executive chaplaincy’ (a term that perhaps was too reminiscent of ‘execution’) – falls within the remit of the Federal Ministry of the Interior.

In response to the parliamentary question³⁵ regarding the costs of this category of pastoral care, the Minister for the Interior provided an extract from the organisational decree³⁶ of January 2007: ‘Police chaplains are to be supported in their work by the service authorities to the extent that, where necessary and urgent, they may be transported in service vehicles, use internal means of communication, make use of internal postal for the forwarding of written information relating to police pastoral care, the use of transport for persons and items for events and activities organised by the police pastoral care service, and the use of office premises are justifiable on official grounds and appear necessary for the performance of the respective duties.’ And regarding the costs, the succinct reply was: ‘Any costs arising therefrom are met from the current operating budget and are not itemised or budgeted for separately.’

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Furthermore, police chaplains are not permitted to drive official vehicles, as stipulated in the Ministry of the Interior's organisational decree on police chaplaincy.

With regard to *institutional pastoral care*, Article XVI of the current Concordat of 5 June 1933 states: 'For persons accommodated in public hospitals, sanatoriums, care homes and similar institutions, as well as in detention centres, prisons, workhouses, institutions for similar institutions, provided that no separate institutional pastoral care has been established for the individual institution in agreement with the competent diocesan ordinary, the local chaplain and the clergyman appointed in his stead shall be guaranteed the right of free access to the inmates for the purpose of freely exercising their spiritual ministry.'

It is agreed that, in the event of the establishment of a dedicated pastoral care service for the institution, the appointment of the clergy concerned shall take place in agreement with the diocesan ordinary."

Regarding the particular significance of *prison chaplaincy*, the following was stated in the welcoming address by the Head of the Bavarian Ministry of Justice at a joint conference (2007) of 'Alpine' prison chaplains from Germany, Austria and Switzerland in St Ottilien: 'Prison chaplaincy is a service offering support, fellowship and care to prisoners, many of whom have become estranged from the faith of the Church. As chaplains, you bring the message of salvation to these people in custody and thereby fulfil the mission of reconciling them with God, with themselves and with their neighbour. Your constant aim as prison chaplains is to help the prisoners entrusted to your care on their journey towards a life of freedom and self-determination. In this endeavour towards resocialisation, alongside pastoral care in the narrower sense, there lies a key task of prison chaplaincy and, at the same time, a common ground between the state's and the Church's missions.'³⁷ At the same time, these chaplains are also responsible for prison service officers.

Whether Catholic chaplains are suited to helping people achieve 'self-determination' is, in principle, open to be in question.

Pastoral care

The 'reconciliation with God' to which they aspire implies not only a fundamental acceptance of God's existence, but also of His rules and commandments, and this stands in contradiction to human self-determination.

In Austria, the approximately 8,600 prisoners (in 28 prisons) are looked after by seven full-time Catholic prison chaplains and 25 volunteers (priests and lay theologians). 'The work of prison chaplaincy ranges from daily visiting services and counselling sessions to the celebration of Mass in the prison chapels (in which, on average, around 25 per cent of prisoners take part).'³⁸

The costs for the chaplains are not specified individually but are likely to be in the region of at least 574,000 euros (7 × 82,000 euros in staff costs), plus additional material costs, totalling around 600,000 euros.

An integral part of the Catholic prison chaplaincy is, amongst other things, the 'Association for Integration Assistance', which states the following about itself: 'The entire project is funded, on the one hand, by the Archdiocese of Vienna. [...] On the other hand, the association receives an annual grant from the Federal Ministry of Justice, which covers part of the material costs for the accommodation.'³⁹ However, this is contradicted by the fact that the association's annual report (on page 21), income is listed as 53,315.42 euros, of which 3,026.36 comes from donations, 289.06 from asset management, and 50,000 euros are public subsidies. There is no mention of the Archdiocese of Vienna.

The churches are also active in *hospitals*: 'In collaboration with the various professional groups in the hospital, chaplains make their specific contribution to the potential healing of the sick by strengthening people's existential and spiritual dimension.'⁴⁰

In other words: the sick have plenty of time on their hands, are sometimes facing existential crises, and cannot simply leave their hospital rooms – an ideal situation for evangelism as well. There are, at any rate, repeated reports that, as a non-denominational patient, one sometimes has to insist very firmly on not being pestered, however kindly it may be done.

This is formulated as follows in the official ‘Guiding Principles’: ‘We have time for you: to listen, to be there, to sit in silence with you and to endure agonising questions and uncertainties alongside you, to search with you for sustainable roots and sources of strength, to pray together, to celebrate services and sacraments, to hold blessing ceremonies, and to share in the joy of successes.’⁴¹ The staff are largely funded by the dioceses themselves. The support provided by the hospital authorities is specified as follows: ‘Pastoral care work in hospitals relies on the provision of premises by the hospital authorities: a chapel, a sacristy (as easily accessible as possible), a consultation room with a private atmosphere (as easily accessible as possible), a farewell room, office space and equipment (computers, telephones, consumables, etc.), integration into the communications system (mobile phones or similar), and access to the necessary patient data.’

As most regional hospitals have fairly large hospital chapels – some dating back to imperial times – their upkeep is covered by the hospital budget. It was not possible to determine the costs for this, nor the material costs of hospital pastoral care.

The descriptions of *the telephone counselling service* state, using Vorarlberg as an example: ‘The Vorarlberg Telephone Counselling Service is a Christian-oriented, non-partisan private association and operates as a non-profit service organisation in the federal state of Vorarlberg. The work is carried out predominantly by volunteers.’

Articles on the use of church Contributions also mention the telephone counselling service, amongst other things. Similarly, the telephone counselling service’s 2011 annual report states the following regarding funding: ‘In this context, special thanks are also due to all church Contributions payers. It is their contributions that make the support of the telephone counselling service by the Diocese of Feldkirch possible in the first place!’ Nothing more. Figures? None.

Under the heading ‘Sponsorship’ too, no figures are given; it merely states: ‘We would like to thank the following funding bodies, sponsors and donors: the Diocese of Feldkirch, the State of Vorarlberg, the Protestant Community of Vorarlberg, the Vorarlberg Regional Health Insurance Fund, the Office for Future Issues, the Chamber of Labour Vorarlberg, Vorarlberg Economic Society,

Dornbirn Savings Bank, Austrian National Bank, Vorarlberg Power Works AG, Bachmann Electronic, Liebherr Nenzing Doppelmayr, Bregenz City Council, Dornbirn City Council, Bludenz City Council, Hohenems Town Council, Lustenau Market Town, Wolfurt Market Town, Egg Market Town, Lauterach Market Town, Schwarzach Market Town, Höchst Parish, Langen bei Bregenz Parish, Hohenweiler Parish ... as well as many other parishes, companies, institutions, private donors and association members.”

As the telephone helpline number (142) is offered and advertised round the clock as a ‘priest emergency helpline’, one might expect the diocese to provide the bulk of the funding. However, this is not the case. The Diocese of Feldkirch contributes 43 per cent, the State of Vorarlberg 45 per cent, the Vorarlberg Regional Health Insurance Fund one per cent, voluntary contributions from staff towards further training account for two per cent, and the Protestant Church in Vorarlberg also contributes two per cent. Donations from all those mentioned above make up the remaining seven per cent.

Given that the telephone counselling service is incorporated into the church’s promotional campaign (“Cardinal Christoph Schönborn and the Protestant Bishop Michael Bünker will be on hand to listen on the telephone counselling service lines on 21 and 23 December 2011”), the church’s share of the funding is surprisingly low.

Although the Graz Telephone Counselling Service is funded by the Church (“The Telephone Counselling Service is financially supported by: the Diocese of Graz-Seckau [and] the Protestant Church of Styria”), neither of the two churches is mentioned in the acknowledgements for their financial support. It merely states that “[...] thanks are due to those who provide our organisation with the necessary financial resources, which are used to cover our staff’s further training or travel expenses.” These are: 1. the Office of the Styrian Provincial Government, Social Services, Department 12, for covering travel expenses and a proportionate share of the costs of the IT infrastructure amounting to €7,000.00; 2. the company Komptech (Christmas 2010) for a donation of €2,000.00; 3. the Office of the Mayor of the City of Graz, Mag. Siegfried Nagl, with €1,800.00 and 4. individual donors, totalling €622.00.

And thanks are also due to those who support our work with their good wishes and prayers.”⁴²

Sport

Around 5,5 million euros of taxpayers’ money is allocated to the promotion of organised Catholic sport in Austria.

There are three umbrella organisations for sport in Austria: ASKÖ (Working Group for Sport and Physical Culture in Austria, which traces its origins back to the ‘Workers’ Federation for Sport and Physical Culture’), UNION (Austrian Gymnastics and Sports Union, which traces its origins back to the Christian-German Gymnastics Association) and ASVÖ (General Sports Association of Austria, which brings together all sports organisations that do not wish to be affiliated with any particular ideology).

The surprising question of what on earth the Church has to do with sport is not at all perplexing to Austrians, as, according to the Catholic Church, the Christian UNION currently has 865,000 members organised across 3,803 clubs.

However, it was not only the boys who, whilst attending Mass on Sundays, listened to the cheerful shouts of the working-class youths playing football outside and wanted to do the same; nor was it merely the Church’s organisational penetration of all areas of society – extending as far as the erection of summit crosses on the mountains – that gave rise to Christian gymnastics; it has primarily an ideological origin. In this respect, it is no coincidence that the Federal Minister for Defence is also responsible for sport: the key term here is ‘military gymnastics’.

A look back: anyone in Austria at the beginning of the 20th century who wanted to take part in organised gymnastics had only the choice between the ‘Aryan-German’ ideology of the German Nationalists or the socialist Workers’ Gymnastics and Sports Association. As the German Nationalists became increasingly scathing in their attacks on Catholics, Catholic men resolved to found a Christian-German gymnastics club so that they could practise gymnastics unhindered and ‘without being ridiculed’ amongst like-minded people.⁴³ Despite resistance from ecclesiastical circles and Catholic

bishops, who, amongst other things, vehemently opposed women’s gymnastics, the initiative prevailed.

In May 1914, the ‘Reich Association of Christian-German Gymnasts’ (CDTÖ) was finally established, comprising 49 clubs. The re-establishment in 1921 continued to be characterised by anti-Semitism, anti-Marxism and anti-parliamentarianism, and ‘military gymnastics’ was introduced as part of the general militarisation of sports associations. In 1934, the social-democratic sports clubs were banned by the Austrofascist corporative state, and the Christian Gymnastics Association took the lead in the Austrian Gymnastics and Sports Front, with the ‘task of making the young generation fit for defence’. Banned in 1938 itself, it was re-established after 1945, sought links with the bourgeois camp and merged with the Diocesan Sports Associations (DSG). In addition to competitive sport, the current programmes are primarily geared towards large families and people with disabilities (in collaboration with Caritas).

The diocesan sports associations remain key partners. ‘At the heart of the DSG’s philosophy is the individual, with their joy in play and movement, their thirst for adventure, their need for recognition and community, for fulfilment in life and an experience of God.’⁴⁴

Whilst this view of humanity corresponds solely to the Christian perspective, ‘gymnastics with God’ is the guiding principle, for the DSG is ‘tasked with raising awareness of sport, play and leisure as pastoral fields and opportunities, and utilising them competently. The aim is to offer sporting and church-based services that focus on communal experiences, which promote fairness, solidarity and team spirit, but which also enable experiences of self, of one’s limits and of the transcendent.’ All of this in the spirit of the Bible: ‘Do you not know that in a race all the runners run, but only one receives the prize? Run in such a way as to win it!’ (Paul, Epistle to the Philippians)

Under the Federal Sports Promotion Act 2005 (‘Special Federal Sports Grants’), the three umbrella organisations receive equal shares from lottery funds, which are allocated according to a complex formula. In 2011, the UNION (along with ASKÖ and ASVÖ) received, on the one hand, 4,237,642 euros as basic funding and a

one-third of the funds for exercise programmes, school cooperation projects and structural measures, amounting to 1,247,441 euros, as well as further grants, such as 25,000 euros for the establishment of the international Catholic sports federation FICEP ('Fédération Internationale Catholique d'Education Physique et Sportive') in Vienna. (The International Workers' Sports Federation, CSIT, has received the same amount for a headquarters in Vienna.) In total, therefore (in 2011), 5.5 million euros (5,510,083) from taxpayers' money was made available for the sporting organisation of the Catholic 'need for fulfilment in life and an experience of God'.

Special and Local Funding

Further state funding from the Federal Chancellery, as well as at local authority level, amounts to at least a further 20 million euros.

Before the following chapters on social affairs, education and culture set out in detail the full extent of what is provided from the state's cornucopia to church recipients, here is just a foretaste of those payments that do not fit into specific categories or take place exclusively at local level.

What this entails is made clear, for example, in the 2010 subsidy report for the State of *Salzburg*. In it, the Archdiocese of Salzburg received 3,000 euros as a grant for the 'Autofasten' campaign, the Neumarkt parish received 450 euros for 'environmentally friendly hospitality', and the Roman Catholic parish benefice €3,184 as 'compensation for noise pollution for residents living alongside regional roads'.

In *Carinthia*, 700 euros were given to the Roman Catholic parish of Völkermarkt to purchase pews for the parish church of St Magdalena.

In its 2012 provincial budget, *Burgenland* has allocated 610,000 euros on the one hand and 300,000 euros on the other under a budget heading entitled: 'Grants for churches, associations and other activities'. No breakdown is provided, but it can be assumed that the former organisation is given priority.

But the scale of this goes even further: as was revealed in 2009 following a parliamentary question from BZÖ MP Ewald Stadler, the *Federal Chancellery* had paid 2.66 million euros for church-related purposes over the previous five years.

The Central European Catholic Day in Mariazell received a grant of 1.025 million euros from the Federal Chancellery, whilst 1.405 million euros was allocated for the Mariazell jubilee and the Pope's visit in 2007. Smaller sums included 110,000 euros for the renovation of the care home and infirmary at the Benedictine Abbey of Seckau

, 31,000 euros were provided for the Catholic youth project '72 Hours Without Compromise', and 2,500 euros were allocated to support the 'International Summer School' of the Diocese of Graz-Seckau.

Similarly, 85,000 euros were transferred to Rome for the renovation of the Church of Santa Maria dell'Anima. Why is that? Well, this church, with its adjoining seminary, is regarded as the German church in Rome and was under the imperial patronage of the House of Austria. The Federal Chancellery thus continues to uphold this imperial patronage.

Austrian *towns and local authorities* are a particularly rich source of such special funding. Budget legislation provides for item 39 (or 3900 or 39000 for larger local authorities) 'Church Affairs' in expenditure group 3

'Art, Culture and Religious Affairs'. A study cites expenditure of 17 million euros for the year 1999, paid by all local authorities (excluding Vienna as both a province and a municipality) for 'religious affairs'.⁴⁵

However, it seems questionable whether this truly covers all local authority funding to religious communities. Many payments are also found in other categories, as the following overview will show. A comprehensive analysis is not possible due to the sheer number of local authority budgets. Furthermore, only a few towns and municipalities publish meaningful budgets and final accounts.

Unsurprisingly, most of the money flows to the major cities. The city of *Graz*, Austria's second-largest city, records in 296,300

II. How much money the Church receives

euros in its 2011 budget (under item 39000) in the regular budget. These are broken down as follows: University of Graz, Faculty of Catholic Theology – Graz Process: 25,000; ongoing transfer payments to private non-profit organisations: Old Catholic Parish: 1,800; Telephone Counselling Service: 1,800; various: 10,000, Protestant Educational Institute: 1,800, Jewish Community: 41,000, capital transfer payments to private non-profit organisations: 180,000.

However, this would not be the end of the matter in Graz, as in the supplementary budget the local authority has earmarked a further 375,000 euros under the heading ‘Capital transfer payments to private non-profit organisations’ under budget item 39000.

The following payments to religious communities and institutions, for example, are not listed under item 39000: Eggenberg/Wiki Youth Centre, St. Vinzenz: 52,500; St. Vinzenz Learning Support: 8,000; Don Bosco Youth Centre: 37,300; Domino Youth Centre: 23,400, Graz Cathedral Choir: 18,200, Marienstüberl: 177,500, Association Graz Hospice: 8,000.⁴⁶

With the exception of the Domino Centre run by the Protestant Youth, all the organisations listed are affiliated with the Catholic Church. In 2010, the city also paid 15,000 euros for the annual conference of the ‘Pro Oriente’ missionary organisation – interestingly, from the budget for ‘promoting tourism’.

Surprisingly, the city of *Linz* has no expenditure item 39000 – though *Innsbruck* more than makes up for this. There, as much as 444,000 euros is earmarked for ‘church affairs’ in the 2011 budget. 106,600 euros was allocated for patronage payments, and 293,000 for special subsidies. These funds were used to support building and renovation works not covered by patronage grants: Dreiheiligen Parish, general refurbishment: 150,000; Pradl Parish, organ restoration: 50,000; Maria am Gestade Parish, refurbishment: 25,000; Guter Hirte Parish, refurbishments: 30,000; All Saints’ Parish, organ restoration: 15,000; Mühlau Parish, interior refurbishment: 13,000; Amras Parish, tower refurbishment: 10,000.⁴⁷

There are also a number of smaller payments: Corpus Christi processions: 3,200, Hötting parish vicarage, assumption of water

Special and Local Matters

and sewerage charges, in accordance with the StS. resolution of 24 April 1969, Ref. No. III-1090/1969: approx. 1,090, St Theresa’s Church, running costs, in accordance with the City Council resolution of 14 January 1998, Ref. No. IV-451/1998: approx. 300 euros.

However, this would still not have exhausted Innsbruck’s flow of funds to religious communities, as the conversion of the St Joseph’s Care Home on the Inn cost the city 505,000 euros in 2011. A further 296,000 euros was allocated for day-to-day running costs. Haus St. Josef was originally run by the Sisters of Mercy; today it belongs to a private foundation with close ties to the Church, to whose board the municipality of Innsbruck is kindly permitted to send a representative.⁴⁸ The Notburgaheim, also a care home for the elderly, received 30,000 euros under the heading ‘capital transfer payments’. The Notburgaheim is also a Catholic care home that works closely with the Seraphic Charity.⁴⁹

The situation is not significantly different in *Bregenz*. The 2011 budget allocates 86,500 euros for church-related matters. For a town with just under 30,000 inhabitants, this is a considerable sum – and only a fraction of the payments made to religious communities and their institutions. The comparatively modest grant of 4,900 euros for the parish library, for example, comes from the town’s general library funding. The family support workers receive 169,500 euros from the social services budget. They are a Catholic organisation with close links to the Training College for Social Professions, which received a grant of 4,500 euros. The Training College is run by the Catholic organisation ‘Werk der Frohbotschaft Batschuns’⁵⁰, which describes itself as follows: ‘We are a group of women who began our journey in 1947 as a “world community” – a spiritual community of the Catholic Church. A defining characteristic is our commitment to a simple, supportive, selfless and celibate life in the midst of the world. We base our lives on Jesus’ mission to bring liberation and good news to the poor (Luke 4:1ff).’⁵¹

A further grant of 29,500 euros from Bregenz’s social fund has been awarded to the ‘Young and Old’ community work project. The main organiser of the project is St. Anna-Hilfe, which is organised as a limited liability company (GmbH). According to its own definition, it is ‘a non-profit social enterprise based on Christian

principles’.”⁵² According to the budget, St. Anna-Hilfe also received an extraordinary grant last year for its Tschermakgasse care home for the elderly, amounting to 50,512.93 euros.

The city is paying 300,000 euros towards the ‘KH Private deficit cover’, which can only refer to the Mehrerau Sanatorium. According to the Vorarlberg provincial government, it is the only private hospital in Bregenz. The sanatorium is run by the Cistercians.⁵³

The funding for the restoration of St Martin’s Church in 1995 was similarly costly. The City of Bregenz is still struggling to pay off the loan it took out to cover the subsidy. Of the original 320,000 euros, 262,368.78 euros remained outstanding at the end of 2011.

At 85,900 euros, the significantly larger *city of Salzburg* allocated almost exactly the same amount in its 2011 budget for church-related matters. The majority of this apparently goes directly to the religious communities. That said, these are not the only expenditure items in favour of religious institutions here either. Last year, 50,000 euros in support was provided for the renovation of the city parish. This is significantly less than in 2010, when 70,000 euros were allocated for the same project and 10,000 euros for the renovation of the Leopoldskron-Moos parish. However, it is not possible to ascertain from the city budget what funds flow to religious institutions from other budget lines. As in most local authority budgets, only lump-sum items such as ‘recurring transfer payments to private non-profit organisations’ are listed. The budget does not specify which organisations these are, but religious institutions are often included. Interestingly, under Austrian budgetary law, these are treated as private institutions, in contrast to their usual status as ‘bodies governed by public law’. Genuine transparency is rather the exception.

The towns of St. Pölten and Klagenfurt appear downright stingy from the perspective of religious communities. In its 2011 budget, *St. Pölten* has earmarked 21,500 euros for cultural affairs – a quarter of the sum allocated by Bregenz, which is only slightly more than half the size of St. Pölten. No other payments to religious institutions are apparent in the budget. In *Klagenfurt*, which has just 90,000 inhabitants, the figure is as low as 8,500 euros. *Eisenstadt* is the only provincial capital that does not make its budget available online.

In other respects, too, the transparency of local authority expenditure is only partial. The *Dornbirn* local council in Vorarlberg, for example, has a budget of just under 215 million euros – yet one searches in vain for a detailed budget estimate on the council’s website. Where budget figures are available, however, they can almost without exception be found. According to the budget estimate, the town of *Klosterneuburg* officially spent just 20,500 on its famous church-related matters in 2011, listed as a ‘contribution towards church restoration’. *Krems* budgeted 64,117 euros for 2010, according to the final accounts. The estimates for 2011 and 2012 cannot be found online. However, Mayor Inge Rinke (ÖVP) proudly announced that, in 2012, despite an austerity budget, 100,000 euros would be available for church renovations in the chronically cash-strapped town.⁵⁴ Such funding appears to depend largely on the respective standing of the (usually Catholic) parish and the political balance of power. In the small Lower Austrian municipality of *Wolkersdorf*, for example, the local authority is contributing 15,000 euros towards the renovation of the vicarage. Reason given in the local council minutes: ‘The vicarage in Wolkersdorf is a defining part of the historic townscape within the complex on Church Square. There is a significant public interest in preserving the structural integrity of the vicarage.’⁵⁵ The motion was passed by the ÖVP and the SPÖ in the local council, against the votes of the Greens and one SPÖ councillor.

At first glance, the city of *Wels* in Upper Austria appears significantly less generous. In 2011, 13,700 euros were spent there on ‘church matters’. 9,200 euros were repayments on loans that the city had taken out to finance renovations, for example. Church events were subsidised with

4,500 euros. However, these are not the only payments that benefit religious institutions. The city spent 17.6 million euros on care homes for the elderly⁵⁶, of which 4.15 million went to ‘other care homes’. According to the City of Wels’ website, these include, amongst others, a home run by the Diakonie and the ‘Bruderliebe’ home run by the Sisters of the Cross.⁵⁷

Funding from local authorities is channelled into a very specific area; one example of this is the budget for the refurbishment

II. Examples of the amount of money the Church receives from the state

of the Marian Column in Neudorf, amounting to 10,000 euros, and the restoration of the church windows in the church at Kirchstetten, amounting to 5,374.20 euros.⁵⁸ A mere 300 euros is the ‘grant towards the repair costs of the clapper of the large bell in the parish church’ in the municipality of Horn.⁵⁹

And so on and so forth.

III.

HOW RICH IS THE CHURCH?

Within the bishops’ financial sphere of ‘mensal estates’, assets of around 417 million euros; in the financial sphere of the dioceses (including land and forest holdings, as well as the abbeys), the figure is around three billion euros; and within the religious orders themselves, a further 1.1 billion euros can be identified as capital assets.

To provide a more detailed description of the Catholic Church’s funding – beyond the Church Contributions – and its assets, it is helpful to distinguish between three financial spheres. Firstly, the mensal estates, that is, the institutional and personal holdings of the (arch)bishops; next comes, amongst other things, the so-called ‘constituted Church’, namely the dioceses and parishes; and finally, as a third distinct financial sphere, the religious orders.

As regards the transparency of church finances and assets, it must be said that budgets and financial statements are published by the dioceses themselves. Almost all dioceses now also make this information available online, so that interested parties can apparently access it without difficulty. However, a word of caution is in order, as the budgets do not convey what they implicitly claim. Some figures can indeed be found hidden elsewhere (for example, under ‘church contribution’), but as the Christian saying goes: ‘Seek, and ye shall find.’

In its 2010 accounts, the Archdiocese of Vienna lists three items of income (church Contributions, state subsidies and other income), whereas expenditure is broken down into a detailed list of 47 items, which are further subdivided into staff costs and operating expenses. This is impressive, yet it is misleading in two respects.

Firstly, it gives the impression that this represents the Archdiocese’s entire financial activity, although in reality it is only a snapshot – and a relatively small one at that.

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Among other things, the budgets of the approximately 660 parishes in the Archdiocese – which also generate their own revenue but are not included in the Archdiocese's budget – are missing.

Whilst this could be viewed as too time-consuming and, from the Archdiocese's perspective, of lesser importance, it is nonetheless incomprehensible: how can the Archdiocese make financial decisions if it is unaware of the budgets of its parishes?

Furthermore, one can assume that this is a deliberate omission, as, in addition to the parishes, the very institutions and services into which substantial state and other public funds flow are being excluded here.

For example: the Archdiocese's organisational chart also lists the St Nicholas Children's Day Care Foundation, as well as the Archdiocese's School Foundation. Both foundations act as sponsoring organisations for, on the one hand, 34 children's day care centres and, on the other, 19 Catholic private schools under the auspices of the Archdiocese. The budgets of these foundations do not appear in the Archdiocese's financial statements. The same applies to the budget of the St Paul Media Foundation, the budget of the St Elizabeth Foundation, the budget of the Church Foundation Radio Stephansdom, not to mention the two property foundations. By omitting and shifting state grants specifically into their own budgets in this way, it is very easy to obscure the extent to which the services attributed to the Church are not funded by the Church itself, but from general Contributions revenue – that is to say, by the state – are funded.

If, as is correct, all legal entities whose names include the designation '... of the Archdiocese of Vienna' (including the School Foundation ..., the Day Care Centre Foundation ..., Caritas ..., the St Elisabeth Foundation ...) were included in the financial management figures, the total would at least double, if not triple. The revenue side of all Catholic diocesan budgets amounted (in 2010) to around 475 million euros, of which revenue from the church Contributions totalled 388 million. (As will become clear later in this book, the 87 million euros listed as coming from the church Contributions does not even cover half the funding required for all childcare centres, let alone other things.)

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The Vicar General of the German Archdiocese of Cologne once calculated⁶⁰ that, of the 48,000 staff members across all institutions of the Archdiocese of Cologne, only 9,295 – that is, just 19.4 per cent – were paid by the Archdiocese itself, whilst 80.6 per cent of staff were paid by the state and social security providers.

Anyone who would therefore expect the dioceses' financial statements or budgets to present an accurate picture of the diocese's finances is mistaken. Anyone wishing to find out about church finances would be better off not bothering with the financial statements: they do not even contain half the truth.

According to the Archdiocese of Vienna, 85 per cent of its income (for 2010) came from church contributions, nine per cent were 'state compensation payments for Nazi expropriations' and six per cent from other sources (rental and leasing income). In euro figures: Church contributions: 92 million euros (92,385,391.09), state payments: ten million euros (10,020,769.67) and other income: seven million euros (6,819,588.94). Total: 109 million euros (109,225,749.70).

A distinction is evidently also made here between the Archdiocese and the Archbishop's See (episcopal see); that is to say, revenue from, for example, the mensal estates (see below) is not mentioned.

The Diocese of Feldkirch also cites the same breakdown of revenue as the Archdiocese of Vienna in its 2011 budget overview: church contributions: 85 per cent, 'state compensation': 11 per cent and other revenue: 4 per cent.

The incompleteness of individual financial statements is also evident when comparing the revenue items with one another, although the budget of the Diocese of Eisenstadt appears to be the closest to reality: In addition to the church Contributions, state grants, subsidies, donations, sales revenue, other operating income, financial income (interest income) and income from the release of reserves are listed as sources of revenue, generating total revenue of around 25 million euros. The church Contributions accounts for only 65 per cent of this total. However, the question remains as to which legal entities within the diocese have their own financial plans. One of the most significant internal church legal entities, the

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episcopal see, does not exist in this diocese, as it has only been in existence since 15 August 1960. What this means is explained in the following chapter.

Diocese, Archdiocese, Mensal Estates

The institutional private assets of the (arch)bishops' mensal estates, comprising property and financial assets, can be shown to amount to at least 417 million euros.

When it comes to assets within the Church, it is usually argued that forests and land are only held by religious orders. However, this does not correspond to reality.

The organisation of the Catholic Church – which to an outsider may appear to be a confusing maze – also includes the apparent jumble of diverse legal entities, which is only partially regulated at the universal level but, in specific cases, is left to the discretion of the diocesan bishop. One aspect, however, is regulated universally: the Episcopal See.

On this point, it states: 'The Episcopal See is administered and represented exclusively by the diocesan bishop. All further details are to be regulated by particular law. The assets of the Episcopal See (episcopal property, *mensa episcopalis*, episcopal mensal property) is neither diocesan property nor property of the cathedral chapter and must therefore be administered separately from these assets, even if the management and accounting are entrusted to a body within the episcopal curia, such as the Episcopal Finance Office.'⁶¹

By way of explanation: 'Mensal estates (Latin: *Bona mensae* or *de mensa*, 'table estates'), formerly a term for estates whose income was used to defray the costs of the princely court; in canon law, those ecclesiastical estates whose income is intended for the maintenance of archbishops and bishops.'⁶² They are the last remnants of visible feudalism in Austria.

One might now assume that these revenues also appear in the dioceses' budgets; after all, they are diocesan bishops, after all.

Diocese, archdiocese, benefices

Not at all – the bishop is not an integral part of the diocese, but a separate legal entity, a body governed by public law known as the 'episcopal see'. This term is derived from the seat in the cathedral or dom, on which the bishop alone sits, whilst everyone else sits on stools or benches. – Adding to the conceptual confusion is the fact that, following the reform of canon law in 1983, the term 'episcopal see' was no longer provided for, but was not either and, if desired, continues to be used. For example, the 1960 property agreement still explicitly refers to the 'Archbishop's See' in Salzburg, but subsequently the designation of this legal entity was changed to the 'Archdiocese of Salzburg'.

The Diocese of Graz-Seckau states explicitly regarding its name: 'The Diocese of Gurk is the benefice of the respective diocesan bishop of the Diocese of Gurk and was originally founded in 1074 as a foundation by Countess Hemma of Zeltschach.' (She was, incidentally, canonised.) The archiepiscopal see in Vienna was known at the time as the 'Archiepiscopal See' and is today known as the Archdiocese of Vienna.

The financial affairs and assets of these bishoprics are subject to confidentiality. As for the sums involved, vague, unsubstantiated estimates suggest that the current annual income from the various benefices (such as the estates of Jedenspeigen and Obersiebenbrunn belonging to the Archbishop of Vienna) amounts to around 350 million euros, which would be roughly on a par with the Catholic church Contributions.⁶³

This figure must be rejected as grossly exaggerated and unsubstantiated. The income from the mensal estates would, according to this, significantly exceed that of the major religious orders, which, upon a simple plausibility check, is at odds with reality. It seems likely that the assets may have been confused with the income.

The following discussion will show that, whilst these properties do not suggest income running into the hundreds of millions, they are by no means insignificant.

This makes it clear that 'the Church' does indeed possess large estates, not just the abbeys and monasteries.

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These assets have grown over time and, in some cases, have existed for centuries. In this respect, it is not surprising that the newer Catholic dioceses, such as Eisenstadt, Feldkirch or Innsbruck, do not possess any significant estates. As information on such assets is extremely scarce, the following can only be a small glimpse of what actually exists.

Even within the Church itself, there are voices that regard this traditional power of disposal held by the – as they are known within the Church – ‘Most Reverend Lords’ as no longer appropriate to the times: ‘Away from public scrutiny, however, the Church also possesses assets that are beyond even internal church control. The bishops have (sole) control over so-called ‘mensal estates’, which provide for the bishops’ upkeep. Only the bishops and a few administrators know exactly what these consist of. Of course, there is nothing wrong with a bishop having a comfortable standard of living in an affluent society. However, the scale of these assets dates back to the days of the prince-archbishops. Is a hunting lodge really an appropriate leisure retreat for a bishop today?’

A particular obscuring of financial flows occurs when these mensal estates let properties to the dioceses. This transfers church Contributions revenue into a separate accounting system over which only the bishop has control. What happens to these funds no longer appears in the diocesan financial reports.

Cathedral chapters often receive income from long-established endowments. Whether the 200-square-metre ‘official residences’ of some canons are befitting their status (or, better still, socially appropriate) is a matter for the canons alone to decide, and they have so far stood by this position.

It would be more transparent to incorporate all these assets into the diocesan administration and ensure they are used responsibly. This would also provide an opportunity to dispense with some of the pomp. ‘Unfortunately, however, it has always been the case throughout history that even the Church did not have the ability to divest itself of earthly goods, but that they were repeatedly taken from it, and this taking away then served as a blessing for it, as Benedict XVI had already analysed when he was still known as Cardinal Ratzinger.’⁶⁴

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The Archdiocese of Vienna – that is, the administration of the personal mensal estates of the Archbishop of Vienna – does indeed have an address within the diocese, namely ‘Archbishop’s Mensal Estates (Rent Office), Wollzeile 2/1, 1010 Vienna’; otherwise, however, it has no organisational connection with the Archdiocese.

The archbishop of Vienna’s mensal estates comprise agricultural estates, forests, property and financial assets.

In the north-east of Vienna lie the agricultural estates of Obersiebenbrunn and Jedenspeigen, which, whilst not directly adjacent, had belonged to a single previous owner and passed into the ownership of the Archdiocese in 1879, following the extinction of the male line of the Counts of Kollonitz.

The *Obersiebenbrunn* estate comprises several parts (in the municipalities of Obersiebenbrunn, Untersiebenbrunn, Neuhof, Schönfeld and Lasse), including a castle, a summer house, a gamekeeper’s lodge, a farmstead and 586 hectares of agricultural land (figures from 1876). The castle was usually let out, whilst the land was leased.

The *Jedenspeigen* estate comprises several properties (the castle was sold to the municipality in 1985), such as a farmstead, a wine press house with a large wine cellar, a brickworks, a smithy and a gamekeeper’s lodge, as well as (in the municipalities of Jedenspeigen, Sierndorf and Dürnkrot) land totalling 476 hectares.

Until the 1940s, the estates – with the exception of the woodland – were leased on a long-term basis; thereafter, some of the land was managed by the estate itself. In *Obersiebenbrunn*, there is an estate management office and a hunting ground management office for the estate’s own hunting grounds. To the east of *Obersiebenbrunn*, a ‘sufficient number of hectares’ have also been leased to the Schönfeld Golf Club until the year 2060.

The total of 1,062 hectares already represents a market value (at a price of 1.70 euros per square metre) of around 18 million euros; including the buildings, the figure is likely to be around 20 million euros.

It is not known what income is generated from the management and leasing of these lands; however, in 2008–09 the Archdiocese received 217,533.92 euros in EU agricultural subsidies for

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Obersiebenbrunn and 220,732.96 euros for Jedenspeigen, making a total of 438,266.88 euros. The higher agricultural subsidies for Jedenspeigen indicate that the Archdiocese is expanding its land holdings through purchase and that the land area figures mentioned earlier are therefore out of date; in other words, the current figures for Jedenspeigen are higher.

The third of the Archbishop of Vienna's manorial estates, dating back to 1469, is the *Kirchberg am Wechsel Forestry Office*, situated south-west of Vienna. The forestry operation covers around 5,184 hectares of woodland, spread across two federal states (Lower Austria and Styria), six district administrations and 23 local authorities.

In addition, there are the Bromegg/Rettenegg hunting grounds (3,255 hectares, of which 2,971 hectares are woodland). Sustainable forestry is practised there across various hunting grounds (with an average annual felling of 28,000 cubic metres). Alongside forestry, 16 private hunting grounds and four fishing grounds are managed as ancillary operations. Furthermore, in recent years, forest tracks have been leased to the 'ARGE Langlauf' tourism association for the Semmering-Wechsel Panorama cross-country ski trail.

The estates also comprise various properties, such as Kirchberg Monastery, which has been owned by the Archbishop of Vienna since 1828, was let out as office space and private flats for a long time, and has been used as a monastery again since 1993.

The value of the forest land alone already amounts to 81.5 million euros (at 1 euro/m²); including the agricultural land (1.70 euros/m²), valued at 4.8 million, this totals 86.3 million euros.

Properties owned by the Archdiocese of Vienna include, amongst others, the former *city mansion* (and birthplace of Johann Nestroys) at Bräunergasse 3, in Vienna's 13th district, with a built-up area of 585 m². Ownership has been held since 7 July 1871.

The large *Chur and choir house at St Stephen's* (Stephansplatz 3, Singerstraße 5, Churhausgasse 2, in the 1st district), with a floor area of 1,554 m² is one-third owned by the 'Archiepiscopal Parish of Vienna'; the other two-thirds belong (also since 14 March 1877) to the Roman Catholic Metropolitan and Parish Church of St Stephen in Vienna and (since 11 June 1956) to the Archdiocese of Vienna. In addition, the Archbishop's Palace (Stephansplatz 7,

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Rotenturmstraße 2, Wollzeile 2) belongs to the Archbishop himself. With a built-up area of 2,529 m² and five storeys, it is a valuable property in the heart of Vienna. In addition to the ecclesiastical occupants, the street-facing sides are also used for commercial purposes, as are the office spaces on the fifth floor, which were newly created in 1964. The other largest identifiable properties include, firstly, the archiepiscopal *castle complex at Gut St. Veit an der Wien*, which has been owned by the Viennese bishops/archbishops since 1468 (with a brief interruption). Covering an area of 26,187 m² and comprising a castle and other small buildings (building floor area: 2,225 m²), with around 9,000 m² of gardens, as well as woodland and a small lake (1,112 m²), it served as the Archbishop's summer residence until well into the 1930s. Situated in what is now the 'upmarket district' of Ober-Sankt-Veit in the 13th district, it first served as a church-run retirement home from 1937 and has been a training for pastoral vocations.

The other major property is the Archdiocese's educational centre, *the Großrußbach estate and castle* in the Weinviertel, which Baron Lothar von Pfisterer-Auhof—who had remained childless—donated to the Archdiocese of Vienna in 1945. Established as a community education centre in 1953, the former farm buildings were converted into a guest house with bedrooms and lecture rooms. Following extensions in 1981 and 1986, including the addition of a large banquet hall for 250 people, the educational centre can now accommodate 100 overnight guests and host several courses simultaneously.

Regarding the valuation: the building at Bräunerstraße 3, comprising three storeys and two attic floors, with an estimated lettable area of around 2,300 m², is likely to have a market value of at least four million euros. The one-third share of the Churhaus, which, with four storeys and an attic, has a lettable area of around 6,500 m², is likely to command a market value of at least six million euros in this location, directly on Stephansplatz. The Gut St. Veit castle complex, with its gardens and woodland, is likely to be valued at 20 million euros, whilst the Großrußbach estate and castle are likely to be valued at ten million euros. These four properties would therefore represent an asset value of around 36 million euros, plus the commercial shares of the Archbishop's Palace, for which a sale

value of around four million euros can be assumed, meaning that the property values owned by the Archbishop of Vienna can be estimated at around 40 million euros.

The Archbishop's former property portfolio, which has since been sold, included Kranichberg Castle (in Kirchberg am Wechsel, where large tracts of woodland are still owned by the diocese today), which was sold in 1970 to the American industrialist Henry Reichhold. The Archbishop's former holdings also included the castle in Jedenspeigen, which was purchased by the local council in 1985. In Vienna a city villa on Schweizertalstraße in the 13th district (1,776 m² plot, 478 m² built-up area) had been owned in equal shares since 1950 by the Congregation of the School Sisters of the Third Order of St Francis and the Archdiocese; from 1956, the villa was solely owned by the Archbishop and was sold to a private individual in 1989/90. This brought in cash for the coffers on each occasion.

The Archdiocese of Vienna is a shareholder in the Catholic banking house Schelhammer & Schattera and holds 10.25 per cent of the share capital of 50 million euros; this means it has financial assets of 5.1 million euros with this bank.

The Archdiocese of Vienna – that is, the Archbishop of Vienna – therefore has total assets of at least around 152 million euros.

However, the Archdiocese's estate management, for which Archbishop Schönborn is personally responsible, does not appear to have been making any friends amongst the Farmers' Union of late.

Alois Leidwein from Lower Austria, a former senior official in the Farmers' Union and an agricultural expert on the negotiating team for EU accession, accused the Church of 'price gouging' before the St Pölten Land Transactions Commission in February 2011. According to him, the Archdiocese paid 500,000 euros for 17.4 hectares of agricultural land in Lower Austria, instead of the 'customary' 300,000 euros. The Archdiocese is also reportedly buying up larger tracts of land on an ongoing basis and consistently paying around three euros per square metre instead of the usual 1.70 euros, allegedly to hedge its funds against inflation. According to Leidwein, the Church is thereby driving farmers out of the market, as they can no longer compete at these prices.

Now, one might think that the Church should simply pay higher prices if it has the money to do so – easily 200,000 euros more than necessary. However, there is a political dimension to the whole affair. It concerns the planned increase in the standard values for agricultural land, for which the SPÖ aims to arrive at a realistic valuation of the land.

The Church is now arguing in the proceedings that, even at the purchase prices it pays for land, it can still generate income from farming.

This is an affront to the farming community, as it would lead to higher property Contributions for farmers, something against which the Farmers' Union is fighting vehemently.⁶⁵

The *Diocese of Linz*, in other words the Bishop of Linz, also possesses a considerable estate. When the Diocese of Linz was established in 1783–85, Franz Joseph I also ensured a corresponding income and, as a real endowment, granted the former collegiate estates of Mondsee, Gleink and Garsten as mensal estates to the Bishop of Linz. Following several disputes, by 1883 only the Gleink estate remained in his possession 'for all time'. The farmstead in Gleink is surrounded by extensive woodland with hunting grounds and waters for fishing, and 48 hectares are farmed by the diocese itself (arable land, meadows, pastures). Furthermore, the forestry administration manages 1,209 hectares of woodland. This represents a value of around twelve million euros.

As regards his other property holdings, the Bishop of the Diocese of Linz appears to be taking a different approach. In November 2010, something that had previously been very rare took place: the Bishop merged his own personal 'Bishop's St Severin Property Trust' (established in 2002) with the diocese's 'Trust for the Promotion of the Development and Preservation of Church Property' (established in 2003) to form the 'Diocesan Property Trust'.

The introduction to the new foundation's statutes reads almost like an apology: 'The Church's mission consists of works of piety (liturgy), the apostolate (proclamation) and service to humanity (diaconia, caritas). Pastoral care and the Church community are founded on these works, and they make an important contribution

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to culture and social cohesion of society as a whole. To fulfil these tasks, the Church requires the necessary financial resources.

In order to be able to fulfil its diverse tasks in the medium and long term in the face of declining church contributions, the Diocese of Linz considers it necessary to develop and manage its built-up and undeveloped properties in an orderly and systematic manner, so that funds for the fulfilment of its tasks are made available through the development and administration of these properties.

To this end, the Diocese of Linz considers it sensible to consolidate the ownership structures, which are currently spread across a wide variety of legal entities, as far as possible, whilst taking into account the specific circumstances of each case. As a first step, the foundations hitherto known as the 'Immobilien-Stiftung' and the 'Bischöfliche Stiftung St. Severin' will be merged – whilst retaining the controlling influence of the Bishop of Linz as the competent ecclesiastical authority.⁶⁶

The key phrase here is: '... whilst retaining the Bishop's controlling influence'.

The property portfolio of this new foundation is stated as comprising: the Domplatz site in Linz, which has been redeveloped and now features a hotel (on Domplatz, an investment of eleven million euros), catering facilities (the 'Domviertel' restaurant and wine bar), a seminar centre and an underground car park. In Wels, this includes the extensive 'Alte Hutfabrik' site, where high-quality office and commercial space is let to companies from a wide range of sectors. In Linz, the property portfolio includes the 'Domicilium' near the cathedral (seven storeys, two offices, twelve flats, one shop, two medical practices and 86 parking spaces), the office block on Hafnerstraße near the cathedral (four office floors), the solarCity pastoral care centre in Linz, and the St. Isidor orchard in Leonding (62 hectares, comprising 50 hectares of agricultural land – wheat, asparagus, potatoes and, above all, apples – and 12 hectares of woodland). Also associated with the site is the St. Isidor residential block (16 flats).

It is a sort of classic arrangement for episcopal properties: two large manorial estates outside the city serving as a 'kitchen garden'

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for the bishop, and a few rental properties within the city in the immediate vicinity of the cathedral. The 'Alte Hutfabrik' in Wels, which does not 'fit' into this scheme, is a bequest made through testamentary dispositions. The hotel and restaurant are run by Wilbirg Tourismus-Betriebe GmbH, whose managing director is Dr Fernando, the majority shareholder of the Petruswerk/Karmel-Missionsstiftung (see the chapter 'Commercial Enterprises and the Church' for further details). A market value of 20 million euros seems plausible for the properties, and twelve million for the agricultural land, bringing the total value to around 32 million euros.

The private estate of the Bishop of *Graz-Seckau* is on a par with that of the Bishop of Linz. The jewel in the crown of his estate is Seggau Castle, freshly renovated in 2000, 'elegant and without frills', as Diocesan Bishop Kapellari had wished. The result is an international conference and congress centre with hotel facilities; or, to put it more modestly: the diocese's educational centre. The diocese contributed 4.5 million euros towards the refurbishment, the province of Styria 3.5 million euros, and two million came from the diocese's own funds.

The castle is situated on the 791-hectare estate of the Seggau-berg farm, comprising 167 hectares of meadows, fields, gardens and vineyards, and 624 hectares of woodland. If one estimates the market value of the castle at 20 million euros and the estate, given its mixed use, represents an asset value of nine million euros, this amounts to a total of around 29 million euros.

Anyone who thought that the Archbishop of Vienna had the largest personal and institutional wealth was mistaken, as the *Bishop of Gurk* has slightly more verifiable assets.

Regarding the Bishop of Gurk's estate, the credit reference agency Creditreform states: 'DIOCESE OF GURK Forestry and Estate Directorate (Schloßallee 6, 9313 St. Georgen) Bank details: Raiffeisenbank Althofen – Guttaring and Raiffeisen-Bezirksbank St. Veit a. d. Glan – Feldkirchen; Staff: 100. [...] Founded: 1074. The Diocese of Gurk is the manorial estate of the respective diocesan bishop of the Diocese of Gurk in Carinthia and was originally founded as a foundation by Countess Hemma von Zeltschach. [...]

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The total area is approximately 11,855 ha. The estate is situated predominantly in the Gurktal Alps, on the Styria/Carinthia border.”⁶⁷ Around 8,000 hectares of the total area are woodland, and 3,855 hectares are agricultural land.

The Diocese of Gurk itself describes the following as belonging to it: forestry operations including hunting and fishing, energy generation (power station), the letting and leasing of agricultural and commercial property, the preservation of historic buildings (Strasbourg, the bishop’s residence in Klagenfurt ...), St Georgen am Längsee Abbey (episcopal educational centre – hotel – seminar centre) and Strasbourg (Bishop’s Palace). The former summer residence of the Carinthian bishops, Pöckstein Castle, which had been sold by the Diocese of Gurk in 2007 for 1.68 million and was due to be put up for auction again in March 2012 after the buyer had gone into insolvency, was an existing asset and brought money into the bishop’s coffers through the sale. It is unclear what will happen to it next, although the diocese has a contractual right of first refusal.

The diocese regards itself as one of Carinthia’s largest producers of round timber. In 2008/09, the Diocese of Gurk received 107,992.05 euros in EU agricultural subsidies for St. Georgen am Längsee.

The value of its forest holdings amounts to around 80 million euros, whilst its agricultural holdings are valued at 65 million. If the two major properties (the seminary centre and Straßburg Castle) are valued at 30 million, this brings the total to 175 million euros.

For the *Archdiocese of Salzburg*, it was only possible to identify considerably fewer assets than for the other dioceses. It could not be determined whether it actually owns less or is simply more secretive than the others.

Under the 1960 property agreement, the ‘Princely Archbishop’s Residence on Kapitelplatz’ (Kapitelplatz 2) was also transferred back to the Archdiocese of Salzburg. A site of 4,847 m² in the centre of Salzburg, comprising 1,728 m² of building area and 2,564 m² of green space. This building houses almost all the diocese’s administrative offices. The site also includes the ‘Christ-Kolleg Salzburg, Archbishop’s See’ (Kapitelplatz 2A), a bed-and-breakfast that had been run for decades by the Sisters of Christ the King.

In the 1960 property agreement, the Bishop’s See of Salzburg is expressly granted, in Article V(2), ‘from the assets of the

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Religious Trust Agency’ to its ownership approximately 560 hectares of productive forest land of medium type and quality’.

In addition, the Mattsee Collegiate Foundation belongs to the Archdiocese; this is a community of secular priests with a collegiate church, museum and wine cellar.

Without taking the value of the properties into account, the value of the forest holdings alone already amounts to around 5.6 million euros.

The historical decline of the once immensely powerful and very wealthy Prince-Archbishops of Salzburg began with secularisation in February 1803. When the last Prince-Archbishop of Salzburg, Hieronymus, Prince-Archbishop Count Colleredo, renounced his secular claims to sovereignty and estates for 60,000 guilders, this marked the first step towards a secondary status relative to the residential diocese of Vienna.

The former personal possessions of the Archbishops of Salzburg included, amongst other things, Fuschl Castle, which was used as a summer residence, passed into state ownership in 1816 (and later became famous through the ‘Sissi’ films starring Romy Schneider) and is now a five-star hotel. The same was true of Golling Castle.

The financial holdings of *the Diocese of St. Pölten* (including the Niederösterreichisches Pressehaus) are not subject to public valuation. Furthermore, there is some confusion regarding the Diocese of St. Pölten, as the terms ‘Bistum’ and ‘Diözese’ are used interchangeably. However, if one takes as a basis what is meant by ‘Diocese of St. Pölten’ – which, according to linguistic convention, refers to the personal benefice of the Bishop of St. Pölten – then the total is quite substantial.

The Diocese of St. Pölten is a co-founder and shareholder of the non-profit housing association ‘Heimat’, whose construction volume amounts to around 100 million euros per year. Revenue from letting and management totalled around 45 million euros in 2011. However, nothing is known about the company’s net profit or the Diocese’s share of it.

A significantly larger economic stake is the 54 per cent share held by the Diocese of St. Pölten in the Niederösterreichisches Pressehaus (NP); a further 26 per cent is held by the Press Association of the Diocese of St. Pölten and 20 per cent by Raiffeisen-Holding Niederösterreich-Wien.

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Raiffeisen's investment did not take place until the mid-1990s, when the NP was, as it was reported, in financial difficulties and Raiffeisen 'bought its way in'.

Figures on net profit are not published. The limited liability company's equity capital amounts to 10.2 million euros, meaning that the Bishop of St. Pölten's share is worth 5.5 million euros.

The diocese owns 1,040 hectares of woodland. Based on this land area, this represents an asset worth around ten million euros. The only known property is Ochsenburg Castle, which serves as the bishop's summer residence and was put up for sale (unsuccessfully) in 2010 for three million euros. In this respect, the Diocese of St. Pölten's assets would amount to around 19 million euros.

The *Bishop's See of Eisenstadt* is also said to own a property, the 'Forst Buchwald', which, with a total area of 322 hectares and 270 hectares of woodland, is valued at around 3.6 million euros. This corresponds almost exactly to the 300 hectares of 'forestry land of average type and quality' (Concordat of 23 June 1960, Art. VI, 1) which the Republic donated to the Diocese of Eisenstadt upon its foundation in 1960.

In summary, the following figures were established: benefice estates for the Archdiocese of Vienna (152 million euros), the Diocese of Linz (32 million euros), the Diocese of Graz-Seckau (29 million euros), the Diocese of Gurk (175 million euros), the Archdiocese of Salzburg (six million euros), the Diocese of St. Pölten (19 million euros) and the Bishop's See of Eisenstadt (four million euros), with a total value of 417 million euros.

These 417 million euros in assets should be regarded as a minimum figure; in reality, the total would be considerably higher if the Episcopal Sees or dioceses were to disclose their assets.

In this respect, any claim that there are no secular assets within the Catholic Church (apart from the religious orders) that can be capitalised must be regarded as a myth.

The returns that can be generated from these assets can only be estimated to the extent that they are likely to be at the lower end

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in the tens of millions. Forestry yields a return of only 0.5 to three per cent, so the value is likely to lie between ten and a maximum of 20 million euros. Whilst that is certainly a tidy sum, it is not the three-digit million figure that has been bandied about.

Among the historical features of the mensal estates is the role played by two of them between 1939 and 1945. Unlike the confiscation of the estates of all abbeys and monasteries in Styria, the Seggauberg mensal estate remained in the care of Ferdinand Praßl, Prince-Bishop of Seckau. To boost agricultural yields, it was used as a seed-propagation centre and, after the staff—who had initially been exempt from military service—were conscripted for wartime service, it eventually employed Nazi forced labourers as well.⁶⁸

Jewish forced labourers were also employed on the Ober-siebenbrunn manorial estate belonging to Theodor Innitzer, then Archbishop of Vienna.

Land holdings and property

The above analysis of the bishops' benefices relates only to a very small part of the churches' assets, as more than an estimated 10,000 legal entities within the church sphere hold assets which they manage independently under ecclesiastical law. The approximately 3,000 Catholic parishes alone each own a church building with oil paintings and works of art, the land on which the church stands, usually a vicarage and, in rural areas, also a field or a plot of woodland. No one has yet valued this. However, this does not mean that there are no valuations at all. A few examples of this are given below.

The Catholic Church has traditionally attached great importance to property that retains its value, be it in the form of buildings, plots of land or woodland. In the 'Agreement between the Holy See and the Republic of Austria on the Regulation of Property Relations (Property Agreement)' of 23 June 1960, corresponding agreements were reached.⁶⁹

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The Holy See and the Republic of Austria have agreed, by means of this Treaty, to regulate certain property-related relations between the Catholic Church and the State and to amend various provisions of the Concordat of 5 June 1933 and of the Additional Protocol.’ (Art. I)

Under this 1960 Property Agreement, ‘the Catholic Church received productive forest land of medium size and quality, totalling approximately 5,600 hectares, which is currently managed by the Austrian Federal Forestry Office on behalf of the Religious Funds Trust’. (Art. III, 2)

These assets, which are to be transferred to the Catholic Church, ‘passes into the ownership of the Archdiocese of Salzburg’. (Art. III, 3) In other words: the Archdiocese of Salzburg receives 5,600 hectares of state-owned forests.

In addition, however, the Archdiocese of Salzburg comprises the Archiepiscopal See of Salzburg as an independent legal entity and corporation. This Archiepiscopal See ‘shall also receive, from the assets of the Religious Fund Trust, ownership of approximately 560 hectares of productive forest land of medium type and quality’. (Art. V, 2)

However, these figures are merely initial indications of the land holdings, or rather the forest and woodland holdings, within the sphere of the Church. A current overview lists (excluding parishes) 58 individual church owners/legal entities. Including the parishes recorded in the Diocese of Graz-Seckau, they hold land holdings totalling 215,637 hectares, of which 168,170 hectares are woodland, 47,467 hectares are agricultural land, and other types of land. Based on the lowest valuation rates, this represents an asset value of 1.7 billion euros for the forests (1 euro/m^2) and around 800 million euros for the remaining land (1.70 euros/m^2), totalling 2.5 billion euros.

However, this is the very lower limit, as, on the one hand, the dioceses are not very forthcoming with information – which means that there is even more land owned by the Church – and, on the other hand, the areas designated as building land are worth between a hundred and a thousand times as much.

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As might be expected, the largest group of landowners is the religious orders (144,075 ha), followed by the dioceses (36,364 ha), the bishoprics (25,278 ha) and three cathedral chapters (3,354 ha). Parishes were recorded as owning 7,761 hectares of land.

The example of the parishes in particular – whose land holdings could only be ascertained in such detail for the Diocese of Graz-Seckau – highlights the scale of data that is certainly still missing. If we assume that the recorded land area of 7,179 hectares represents all 338 parishes in the diocese, then each parish would have an average landholding of 21.2 hectares. If this were extrapolated to all 2,993 Catholic parishes in Austria, it would result in a total landholding for the parishes of 63,450 hectares. However, this seems to be an overestimate, as the many inner-city parishes in particular do not (and cannot) own land on such a scale; it is therefore reasonable to include only half of the estimated areas in the calculations.

This corresponds to a report by *the *Wirtschaftsblatt**, which has calculated that the parishes of the Archdiocese of Vienna in Lower Austria and Vienna own 5,600 hectares of agricultural land and 2,400 hectares of woodland, making a total of 8,000 hectares. Based on the 660 parishes in the Archdiocese, this amounts to an average of around twelve hectares per parish. If this is extrapolated to the approximately 3,000 parishes, around 36,000 hectares are owned by the parishes, meaning that around 30,000 hectares of parish land are missing from the aforementioned overview, which would put the total land holdings of the Catholic Church in Austria at around 250,000 hectares.

Property

Various statements issued by the Catholic Church repeatedly state that ‘12,000 buildings of cultural and historical value in Austria serve religious purposes’.⁷⁰ ‘150 million euros a year are spent on the maintenance of the 12,000 religious buildings,’ explains Josef Weiss of the Finance Office of the Archdiocese of Vienna.⁷¹ Another version states: ‘Around 12,000 buildings of cultural and historical value in Austria serve religious purposes. The 150 million euros spent by the Catholic Church on maintenance alone pre-

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serves and creates regional jobs, particularly in the skilled trades and in small and medium-sized enterprises.”⁷²

The figure of 150 million euros cited must be rejected as an unsubstantiated claim regarding maintenance – that is, the preservation of historic monuments – as it refers, if at all, to the total construction costs, including those of all new parsonages, childcare centres and other such buildings. But what is the story behind the 12,000 religious buildings?

Even the geographical location of all these buildings is a complete mystery. Quite apart from that, it is almost impossible to answer the question of what exactly constitutes a ‘religious building’. If the figure of 12,000 were to refer to all buildings that have been consecrated – in other words, ‘baptised’, so to speak – then there are certainly several hundred thousand of them in Austria. And ‘buildings of cultural and historical value’ would surely be listed as historic monuments. However, in 2009, only 1,441 buildings were listed as ‘sacred buildings’, of which only around 600 are owned by the Church. The 12,000 ‘religious’ buildings mentioned must therefore refer to something else.

In the presentation of the results of the 2001 Building and Housing Census, there was a combined ownership category ‘Other public-law bodies’ (alongside the federal government, the provinces and the municipalities), which, according to the census’s ‘Building Register’, also included recognised churches and religious societies, which were recorded there as a separate category. In a special analysis by Statistics Austria (for the purposes of this research), the recognised churches and religious societies were counted and presented separately as building owners. According to this, there were 14,630 buildings throughout Austria (in 2001) owned by recognised churches and religious societies.

In an estimate of how many of these buildings are parish churches and similar structures, a count revealed that there are 3,300 church buildings and 4,722 chapels in the Catholic dioceses⁷³, plus seven church buildings belonging to the Orthodox Church, 196 churches belonging to the Lutheran Church and nine church buildings belonging to the Reformed Protestant Church. Together, this amounts to 8,234 church buildings.

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As regards the Catholic Church, however, this large figure is only reached if every small chapel is included. And it is highly doubtful whether all of them – including the modern church buildings and the further 3,978 (12,000 minus 8,022 churches and chapels) buildings owned by the Catholic Church, i.e. including all nursery schools, schools, etc. – are ‘historically valuable buildings’. These approximately 4,000 buildings, which were not consecrated for worship, cannot be accounted for by the vicarages either, as a significant proportion of the parishes looked after by the monks of the abbeys and monasteries do not have a vicarage at all.

In this respect, it is not only the figure of 12,000 ‘religious buildings’ that is incorrect – since a nursery is not a religious building – but also the supposedly great cultural achievement of preserving so many ‘historically valuable buildings’. But as every lobbyist says: ‘A little self-promotion is part of the trade’, and questions of credibility apparently play no part even for religious lobbyists.

One detail is interesting, however. In the aggregated category of the building census ‘Other public-law bodies’, alongside the churches, the chambers (for workers and employees, the Chamber of Commerce, the Chamber of Agriculture) as well as the ORF and others are also classified (with the exception of non-profit building associations, which form their own category). The number of buildings belonging to these organisations, when compared with those owned by the churches, indicates their local presence and significance. Overall, 78 per cent of the buildings belonging to these bodies are owned by the churches. However, there is a marked urban-rural difference. Whilst 72 per cent of these buildings in Klagenfurt (city) are owned by the churches, the figure is 96 per cent in Klagenfurt (rural area). This urban-rural difference is also evident in Villach (76/83), Linz (72/80), Graz (65/74) and Innsbruck (69/76). Only in Salzburg is the ratio reversed, as church owners have a greater presence in the city of Salzburg (86 per cent) than in the surrounding area (83 per cent). The lowest proportion of buildings owned by the church compared with other non-state bodies is found in Vienna, where the church’s share in this group amounts to just 70 per cent.

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A further purely quantitative analysis initially yielded no additional findings, as the proportion of church-owned buildings, according to the building census, accounted for only 0.7 per cent of all 2,046,712 buildings in Austria at that time. However, the individual examples already mentioned have shown that the scales involved are entirely different and that, in this census, all buildings – whether private homes or St Stephen’s Cathedral – were counted as a single building each.

The proportion in Vienna, however, cannot be very high, as there are, for example, the ‘St Augustine Foundation of the Archdiocese of Vienna for Property Management’ and the ‘St Joseph Foundation of the Archdiocese of Vienna for Sacred Monuments’. However, it appears there is not much there, and the tasks are presumably handled by the Archbishop’s finance office, as whilst all institutions and departments within the Archdiocese list not only their address but also their key staff members and their telephone numbers, the entries for both foundations simply state ‘Address: Wollzeile 2, 1010 Vienna’ and ‘Patron: Cardinal Dr Christoph Schönborn OP, Archbishop’. Nothing else, not even any staff members with telephone numbers – so they’re in a sorry state, like a church mouse.

Archdioceses

Reports on the Church’s financial situation in Austria repeatedly state, almost like a mantra, that *ten per cent of the property in Vienna’s city centre belongs to the Church*.

That is an impressively large and powerful figure – one could almost be daunted by the Church’s economic clout – and yet it is quite simply incorrect.

On the one hand, could it be that the 1st district, officially known as the ‘Innere Stadt’, is unconsciously equated linguistically with the ‘Innenstadt’ (roughly the 1st to 9th districts), meaning that a far larger area is taken as a reference point than is actually the case?

Secondly, the building census (2001) for the 1st district, the ‘Innere Stadt’, actually lists 9.1 per cent of the owners as ‘other public-law bodies’ (alongside the federal government, the province

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or local authority), which also includes legally recognised churches and religious communities. That would correspond to the ten per cent figure. Across the whole of Vienna, there are 1,782 buildings in this ownership category, accounting for 1.1 per cent. In this respect, the 1st district is indeed remarkable.

So far, so good. However: the ‘Inner City’ comprises a total of 1,723 buildings, which, however, account for only 1.03 per cent of all buildings in Vienna, and of these, 157 (9.1 per cent) are owned by public-law bodies, which also include the churches.

Furthermore, even a cursory examination reveals that the old city centre contains a striking number of church buildings, including large ones (St Stephen’s Cathedral, St Peter’s, etc.), which, for various reasons, are not regarded as properties of monetary value that can be capitalised. It is, after all, the old political and ecclesiastical centre within the city walls where church buildings and monasteries were concentrated. In this respect, it is not surprising that, within the seven census districts of the ‘Inner City’, a disproportionately high number are located in the Old Town East (14.1 per cent), Old Town West (13.1 per cent), Old Town Centre (11.4 per cent) and the Government District (9.7 per cent).

However, of the 157 buildings in the 1st district owned by ‘other public-law bodies’, only 50 are classified as ‘buildings for cultural and leisure purposes, as well as for education and healthcare (including churches)’.

A review of address directories for the 1st district ⁷⁴, four monasteries (Augustinians, Teutonic Order, Capuchins, Salvatorians) and 25 church buildings can be identified (eleven Roman Catholic, three other Catholic, one Protestant and ten belonging to Catholic religious orders such as the Augustinians, Benedictines, Dominicans, Jesuits and others).

However, caution is advised when classifying these, as, for example, the fairly large Church of St Barbara in Postgasse in Vienna’s 1st district (which is the central parish church of the Ukrainian Uniate Church in Austria) belongs to Austrian Post, which maintains and renovates this church at its own expense as a historic part of the main post office building. As long as the building remains a church and is dedicated to worship, its upkeep is guaranteed by the Post Office.

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What, then, of the other 130 or so buildings that are not used as churches but are presumably, for the most part, owned by the Church?

The assumption that buildings predominantly occupied by the Church's offices also belong to the Church is correct in the sense that all Catholic organisations are understood to constitute the 'Church'.

On the south side of Stephansplatz in Vienna's 1st district are the 'Churhaus' (with the addresses Stephansplatz 3, 3a, Churhausgasse 2, Singerstraße 5) and the 'Domherrenhof' (Stephansplatz 5, Blutgasse 2, Domgasse 2, Schulerstraße 2). Both are characterised by the fact that they each have their own chapel within the building. The 'Churhaus' (also known as the 'Chorhaus St. Stephan') houses, amongst other offices, the Cathedral and Metropolitan Parish of St Stephen's Cathedral, the Continuing Education Centre of the Church University of Education, the Spängler Bank and various other organisations. According to the land register, the building (built-up area: 1554 m²) is owned by three legal entities, each holding a one-third share: the 'Archiepiscopal Chur in Vienna', the 'Roman Catholic Metropolitan and Parish Church of St Stephen' (i.e. St Stephen's Cathedral) and the 'Archdiocese of Vienna'.

The 'Domherrenhof', a residential tenement block dating from the Gründerzeit period, is home to, amongst others, *Facultas Dom Buchhandels GmbH*, as well as the office of the Catholic Teachers' Association of Austria. With a built-up area of 1539 m², it has only one owner: the 'Metropolitan Chapter of St Stephen's'.

The building at Stephansplatz 4 (with the other street fronts at Singerstraße 7, Churhausgasse 1 and Blutgasse 4) houses the Office for Public Relations and Communication of the Archdiocese of Vienna (including the Archdiocese's 'Club 4'), the Vienna *Cathedral Publishing House* and, amongst other commercial tenants, the *Haas & Haas* tea house, the *Ossig Team GmbH & Co KG* hairdressers, the '*Blumenhaus zum Dom*' and the *Peter Riemer Lotto Collectur*, the oldest lottery outlet in Austria (a listed building) dating back to 1752. Also located in the church building are the offices of 'The Expert in Viennese Rental Properties', the firm *Haager on Stephansplatz*, whose core principles are 'confidentiality and discretion' offices.

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The firm places 'great emphasis on marketing properties generally not through advertising, but via our direct contacts with prospective buyers. In this way, the sale of the property remains a discreet matter between you and the buyer.' (Somehow very traditionally Catholic.) The building, with a floor area of 3,873 m², belongs to the 'Brothers of the German Order of Mary in Jerusalem' (German Order).

The next building, the 'Großer Zwettlerhof' or simply 'Zwettlhof' (Stephansplatz 6, Wollzeile 4), houses, amongst other things, the Cathedral and Diocesan Museum with a bookshop, the Canisiuswerk Centre for Spiritual Vocations, the Catholic Action Educational Institute, the Catholic Men's Movement of the Archdiocese of Vienna and the Catholic Youth Group. The building (with 2204 m² of built-up floor area) has been owned by the Metropolitan Chapter of St Stephen's since 1927. It features a pedestrian passageway leading to Wollzeile. On the right-hand side is the entrance to the Cathedral and Diocesan Museum; on the left, against the wall facing the Archbishop's Palace and the street, 'Luxardo', an exquisite fashion and outerwear shop, and right next to it, the matching exquisite lingerie can be found in the 'Velvet Dessous' shop, which catches the eye of passers-by with pretty black silk men's thongs as well as women, with and without whips, in erotic poses and lingerie. This lovely shop has been there since 1931, and the current, friendly owner is the third generation to run it. The Cardinal, she said, lives above the premises.

In the aforementioned property agreement between the Holy See and the Republic of Austria, the following provision regarding real estate was laid down in 1960: 'The assets of the Religious Fund Trust Agency, established by the Austrian Federal Act of 20 December 1955, Federal Law Gazette No. 269, shall be divided as follows:

1. Assets which were in use by a church institution, in whatever capacity, on 13 March 1938 or on 1 September 1959, such as churches, vicarages or monastery buildings, together with the associated land, endowment estates and the like, which are economically linked to them, shall become the property of the Catholic Church.' (Art. III, 1)

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The number of properties involved is not specified, but it is stipulated: ‘The assets accruing to the Catholic Church in accordance with paragraph 1 shall become the property of the Archdiocese of Vienna.’ (Art. III, 3)

For the year 2007, the **Wirtschaftsblatt** reports, without further specification, that the *Archdiocese of Vienna* owned 168 hectares of agricultural and forest land and 320 flats. Income from the properties amounted to ‘just over 1.5 million euros’, and every two years the Archdiocese would acquire a further flat through inheritance.⁷⁵

What is right for one archdiocese as a metropolitan chapter – after all, one is the primate over the subordinate dioceses – should surely be fair for the other, the *Archdiocese of Salzburg*. In addition to the extensive forest holdings transferred under the property agreement to the Archdiocese (5,600 ha) and the Bishop’s See (560 ha), the Archdiocese receives under the property agreement ‘the properties with registration numbers 174, 183, 188, 209, 228, 236 and 477 in the land register of the City of Salzburg, Innere Stadt, as well as the property with entry number 1772 in the Aigen land register of the judicial district of Salzburg’. (Art. V, 1)

The property agreement stipulated that the Archdiocese was to transfer the properties to their rightful owners, and so today the aforementioned properties belong to the following owners: entry number (EZ) 174 (Kaigasse 18) belongs to the Archiepiscopal Metropolitan and Cathedral Chapter of Salzburg, as does EZ 183 (Kapitelplatz 1), RE 188 (Kapitelplatz 2) is the Archbishop’s Palace and belongs to the Archbishop’s See; RE 209 (Kapitelplatz 7) belongs to the Metropolitan and Cathedral Chapter; RE 228 (Franziskanergasse 5), as a Franciscan monastery, belongs to the Order of Friars Minor; EZ 236 (Sigmund-Haffner-Gasse 20) belongs to the Archdiocese of Salzburg, and EZ 477 (Kapuzinerberg 6) is a Capuchin monastery belonging to the North Tyrolean Capuchin Province.

In terms of the size of the plots of land mentioned, the situation here is almost a microcosm of the situation across the whole of Austria. Of the total floor area of 27,332 m², just under three-quarters belongs to the two religious orders (20,035 m²), whilst the established Church holds only 7,297 m². Of this, the bishop himself

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(the Episcopal See) (4,847 m² (66 per cent)), the Metropolitan and Cathedral Chapter²⁰⁹⁹ m² (29 per cent), and the Archdiocese the smallest share at 351 m² (5 per cent).

This distribution is also familiar from other (German) dioceses: the Bishop’s See is the least well-known but most important asset holder; a wide variety of ecclesiastical legal entities also hold property, but the diocese itself is comparatively the least well-off in terms of assets. However, it is the diocese that ultimately receives the church Contributions, and not any other legal entity.

The land transferred to the Archdiocese under the property agreement (5,600 ha of woodland) was incorporated into the building fund of the Catholic Church in Austria, the Weyer Forestry Administration (7,976 ha). The Treasurer, Josef Lidicky, replied (in 2005) to the question of which lands form part of the Archdiocese of Salzburg’s holdings: ‘The total land holdings amount to 2,000 hectares, divided amongst all the parishes, with the Diocese of Salzburg accounting for a comparatively small share of 91 hectares.’⁷⁶ So let us leave it at that.

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The land and forest holdings of the religious orders alone represent an asset value of at least 1.6 billion euros.

Even though they have already been mentioned in conjunction with other Catholic legal entities – for example, in relation to the assets managed by the banking house Schelhammer & Schattera – the religious orders are separate legal entities. They are not subject to the respective diocese and also keep their own accounts. In most religious orders, each individual monastery or abbey is regarded as a separate legal entity, whilst the order acts as a kind of overarching liability group.

In descriptions of the financial situation of religious orders, it is always emphasised that they must be self-sustaining, as they receive no share of the church Contributions and no public funding from the state. On this point, it can be clearly stated: that is not entirely true.

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Whilst it is true that they do not receive any share of the church Contributions, they do, however, receive other forms of public funding, covering the entire spectrum of subsidies. This is not limited to cost contributions and subsidies for religious orders' hospitals and the salaries of monks and nuns who provide denominational religious education in state schools or who are teachers at denominational private schools. These salaries are paid directly by the Federal Government to the respective religious order.

The Jesuits occupy a special position. They are responsible for the Faculty of Catholic Theology at the University of Innsbruck. Consequently, a significant number of lecturers there belong to the 'Society of Jesus'. Their salaries are paid to the order. Furthermore, the university church in Innsbruck – the Jesuit Church – is owned by the Federal Real Estate Company (BIG), which carried out a general refurbishment in 2004. The costs of nine million euros were largely covered by BIG, the provincial government and the federal government.

Furthermore, there is probably not a single area of state funding (heritage conservation, museums, music, events, etc.) in which the – at least the well-known major – religious orders do not rely on state subsidies, amounting to six- to seven-figure sums.

Income from land holdings also includes *EU agricultural subsidies and environmental grants*, in which, once again, religious orders receive the largest shares. According to a compilation⁷⁷ for 2008/09, Catholic landowners received 4.1 million euros in agricultural grants from the European Union.⁷⁸ Fifteen organisations with 31 agricultural holdings were the beneficiaries. Ten farms alone are listed as belonging to the Canons' Abbey of Klosterneuburg. The whole list reads like a catalogue of Austria's traditional religious orders and monasteries: predominantly the Benedictines (Klosterneuburg, Melk, Admont, St Paul) and Cistercians (Heiligenkreuz, Zwettl, Lilienfeld), but also the Archdiocese of Vienna with its manorial estates and the Diocese of Gurk-Seckau in Carinthia.

The largest individual sums were received by the Heiligenkreuz Foundation (598,367.55 euros), Schotten Abbey (387,884.52 euros) and the Klosterneuburg Foundation's vineyard (369,340 euros). The Archdiocese of Vienna also received a total of 449,221.88 euros for its mensal estates at Obersiebenbrunn and Jedenspeigen.

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Similarly, the EU Transparency Database shows environmental grants (for 2009) totalling 1.2 million euros. Recipients of grants for renewable energy sources for heat and electricity generation include various parishes, monasteries, abbeys and Caritas. By far the largest amount was received by the Benedictine Abbey of Lambach (757,854 euros), followed by the Augustinian Canons' Abbey of St Florian (129,293 euros).

It is not the aim of this book to provide a detailed overview of all abbeys and monasteries; given the sheer number of religious orders and their monasteries (it is not for nothing that the region is also referred to as 'Monastery Austria'), this would not be a feasible undertaking. However, some basic information will be presented.

Number and locations

According to the 'Klosterportal' (Monastery Portal) of the Conference of Superiors of Male Religious Orders, there are currently 219 monasteries in Austria.⁷⁹ Some are affiliated with religious orders, whilst most are 'independent'. The Benedictines (21), the Franciscans (men and women) (16), the Carmelites (15), the Dominicans (men and women) (11), the Cistercians (11), the Augustinians (7), the Sisters of Mercy (6), the Ursulines (6), the Sisters of the Cross (5), the Sisters of St Elizabeth (4), the Premonstratensians (4), the Capuchins (3) and the Redemptorists (3). The classifications are sometimes fluid. The oldest surviving monastery is the Benedictine Abbey of Nonnberg in Salzburg (since 715), whilst the most recently founded (2009) is the Sisters of the Holy Blood in Feldkirch. The locations are spread across the whole of Austria, with a concentration of monasteries in and around Salzburg (11), Innsbruck (9), Linz (8), Graz (11), and the capital, Vienna (64).

The great abbeys (Melk, Admont, Heiligenkreuz, etc.), visited and marvelled at annually by hundreds of thousands of tourists and locals, make one forget to ask, on the one hand, how these enormous buildings – which, in their scale, often tower over the castles of secular princes – came into being in the first place. On the other hand, they present an idyllic monastic world that, on the whole, no longer holds true. As far as staffing is concerned, , in a state of

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decline, whilst the number of monks remains stable, and is even increasing slightly. After all, where else can one find such a secure job?

Whilst there were a total of 1,983 male members of religious orders in 2003 (1,576 priests and 407 brothers), by 2010 the total had risen slightly to 2,061 members (1,545 priests and 516 brothers); yet this stability is solely due to the number of brothers and masks the fact that the numbers of both priests and nuns are declining.

The number of nuns, which stood at 5,476 in 2003, had fallen to 4,381 by 2010. In other words: every year, 156 more nuns die than are added through new vows. In 2010, only 18 women took their vows.

In this respect, it is hardly surprising to read time and again that a monastery has been closed due to a lack of new brothers or sisters. Examples include the Franciscan settlement in Baumgartenberg in 2008 and the Capuchin monastery in Ried in 2010.

Similarly, in 2010 there were still 239 religious schools in Austria, but 147 of these are already run by associations set up specifically for that purpose; only 92 schools are still run directly by religious orders. But even that sounds like more than it actually is, because of the total of 239 religious schools, 99 still had a headteacher who belonged to a religious order in 1997; by 2004, this figure had fallen to just 33, and by 2010 to only 14.⁸⁰

The breadth of their activities and the size of the various monasteries become apparent when, for example, one compares the small community of the Mater Dolorosa Carmelite convent in Jeutendorf near St. Pölten with Admont Abbey. In Jeutendorf, 13 nuns sell handcrafted items in the convent shop, whilst in Admont, 32 monks, together with around 500 employees, generate turnover in the millions across 16 different commercial enterprises.

Land ownership and economic activity

The largest religious landowners in Austria are the monastic orders. Many abbeys and monasteries are supported by rely in part on extensive estates that have been accumulated over the centuries.

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These consist mainly of plots of land that are farmed or leased out. If a plot of land, such as a woodland, has to be sold due to financial difficulties, the informal rule applies that it should, where possible, be sold to another monastery. This is intended to ensure that the assets remain 'in the family'. In the long term, such an approach strengthens the already financially robust monasteries and abbeys, such as Klosterneuburg, Melk and Admont. Whilst these agricultural and forestry enterprises must pay property Contributions, they are not subject to income tax⁸¹ and are thus subsidised by the state.

According to a survey for 1994, the ten largest abbeys among landowners collectively owned 73,210 hectares. According to an overview published by the **WirtschaftsBlatt** in 1998, this figure had already risen to 91,000 hectares of land. If one compares these figures with the holdings researched for 2010/11, the land holdings of these top ten monasteries alone have expanded to 97,960 hectares within 16 years. This represents an increase of 24,750 hectares or (in terms of woodland alone) an additional value of around 248 million euros, which means, on average, that these ten monasteries have purchased around 16 million new plots of land each year.

This total land area owned by the religious orders, amounting to 130,843 hectares (95,023 ha of woodland and 35,820 ha of agricultural land), represents an asset value of around 1.6 billion euros (950 million for woodland plus 610 million for agricultural land) for the orders.

The largest landowners amongst the religious orders are the Benedictines with 67,376 hectares, of which a good third (25,034 ha) is owned by Admont Abbey alone, followed by the Cistercians with 36,113 hectares, of which just under half (16,514 ha) is owned by Heiligenkreuz Abbey. In third place are the Augustinians with 16,054 hectares, followed by the Premonstratensians with 10,022 hectares and various individual monasteries with a combined total of 5,278 hectares.

The dominance of the Benedictines is explained not only by the order's rule of *'ora et labora'* – pray and work – but primarily by the fact that they are represented in this overview by 19 establishments, whilst the Cistercians are represented by only six abbeys and the Augustinians by four.

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In line with their land holdings, most of the large monasteries are active in agriculture and forestry; in addition, they also engage in viticulture, fruit and vegetable trading, beer brewing and distilling. Even hydroelectric power stations for electricity generation, timber-processing businesses and other properties are owned by large monasteries. Some even hold stakes in banks. However, a key economic factor is income from tourism, whether in the form of admission fees, sales in the monastery shop, food and drink in the monastery's catering facilities, or donations.

Journalists from *NEWS* magazine have put the turnover of Austria's monasteries and abbeys (2011) at 260 million euros and clearly identified the twelve largest abbeys according to their main source of income: *the commercial operators* (St Peter's Abbey: approx. 300 flats, a publishing house, a mill, a bakery, a market garden; turnover: 10.5 million euros), *winegrowers* (Kremsmünster Abbey: 170 ha of farmland, 50 ha of vineyards; turnover: ten million), *innkeepers* (Schlägl Abbey: brewery, conference centre, restaurants; turnover: 12.7 million), *fishermen* (Lambach Abbey: 24 km of river), *those with the highest turnover* (Admont Abbey: timber industry, six hydroelectric power stations, 25,000 ha of land; turnover: 47 million), *the hunters* (Zwettl Abbey: 4,000 ha of hunting grounds, turnover: 3.5 million), *the tourist magnet* (Melk Abbey: art treasures, 450,000 visitors), *the mountain farmers* (Vorau Abbey: 3,500 ha of land, alpine pastures, agriculture), *the large landowners* (Klosterneuburg Abbey: 700 rental properties, 4,000 leased plots of land; turnover: 25 million), *the event organisers* (Göttweig Abbey: abbey tourism, seminars, events), *the pop monks* (Heiligenkreuz Abbey: 84 monks, chart-toppers) and *the art collectors* (St Paul's Abbey: art treasures worth ten billion euros).⁸²

The management and upkeep of the monastery also make the monks significant employers in the region, and thus influential political actors beyond the realm of religion. In some cases, there is also a monastery or abbey grammar school.

As ecclesiastical legal entities, neither monasteries nor abbeys are required to file their financial statements in the public commercial register. Precise figures on turnover and profits remain hidden from the public, with a few exceptions.

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In this respect, it is pointless to write any more on the subject of the religious orders' 'finances and assets' than has already been done. Anything further would consist of the flowery descriptions of impressive buildings and gardens, libraries and monastery shops – so popular in glossy magazines and so extensively featured in the monasteries' own promotional materials – in which a monk or abbot is always smiling warmly at the camera.

Far more interesting is the question of how many monks or nuns a monastery must actually still have in order to be recognised as such and to receive preferential treatment. Given the current situation, in which most of the large monasteries and monastic enterprises, as well as their commercial operations (such as the religious orders' hospitals), are already run by secular managers anyway, it seems that only a few monks or nuns are needed to confer Contributions-favourable charitable or ecclesiastical status on the whole enterprise.

Alongside the institutional Church in the dioceses, the religious orders – in particular their economic activities and internal structures – would therefore be a worthwhile subject for research.

An example: the abbot of the relatively small Göttweig Abbey receives a monthly allowance of 450 euros in accordance with the rules of the Benedictine Order. However, when Abbot Clemens Lashofer died in 2009, he left behind 453,000 euros, according to a notarial deed dated January 2010 (after deduction of 40,000 euros in funeral costs). As reported by **profil**⁸³, he had deposited numerous savings accounts and a block of shares with two banks in Passau and Vienna. The origin of the money has (so far) remained unknown.

Capital and tangible assets

The Church's capital assets amount to at least 1.6 billion euros. Its tangible assets are estimated to be in the tens of billions.

The volume of capital assets – that is, liquid financial assets – is regarded as one of the best-kept secrets of the Catholic Church.

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In the 1950s, it was customary to say: ‘Which two institutions are the only ones in the world whose gold reserves are unknown?’ The answer was: ‘The Kremlin and the Vatican.’ This still holds true for the Vatican today.

As described in detail in the chapter on banks, the Church’s bank accounts are spread across all banks, with a particular concentration at the Raiffeisen banks. The least amount of money is held at the ‘Catholic private bank’ Schelhammer & Schattera. According to the managing director (2011), this relatively small Catholic banking house managed assets totalling around 2.2 billion in deposits. Half of this, amounting to around 1.1 billion euros, belongs to Church clients; and, based on the shareholder structure, this belongs primarily to the religious orders rather than the dioceses. Anything beyond this eludes closer scrutiny, and if the Church wishes to conceal its money, it certainly does not deposit it with Schelhammer & Schattera, but rather, for example, with Bankhaus Spängler or another commercial bank, where the account remains, so to speak, anonymous.

In this context, however, it is noteworthy that the two archdioceses of Vienna and Salzburg hold their church Contributions accounts with a Raiffeisen bank; the Archdiocese of Vienna even holds its account with Raiffeisen Bank International (RBI).

The question that naturally arises is: can one draw conclusions about existing reserves from the dioceses’ financial statements? Yes, one can, and it would look something like this:

Three dioceses list income in their financial statements as ‘financial income’ or ‘financial surplus’, namely Eisenstadt (2,653,000 euros), Graz-Seckau (513,000 euros) and Innsbruck (2,244,000 euros). As a proportion of their respective budget totals, these figures represent 11.1 per cent, 0.8 per cent and 5.5 per cent of revenue respectively. If we now assume a minimum of five per cent financial income in the financial statements, this would amount to 23.8 million euros in financial income out of the 474,955,000 euros in reported revenue across all nine dioceses. If we further assume that this financial income corresponds to a five per cent return on the existing assets, this would equate to reserves of around 475 million euros for the Catholic dioceses.

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Whether this is an accurate figure is open to question. For someone who deals with church finances on an international level, this is a comparatively plausible sum. In comparison with Germany, which – considering the difference in size – receives a church contribution from church Contributions that is more than twice as high, around 25 billion euros are visibly held as deposits in the church banks alone, and plausible estimates suggest reserves of around 100 billion. Considering the difference in scale (10:1) and the level of church Contributions revenue (100:40), this would suggest that the dioceses in Austria have financial assets in the region of one to four billion euros.

As ecclesiastical institutions, the dioceses (just like religious orders) are under no obligation to file any balance sheets in the publicly accessible commercial register. Consequently, specific figures on turnover, profits and reserves remain confidential. Perhaps one day a financial expert from the Austrian Bishops’ Conference will disclose the figures.

In addition to real estate and financial capital, there is a third category of assets: tangible assets. This refers to tangible assets such as works of art, books and so on.

The objection that these are relics or art treasures which cannot (and must not) be sold – and therefore have no market value – was only refuted in November 2010 by the Carinthian Benedictine Abbey of St Paul, which intended to auction off nine precious medieval manuscripts for an expected two to three million euros (see the section on the preservation of historical monuments). And just as St Paul’s Abbey had already sold historical Bibles in the 1930s to keep its head above water financially, so too did the now prosperous Admont Abbey have to sell works of art in the 1930s to avert bankruptcy. Historically speaking, such treasures have been sold off time and again, and it might be worth investigating where the art treasures in the diocesan museums actually come from. Were they all originally acquired directly from the artist or craftsman, or did they come into the Church’s possession via various forms of intermediary trade?

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When the monks of St Paul's estimated the value of their abbey's entire art collection, they arrived at a figure of around ten billion euros.⁸⁴

It is said that there are nine million books in Austrian monastic libraries. Other sources put the figure at four million historical books. What is their value?

The collections of cathedral and diocesan museums and the monasteries include countless paintings and sculptures, masterpieces of gold and silversmithing, and precious artefacts. It is impossible even to estimate their value.

It is not true that the Catholic Church has no information on this matter because, for example, it has not been subject to wealth Contributions and has therefore neither had to draw up inventory lists nor determine the value of its assets; for this information is indeed available. Section III.1 of the accounting regulations in the 'Parish Asset Management in the Archdiocese of Vienna' states: 'Parishes are obliged to draw up an inventory of all movable assets, including a description and estimated value [!], in duplicate. One copy is to be kept in the archives of the parish concerned, the second in the Finance Office [of the Archdiocese]; any changes must be recorded in both copies (Can. 1283 CIC). For immovable property (for example, flat ownership), an extract from the land register, a copy of the survey map from the Land Registry and an extract from the property register (property record) must be kept on file at the parish.'⁸⁵

It is therefore simply a deception of the public when church representatives claim that such overviews and information do not exist.

Anyone interested in finding out more about this matter can, for example, purchase the catalogue of a diocesan museum and have the objects depicted therein—which no longer have any current liturgical significance—valued by an art auction house.

IV.

EDUCATION AND TRAINING

Around one billion euros (968,000,000) from general Contributions revenue is spent on education and training in church institutions and for church purposes.

In Austria, the principle of self-financing applies to all churches and religious communities. This principle is most recently set out in the 'Federal Act on the Legal Personality of Religious Communities' of 9 January 1998, according to which, for recognition as a religious community, it is necessary to demonstrate 'the manner in which the funds required to meet economic needs are raised'.

Official statements distinguish between these internal church requirements for self-financing and those services which are 'provided in the general public interest or for charitable purposes' and which are therefore also publicly funded, i.e. from taxpayers' money. This refers to the denominational services which will be discussed below (church-run nurseries, denominational schools, etc.).

However, it is fundamentally questionable whether this portrayal of a 'general public interest' in church services is still relevant and appropriate today.

In the 1960s – and indeed, even into the 1970s – when just under 95 per cent of the population were members of Christian churches, one could still hold the view that there was a division of labour between conservative politics and clerical interests, but only if one was a member of the ÖVP or voted for it. As for the SPÖ and SPÖ voters, that would have already pushed the limits of such agreement.

With only 65 per cent of the population now being Catholic members, and the number of church members continuing to fall, the general consensus that there is a 'public interest' in the Contributions-funded provision of particular ideological services has not existed for quite some time.

Nor, on the question of the transmission of values, have the necessary questions yet been asked as to which guiding principles within the canon of Catholic values and the Catholic hierarchy apply to those men who have committed violent acts against children, young people and those in their care – acts which enabled, indeed encouraged, these atrocities. Pointing to the guilt of individuals cannot divert attention from the complicity of sections of the clergy in the cover-up and protection of perpetrators known within the Church. This goes far beyond the personal guilt of individuals and is still being denied by the hierarchy – understandably so – and by society, though this is no longer comprehensible.

It is not a question of the good works of well-meaning, devout individuals who do much good out of their personal religious conviction, but rather a question of the extent to which there is an unavoidable dark side to that very same faith which enables, encourages or even demands physical and sexual violence against children and those in their care.

‘Whoever loves their child disciplines them’ (Proverbs 13:24) was, until not so long ago, a guiding principle of Christian pedagogy. This is a view that no longer has a place, even within a socially tolerant pluralism of religions and worldviews.

The significance of the field of education and training for the Church is made clear in an official Church list: ‘The Archdiocese of Vienna is one of the most important providers of educational institutions in Vienna and eastern Lower Austria. The wide range of provision extends from *nurseries, primary and lower secondary schools, grammar schools and vocational upper secondary schools*, through *educational centres*, to *theological courses*, the *Catholic Academy* and the *Catholic Educational Service*, which is present in most parishes. Added to these are those institutions that prepare people for a spiritual or ecclesiastical vocation, such as the *seminary* or the *Academy of Education and the Academy of Religious Education* for the training of teachers and religious education teachers.

In the 109 Catholic *schools* within the Archdiocese, there were more than 26,000 pupils; Catholic adult education centres were attended by around 170,000 people in the previous year.’⁸⁶

As this quoted text appears within the explanatory notes on the ‘church contribution’, it establishes the connection that the church contribution serves, amongst other things, to finance these services. It is precisely this that is to be questioned and examined.

However, the point that follows directly on from this in the Archdiocese of Vienna’s statement constitutes such a grotesque distortion of history that it warrants at least a brief mention beforehand.

The text from the Archdiocese of Vienna states: ‘Faith is linked to education. It was the monks who, in the first millennium, passed on the light of classical education. Without the work of the Church, culture and science would not have become what they are today.’ – Excuse me?

Anyone with a background in history – or perhaps simply an interest in the subject – who reads these two sentences will not immediately know what to find more amusing: the distortion of history or the typical arrogance of self-adulation.

It is now accepted by scholars that the ‘shadow over Europe’, which signified the ‘decline of ancient culture’ – the destruction of all the civilisational achievements of the Roman Empire – has a name: the state church, which has been Christian since the year 380. The withdrawal from the world and the hostility towards the body and education exhibited by Christianity—which, with its black-and-white value system, had become the state church—brought about a series of developments that led to the collapse and destruction of art and culture, libraries and the school system, science and philosophy of classical pluralistic and polytheistic antiquity.⁸⁷

Finally, the persistent assertion by the Bishops’ Conference that ‘education without religion remains incomplete’⁸⁸ must be rejected, for this statement has the same logic and scope as the view of a butcher who says: ‘A meal without meat remains incomplete.’ Vegetarians and vegans will not agree with this.

Childcare centres

Around 18 million euros in state funding is allocated annually to church-run day-care centres.

According to Statistics Austria (education expenditure statistics), 10.8 per cent of childcare centres are run by church organisations, which look after 12.4 per cent of all nursery school children. Based on the proportion of the state's 2009 education expenditure on kindergartens (1,592 million euros), these two figures would imply funding for Christian childcare facilities in the range of 172 to 198 million euros, averaging 185 million.

The regional distribution varies considerably: in Upper Austria, for example, 17,200 children attend kindergartens run by the Catholic Church, which accounts for around 40 per cent of all kindergarten children in the province⁸⁹, and this is almost half of the approximately 40,000 children in church-run childcare centres across Austria. In Vienna, for example, the majority of kindergartens are run by a foundation of the Archdiocese; alongside this, there is a second governing body, which is primarily associated with religious orders. Protestant kindergartens are predominantly organised through the Diakonie. In addition, there is a smaller number of Jewish and Islamic kindergartens, which, as institutions of recognised religious communities, are also denominational kindergartens with public status and, like their Catholic and Protestant counterparts, benefit from public staff subsidies.

These institutions are invariably justified on the grounds that they relieve the burden on the public nursery school system. The state would cover the staff costs, whilst the operators would cover the rest. In many respects, this is, at best, only half true. None of the religious communities runs its nursery schools out of selfless charity. The mission statement of the St Nicholas Foundation, for example, states: 'As Christians, we open up avenues for children and young people to experience God's love and goodness, and introduce them to the Good News of Jesus Christ in a way appropriate to their age. We introduce children and young people to prayer as a means of entering into a personal relationship with God.'

We instil in them an appreciation of creation, respect for life and a sense of living together in peace and justice."⁹⁰ Or: "Through our affiliation with the Church, we give children and young people the opportunity to be guided by the same fundamental beliefs and principles in their future lives. This can take place through involvement in a parish children's or youth group, in other age-appropriate church organisations, or by attending a church-run school. [...] Out of respect for the freedom and conscience of others, we offer children and young people the opportunity to grow into the community of the Catholic Church."⁹¹

The missionary ethos is unmistakable. It takes a considerable sense of mission to view this as relieving the burden on state-run nurseries rather than as state-subsidised proselytising. Similar self-images and guiding principles can be found in all denominational institutions.

The claim by the sponsoring organisations that there are no public funds apart from staff subsidies is not entirely accurate, as a glance at the Province of Salzburg's 2010 subsidy report shows. The Youth Department has provided funding to the following Catholic institutions amongst the kindergartens: Catechetical Office of the Archdiocese of Salzburg: Church Subsidy Fund, 167,600 euros; Hallein-Rehhof Parish Office: grant, 4,500 euros; Maxglan Parish Office: grant, 20,000 euros. Together, this amounts to 192,100 euros, or 73.4 per cent of the total budget of 261,853 euros.

These are by no means all the state grants for denominational nurseries, as the same report shows. Under the heading 'Support for nursery children', 34,612 euros were allocated to three Catholic parish nurseries. Caritas and Diakonie in Salzburg received a combined total of 2,990 euros in grants for projects in childcare. Holiday care and language projects in denominational kindergartens and the Catholic Kolping House were worth a total of 54,550 euros to the province.⁹² Upper Austria, the province with the highest number of children in denominational childcare facilities, unfortunately does not provide such detailed figures.

Added to this is the indirect funding for these childcare facilities. The St. Nikolaus Foundation, for example, explains that childcare costs of up to 2,900 euros per year are Contributions-deductible. For nursery school children, this covers the parents' contributions towards costs. Furthermore, subsidies provided by employers in Austria are partially Contributions-exempt.

However, the religious indoctrination of children is not solely a feature of childcare facilities run by church organisations. Even in local authority facilities, ideological neutrality is not always upheld in some places.

For example, the municipality of Rassach (Styria) describes the following characteristics as the objectives of the educational work at its nursery, which is a 'public institution': a sense of security, personal development, fostering a sense of community, imparting knowledge, and 'a Christian outlook: an atmosphere of trust, where tolerance, openness, respect and consideration are required, is our guiding principle'. And as a concluding highlight, it states: 'Celebrating the festivals of the Christian calendar, with the preparation for these festivals involving all the senses and the involvement of parents, is a particular focus of the nursery year. Cooperation with parents is very important to us. Because: "Cooperation builds trust."' ⁹³

Here are a few extracts from the Burgenland Child Education and Care Act 2009, which states that every child is to be supported in accordance with the findings of the relevant sciences and that children's self-competence is to be strengthened. Finally, regarding the local location, architectural design and facilities, it states: '§ 19. (3) In every childcare facility, a group room and the necessary ancillary rooms must be provided for each group. Every childcare facility must be equipped with the educational resources necessary to fulfil its remit, as well as with a suitable outdoor play area. As state symbols, at least one cross, the federal and provincial coats of arms must be displayed in every group room, and a portrait of the Federal President must be displayed in every childcare facility.' ⁹⁴

Wait a minute, a cross as a 'state symbol'?

Denominational private schools

In 2009/10, around 4.0 million euros were paid as 'operating grants' to the denominational private schools run by state-recognised churches and religious communities in Austria and abroad.

The education sector has always been one in which (primarily Christian) religious communities are very active. They interpret the educational mandate in their own way: as the upbringing of children to become religious people, formerly exclusively, but now only preferably, of their own denomination.

In Austria, the legislature offers the churches a niche in which life appears to be quite comfortable. Under the 1962 School Concordat, religious communities can very easily run their own schools. They automatically possess what is known as 'public status'. Private schools run by non-denominational organisations, whether profit-making or not, do not possess this status. In practice, this means that denominational private schools are placed on an equal footing with state schools at the expense of other school providers.

The term 'right of public status' confers a special status, because: 'By granting the right of public status, a private school is granted the right to issue certificates attesting to the successful completion of schooling, which have the same evidential value as public documents and the same legal effects as certificates from similar state schools.' ⁹⁵ This privileged status (equivalence with state schools

and distinction from other private schools) is granted to Christian denominational schools by a single sentence: 'In the case of local authorities, legally recognised churches and religious societies, and other bodies governed by public law, fulfilment of the requirements of paragraph 1(a) and paragraph 2(a) [for the granting of public status] is presumed by law.' ⁹⁶

When positioning their institutions, the churches consistently refer to the particular values held by their staff. In an account of the history of private denominational schools, however, this sounds rather tactical: 'In order to re-establish Christian values in the education system, it was necessary [at the end of the 19th century] to

establish their own schools had to be established. By drawing on the provisional law on private education, this could be achieved with relatively little red tape. As public status was easier to obtain for types of school that were less commonly run by the state, numerous new schools were founded in the fields of vocational education and girls' schooling, mainly by women's religious orders such as the Congregation of the Daughters of Divine Love, the Sisters of Mercy of the Holy Cross, the Sisters of the Poor Child Jesus, the School Sisters of the Third Order of St Francis, the Sisters of the Most Sacred Heart of Jesus ('Dames du Sacre Coeur'), and the teaching order of the School Brothers, which was relatively new in Austria.⁹⁷ The name of the overall programme there is well known: the three Ks – kitchen, children, church – and the Christian woman as the Lord's serving handmaid (Magdalene) – in heaven as at home.

The consequence of granting public status to Christian private schools as denominational schools is state funding of teaching staff in the form of a 'living subsidy'. Although the text of the law refers only to 'subsidisation' – that is, grants – the description makes it clear that this entails full funding of the teaching staff: 'As a subsidy, the legally recognised churches and religious societies shall be provided, for their denominational schools, with those teaching posts necessary to fulfil the curriculum of the school in question (including the headteacher and the ancillary duties to be performed by teachers at comparable state schools), provided that the ratio of pupils to teachers at the denominational school in question is essentially the same as that at state schools of the same or a comparable type and in a comparable local area.'⁹⁸

And: 'Subsidies towards staff costs shall be granted in accordance with the provisions of this section: a) through the allocation of federal teachers or federal contract teachers by the Federal Government as direct subsidies to the school, provided that the school is not one referred to in subparagraph (b), or b) through the allocation of state teachers or state contract teachers by the Land as direct subsidies to primary schools, secondary schools and special schools, polytechnic courses and vocational schools.'⁹⁹

In all cases, the Federal Government shall finance the staff costs; and in cases where it is not possible to assign a teacher, the Federal Government shall pay the teacher a salary corresponding to that which a federal contract teacher would receive. However, if this teacher is a member of a religious order or congregation and the school is run by that order or congregation, they receive the remuneration.

The total cost of all this is a difficult question to answer. Reliable figures are available only for upper secondary schools. According to the Ministry of Education, the various forms of staff subsidies at denominational general upper secondary schools (AHS) and vocational upper secondary schools (BHS) cost the state 286.4 million euros in the 2011/12 academic year.¹⁰⁰

However, this is, at best, only half the story. However incomplete the figures for the compulsory education sector may be, it is still possible to arrive at a plausible estimate. Around four per cent of all pupils in the compulsory education sector attend denominational private schools. According to Statistics Austria, compulsory education cost around 4.1 billion euros in 2010. This amounts to approximately 160 million euros in subsidies in this sector.

More precise figures are unlikely to be available any time soon, as the Ministry has stated that this is by no means straightforward: 'The extent of subsidies towards staff costs for denominational private schools entitled to public funding under Section 17 of the Private Schools Act, Federal Law Gazette No. 244/1962 as amended, must, in accordance with Section 18 of the Private Schools Act, essentially correspond to the ratio between the number of pupils and teachers at state schools of the same or a comparable type and in a comparable local location. In the sector of compulsory general education schools, the aforementioned comparability with regard to the level of subsidies for staff costs is established by applying the principles applicable to public compulsory general education schools (ratio figures in accordance with the FAG and earmarked supplements) in accordance with the valid staffing plan guidelines for the relevant school year. The calculation itself is based on the pupil figures to be submitted by the federal states twice a year (pro-

visional and final staffing plans), whereby a distinction between public compulsory general education schools and denominational private schools with public-law status is not required under the aforementioned de facto allocation method. Teaching posts are therefore allocated to the aforementioned eligible denominational private schools as part of the approval process for the federal states' teaching post plans. In the compulsory education sector, the remuneration of teaching staff at denominational private schools is the same as for all compulsory education teachers, i.e. in accordance with the system agreed under the financial equalisation scheme."¹⁰¹

These regulations are a product of the Austrian constitutional reality: from a constitutional perspective, the federal states and local authorities are responsible for primary schools, lower secondary schools and the new secondary schools, which, after all, are attended by just under 555,000 pupils and 47 per cent of the total of 1.166 million pupils respectively¹⁰². The teaching staff are – officially – known as 'state teachers'. Authority over staffing lies – in theory – with the provincial education authorities. However, it is the Federal Ministry of Education, Arts and Culture that pays the salaries. This ministry also negotiates the terms of service and salaries for provincial teachers with the Public Service Trade Union. And the ministry draws up – in theory – the staffing plans for provincial teaching posts. It is just that the provincial school boards traditionally do not adhere to this. This is then referred to as federalism.

In fact, the costs for compulsory schooling will exceed the aforementioned 160 million euros. School costs do not consist solely of staff costs. The operators of denominational private schools are also keen to point this out on a regular basis. Christine Mann, head of the Education Authority of the Archdiocese of Vienna, stated in April 2012 that denominational schools save taxpayers money because the school operators have to cover the additional costs. Rudolf Luftensteiner, managing director of the Association of Religious Schools, explained how this supposedly works and described the funding of religious schools as difficult: 'Around 60 per cent of an average school budget consists of teachers' salaries, which are paid by the state. The remaining 40 per cent must be raised by the school operators themselves, "and that can only be done through school fees", according to Luftensteiner. Neverthe-

less, the school operators still have to spend money. The biggest challenge here is not so much day-to-day running costs as building works. It is precisely in this area that the religious orders have invested heavily in the past, 'which was taken for granted at the time but is no longer possible today', said Luftensteiner."¹⁰³

The chairman of the Vienna Regional Association of Catholic Parents' Associations, Christian Hafner, even went so far as to make the following claim: 'It is high time to dispel the myth that private schools are subsidised by the state. In fact, the opposite is true! Parents with children at private schools pay for two school places: through their taxes for a school place at a state school that their child does not use (which is therefore available to others!), and through school fees for the actual place at a private school."¹⁰⁴

Whether the denial of subsidies – a term also used by the Ministry of Education – stems from linguistic or mathematical confusion will probably never be determined.

This apparently, and unfortunately, typical professional lament from the Catholic side can be countered, for example, by what is stated (only) in the 2010 subsidy report for the Province of Salzburg: The Franciscan Sisters' private primary school receives a provincial grant of 29,400 euros for the refurbishment of its gymnasium; the Archdiocesan Borromäum Private Grammar School receives 100,000 euros for the refurbishment of its gymnasium and multi-purpose hall; the Herz-Jesu Missionaries' private grammar school is receiving a provincial grant of 1,073,721 euros for a conversion and extension project, and the Congregation of the Sisters of Mercy is receiving 100,000 euros for building works. For AHS and BHS schools in the province of Upper Austria, the Ministry of Education reports construction and renovation grants totalling 76,600 euros in 2011.¹⁰⁵

Nor are denominational private schools left high and dry in other respects. The fact that they occasionally exempt 'children in need' from school fees is recognised by the federal government. 'Furthermore, in [2011] the Interdiocesan Office was granted a nationwide lump-sum subsidy of 293,000 [euros] to cover the capital expenditure incurred by admitting pupils in need (particularly those whose first language is not German).'¹⁰⁶ They are then only too happy to take credit for this. The Church, not the Ministry.

“The collection of school fees – on average around 80 € per month – is a necessity to ensure financial survival. Nevertheless, to ensure social balance, almost all schools offer the possibility of fee reductions in justified cases. Dr Harald Prinz: ‘Social diversity in our schools is important to us. We are committed to fair access to education and to social learning. For both, we need pupils from different social backgrounds. We therefore, of course, also admit pupils from migrant backgrounds and pupils whose mother tongue is not German. We are church schools – so it goes without saying that social responsibility is a top priority.’”⁽¹⁰⁷⁾

However, it is doubtful whether denominational private schools have the same proportions of migrant and working-class children as state schools, as fee reductions on social grounds will be the exception rather than the rule, granted only ‘in justified cases’. In this respect, a form of social selection takes place, which is readily utilised by the upwardly mobile middle class, as this selection ensures a better teaching and learning environment for their children.

It goes without saying that, in addition to the staff costs mentioned, there are ongoing pension payments to retired teachers at denominational private schools as well as to religious education teachers. According to the Ministry of Finance and the Ministry of Education, it is not possible to determine the exact amount of these payments.

Privately run independent schools have no such legal entitlement to have their teaching staff’s costs covered.

According to a report by the Waldorf Association of Austria ¹⁰⁸, public funding for Waldorf schools – which are essentially denominational schools but do not belong to a legally recognised religious community – amounts to only 20 per cent, whilst 60 to 80 per cent of the personnel and operating costs are financed through tiered monthly parental contributions. Various financing models are being trialled to implement medium-sized and larger construction projects (guarantee schemes, repayment schemes).

Nor does this have to be accepted as it stands, as according to the 2010 subsidy report from the Province of Salzburg, 148,300 euros is paid as a contribution towards the operating and capital

expenditure of the Rudolf Steiner School in Salzburg. In addition, the Waldorf Schools Association (2011) receives 2.8 million euros in institutional funding from the Federal Ministry of Education, Arts and Culture.

But let us now return to the Catholic private schools. At the Council of Trent (1545–1563), it was decided that every diocese should have a boarding school, so that boys wishing to become priests could leave their parents’ home as early as the age of ten and be trained for the needs of the Church in this ‘priestly training college’. According to Catholic canon law (CIC of 1983, Can. 234), this education must lead to a general university entrance qualification. These institutions were often run by the Jesuits.

Since the early 1990s, these boys’ seminaries – for which there were fewer and fewer applicants – have been converted into grammar schools, with state funding provided for their teaching staff. Eventually, it was decided to admit girls as well in order to ensure sufficient pupil numbers.

Among others, the boys’ seminaries in Hollabrunn and Sachsenbrunn, belonging to the Archdiocese of Vienna, became grammar schools in 1992, whilst the boys’ seminary of the Diocese of Linz became the Episcopal Grammar School Petrinum in 1999.

The Diocese of Gurk found the most modern solution. The boys’ seminary/Episcopal Stiftsgymnasium Marianum Tanzenberg was reclassified as the Bundesgymnasium Tanzenberg (with full state funding provided by the Federal Real Estate Agency, which renovated and refurbished it for six million euros by 2008), whilst the Marianum remained in operation as an after-school care centre for pupils of the Bundesunder the sponsorship and influence of the Diocese of Gurk-Klagenfurt.

Similarly, the Federal Real Estate Company’s portfolio includes the Akademisches Gymnasium Innsbruck, which has been a Jesuit Latin school since 1562, established at the behest of Emperor Ferdinand I as part of the Counter-Reformation. After an eventful history, it has been a state grammar school since 1849, but remains deeply Catholic. Modernised by the Federal Real Estate Company at a cost of 10.4 million euros, it celebrated its 450th anniversary in 2012, not only in the presence of the former bishop of the Diocese of Innsbruck.

The anniversary year kicked off in the Kaiser-Leopold Hall of the Faculty of Theology, the festive service took place in the Jesuit Church in Innsbruck (also state-owned and restored), and the presentation of the commemorative publication was held in the arcaded courtyard of the Faculty of Theology. All state-run. These examples should suffice.

The principle of plurality in the provision of schools – which, from the perspective of negative freedom of religion, should ensure that no denominational school system holds a monopoly – is not being observed, at least in several political districts of Austria. Thus, in its response to a parliamentary question, the Federal Ministry of Education, Arts and Culture notes that ‘an analysis of school statistics shows that, across Austria, in three districts (Villach Land, Wiener Neustadt [Land] and Wels-Land), all schools offering the Matura are denominational private schools’. If we further break this down by school type, there are 21 districts across Austria in which, for one or other school type, only denominational schools offering the ‘Matura’ exist (Melk, Wiener Neustadt [Land], Eferding, Wels-Land, Hallein, Eisenstadt [city], Villach Land, Zwettl, Freistadt, Vöcklabruck, Sankt Johann im Pongau, Tamsweg, Bregenz, Graz [city], Amstetten, Vienna Environs, Salzburg [city], Bruck an der Mur, Imst, Landeck, Feldkirch).¹⁰⁹

And finally, let us look beyond our borders, as the Republic of Austria currently has seven schools abroad (ÖAS): two in Budapest and one each in Prague, Istanbul, Albania, Guatemala and Mexico. Another is being planned in Liechtenstein.

As most graduates hold important economic, cultural or social positions in their home countries, they can make a significant contribution to relations between their home countries and Austria.

Alongside teachers from the respective regions, around 220 teachers from Austria also work there, a role which requires special qualifications.

The schools are mostly run by school foundations with Austrian involvement, except in Istanbul.

The Ministry of Education states: ‘The St. Georgs-Kolleg in Istanbul plays a special bridging role in the interplay between different cultural spheres. Against the backdrop of its church-based foundation and sponsorship, the school endeavours to foster encounters with Muslim believers and thus seeks dialogue with people of another world religion.’¹¹⁰

The school is run by the Catholic religious order of the Lazarists, who purchased St George’s Catholic Church in Istanbul in 1882 and founded a school there. The missionary work is also supported by the hospital run by the Sisters of Charity of St Vincent de Paul, located next to the school: the ‘Austrian St George’s Hospital, Özel Avusturya Sen Jorj Hastanesi’. In 1982, to mark the 120th anniversary of its foundation, the Republic issued a special stamp depicting a bridge. The school’s headmaster (1983–2010, Franz Kangler, CM) was awarded the Grand Decoration of Honour for Services to the Republic of Austria in 2010.

Around 620 pupils are taught in Istanbul by 70 teachers, 45 of whom are Austrian. Teachers posted abroad receive higher salaries than they would at home, and so the Ministry of Education (based on figures from 2006, when a teacher posted abroad received an average of 82,500 euros, Contributions-free,¹¹¹ around 3.7 million euros per year to a Lazarist mission, which is listed as a church institution by the Catholic Bishops’ Conference.

For the sake of completeness, it should also be mentioned that the Federal Ministry for Economic Affairs, Youth and Family Affairs provides state funding not only to the youth organisations of all political parties represented in parliament, as well as the Alpine Club Youth and the trade union youth organisations, etc., as ‘support for organisations active in the field of out-of-school youth education’, but also to denominational youth associations. The Protestant Youth receives (in 2010) 73,000 euros as ‘direct funding’, the Working Group of Catholic Youth in Austria

145,000 euros, the Catholic Youth Group 145,000 euros, the Austrian Kolping Society 36,000 euros and the Muslim Youth of Austria 73,000 euros. Together, this amounts to just under half a million euros (472,000).

Religious Education

Religious education teachers in state schools (and the teaching materials) are funded entirely by the state, though the state has no say in the matter. The cost is estimated at at least 267 million euros. Christian religious education accounts for around 94 per cent of this, or approximately 2/0 million euros.

The first three sections of the ‘Religious Education Act’ of 1949 (as amended in 1993)¹¹² are precise and unambiguous: ‘§ 1. (1) For all pupils who belong to a legally recognised church or religious community, religious education in accordance with their denomination is a compulsory subject at public schools and schools with public-law status, namely: a) primary, secondary and special schools, b) polytechnic courses, c) general upper secondary schools, d) intermediate and upper secondary vocational schools (including agricultural and forestry schools), e) vocational schools in the federal states of Tyrol and Vorarlberg, as well as agricultural and forestry vocational schools throughout the country, f) academies for social work, g) institutions for the training of teachers and educators (including agricultural and forestry training institutions), whereby at the academies of education, vocational education and agricultural and forestry vocational education, religious education is replaced by the teaching of religious pedagogy, and in the following provisions, ‘religious education’ is also to be understood as ‘religious pedagogy’.’ Has any type of school been omitted? Probably not.

However, the view of the Bishops’ Conference that religious instruction has a ‘status secured under international law’ by virtue of the Concordat must be contested. Even if one assumes that the Holy See is a subject of international law – which is certainly open to dispute – this treaty regulates exclusively internal Austrian matters and circumstances and should therefore also be subject to Austrian administrative law. Issues of international law, that is, interstate matters, are not addressed therein.

Pupils under the age of 14 may be withdrawn from religious education at their parents’ request; those aged 14 and over may

submit a written request to opt out themselves. In vocational schools, religious education is generally to be offered as an ‘optional subject’.

‘§ 2. (1) Religious education is provided, managed and directly supervised by the relevant legally recognised church or religious community.’

‘§ 3. (1) Religious education teachers at state schools where religious education is a compulsory or optional subject are either a) employed by the local authority (Federal Government, Länder) which exercises administrative authority over the teachers at the relevant schools, or b) appointed by the relevant legally recognised church or religious community.’ This means that even if the church ‘appoints’ these teachers, the state pays for them.

The Federal Ministry of Education, Arts and Culture has estimated the personnel costs borne by the federal government for denominational religious education at AHS and BMHS schools (including employers’ social security contributions and severance pay provisions) for the 2011/12 school year at a total of 72 million euros (72,046,642.48). Christian religious education accounts for 94 per cent of this, or 68 million euros (67,723,843.93).

The staff costs borne by the federal government for denominational religious education at denominational AHS and BMHS schools are estimated at 9.6 million (9,631,411.20), of which Christian religious education accounts for 97 per cent, or 9.3 million euros (9,342,468.86).

The question of how much is spent on religious education in schools funded by the federal states can be estimated to some extent on the basis of pupil numbers.

The Federal Ministry of Education, Arts and Culture (BMUKK) has provided figures for the costs relating to AHS and BMHS schools within the federal school system.

If we add together the number of pupils at federal AHS (169,027), federal BMS (25,763) and federal BHS (120,790), the total is 315,580. That represents 27 per cent of all pupils. If the 72 million cited by the BMUKK for all religious education at federal AHS and BMHS schools represents 27 per cent of the costs, the total costs amount to around 267 million Euros.

Assuming, here too, that 94 per cent of this consists of Christian religious education, the cost of teaching staff for these lessons amounts to around 250 million euros.

This should be regarded as a minimum figure, as it does not include teaching materials and the proportion of pupils taking part in religious education in compulsory general education schools – particularly in primary schools – is likely to be higher than in federal secondary schools.

Assignment allowances

Even though religious education is regarded as a state responsibility, which the federal and state governments are in principle required to fulfil using their own federal and state teachers, there are also agreements whereby priests and pastors teach religious education at schools with public status and receive so-called ‘assignment allowances’ in return.

For example, the parish office of the Protestant Parish A. B. Linz-Südwest (St John’s Church) is required to provide religious education for the compulsory eight hours per week at the Ramsauerstraße Federal Grammar School, the Landwiedstraße Federal Grammar School and the Landwiedstraße Higher Vocational School. Similarly, the parish office of the Protestant Parish of A. B. Villach-Nord is responsible for providing religious education for a total of eight hours per week.

This state funding of religious education is also evident in the funding of parish posts, as illustrated, for example, by a job advertisement stating: ‘The Protestant Parish of A. B. Gaishorn/Triebeu is advertising its 75 per cent parish post, commencing on 1 September 2012. With an additional 25 per cent teaching commitment at the Stiftsgymnasium Admont (i.e. a total of eleven hours per week of religious education), this amounts to a full-time (100 per cent) parish post.’¹¹³

For these duties, the Protestant Church received around four million euros in remuneration in 2010 (3,970,983.64; of which 3,793,253 for the Augsburg Confession and 177,730.64 for the Helvetic Confession).¹¹⁴

In this regard, the former Director of Communications for the Archdiocese of Vienna, Wolfgang Bergmann, hinted at a remarkable crisis management strategy in March 2012.¹¹⁵ In the Archdiocese of Vienna, there are 1,200 priests (paid by the Church) compared with almost 1,700 religious education teachers (paid by the state). Even if there were only minor overlaps (as described above), and even though priests sometimes already work as religious education teachers under secondment contracts, this nevertheless opens up the prospect that, as church contribution revenues decline, priests could be funded full-time as religious education teachers at the state’s expense and serve as priests at weekends, on a voluntary basis, so to speak.

If we take this idea on board, the financial implications of religious education provided by state-funded federal teachers become clear once again. With a long-term strategy of filling half of the religious education teaching posts with priests on a part-time basis, the Catholic Church could ultimately save around 150 million euros, and the priests would still have three days a week to devote to pastoral care and preaching. In this respect, even if half of the Catholics who pay church contributions were to leave the Church, this would not cause it to face financial difficulties.

Now, church expenditure reports occasionally include items relating to the funding of religious education. Does this contradict the fact that religious education is funded by the state using taxpayers’ money? No.

Certain class sizes are required for the state to fund religious education. The aforementioned ‘Religious Education Act’ is very specific on this point (in Sections 7a and 7b). If fewer than half a class takes part in religious education of a particular denomination, pupils from other classes or schools are to be brought together into religious education groups – provided this is organisationally feasible. If fewer than ten pupils take part in religious education, the state will only fund one lesson per week; if the church or religious community wishes to provide the full programme (normally two lessons per week), it must fund the second lesson itself. If fewer than three pupils attend religious education lessons, the church must fund the lessons in full itself if it wishes to ensure that these pupils receive religious education.

As the churches are aware that, once they have withdrawn from providing religious education at a school, it will be difficult for them to regain access later on, they occasionally, for tactical reasons, bite the bullet and fund these small groups themselves.

However, the churches need not worry too much about the Christian character of Austrian schools, for in numerous Austrian primary schools, the ideological neutrality of state institutions is disregarded, as Christian morning prayers are still recited even today. This is not part of the curriculum. And parents are often unaware of it.

Here are some extracts from a report¹¹⁶ about the mother of a schoolchild who refuses to accept this: “‘My bread roll nearly got stuck in my throat,’ says Esther P., who lives in a small community in southern Lower Austria. The reason for her distress: during breakfast, her six-year-old son suddenly recited a multi-verse prayer and then made the sign of the cross over his chest. ‘I was flabbergasted. We’re non-denominational; our son is exempt from religious education.’ When asked, her son explained that he had to recite the prayer every morning at school. The teacher wanted it that way.

‘I thought that sort of thing had stopped in state schools 30 years ago,’ says Esther P. The very next day, she went to the school and confronted the class teacher. ‘She was surprised that I was even asking. The teacher said it was standard practice here and part of the tradition. When I pointed out that our son does not belong to any religious denomination and that we do not want him to take part, she replied that he should simply stand there and not pray.’» [...]

Morning prayer in Austria exists in a legal grey area: it is neither prohibited nor explicitly permitted. The school system is the responsibility of the federal states, with the respective state education authorities in charge. [...] Whether school prayers are permitted at all is therefore a matter of interpretation. There has been no legal regulation governing school prayer since 1993. The Social Democrat Otto Glöckel, the first Minister of Education following the abolition of the monarchy, had in fact already abolished school prayer in 1919 with the ‘Glöckel Decree’.

During the Austrofascist era under Chancellor Engelbert Dollfuß, morning devotions were reintroduced, only to be banned once again following the ‘Anschluss’ with Germany in 1938. After the founding of the Second Republic, the School Prayer Decree came into force in 1946, declaring morning prayer permissible – and this was repealed in 1993.”

Subject inspectors

It would be entirely unbureaucratic to leave religious education to its own devices. Accordingly, Section 7c of the Religious Education Act (RelUG) of 1949 (as amended in 1993) provides for subject inspectors to carry out the ‘direct supervision of religious education’; these inspectors are appointed by the Church and paid by the State. In return, they (as religious education teachers) receive ‘the necessary reduction in or exemption from teaching duties whilst retaining their full salary’. In addition, there is an assignment allowance and, where necessary, a flat-rate travel allowance.

The total number of posts for subject inspectors stands at 43.59: Buddhist religion: 0.41 (33,620 euros), Protestant religion: 6.11 (501,020 euros), Greek-Oriental religion: 1 (82,000 euros), Islamic religion: 10 (820,000 euros), Catholic religion: 25.52 (2,092,640 euros) and Syrian Orthodox religion: 0.55 (45,100 euros). The calculation is based on 82,000 euros per post, including employer contributions, resulting in a total cost of 3.5 million euros (3,574,380). For the two Christian denominations alone, the figure is 2.6 million euros (2,593,660).

Pensions

As a further cost of funding religious education teachers and teachers at denominational private schools, these teachers’ pensions are paid from taxpayers’ money, provided they were employed as civil servants and are not subject to the ASVG as contract staff. In total, more than ten per cent of teachers fall into one of these two categories. In 2006, according to the latest available data, the federal government spent 637

million euros on pension payments for former teachers.¹¹⁷ However, a precise allocation is not possible, as most religious education teachers teach more than one subject. Nevertheless, a plausible estimate can be made.

Based on the timetable for primary schools¹¹⁸ in Austria, religious education accounts for eight or 8.7 per cent of teaching time (two out of 23 or 25 weekly lessons). In the upper years, the proportion of religious education (based on 32 weekly lessons) falls to 6.3 per cent, meaning that an average of seven per cent of teaching time can be assumed to be devoted to religious education.

In line with the prescribed number of teaching hours, there will be teachers, and since it cannot be assumed that religious education teachers live longer or shorter lives than other teachers, it is reasonable to assume that around seven per cent of pensions are paid to (former) religious education teachers, amounting to around 45 million euros.

Teachers at denominational private schools are not even taken into account in this estimate.

Denominational teacher training colleges

In 2011, around 38 million euros in state funding was paid to the five denominational teacher training colleges.

Teacher training colleges are responsible for the initial training of all primary, lower secondary and special school teachers, as well as for the further education and professional development of all teachers.

Of the 14 teacher training colleges in Austria, nine are state-run (each federal state has its own teacher training college) and five are church-run. In addition to the private, exclusively Catholic sponsoring foundations of the Archdiocese of Vienna and the dioceses of Graz-Seckau, Innsbruck and Linz, there is also the Burgenland Foundation, in which the Catholic Church, the Republic of Austria and the province of Burgenland are represented. In addition, there are three private, recognised degree programmes for Islamic, Jewish and Catholic religious education.

The Vienna/Krems Church University of Education plays a special role in this context, which it describes as follows: 'Ecumenical cooperation makes our university, as Austria's largest Church University of Education, a unique educational institution across Europe.'

The Archdiocese of Vienna established the Vienna/Krems Church University of Education and maintains it jointly with the Diocese of St. Pölten and the Protestant, Greek-Oriental, Oriental Orthodox and Old Catholic Churches of Austria.'

Under the terms of the school contract, the sponsoring bodies of the private church-run teacher training colleges are reimbursed for the full costs of teaching staff. In addition, they are also reimbursed for the loss of tuition fees.

The costs for administrative staff, day-to-day operations, as well as rent and building maintenance are to be borne by the respective governing body of the private teacher training university or the private degree programme.

In the 2010/11 academic year, there were a total of 3,808 students at private denominational teacher training colleges. This means that a good third (33.4 per cent) of all 11,400 students qualifying as primary, secondary and special needs schoolteachers are trained under church supervision.

In the Ministry of Education's budget for 2011, under the heading 'Expenditure (statutory obligations)', there is an item amounting to 37.7 million euros. This represents approximately a quarter of the total costs for teacher training colleges, which amount to 146.9 million euros.¹¹⁹

Faculties of Theology

There are five Catholic faculties and one Protestant faculty. The state's costs amount to around 34 million euros – for 2,900 students in the main phase of their theology studies.

Catholic theology can be studied at the universities of Vienna, Graz, Innsbruck and Salzburg, whilst Protestant theology is available in Vienna. The Philosophical/Catholic-Theological Colleges

(St. Pölten and Heiligenkreuz) and the Faculty of Theology at the Private Catholic Theological University (Linz) are not included in this analysis, as they are not publicly funded.

The extent to which the Catholic Church's claims on the state are articulated is illustrated by an extract from a legal analysis of the situation of theological faculties in Austria following the university reform: 'In future, the various university bodies – not only those of the theological faculties – must take into account that there are requirements and limitations arising from the Concordat. The following points should be noted here: a) The subjects prescribed by the Church [!] must *be provided with appropriate staffing and resources*. b) *Theologians* must teach *at the theological faculty*. c) It is not constructive to include on a shortlist for a professorship only candidates who have no chance of obtaining the *Church's approval*.

As regards *the provision* for the individual theological subjects, it should be noted that canon law not only specifies various subjects for which a dedicated professor must be appointed, but also requires that the academic work must correspond to the general standard of university work in the country in question. [...] The weighting of theological subjects is prescribed by the Code of Canon Law (CIC) and is binding on the Austrian authorities."¹²⁰

This means that the Austrian state and the universities have no say whatsoever, as the Catholic Church decides solely on the basis of the Concordat and the canon law of the Catholic Church. In other words: an international religious organisation (the Catholic Church), governed by an absolute monarch and headquartered in Italy, decides these matters at Austrian universities.

A comparison of the total number of students with those studying theology shows that the number of full-time theology students rose until 1989 and then fell again. Whilst there were 884 full-time theology students in the winter semester of 1955/56, the figure peaked at 4,221 in 1989/90, before falling again to 2,908 students by 2010/11. This means that theology initially contributed to the rise in student numbers in Austria (1955/56: 19,124; 2010/11:

340,382) in absolute terms, only to subsequently fall behind. In relative terms, it is evident that the proportion of theology students has been falling continuously (1955/56: 4.6 per cent; 1958/59: 3.5 per cent; 1968/69: 2.4 per cent; 1978/79: 2.3 per cent, 1988/89: 2.0 per cent; 1998/99: 1.4 per cent; 2008/09: 0.89 per cent). In 2010/11, the proportion of theology students stood at just 0.85 per cent of all students.

As far as the *number of professors* is concerned, a fundamental difficulty lies in the fact that not everyone who teaches at an Austrian university, whether on a permanent or temporary basis, is actually a 'professor'. Even amongst professors themselves, a distinction must be made. Although the title of 'full professor' ('Ordinarius') has been abolished, there is a rather diverse landscape of professorships: tenured and non-tenured professors, fixed-term professors, endowed professors, professors with honorary titles, and so on.

Only the University of Vienna published an annual report in 2010 in which staff are listed by academic discipline, albeit in full-time equivalents. For theology, 23.1 full-time equivalent professorial posts are cited (plus a further 60 full-time equivalent staff posts). However, this says nothing about the actual number of individuals.

A recent internal university count puts the number at around 130 full and associate professors of Catholic theology (40 in Vienna and 30 each in Graz, Innsbruck and Salzburg). For Protestant theology (Vienna), the faculty lists ten professorships.

The costs (staff costs, premises costs, organisation) for Catholic theology are estimated at approximately 30 to 33 million euros, and on the same basis (230,000 euros per professorship), two to three million for Protestant theology. Together, this amounts to around 34 million euros.

When asked about the costs, the Federal Minister for Science and Research was unable to provide an answer, as the universities allocate the budgets assigned to them internally and this allocation is not subject to the Federal Minister's authority.

The most recent reliable figures – though not for costs, but for professors and students – are taken from the *2002 Statistical Handbook* of the (then) Federal Ministry of Education, Science and Culture.¹²¹ According to this, there were (including contract professors) 55 professors of theology (plus a further 117 assistants). This represents 3.4 per cent of all 1,611 professors at that time.

There were a total of 2,954 full-time students in the theology subject group (including 399 doctoral students in theology), which represents 1.1 per cent of the 269,920 students at that time.

This difference alone between the proportion of professorial posts (3.4 per cent) and the proportion of students (1.1 per cent) points to the comparatively ideal student-tutor ratio in theology. Whilst the ratio of professors to students in Theology was 1:55, it stood at 1:142 for Law and 1:210 for the Social and Economic Sciences. The average is 1:168.

In this respect, theology is very dear to the state – not least because of the provisions of the Concordat, which stipulate a minimum number of professorships, regardless of the number of students.

The 2002 report also reveals something else: of the ‘registered unemployed graduates by field of study’, only 42 (0.75 per cent) of the 5,579 graduates who registered as unemployed in March 2002 were theology students.

In addition to the budgets allocated to theology at universities and higher education institutions, theology is also funded at regional level and by sponsors. Here are a few examples:

The Province of *Vienna* is funding (in 2010) a project by the Catholic Academics’ Association (‘The limits of moral decay and responsibility in the face of the risks and dangers of technology’) and a conference (‘The theory of evolution and belief in creation – new perspectives following the Darwin Year’). The three-year project on changes in the religious landscape (‘Past, present and future religious prospects in Vienna 1959–2050’) has received funding of 260,000 euros, and the Protestant Academy is delighted to have received €28,000 for its programme of events and outreach activities.

The Province of *Styria* is providing (in 2009) 11,450 euros for five events organised by the Catholic Faculty and the Church Pedagogical College in Graz. For the annual programme of the galleries run by the Catholic University Community in Graz, the Catholic University Community receives a lump sum of 10,000 euros, and for running a canteen in several student halls of residence, the Catholic University Community receives 3,000 euros.

In *Lower Austria*, the International Theological Institute (ITI) (more precisely: the Pontifical International Theological Institute for Studies on Marriage and the Family) receives 65,000 euros for the installation and commissioning of a Wi-Fi IT network for ITI students.

In *Salzburg*, the ‘Mayer-Melnhof Institute for the Christian East, Salzburg’ operates as a separate institute within the Faculty of Theology; it was named after the patron Mayr-Melnhof to acknowledge the generous financial support provided by the Mayr-Melnhof Private Foundation. The then chair of ‘Pro Oriente’, Salzburg section, provides the core funding (library and operating costs, material expenses and secretarial costs), whilst the costs of academic staff are covered by third-party-funded projects, largely from the Austrian Science Fund (FWF).

Scholarship organisations and student fraternities

So, what does the Church do about critical students who are distant from religion? Let the matter rest? No. In 1966, the ‘Austrian Student Support Organisation PRO SCIENTIA’ was founded. The term ‘Catholic’ is absent from its name, as no other student support organisation of this kind exists in Austria and the political establishment and the clergy were in agreement at the time.

Modelled on the Catholic Cusanuswerk in Germany, albeit without comparable financial resources, the university chaplain in Vienna, Karl Strobl, was the driving force behind it. Together with Hans Tuppy (Austrian Federal Minister for Science and Research from 1987 to 1989) and the Catholic Action activist Agnes

Niegl (head of section at the Ministry of Education), as well as with the support of the then Minister for Education, Theodor Piffl-Perčević (ÖVP), this scholarship organisation was founded in consultation with Cardinal Franz König to promote ‘exceptional talents’, including a selection ‘particularly among students who are indifferent to religion’. The aim was, and remains, to bring together future elites with the interdisciplinary skills of predominantly secular students under the Catholic patronage of the Bishops’ Conference.

The budget (2010) amounts to 150,727.92 euros, to which the Church contributes 64,210 euros and private donors 40,555 euros. Added to this are interest income of 4,361.92 euros and state grants of 41,600 euros. These 41,600 euros, which account for 28 per cent of the budget, are broken down as follows: 24,000 euros from the Federal Ministry of Science and Research, 3,100 from the Federal Ministry of Economy, Family and Youth, and 14,500 from the federal states of Upper Austria, Styria, Vorarlberg and Vienna.

The main areas of expenditure for the Studienwerk are a book allowance of 300 euros for each of the approximately 120 scholarship holders, as well as the costs of the summer academy for networking.

When the Ministry of Science announced in autumn 2010 that the basic subsidy of 24,000 euros would be discontinued in future, the association stated that this would ‘pose massive financial problems’ for it.¹²²

Whilst the Studienstiftung is explicitly intended to build a bridge to non-Christian students as future elites, the Christian student fraternities are, as it were, inward-looking, as (Catholic) baptism is, to a large extent, a prerequisite.

The establishment of Christian-Catholic male *student fraternities* was concentrated in the second half of the 19th century, whilst that of female fraternities did not occur until the 20th century. Initially, they were founded by theology students who, whilst also building academic networks, did not wish to engage in ‘duelling’. The exaggerated male concept of honour associated with duelling fraternities

(‘Schlitzer’) was rejected, as Catholics were deemed to be bound only to the honour of God.

Within the colour-bearing Catholic umbrella organisations – the Cartellverband der katholischen österreichischen Studentenverbindungen (ÖCV), the Kartellverband der katholischen österreichischen Mittelschülerverbindungen (MKV), and the Akademischer Bund katholisch-österreichischer Landsmannschaften (KÖL) – which operate under the motto ‘Fatherland and Faith’, amongst others, a large number of fraternities are organised (Austria, Rudolfinia, Kürnberg, Nibelungia, Alpenland, and many others), which, however, will not be discussed further here, as their heyday is over. The ‘K.Ö.H.V. Franco-Bavaria Wien’ is considered typical; it had 347 members in 2010 and lists ten deceased individuals amongst its 15 named prominent members (including the clerical-fascist Federal Chancellor Engelbert Dollfuß), whilst the living members tend to be second-tier politicians.

It was not until 1992 that the umbrella organisation for Christian *female student societies* in Austria (VCS: Association of Christian Female Students Wearing Colours in Austria) was founded. It is guided by four principles: Patria (active participation in shaping the community), Religio (promotion of Christian living), Scientia (education and academic qualifications), Amicitia (personal friendship).

Well-known members from the eleven member societies (Academia Graz, Arcadia Vienna, Koinonia Vienna, etc.) include, amongst others, Gertrude Brinek (Ombudswoman since 2008, ÖVP), Beatrix Karl (Minister of Justice since 2011, previously Federal Minister for Science and Research, ÖVP), Waltraud Klasnic (Governor of Styria 1996–2005, ÖVP), Christine Marek (State Secretary at the Federal Ministry of Economy and Labour 2007–2010, ÖVP) and Agnes Schierhuber (Member of the European Parliament 1995–2009, ÖVP).

Among those Catholic men in power who are part of international organisations, the student fraternities seem to have largely become redundant in terms of their national focus. For women pushing for top positions, however, it is precisely this national focus and these friendships that remain essential elements of their networks, which they have not yet outgrown.

Adult education

Around 1.2 million euros per year are allocated at state level to support church-run adult education.

Adult education could also be described as the third pillar of the education system. Alongside childhood/youth and universities/colleges, it reaches and supports all those wishing to learn, particularly in rural areas, throughout their lives.

In this respect, it is not surprising that, of the 20 members of the Working Group of Austrian Educational Centres (ARGE BHÖ), nine are state-run and nine are run by church organisations (two are commercial enterprises).

The association's 2010 annual report cites many figures, but none relating to funding. Only at the very end, in small print, does it state: 'funded by the bm:ukk, the Federal Ministry of Education, Arts and Culture.'¹²³

These 20 member institutions of the ARGE BHÖ (there are others outside the ARGE) organised a total of 15,340 educational events in 2010, attended by 375,342 participants. This alone highlights the widespread impact across the country.

According to its own figures, the 'Forum for Catholic Adult Education' brings together 60 organisations involved in Catholic adult education, which organise around 30,000 events each year.

However, these organisations are not necessarily recognisable as Catholic institutions from their names; take, for example, the 'Bildungshaus Osttirol'. What appears to be a state-run organisation is, in fact, Catholic. The collaboration between the state and the Church is also evident in the organisations listed as partners by the Bildungshaus: the Diocese of Innsbruck, the Bildungshaus Osttirol Association, Caritas of the Diocese of Innsbruck, the Catholic Educational Association of Tyrol, the Forum for Catholic Adult Education in Austria, the Province of Tyrol – Department of Culture, municipalities of East Tyrol, parishes of East Tyrol, deaneries of East Tyrol, Federal Ministry of Education, Arts and Culture, Raiffeisen banks of East Tyrol, the NOTwendig initiative, supported by Sparkasse Lienz, Elternbildung Tirol, Lienz City Library, Austrian Society for Political Education, Schmidhofer Reisen and Christl Reisen.

The Federal Ministry of Education, Arts and Culture allocated a total of 5.9 million euros to private adult education institutions. No breakdown by individual funding bodies was provided.

In *Lower Austria*, the provincial government (in 2010) paid 146,060.57 euros to the Catholic Educational Association of the Diocese of St. Pölten (including the St. Hippolyt Educational Centre, the Stift Zwettl Educational Centre, the St. Benedikt Educational Centre, the Catholic Workers' Movement of the Diocese of St. Pölten and the Training Institute for Adult Education). As the Archdiocese of Vienna covers the eastern half of Lower Austria, a further 124,290.32 euros from the province of Lower Austria goes to the Catholic Educational Institute of the Archdiocese of Vienna (including the Großrußbach Educational Centre, the St Bernhard Educational Centre and the Catholic Workers' Educational and Welfare Organisation of the Archdiocese of Vienna). The Protestant Educational Institute of the Diocese of Lower Austria receives 27,101.73 euros. Together, this amounts to around 300,000 euros.

In the province of *Salzburg*, 7,000 euros is paid to the Protestant Educational Institute and 151,500 euros to the Catholic Educational Institute. The Catholic Educational Institute and the Catholic Women's Movement each receive 7,000 euros for women's education and work with the elderly, whilst St Virgil Salzburg (the Archdiocese's educational centre) receives 102,000 euros as a 'provincial grant'. Five further organisations receive a total of 20,958 euros for ten events or projects. The State of Salzburg also pays a total of around 300,000 euros to church-run organisations.

The example of St Virgil also illustrates what cooperation between the state and the Church looks like. In addition to the aforementioned funding from the province (102,000) and grants for events such as 'Family Break in Obertauern', 'Couples' Seminars', 'Unusual Family Day', 'Successful Learning', 'No One Falls Through the Net' and 'Politics from a Child's Perspective', a further total of 12,538 euros is provided for the library (1,500 euros), an event to mark Women's Day (1,000 euros), the promotion of youth welfare (7,038 euros) and integration work (3,000 euros). And since the Archdiocese's Education Centre is not only an education centre but also a conference centre (including a hotel for taking a breather

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and relaxing', as the website promises), the National Agency for Lifelong Learning is organising its information day on the EU's 'Lifelong Learning' programme in St Virgil. Similarly, to give just one more example, the Salzburg Provincial Administration Academy, in cooperation with the Elections and Security Department of the Salzburg Provincial Government, organised a six-day basic training course for registrars in St. Virgil in September 2011 (course fee: 1,190 per person, including snacks and lunch; excluding drinks), and if overnight accommodation is also required, 'rooms can be reserved at the St. Virgil Training Centre'.

Styria is providing 30,500 euros each as the third and fourth instalments of funding for the refurbishment of the accommodation block at the Mariatrost Education Centre of the Diocese of Graz-Seckau, totalling 61,000 euros.

The Catholic Educational Association of Tyrol in Innsbruck receives an annual grant of 20,600 euros from the Province of *Tyrol*, whilst the Catholic Educational Association in Salzburg (a large part of Tyrol lies within the territory of the Archdiocese of Salzburg) receives an annual grant of 8,900 euros, totalling 29,500 euros.

The State of *Vorarlberg* pays the Batschuns Educational Centre (a secular institute of the Frohbotschaft) a state grant of 97,850 euros, a project grant of 6,000 euros and a contribution towards the refurbishment 300,000 euros. The St Arbogast Educational Centre of the Diocese of Feldkirch receives an annual grant of 83,600 euros, the Catholic Educational Association of Vorarlberg in Feldkirch 36,100 euros, the Catholic parish of St Gallus in Bregenz 2,000 euros, and the Catholic Workers' Movement Götzis association 2,057.55 euros as a project grant for adult education. Together, this amounts to more than half a million euros.

These state expenditures for Christian adult education (excluding Burgenland, Upper Austria and Vienna) amount to a total of 1.2 million euros.

But what does a bishop do when the days are gone when he would move with his entire retinue to his summer residence in the countryside, yet the costly castle still needs to be funded? – He turns it into an *educational centre*.

Adult education

This is exactly what happened with Seggau Castle, part of the Bishop of Graz's Mensalgut estate. Seggau Castle, which, as an educational centre, conference and leisure centre (near Leibnitz), was in need of refurbishment and renovation by the end of the 1990s. Ten million euros were invested in the first phase of construction, of which the diocese contributed 4.5 million and the Province of Styria 3.5 million euros. The remaining three million are generated through the centre's operations. It cost the owner nothing.

A similar arrangement is found at the 'Culture and Conference Centre' at Viktorsberg Abbey, which has been run (since 1984) by the 'Viktorsberg Abbey Foundation', comprising the State of Vorarlberg, the municipality of Viktorsberg, the town of Feldkirch, the Diocese of Feldkirch, the market town of Rankweil, and the municipalities of Fraxern, Klaus, Laterns, Übersaxen, Weiler and Zwischenwasser.

This has a long tradition, for as early as '1908, the Vorarlberg provincial government decided to grant a subsidy for the preservation of the church and monastery buildings, even though provincial funds were not usually allocated for such purposes. The exception was made because this is one of the oldest Christian settlements in Vorarlberg.¹²⁴

SOCIAL AFFAIRS AND HEALTH

Seven organisations have been members of this association since 1989: Lebenshilfe Austria, 'Rettet das Kind', Austrian Children's Villages, Austrian Friends of Children, the Austrian Committee for UNICEF, Caritas Austria and Diakonie Austria.

"The purpose of the "Licht ins Dunkel" association is to provide material and moral support to disabled children and their families, to people in Austria who have been mentally and physically disabled since birth, and to promote the statutory objectives of its members. The association's activities cover the whole of Austria and are not profit-oriented."¹²⁵

The 39th ORF charity campaign 'Licht ins Dunkel' has once again demonstrated how the cards are shuffled in the public relations game surrounding charity and compassion. A total of 6,252,519.99 euros was raised during the programme, which was broadcast on ORF on Christmas Eve 2011 for the 34th time. "This significantly exceeded the previous year's total (€5,703,236.01) by around €550,000. [...] From 9.05 am to 11.30 pm, ORF 2 was entirely dedicated to the charity campaign, which was once again supported this year by numerous celebrities and soldiers from the Austrian Armed Forces manning the donation hotline. [...]" And you get three guesses as to who took pole position in the line-up of celebrities? – That's right!

"The programme kicked off at the satellite studio on Vienna's Stephansplatz, where Sandra König welcomed Cardinal Christoph Schönborn as the first guest. The Cardinal lit the Peace Light candle with the light from Bethlehem, recalling the Christian Christmas message: 'The tradition of the Peace Light is not a secular initiative, for the light comes from the grotto where Jesus was born and spreads from there throughout the world. In this way, the peace that Christ brought to earth may truly reach people's hearts.' With regard to the approximately 500,000 people living in acute poverty in Austria, the Cardinal also addressed 'a plea to us all: we know that we will have to make significant savings in the coming years, because we have simply been living beyond our means. But my earnest plea is that we do not start making cuts at the expense of those who are already lacking the essentials of life. This is an appeal to us

Around 2.4 billion euros in state funding is allocated to the Catholic Caritas, the Protestant Diakonie and the religious orders' hospitals. The churches' own contribution to the funding amounts to less than two per cent.

Of the five major welfare organisations in Austria (Red Cross, Diakonie, Caritas, Volkshilfe, Hilfswerk), two are denominationally affiliated (Caritas, Catholic, and Diakonie, Protestant), two are considered non-denominational (Red Cross, Volkshilfe), although Volkshilfe is a subsidiary organisation of the SPÖ. The fifth, Hilfswerk, belongs to the network of the Christian-Social ÖVP and occupies, so to speak, an intermediate position: it is not denominationally affiliated, nor is it interdenominational in the strict sense of the word.

The turnover (in terms of expenditure) of these five major organisations totalled around 1.8 billion euros in 2010. Caritas accounted for the largest share of this, at 548 million euros; the Red Cross came second with 492 million euros, followed by Diakonie, which received 268 million euros. The two denominational organisations, Caritas and Diakonie, together accounted for around half of the turnover (46.0 per cent) with 816 million euros.

In terms of staff numbers too, Caritas (12,105 full-time staff) and Diakonie (6,047 staff), with a combined total of 18,152 employees, account for 46 per cent of all 39,538 employees across the five major organisations.

The fact that, on the one hand, these five welfare organisations represent only a fraction of the multitude of charitable organisations in Austria and, on the other hand, that there are numerous interconnections, is illustrated by a brief look at a particular association which receives media support primarily from the ORF.

'Licht ins Dunkel – Charitable Association for People with Social, Physical and Mental Disabilities' is the full name of this non-profit association. It is based in Vienna and pursues exclusively charitable aims.

all: Let us save, above all, where it is possible, and not at the expense of the poorest.”¹²⁶

If you're impressed by this, then it's worked. And a glance at the Catholic charity Caritas and its funding shows that the Cardinal, together with the Catholic Church, has been efficiently and successfully implementing the proclaimed principle 'Let us save, above all, where it is possible' for years now.

Caritas

In 2010, 376 million euros were paid to Caritas in the form of public service fees, accounting for 69 per cent of its costs.

Following the decisions taken in the Vatican in May 2012, it might almost be appropriate to no longer classify Caritas under 'Health and Social Affairs', but rather to assign it to the sphere of mission, as the World Caritas Federation (Caritas Internationalis) has been placed under the extensive control of the Vatican. This is intended to ensure that Caritas disseminates the Church's message more clearly than it has done to date. Even though the President of Caritas Austria, Franz Küberl, believes he can rule out any changes for Austria, it is nevertheless noteworthy that the World President of Caritas Internationalis, the Honduran Archbishop Oscar Andrés Cardinal Rodríguez, remarked that the amendment to the statutes creates the framework for Caritas to carry out its work 'as part of the Church's mission'.¹²⁷

In response to the question 'Why do we need Caritas when we have the welfare state?', Caritas writes in its 2006 annual report: 'We feel that the welfare state has financial limits. Without voluntary initiatives, without private or church-based aid, there would no longer be a financially viable welfare state.' Given that church bodies contribute only around two per cent towards Caritas's costs, this is quite a bold statement.

Dioceses, too, are very clear in their presentation of the Church's services. For instance, the Diocese of Graz-Seckau writes in its performance report: 'The nine diocesan Caritas organisations provide help in many areas of need. Caritas enjoys the highest

regard – even outside the Church. Regardless of social, national or religious affiliation, Caritas advises, supports and helps people in crises, but also speaks out against unjust structures.”¹²⁸

Unfortunately, there is no mention anywhere that the nine dioceses contribute virtually nothing financially to this work, and that this 'highest regard' is based on a misconception, the 'Caritas legend'.¹²⁹

This legend is actively promoted by the dioceses and directly linked to the church contribution. For instance, on the subject of the church contribution, under the heading 'From pastoral care to social work – your contributions are the foundation for this', the Diocese of Linz quotes Ms Ami Huber, head of the church contribution office in Ried: 'Pastoral care, youth work, social services, counselling centres – these are just a few examples of what is made possible by your church contributions. They form the financial basis for the services provided by the Catholic Church in Upper Austria, both within the diocese and directly in the parishes.' And on the page about the church contribution¹³⁰ – where the images of people displayed change each time the website is visited – it also states: "The Church is a driving force in the social sector." A statement by Markus Lehner, Head of Studies at the University of Applied Sciences Upper Austria, who is then quoted further: "Even though some things about the Church annoy me, without the church contribution, the many positive things the Church does, particularly in the social sector, would not be possible."

With all due respect, these representations are a lie as far as the role of the church Contributions in funding the work of Caritas is concerned. A lie because something is knowingly misrepresented in order to reinforce the false view: 'The Church [!] does so much good!'

These issues are about how the image of Christian charity is cultivated. The Catholic Church, in particular, justifies itself constantly – and to an ever-greater extent – through its social commitment, and many people accept this unquestioningly. This is highly effective propaganda, and it is precisely this that distinguishes religious communities from other operators of social institutions. Take the SPÖ, for example. It has several charitable organisations that also field delegates at party conferences: Volkshilfe, Kinderfreunde

and the Arbeitersamariterbund. Yet one has never heard of a Social Democrat who has said: 'Our party is good and, above all, indispensable because these social institutions exist.' Even the ÖVP does not do this with its aid organisation – on the contrary: only those with an interest in politics know that these organisations are affiliated with political parties. They are not used for the purposes of legitimisation. The following account is underpinned by respect for the people working on the ground – the staff of Caritas and Diakonie. We wish, however, to draw attention to the contradiction that whilst both organisations are keen to present their work as an expression of active charity, they do mention external funding in specialist publications but generally.

A look back: for the year 2001, Caritas reported total expenditure of 275 million euros. According to its own figures, 47.4 per cent of this is financed through state service fees/cost reimbursements and a further 9.8 per cent through subsidies, totalling 57.2 per cent or 157 million euros. The remaining sources of funding comprise 20.9 per cent from private service fees, 11.5 per cent from donations and legacies, 8.1 per cent from 'other income' and 2.3 per cent from church contributions.¹³¹ Caritas's total funding requirements rose to 543 million euros by 2010.

An overview of Caritas's total funding in Austria from 2001 to 2010¹³² it becomes clear that state cost reimbursements (public cost reimbursements plus subsidies) more than doubled between 2001 (157 million euros) and 2010 (to 376 million euros), with the percentage of this funding derived from Contributions revenue also rising significantly. Whilst the public share still stood at 57 per cent in 2001, it rose steadily in the following years, reaching 69 per cent of Caritas's total funding by 2010.

Church contributions towards the funding of the Catholic Caritas are shown separately in the organisation's annual reports up to 2004; they fluctuate at around 6.5 million euros per year, whilst the percentage share falls continuously as total costs rise (2.27 – 2.16 – 2.1 – 2.0 per cent). From 2005 onwards these modest church

contributions were then grouped together ('other income' and 'church contributions'), which gives rise to the suspicion that the church contributions have continued to decline proportionally and are now so meagre that it is better not to list them separately.

The fact that Caritas and Diakonie, like all charitable organisations, receive service fees for their often difficult and arduous work is by no means a point of criticism. The problem lies in the consistent portrayal by the church-affiliated charitable organisations that this work stems from the Christian value of charity, thereby giving the impression that the churches themselves finance it, at least for the most part.

With regard to this particular value, reference is often made to the supposedly high number of volunteers at Caritas and Diakonie who are said to do this for the sake of Christianity. This seems strange, for what sort of 'charity' is this that does not stem from human empathy – the desire to offer help to a neighbour in need – but apparently rests on a Christian calculation to serve God?

In this regard, it is also disconcerting that, for example, the Caritas Association of Salzburg receives 15,000 euros from the provincial government for its volunteer centre, whilst the Diocese of Graz-Seckau receives 10,000 euros from the provincial government for a promotional brochure on volunteering ('People with a Heart').

Further examples from Styria fall into the same category of confusion, such as the payment of 12,000 euros for a Caritas Christmas campaign and a further 13,000 euros for the editorial expansion of the street magazine **Megaphon**. To what extent are these 'fees for services rendered'?

In 2010, the Caritas headquarters – like other charitable organisations – received funding of 152,855 euros under the scheme 'Grants for running costs to private institutions'.¹³³

Within the same budget category, substantial grants totalling 25.6 million euros are earmarked for measures for people with disabilities 'for the running costs of private institutions'; these are expressly not broken down by individual recipients.

The Catholic Church's counselling centres are funded by the Federal Ministry for Economic Affairs, Family and Youth under the Family Counselling Support Act. One of these counselling centres is the Catholic Elisabeth Foundation.

In 2010, the Elisabeth Foundation's marriage, family and life counselling service received 18 million euros from the Federal Ministry for Economic Affairs, Family and Youth for its work.¹³⁴

According to its own figures, the Archdiocese of Vienna provided the St Elisabeth Foundation (Diocesan Relief Fund for the Needy, 'Rat und Hilfe' Association) with 1,002,657.97 euros.¹³⁵ In other words: of the state and church funding, the Archdiocese of Vienna contributes exactly 5.57 per cent to the 'St Elisabeth Foundation of the Archdiocese of Vienna'.

Such counselling centres are found in all dioceses. In addition, there are other organisations such as the Institute for Marriage and Family (IEF), Kolping Life Counselling and others, all of which have come together under the ARGE – Counselling, Psychotherapy, Mediation umbrella.

Funding for these services comes not only from the relevant federal ministry but also from the federal states; in Lower Austria, for example, from the Provincial Family Department and the 'Hand in Hand' initiative of NÖ-Familienland.

Commercial enterprises also provide valuable support to Caritas. In November 2009, Caritas and VERBUND AG launched an *electricity assistance fund*; this means that the electricity company donates one euro per customer each year (with currently around 200,000 customers, this amounts to 200,000 euros) to a relief fund, from which Caritas then advises and supports those seeking help with energy-saving issues at its social counselling centres. VERBUND AG achieved a consolidated profit of 686 million euros in 2010. The electricity assistance fund contains around 0.03 per cent of this.

A typical win-win situation: VERBUND pins this modest sum to its lapel as a 'commitment to society', whilst Caritas can once again portray itself as a selfless angel of charity and warmth.

And what are the lotteries doing? On 8 June 2011, the *Austrian Integration Prize* was once again awarded at Vienna City Hall was

was presented once again at Vienna City Hall. In the second year of the award, 'the Austrian lotteries were keen to be involved. [...] Every year, the prize honours individuals, associations, local authorities or companies that carry out exemplary initiatives in the field of integration. Through their commitment, they make a successful contribution to intercultural coexistence and the integration of people who have migrated to Austria. For the Austrian Lotteries, it is not just a matter of providing financial support for the prize once again, but also of taking a stand at the forefront for the vital issue of integration.'

Then came the announcement: "The winners have now been announced." You get two guesses as to who won first prize.

"In the 'Promote & Support' category, which was sponsored by Austrian Lotteries, the 'Kunst-Sozial Raum Brunnenpassage' project run by Caritas of the Archdiocese of Vienna won over the jury."¹³⁶

One would have to be a bit of a mischief-maker to think ill of this, for the fact that the Catholic banking house Schellhammer & Schattera holds shares in the lottery company via its holding company CLS does not detract from the whole thing. – Or does it? However, Caritas is not merely a recipient of awards.

"On the 100th International Women's Day on 8 March 2011, outstanding women with an international background took centre stage for the fourth year running. The *MiA Awards* were presented during a gala ceremony at Studio 44, hosted by Austrian Lotteries. [...] Austrian Lotteries, in partnership with Caritas, sponsored the 'Humanitarian & Social Commitment' category. The 2011 winner was refugee and family counsellor Azra Merdzan, who was presented with the award by Executive Director Mag. Bettina Glatz-Kremsner and Caritas President Franz Küberl."¹³⁷

The '*A Spark of Warmth*' campaign also receives generous external funding. Quote: "When frost turns water into icicles, snow covers the meadows and the cold air makes every breath visible, a contemplative and cosy season actually begins in the snug, warm living room. Yet for many families, this very time becomes a nightmare, as poverty robs them of the hope to feel reason-

ably comfortable within their own four walls in winter. Heating costs far exceed their financial means.

The Austrian Lotteries have made it their mission to help particularly where assistance is most urgently needed. That is why, for the sixth time, they are supporting the ‘Ein Funken Wärme’ campaign, launched in 2006, which is run by the Kronen Zeitung in collaboration with Caritas.”¹³⁸ Of course, the lotteries do more than just donate ‘sparks of warmth’: ‘If you ask lottery winners about their most cherished wishes, the answer is usually: “A new flat” or “a new house”. With the emphasis on “new”.

However, the much-cited ‘roof over one’s head’ is not a given for everyone – or rather, for every woman. That is why there is *Haus Immanuel*, a temporary accommodation centre run by Caritas of the Archdiocese of Vienna for homeless women and their children.”¹³⁹ And so, once again, the lottery organisation lends a helping hand.

However, Caritas is not the only charity supported by the lotteries. The lottery organisation also supports Lebenshilfe, the Red Cross, Karlheinz Böhm and the Hospice umbrella organisation, which describes itself as non-denominational. – Is it a coincidence that Waltraud Klasnic, who was appointed Victims’ Ombudswoman for the Catholic Church in March 2010, serves as president of the latter? Not to mention the close ties to the Church held by other members of the board.¹⁴⁰

Turning now to the Immanuel Mother-and-Child Home, here are the words of praise from Caritas Director Michael Landau regarding the successful collaboration with the supporting lotteries: “The situation facing homeless mothers and their children is dire. In most cases, they have endured a terrible ordeal lasting months or years. At Caritas’ Immanuel Mother-and-Child Home, 27 mothers and their children find a safe place – a home, professional care and support in crisis situations.

Special thanks go to the Austrian Lotteries for their long-

standing and loyal support for the Immanuel Mother-and-Child Home Immanuel. In doing so, they are making a vital contribution to ensuring that the centre’s work can continue and are giving women at risk of homelessness and their children hope and a sense of purpose!”¹⁴¹

Two days before Christmas 2011, Caritas announced: “No flat, no job, no GP, no e-card – the Caritas ‘*Louisebus*’ is a mobile surgery for people living on the streets, who often have no health insurance. The bus is now 13 years old and urgently needs replacing. A great deal of money is being spent on maintenance and repairs, funds that are urgently needed for medical care. Erste Bank is generously supporting the purchase of a new vehicle with 20,000 euros. [...] Especially now, during the cold season, the situation for homeless people is particularly difficult. Despite falling temperatures, several hundred people in Vienna are currently sleeping outdoors, in derelict buildings or in toilet blocks. [...] Caritas Director Michael Landau: ‘Erste Bank is making a significant contribution towards a new Louisebus, so that Caritas can continue to provide the vital basic medical care.’ [...]” One can only guess who is funding all this. – That’s right, certainly not the Church.

“The Louise doctors are funded by the Vienna Social Fund, the Vienna Regional Health Insurance Fund covers the cost of medicines, and the rest is funded by donations. [...]”¹⁴²

One more comment on the predominantly female workforce at Caritas. Until recently, Caritas’s senior management was an exclusively male affair. Now, alongside the President and two General Secretaries, there are eight directors of the diocesan Caritas associations, and amongst them there is (and this is a recent development) just one woman: Edith Pinter in Eisenstadt. This does not comply with the standards of modern companies. As Caritas is largely state-funded, the state should set appropriate quotas for women in leadership positions.

Diakonia

Although Diakonie does not publish any figures, it can be inferred that its work is largely funded by public money, amounting to around 18 million euros.

Diakonia is the welfare organisation of the Protestant Church in Austria. Under the slogans ‘Help for people in need. Diakonie’ and ‘Diakonie is charity in our time’, 35 Protestant organisations and institutions have joined forces within Diakonie.

The majority of Diakonie’s members are based in Vienna. In addition to Vienna, its activities focus on the federal state of Carinthia (‘Diakonie de La Tour’), Upper Austria (‘Diakoniewerk Gallneukirchen’) and Burgenland (‘Evangelischer Diakonieverein Burgenland’). This broadly corresponds to the distribution of the Protestant population across the federal states.

One of the distinctive features of the Diakonie – as is the case with other Protestant organisations, and in contrast to Caritas – is the widespread non-disclosure of figures. Whilst percentages are frequently quoted, such as ‘expenses according to the profit and loss account’ or ‘revenue by area of activity’, no overview is provided showing the sources of the income. This may stem from the tradition of Protestant Pietism, according to which people lived modestly and did not speak of money. However, it could also be because they are – quite rightly – reluctant to disclose the proportion of funding provided by the church.

This becomes clear from one of the few examples where finances are disclosed: the 2010 financial report of the Diakonie Refugee Service, which receives a total of 2,450,423 euros for its work from 17 different grant-awarding bodies and sponsors. The Protestant Church in Austria pays 106,450 euros, which amounts to 4.3 per cent.

Given that the Diakonie employs roughly half as many staff as Caritas and that social services are very labour-intensive, it is reasonable to assume that its funding requirements are also half those of Caritas (543 million euros).

In its 2010 annual report, Diakonie writes on ‘Costs and Income’: ‘Diakonie Austria carries out various tasks on behalf of the public

sector, such as tasks relating to the care and support of elderly or sick people and assistance for people in social crises and emergencies. Other areas are financed through its own funds and church contributions.”¹⁴³

The Protestant Diakoniewerk Gallneukirchen is no more specific on this point either. Under the heading ‘Diakonie is charity in our time ...’, it states: ‘The Diakoniewerk finances a large part of its social services through state payments, which as a rule ensure basic care that is both needs-based and professionally appropriate.’¹⁴⁴ But how much is a ‘large part’?

Anyone who reads the small print of the financial overview carefully will eventually find the answer, namely in the Diakonie’s 2010 annual report: ‘The total revenue of all 35 members amounts to around 268 million euros.’

Since, as assumed at the outset, these 268 million euros represent almost exactly half of Caritas’s annual revenue (543 million) and both social welfare organisations operate under the same statutory provisions, it can therefore be assumed that 69 per cent of this is also publicly funded, which would amount to 185 million euros.

Whether the church’s share is correspondingly small, as is the case with Caritas, cannot be determined from the published figures, but it can be assumed.

Here, too, is another example of that ‘charity’ which is not funded by the Diakonie, although this is not made clear in its own presentation.

‘The Diakonie’s VERBUND Empowerment Fund helps people with disabilities to lead self-determined lives with the aid of assistive technologies.

Michael Chalupka, Director of Diakonie Austria, has a clear goal in mind: ‘Communication is a fundamental right. This makes it all the more surprising to us that a group of people in Austria are denied this fundamental right. At present, there is no legal entitlement to aids, assistive technologies or communication aids for people with disabilities to be able to communicate actively. We want to close this gap together with our partner VERBUND.’¹⁴⁵

Is it not to be welcomed that Diakonie is working to realise this fundamental right to communication for people with disabilities and is bringing in a partner to do so? Funded by Diakonie, which aims to close this gap, and with technical support from VERBUND AG as an electricity-generating industrial company?

That is by no means the case. Although the word 'Diakonie' is written out in full, and four pages are devoted to reporting on all the activities undertaken, yet not a single word is mentioned regarding the funding. One searches in vain for it in VERBUND AG's annual report as well. However, the following information can be found in VERBUND AG's annual review: '9 December. Positive results after one year: Caritas's VERBUND Electricity Assistance Fund helped 1,200 people at risk of poverty to reduce their energy consumption and costs. Diakonie's VERBUND Empowerment Fund triggered investments [for the purchase of appliances] totalling around 170,000 euros through emergency financial aid.'¹⁴⁶

So here, too, it is the same as always: others pay, the Diakonie attaches the achievement to its project logo, and VERBUND to its social credentials. In this respect, there is no difference between the Diakonie and Caritas.

However, with around 6,000 full-time staff, the Diakonie is roughly half the size of the Catholic Caritas, which is remarkable given that Protestants accounted for less than four per cent of the Austrian population in 2011, whilst Catholics accounted for just under 65 per cent.

Depending on one's perspective, Diakonie's share is unexpectedly high, whilst Caritas's share is surprisingly low by comparison.

Regardless of historical developments, one might put forward the hypothesis that Catholic believers throughout Austria, including in institutions not directly affiliated with the Catholic Church, receive 'Catholic care'. For religions that find themselves in a clear minority position, this is precisely why it is not so self-evident. This becomes most evident, for example, in the matter of end-of-life

care, where it is Protestant believer is not possible to go to a Catholic hospital to receive the last rites there. The assurance that, as a Protestant, one will also be assigned a Protestant pastor as a spiritual counsellor is, in fact, primarily available only in Protestant institutions and hospitals.

However, as the various examples have shown, what both Christian welfare organisations have in common is that, whilst the services are provided by denominational social welfare organisations, they are financed only to a very limited extent from church funds. Nevertheless, the institutions are called 'Catholic ...' or 'Protestant ...', or 'Caritas has ...', '... the Diakonie' and so on. This is not unusual in itself, because all organisations do this, and in this way present them as their own achievements.

If, for example, a building contractor is commissioned to construct a building, they are paid for it and will say: 'We built that.' That is true, as everyone rightly assumes that someone else – the client, the owner – paid for it. But if the building contractor were to say: 'I built that. It is an expression of my lived Christian charity' – what do we instinctively assume? That he has donated it to the general public or paid for it himself selflessly. This is precisely what happens with the denominational welfare organisations Caritas and Diakonie. On the one hand, there is the professional (service) provision, for which they – like all other organisations providing such services – receive an appropriate fee. The other, however, is the intertwining of this professional service with an ideological underpinning, whereby the service is presented as an expression of lived religiosity. This works because the majority assume that a religious service is carried out for selfless motives ('charity' or on behalf of the respective God), and therefore also credit the funding for this service is credited to the relevant association.

The denominational organisations do not say or write: 'We act on behalf of the state and are – like everyone else – paid for this from taxpayers' money', but instead present their actions as their own initiative. This is precisely what is meant when people say: 'The churches do so much good!'

Denominational hospitals engage in this same kind of misleading labelling.

As regards the attribution of services provided by sponsoring organisations – and, consequently, their funding – it would be appropriate, at the very least for denominational organisations, to ensure transparency and rule out any confusion. This could be implemented very easily. It would then not be referred to as, for example, ‘Caritas of the Archdiocese of Vienna’ – which, from a financial point of view, is a blatant lie – but rather: ‘Caritas of the Province of Vienna’, ‘Caritas of the Province of Lower Austria’, and so on. Similar arrangements should be put in place for the Diakonie.

Hospitals

Around 1.8 billion euros of public funds are spent on religious order-run hospitals.

The hospital funding system is dualistic, meaning that funding for capital expenditure (construction projects) is separate from funding for day-to-day operations and is provided through two different funding sources.

The funding of day-to-day operations is provided by the state health funds in the individual federal states, which are financed by social security as well as by the federal government, the federal states and local authorities. Settlement of the services provided to hospitals with public-law status is then carried out via a rather complicated system of point-based rules within the Performance-Based Hospital Funding Scheme (LKF). For some time now, discussions have been taking place under the heading ‘single-source funding’¹⁴⁷ regarding a simplification of the system.

In 2006, there were 264 ‘hospitals with beds’ in Austria, which fall into two overlapping categories. On the one hand, there is the distinction between public and private operators; on the other, the distinction between hospitals with public-law status and those without. Private operators may or may not be recognised as non-profit organisations.

To avoid confusion whilst keeping this explanation brief, let me clarify once more: hospitals in the acute care sector (i.e. excluding sanatoriums and care homes for the chronically ill) with public-law status, as well as non-profit hospitals without public-law status, are funded from public funds via the nine provincial health funds in accordance with the LKF system.

Austria’s 41 denominational hospitals, which are run by religious orders and religious communities, automatically have public-law status pursuant to Section 15 of the KAKuG¹⁴⁸ (Hospitals and Sanatoriums Act), as ‘their existence and proper operation are guaranteed and [they are] administered and operated by another body governed by public law, a foundation, a public fund, another legal entity or an association of legal entities’. This constitutes a clear privilege.

The principle of denominational marketing and public funding is the same as that applied to Caritas and Diakonie.

On this point, a question: what exactly are ‘denominational hospitals’? Is there such a thing as ‘Catholic surgery’ or ‘Protestant obstetrics’? No. And yet the myth persists – and is widely propagated – that they possess a special characteristic: an ‘extra measure of charity’. (A clever choice of words, which can be understood not only as a quantitative ‘more’, but also as a ‘sea’ in the sense of an ocean.) Thus, Cardinal Christoph Schönborn said during a festive service at St Stephen’s Cathedral in honour of the religious hospitals: ‘If we all carry out our service with the love of Christ, then our love will be healing.’ God does not help by bypassing the doctor, but through the doctor and his or her staff: ‘God helps through human hands.’

What utter nonsense! What if complications arise during an operation – or if it even results in the patient’s death? Was the Lord on his lunch break at that very moment? Never mind.

In a Europe-wide comparison (in 2003), the proportion of private non-profit hospitals (which also include denominational hospitals) amongst all healthcare facilities in Austria is the lowest. Whilst in the Netherlands only six per cent of hospitals are publicly owned and 94 per cent are run by private non-profit organisations,

in Germany 37 per cent are state-run, 39 per cent are private non-profit and 24 per cent are private for-profit hospitals. In Austria, by contrast – much like in Switzerland – 64 per cent are state-run institutions, 19 per cent are private non-profit and 17 per cent are private for-profit.¹⁴⁹

The 41 hospitals which (in 2006) were run by religious orders and faith communities account for 15.5 per cent of all 264 hospitals. They have a capacity of 10,854 beds, representing 17.1 per cent of all hospital beds.¹⁵⁰

Of these 41 denominational hospitals, 31 have been members (since 2000) of the lobby organisation ‘Working Group of Religious Hospitals in Austria’, a coordination committee of the ‘Working Group of Austrian Religious Order Hospitals’.

This name should not obscure the fact that, in addition to the Catholic religious order hospitals, five Protestant hospitals are also members. However, the Working Group is run in a distinctly Catholic manner. ‘Members of the Working Committee of the Working Group of Religious Order Hospitals in Austria’ are: the Austrian Bishops’ Conference, the Conference of Superiors of Male Religious Orders, the Association of Women’s Religious Orders in Austria, the legal adviser, the economic adviser, the legal advisers of the respective regional interest groups, and one representative each from the hospitals.

Regional interest groups exist in the six federal states of Vienna, Upper Austria, Styria, Carinthia, Salzburg and Tyrol.

One of the distinctive features of the Catholic structure in the social and healthcare sector in Austria is that the diocesan Caritas associations do not operate any hospitals; instead, this sector is organised exclusively by the Catholic religious orders – hence the term ‘religious hospitals’.

The Conference of Superiors writes of their history: “‘Heal the sick and proclaim the Gospel!’ This commission from Jesus (Gospel of Luke, Chapter 10) marks the beginning of the history of the Christian hospital. Since the days of the Apostles and the first

churches, caring for the sick and the suffering has been one of the Church’s tasks. The Council of Nicaea [325 CE] counted it amongst the bishop’s duties. Even in the Middle Ages, nursing care in hospitals and hospices was almost exclusively in the hands of religious orders, brotherhoods and ecclesiastical foundations. Austria’s first hospital was founded in 1203 by the Teutonic Order in Friesach. Since the Enlightenment, the state has also claimed [!] responsibility in this area, although the 19th century saw a renewed surge in denominational hospital care following the re-establishment of Catholic nursing orders. A particular challenge today lies in the care of the seriously ill and the dying. ‘The religious hospitals in Austria have taken on a pioneering role in the establishment of hospices.’¹⁵¹

An excellent illustration of exclusive claims and the concept of mission. And the fact that state healthcare provision – as a collective responsibility of society as a whole – is regarded as an illegitimate claim to jurisdiction sheds a telling light on the exclusive denominational understanding of responsibilities.

The common motto of the religious order hospitals today is: ‘Serving life’. One cannot help but ask: who else, then? Do state hospitals perhaps serve death? It is such a blatant pretence to partially fail to meet people’s wishes for a self-determined life that the ideological orientation is unmistakable.

For the fact that the religious order hospitals, which are publicly funded, do not offer all the services that are legally permissible is not seen by these organisations as a contradiction, but as a special service and an expression of their Christian identity.

This can be easily illustrated using the example of abortion. The ‘time-limit solution’ means that, under certain conditions, an abortion in Austria is not a criminal offence. However, a doctor who were to perform such a procedure in a religious order’s hospital could expect to be sent home immediately, as this would result in their dismissal. The principle that ‘he who pays the piper calls the tune’ does not apply in church-run institutions. Even though they are publicly funded, they operate under their own legal provisions, and the Church acts, as it were, within its own legal sphere.

Of the 26 religious order hospitals, nine are run by male religious orders (eight hospitals of the Brothers of Mercy and one of the Teutonic Order) and 17 by female religious orders.

The economic disadvantage faced by smaller establishments (very high overheads relative to the number of beds), which the Brothers of Mercy (as a purchasing group securing more favourable terms) have traditionally not faced, has also been offset by some of the women's religious orders, in that (since 1995) seven hospitals under the leadership of the Sisters of Charity have merged to form the 'Vinzenz Gruppe Krankenhausbeteiligungs- und Management GmbH'. These are the three hospitals run by the Sisters of Charity of St Vincent de Paul (in Linz, Vienna and Zams), as well as, in Vienna, the Speising Orthopaedic Hospital run by the Servants of the Holy Spirit, the Sacred Heart Hospital run by the Servants of the Most Sacred Heart of Jesus, the Divine Saviour Hospital run by the Sisters of the Divine Saviour, and St Joseph's Hospital run by the Salvatorian Sisters.

Their self-declared mission is: 'In the spirit of St Vincent, the love of Christ for humanity becomes a reality in our actions. In the healthcare facilities of the Vinzenz Group, we combine responsible, modern medicine with loving care.'¹⁵²

Does this therefore imply that in non-Christian hospitals, outdated medicine is practised and patients are treated without compassion? Or are they suggesting that they also have divine panaceas at their disposal? The miracle healer Dr Jesus Christ?

The Vinzenz Group also includes other facilities such as two nursing homes (St Katharina in Vienna-Gumpendorf and St Louise in Maria Anzbach, Lower Austria), the Marienkron Kneipp Spa and Relaxation Centre, and the Bad Ischl Specialised Cardiovascular Hospital.

The leadership structure of this women's religious order is almost entirely male. Since 1 January 2010, the Vincentian Group has been owned by the 'St Vincent Charitable Private Foundation of the Sisters of Mercy'.

The profit-oriented companies (Vinzenz Group Service) have been spun off from the charitable work in accordance with modern economic principles: 'Through the common owner, the St Vincent Charitable Private Foundation of the Sisters of Mercy, Vinzenz Group Hospital Investment and Management GmbH is linked to Vinzenz Group Service GmbH. The Vinzenz Group Service comprises the subsidiaries Homacon Krankenhausberatung GmbH, IML (Integrated Medical Logistic), Santesis Technisches Gebäudemanagement & Service GmbH, Kulinario Ried and Seilerstätten Küchenbetriebe GmbH, as well as the St. Vinzenz Diagnostic Centre. The Procurement and Kulinario Wien business divisions are also based directly within Vinzenz Gruppe Service GmbH.'¹⁵³

This ensures that the profits of Service GmbH remain Contributions-free as long as they are channelled to the non-profit private foundation. A profitable business model.

In addition to nursing, the work of the Sisters of Mercy also encompasses care for the elderly, as well as teaching and education. The order's most important institutions are therefore the three hospitals in Vienna, Linz and Ried (within the Vinzenz Group), the two care homes for the elderly in Vienna and Maria Anzbach (Barmherzige Schwestern Alten- und Pflegeheime GmbH¹⁵⁴) and schools, after-school care centres and nurseries in Vienna and Steyr (Bildungsgemeinschaft Barmherzige Schwestern¹⁵⁵).

Other women's religious orders are also following this path; for example, the two order-run hospitals under the legal authority of the Franciscan Sisters form the TAU Group, the 'Holding der Franziskanerinnen von Vöcklabruck GmbH'.

The Protestant Church operates five healthcare facilities: two hospitals in Carinthia (in Feldkirchen and Treffen) within the organisational framework of the Diakonie Kärnten, and three facilities in Upper Austria (in Linz, Salzburg and Schladming), which fall under the umbrella of the Evangelisches Diakoniewerk Gallneukirchen.

The fact that institutions for which religious orders or deaconess organisations acted as legal entities traditionally received only 90 per cent or 80 per cent, respectively, of the funding that comparable public institutions received from the state was never a problem, as the orders had previously earned good money from these enterprises. The logic is simple: in the schools, care homes, hospitals and so on run by religious orders, posts were calculated in the same way as state posts and publicly funded. However, as the monks or deaconesses received only a sort of pocket money from the sponsoring organisations, the bottom line was a substantial profit for the respective sponsoring organisation.

Here's a calculation: a nun working as a nurse, for example, received 200 euros in pocket money, whilst the order received (let's say) 2,000 euros for her post. Internally, a nun or monk cost the order 200 euros in pocket money plus 400 euros for board and lodging, meaning that whilst she or he cost the order or the deaconess institution around 600 euros, they generated a net income of 1,400 euros. With ten posts, 80 per cent of which were funded, the Order would then receive ten times 1,600 euros, i.e. 16,000 euros in funding, of which it had to set aside 6,000 euros to cover wages and board. This left it with 10,000 euros in reserves. With 100 such posts, this amounted to a surplus of 100,000 euros a month, or 1.2 million a year. A brilliant business idea! Its legacy is still evident today in the fact that members of religious orders who teach religious education do not receive the money for this directly from the state (as secular priests and pastors do), but rather the order itself receives the funds.

This situation has now changed fundamentally, as there are hardly any monks, nuns or deaconesses left as cheap labour in the relevant institutions – except in management positions – even though the institutions still bear the same names as before. The 'lay staff' employed today want to be paid in line with public sector standards. Consequently, the fact that religious bodies are not entirely publicly funded has become a problem, and accordingly, complaints from denominational hospital operators demanding 'equal treatment' have become increasingly frequent in recent decades.

Vatican Radio reported in 2009 that 'religious order hospitals were being disadvantaged'.¹⁵⁶ Over the past ten years, the religious order hospitals had 'raised around 300 million euros from their own pockets' for day-to-day operations and necessary investments.

At first glance, that sounds like a great deal of money (300 million!), but a simple calculation reveals it is not quite so impressive after all. Here is a rough calculation: 300 million divided by ten years is 30 million per year; spread across 31 hospitals, this works out at 970,000 euros per year per hospital. Whilst this is by no means a small sum, it represents, as we shall see shortly, only a few percentage points of the cost reimbursements based on LKF points.

Furthermore, this raises the question of which running costs and investments were financed by this funding. Do the investments relate to hospital chapels, and do the running costs relate to pastoral carers?

A publication by the 'ÖÖ. Ordensspitäler Koordinations GmbH'¹⁵⁷ in Linz explains that this unequal treatment concerns the issue of 'covering operating losses, that is, the deficit that is unavoidable when running a hospital'. However, the financial inequality in Upper Austria has now largely been eliminated, and instead of the previous four per cent from own funds for day-to-day operations, this contribution is now reduced to one per cent. Until now, this contribution had been met by the voluntary management work of the nuns, but times are changing. By raising the provincial contribution to 99 per cent, the provincial government has also put an end to the previous unequal treatment.

The seven religious order hospitals in Upper Austria account for 45 per cent of hospital beds and 48 per cent of in-patient admissions. Their turnover in 2008 amounted to around 658 million euros.

But here too, the saying applies: 'A little self-promotion is part of the trade.' Through the 'Catholic Press Service of Austria', the superiors of the religious orders announced at the end of 2010 that they were being treated unfairly. The line of argument, however, is peculiar.¹⁵⁸ It begins as follows: 'A recent study by the consultancy

Firm Unitas-Solidaris, based on data from the Ministry of Health, has also recently demonstrated the significant cost advantage of the religious orders' hospitals in the outpatient sector. [The accountancy firm Unitas-Solidaris is not an independent company, but has been serving the religious orders since 1939. Authors' note] In 2008, the cost per patient was 145 euros, whilst the overall average for all comparable hospitals was 165 euros. This represents an efficiency advantage of around 14 per cent. The same applies to the inpatient sector."

This raises the question of whether the religious orders' hospitals are in fact funded at a rate more than 14 per cent lower than that of public hospitals. And what, then, is the point of the demand for financial equality, given that – if these figures are correct – they would actually be making a 14 per cent profit. On a scale of one billion euros, that would amount to a profit of 140 million euros.

The article concludes: "Despite all their positive aspects and achievements, however, the religious order hospitals continue to be treated unfavourably by the public sector when it comes to finances. [...] For example, between 1999 and 2008, the non-profit religious order hospitals invested more than one billion euros in their facilities. However, they had to contribute around 150 million euros of this from their own pockets."

So, which is it? On the one hand, it was not the religious order hospitals themselves that invested more than a billion euros; rather, more than 850 million came from public funds. The remaining 150 million then amounts to roughly the very 14 per cent by which they are supposedly operating more cost-effectively. So where is the problem?

Furthermore, according to health experts, the supposedly higher cost-efficiency of the religious order hospitals is easily explained: these hospitals carry out fewer acute treatments than public hospitals and more planned procedures. It is therefore easier to operate more cost-effectively. Furthermore, despite the declining number of nuns and monks, numerous posts are still filled by clergy, who, as already mentioned, receive only a small allowance.

As these hospitals do not normally publish individual balance sheets or annual reports, and neither the Association of Religious Order Hospitals nor the Diakonie provide figures on this, we are reliant on plausible estimates of what this 'charity in white coats' costs.

If we consider only the hospitals funded by the Provincial Health Fund – which also includes the religious order hospitals – these hospitals incurred costs of 10.4 billion euros in 2008.

With a market share (in 2006) of 17.1 per cent of the total 63,354 hospital beds in Austria and a general occupancy rate of 80 per cent, the religious order hospitals would, on this basis, account for a flat-rate share of costs and funding totalling 1.8 billion euros, or 163,800 euros per bed per year.

Based on a different calculation, in 2008 all hospitals funded by the Provincial Health Fund provided 6.4 billion LKF points as services. The share attributable to the religious order hospitals, based on their proportion of hospital beds, would then amount to 1.08 billion LKF points, which, on the basis (in 2005) of one euro per LKF point, would result in public funding of 1.1 billion euros. However, if one assumes that the LKF point had a value of 1.67 euros on average across the federal states in 2008, the figure would then amount to 1.8 billion euros.

As the amount that the religious order hospitals receive per LKF point varies from federal state to federal state, it is difficult to work out the total figure. The religious order hospitals are reluctant to disclose figures. Leonhard Gregotsch, head of the Working Group of Austrian Religious Order Hospitals, stated in a press release dated 1 December 2011 that the hospitals' greater efficiency saves taxpayers 200 million euros annually – which would suggest a total annual fund allocation of 1.6 billion euros. Only the Upper Austrian religious order hospitals disclose their costs. In 2010, these amounted to 797,036,908 euros.¹⁵⁹ According to the Upper Austrian Hospital Financing Act, the religious orders' own contribution is likely to have been minimal at best.

The fact is that, in most federal states, the religious order hospitals receive less money per LKF point than public hospitals.

However, it is a proven fact that these payments are not all that the religious order hospitals in Austria receive.

In *Vienna*, they receive an annual subsidy of 50 million euros as compensation.¹⁶⁰

In *Styria*, hospitals owned by religious communities have been receiving annual grants since 2007.¹⁶¹ According to Styria's 2009 funding report, the following received funding that year: the Protestant Diakoniewerk Gallneukirchen (hospital in Schladming) 9,820,094.16 euros, the Congregation of the Sisters of the Immaculate Conception (Marien Hospital, Voralpe) 2,935.64 euros, the Convent of the Brothers of Mercy, on the one hand (for the Graz-Eggenberg Hospital) €4,397,988 and, secondly (for the Graz-Marschallgasse Hospital) €4,100,644, as well as €5,299,028 for the Elisabethinen Hospital. These amounts explicitly include the following items listed separately:

'Contribution towards covering operating losses in 2009' for the two hospitals run by the Order of the Merciful Brothers: 994,620 euros and 542,060 euros, and for the Elisabethinen: 1,827,530 euros.

The total amount of funding provided by Styria for denominational hospitals (2009), totalling 27 million euros, also includes 500,000 euros as the tenth and eleventh instalments of investment funding for the drug therapy unit at Graz-Eggenberg Hospital and €116,000 as investment funding for the outpatient clinic for the deaf at Graz-Marschallgasse Hospital.

In *Upper Austria*, there is no fixed amount. Under a funding agreement, the provincial government covers virtually the entire operating deficit of the province's religious hospitals.¹⁶²

The 2009 budget of the Province of Upper Austria allocates 20 million euros for 'Religious Order Hospitals – Operating Deficit Coverage' and a further ten million euros for 'Religious Order Hospitals – Investments'. In 2010, the last year in which the religious order hospitals reported their costs, the province covered 97.8 per cent of the deficit. In 2011, the coverage rate rose to 98.6 per cent.

The subsidy report of the province of *Salzburg* for 2010 records a payment of 4.2 million euros to the Brothers of Mercy in Salzburg, explicitly described as a 'grant towards the 2010 operating deficit'.¹⁶³

These figures put into perspective the constant complaints from the religious order-run hospitals that they have to cover the deficits out of their own pockets. Apart from that, the principle that 'the hospital operator pays the deficit' applies without exception to all hospital operators in Austria. In Lower Austria, for example, this led to those local authorities which had until then retained their hospitals being forced to hand them over to the provincial government by 2007, as they could no longer afford to maintain them. Their responsibility as hospital operators is likely to have been interpreted more strictly by the province than appears to be the case with the religious order hospitals. The situation is similar with the Ferdinand Hanusch Hospital in Vienna, which is owned by the Vienna Regional Health Insurance Fund. The hospital's deficits are regarded as the main reason for the fund's poor financial situation. However, the religious orders appear to have been spared such problems so far, thanks to their sound financial position.

Yet even in this respect, the state assists the religious order hospitals. The principle of dual funding means that the federal states guarantee the construction costs of the hospitals. Whilst the so-called sponsoring bodies (religious orders or diaconal organisations) are the 'developers', the investments are paid for by the public purse. Nevertheless, the developer remains the owner.

What this means in practice can be illustrated with an example. The comparatively small, general public deaconess hospital in Schladming (112 beds) needed a new building. In December 2001, the 'Styrian Provincial Government's policy decision on the project's implementation based on a PPP model and the establishment of the project-sponsoring company DKV, with the shareholders Diakoniewerk, Steiermärkische Krankenanstaltengesellschaft KAGes and VAMED' was adopted.¹⁶⁴ In November 2002, the Styrian Provincial Government passed the financing resolution; in July 2004, the Styrian Provincial Government and the Styrian Provincial Assembly passed the implementation resolution. In November 2006, the hospital commenced operations with the transfer of patients, followed in June 2007 by the official opening and blessing. Highlights of the new hospital: the central pharmacy and the chapel.

So, once again. Client: Evangelisches Diakoniewerk Gallneukirchen. Construction company: DKV Krankenhaus Errichtungs- und Vermietungs-G.m.b.H. (Shareholders: Diakoniewerk, Steiermärkische Krankenanstaltengesellschaft KAGes, VAMED). Total investment: 44.6 million euros (price basis 09/2001).

In Upper Austria, too, it is by no means the case that the religious orders have to bear the costs of investing in their own hospitals. The new operating theatre wing, the day clinic and the outpatient department of the Sisters of Mercy in Ried, for example, are funded entirely by the public sector, as OÖ. Ordensspitäler Koordinations GmbH states: “Of the total costs amounting to €30.3 million, €17.8 million comes from economic stimulus funds provided by the Province of Upper Austria; a previous provincial assembly resolution had already been passed for €12.5 million. [...] The ground-breaking ceremony was attended by Governor Dr Josef Pühringer, Provincial Councillor Dr Silvia Stöger, Mayor Albert Ortig, Hospital Managing Director Prim. Dr Wolfgang Brandtner, Mother Superior Sr Cordula Kreinecker, Members of the Provincial Parliament Alfred Frauscher and Dr Josef Brunmair, as well as the hospital board members Elisabeth Vormayr, Josef Schachinger and DI Andreas Hufnagl.

“Thanks to the Upper Austrian economic stimulus package, we are able to bring forward construction work on Upper Austria’s religious order hospitals. These investments are intended to benefit the people of Upper Austria and to secure existing jobs in the region or create new ones. The accelerated expansion of the Sisters of Mercy’s hospital in Ried will ensure a further improvement in patient care, said Governor Dr Pühringer at the ground-breaking ceremony. Dr Silvia Stöger, Regional Minister for Health, noted: ‘The construction of the new operating theatre and outpatient wing is another milestone in the rapid future development of Ried Hospital. This upward trend is very important to me. Just as the expansion of bed capacity, the improvement of cardiac care or the construction of modern operating theatres, outpatient clinics and day clinics are important to me, so too is ensuring that Ried remains a fully-fledged training centre for healthcare professions.’”¹⁶⁵

VI.

CULTURE, BUILDING MAINTENANCE AND HERITAGE CONSERVATION

State subsidies totalling around 10 million euros were identified for the areas of the preservation of sacred monuments, church libraries, church music, museums and exhibitions.

The large number of even small sums that the Church receives from the state makes it clear that the days of the ‘living Church’ of earlier times – when parishes were able to finance this multitude of smaller expenses through generous members – are apparently over; now the Church finds itself compelled to apply to state bodies even for smaller sums.

The view that our culture is ostensibly shaped by Christianity finds its most heartfelt expression in the ‘Upper Austrian Cultural Quarter’, a cultural district ‘run by the Province of Upper Austria and the Diocese of Linz’. In other words, the ‘OÖ. Kulturquartier’, situated in the heart of the provincial capital Linz, is today a unifying force linking the Ursulinenhof Provincial Cultural Centre, the Ursuline Church and the Open Cultural Centre of the Province of Upper Austria.¹⁶⁶ Is something being linked here that does not (or no longer) belong together?

As a point of reference: Josef Pühringer (ÖVP), who has been Governor of Upper Austria since 1995, worked as a religious education teacher in Traun from 1970 to 1976 whilst studying law.

Heritage conservation

In 2010, around 44 million euros in federal and provincial funding was allocated to the conservation of sacred buildings.

In Austria, the preservation of historic monuments is a matter governed by federal law and falls under the remit of the Federal Office for the Preservation of Historic Monuments in Vienna. In addition to the Executive Board and the specialist departments, it is organised into regional conservation offices, each of which is based in its respective federal state.

A preliminary note: on the website of the Federal Office for the Preservation of Historical Monuments, under 'News' in autumn 2011, there is a 'Radio tip for early risers'.¹⁶⁷ It states: 'In the week from 9 October to 15 October [2011], the "Morgengedanken" programme on ORF regional radio stations will be dedicated to the topic of heritage conservation. The programmes will be broadcast on Sundays from 6.05 to 6.07 am, and Monday to Saturday from 5.40 to 5.42 am and can be accessed afterwards on the ORF website.'¹⁶⁸

Take three guesses as to which ORF department this comes from. For those in the dark: 'Morgengedanken' is a programme produced by the ORF's Religion department: 'The 90 seconds at 5.40 am aim to provide inspiration for the day, drawing on the wealth of wisdom found in the Christian tradition.' Just to set the scene.

In another section, a 'Monument of the Month'⁽¹⁶⁹⁾ is featured twelve times a year. Half of these are religious sites: A view of St Stephen's Cathedral from Vienna City Hall (February), the tomb of a theologian (April), a prayer house and parsonage, the Protestant Diocesan Museum (May), the parish church of Parndorf (June), the treasury of Klosterneuburg Abbey (July), St Joseph's Chapel, Hall in Tyrol (November).

In this respect, it would come as no surprise if federal funding for heritage conservation were also divided on a fifty-fifty basis, with half allocated to religious sites and half to secular ones.

Regarding the subsidies recorded in the statistics on heritage conservation, Statistics Austria states: 'In heritage conservation, funding for the restoration, maintenance and repair of monuments plays a major role. In 2010, the federal government funded a total of 1,415 projects with 13.8 million euros (-2.1 per cent compared with 2009). As these are subsidies, this sum does not include expenditure on the upkeep of monuments owned by the federal government or the federal states; nor does it take into account Contributions-deductible donations and other Contributions incentives.'¹⁷⁰

The regional conservation offices, which are responsible for the conservation of historic monuments in their respective federal states, form part of the Federal Office for the Preservation of Historical Monuments, and they set out very clear priorities.

For instance, the Province of *Tyrol* writes on 'Heritage Conservation in Tyrol': 'Among the numerous measures in the conservation of ecclesiastical monuments, particular mention must be made of the comprehensive restoration of the collegiate church at Wilten, completed in 2008, which spanned several years and was thus one of the most significant large-scale projects in the conservation of ecclesiastical monuments. Of the many restoration projects carried out on the interiors or exteriors of parish churches, those at St Jakob am Arlberg, Brandenburg, Brixlegg, Kufstein and Obertilliach are particularly worthy of mention.'

In *Carinthia*, it states: "The tasks of the Regional Conservator for Carinthia are to protect and preserve the region's monuments in collaboration with authorities, government departments, the Church, public bodies and private individuals. [...] Traditionally, in Carinthia – with over a thousand, predominantly medieval churches and a Catholic population of around 480,000 – the conservation of sacred monuments accounts for the largest part of heritage conservation practice. Great importance is attached to the preservation of the region's exceptional wealth of medieval murals, stained-glass windows and winged altars."

And the *Lower Austrian* Provincial Conservation Office writes: "As the historic settlement area of Lower Austria is more densely populated here than in the other federal states due to its geographical structure, Lower Austria tops the Austrian heritage statistics in all areas. This applies to churches and chapels as well as monasteries and abbeys, and to local and urban heritage sites, which themselves contain thousands of individual heritage sites. A preliminary survey revealed the enormous figure of 2 cathedrals, 900 parish churches, 188 other churches, 165 monasteries (still standing or disbanded), 900 clerical residences, and around 450 castles, palaces and castle ruins. The number of residential buildings worthy of preservation can currently only be estimated at a few thousand, as the relevant surveys are still ongoing. Added to these are rural buildings worthy of preservation, monuments of social and economic history, important industrial sites, striking engineering structures and the extremely numerous small monuments such as plague columns, wayside chapels, wayside shrines and individual outdoor sculptures."¹⁷¹

Federal subsidies

Federal subsidies are broken down into just two categories: secular buildings and religious buildings – including façade restoration schemes – as well as small monuments, excavations, etc., the financial significance of which at federal level is, however, minimal.

A publication by Statistics Austria¹⁷² shows that in 2010, 52 per cent (7.15 million euros) of federal subsidies for heritage conservation were spent on religious buildings. Only in three of the eight years listed were secular buildings subsidised to a greater extent.¹⁷³

This figure for 2010 corresponds exactly to the eight-year average of federal subsidies for heritage conservation.¹⁷⁴ Over the eight years shown, the federal government allocated 101 million in subsidies for heritage conservation, of which more than half was spent on religious buildings: 52.6 million euros, or 52 per cent.

However, according to the heritage database ⁽¹⁷⁵⁾ of the 15,091 properties listed as heritage sites in 2002 (the last year for which data was recorded by owner), only 547 (3.6 per cent) are owned by churches and religious communities.

According to the 2009 survey, of the 17,330 properties listed as historic monuments throughout Austria ¹⁷⁶, only 1,441 (8.3 per cent) are religious buildings.

Even though religious buildings are presumably larger and more costly than those owned by private individuals, the disparity between the number of properties (8.3 per cent) and the share of funding (52 per cent) is evident.

The Federal Monuments Office cites further funding for 2010. Specifically mentioned are *sponsorship funds* for 247 heritage conservation properties, totalling 3.4 million euros. Of these sponsorship funds, 63 per cent went to religious buildings, amounting to a further 2.2 million euros.

Contributions incentives also include the deductibility of acquisition and construction costs incurred for listed commercial buildings in the interests of heritage conservation. In accordance with Section 8(2) Income Contributions Act.

“The exceptional concessions for listed buildings under the Valuation Act are also of crucial importance. These provisions – which are often overlooked in the general debate on the funding of heritage conservation – represent, even by international standards, exemplary forms of support for heritage conservation, both in revitalisation projects and in the transfer of ownership of listed buildings through donation or inheritance. According to estimates, Contributions incentives for heritage conservation exceed the allocation of subsidies many times over.”¹⁷⁷

Although no figures are given, ‘many times over’ presumably means at least three times as much; thus, based on federal subsidies of 13.8 million, this amounts to more than around 40 million euros. The proportion of religious buildings in this figure is highly questionable, as these are not passed on through the transfer of ownership. Celibacy alone stands in the way of that. In any case, the figure in question is likely to be at least half of the ‘many times’ mentioned. That would amount to 20 million euros.

Subsidies from the federal states

So what do the federal states do when the preservation of historic monuments falls under federal law and they, too, wish to maintain buildings according to their own wishes? They assign this task to another department – culture – and then refer to the protection of historic monuments within the state as ‘preservation of the architectural heritage’.¹⁷⁸ This preservation takes place, as it were, on a blanket basis, without any specific designation of the properties concerned.

However, the federal states’ subsidies should not be seen as competing with those of the federal government, but rather as a coordinated supplement, since, as a rule, the federal states only fund projects that are included on the federal list of monuments. These supplementary payments from the federal states are, overall, significantly higher than the federal subsidies.

In 2010, *Burgenland* is focusing its ‘architectural heritage’ fund-

ing primarily on general village regeneration. In addition, 75 individual properties, 50 of which are (Catholic and Protestant) churches, which will receive 64.3 per cent of the funding (295,600 euros).

In *Carinthia*, under Category A of the ‘architectural heritage’ programme, three church properties are receiving funding totalling 42,400 euros, including 5,000 euros for ‘woodworm control on organs worthy of preservation’¹⁷⁹ at the Bishop’s Ordinariate of the Diocese of Gurk.

Lower Austria, with its numerous large abbeys and small churches, allocates 67 per cent of its funding for the preservation of architectural heritage to ‘churches, chapels, monasteries, abbeys, organs and vicarages’: 4.2 million euros.¹⁸⁰ It is noteworthy, amongst other things, that as much as 86,500 euros was allocated even for the renovation of the diocese’s administrative headquarters in St. Pölten.

Although the province of *Upper Austria* does not publish an annual cultural report, it does have a provincial budget. In the 2012 draft budget, the following figures are shown as final accounts for 2010: 1,078,916 euros for ‘investment grants to religious communities’ and 144,200 euros for the maintenance of St Mary’s Cathedral in Linz. Together, this amounts to around 1.2 million euros. A glance at the 2009 supplementary budget estimate for the province of Upper Austria shows that these payments are within the usual range; under the heading ‘Preservation of local heritage, monument conservation/renovation and restoration works, investment grants to religious communities’, 2.2 million euros are earmarked. Similarly, the grants for Linz Cathedral rose to 181,700 euros per annum.

In the province of *Salzburg*, the lion’s share of funding for the preservation of architectural and cultural heritage goes to the provincial contribution for castles and palaces (6.6 million euros). Among the 99 other properties listed individually are 30 churches and chapels, which receive 25 per cent of the funding (472,475 euros).¹⁸¹ Further funds for renovations (434,726 euros) go to 17 different parishes. Together, this amounts to 907,201 euros.

In *Styria*, ‘in agreement with the Styrian Regional Conservation Office’, 36,000 euros is being spent on heritage conservation for ten out of 20 selected properties. However, the province’s own budget for the ‘revitalisation of ecclesiastical buildings’ is consider-

ably higher: a total of 1.4 million euros is being spent on 41 properties.¹⁸²

The province of *Tyrol*, too, which is home to an above-average proportion of listed religious buildings, is strongly committed to preserving and maintaining the province’s architectural heritage using its own funds. Of the 156 listed properties forming part of this heritage, the preservation of which was funded in 2010, 81 per cent are religious buildings. These 81 per cent of religious buildings, as part of the architectural heritage, receive 94 per cent of the grants: 7.7 million euros are spent on 43 churches and monasteries, 29 small monuments and chapels, seven vicarages and a further 45 religious buildings.

In its 2010 Cultural Report, *Vorarlberg* lists a total of 49 sites of architectural heritage (including 19 churches and chapels), which receive 49.8 per cent of the funding (176,400 euros).¹⁸³

Although *Vienna* does not break down the figures for 2010, it does list a number of sites: ‘Religious buildings: Restoration work was completed in 2010 on the Baroque, twin-towered façade of the parish and oratory church of St Rochus and Sebastian (3rd district) – situated directly on the bustling Rochusmarkt and a key feature of the cityscape. The Rodaun Mountain Church (Church of St John the Baptist) on Rodauner Kirchplatz (23rd district) was built between 1739 and 1745 by master builder Johann Enzenhofer, presumably to plans by Matthias Gerl. The restoration project focused on the interior fittings, which date back to the time of the church’s construction. The shed roof of the parish church ‘Am Tabor’ at Hochstettergasse 1 (2nd district), built by Ladislaus Hruska between 1967 and 1971, was refurbished. The church building is significant not only from an architectural perspective but also in terms of urban planning, thanks to the façade designed by Arik Brauer. At Mexikoplatz (2nd district), the interior restoration of the Jubiläums Church was continued, whilst the external façades and roof of St George’s Church (19th district) were refurbished. The Alte Gruftarkaden at the Central Cemetery in Simmering – built in 1880–81 for the ‘burials of distinguished, historically memorable figures’ according to plans by Karl Jonas Mylius and Alfred Friedrich Bluntschli, situated on the main axis leading to the Dr Karl Lueger Church – the architectural shell was successfully restored during the first phase of works following a long period of neglect; the restoration of the painted decorations is to take place in a

second phase of works. [...] Outlook for 2011 (selection) 1st District: Michaelerplatz (Kreuzkapelle), St Peter's Church (trial restoration of the portico), Seitenstettengasse 5; 2nd District: Schanzkapelle; 7th District: Neustiftgasse 4 (Mechitarist Church); 14th District: Maroltingergasse 2 (former officers' mess).'¹⁸⁴

Summary: The figures reported amount to 16 million euros. This means that the federal states spend twice as much in taxpayers' money on religious buildings as the federal government, which spent 7.1 million euros. Taking into account the missing figures for Vienna, this means that at least 24 million euros were spent by the public sector at federal and provincial level in 2010 on the maintenance of religious buildings. Taking into account the state's revenue shortfall of at least 20 million euros, which stems from the Contributions deductibility of donations, the total expenditure by the state at federal and state level on the preservation of religious buildings amounts to around 44 million euros.

Just how little politicians are aware of these payments was demonstrated by Max Hiegelsberger, the regional chairman of the Upper Austrian Farmers' Union, who in early January 2012 called for those who had left the Church to also pay a church Contributions.

"It is not fair that those who leave the Church do not have to make a contribution to religious affairs," said Hiegelsberger. "A region's history and identity are also reflected in its historic buildings. The abbeys, monasteries and churches are landmarks of the province of Upper Austria." The church Contributions is also used to maintain these buildings, explained the provincial chairman. 'It is unacceptable that whilst everyone benefits from these landmarks, not everyone contributes to their upkeep.'

The amount of the cultural contribution should be based on income, according to Hiegelsberger. He suggests making it Contributions-deductible up to 400 euros per year."¹⁸⁵

As his proposal shows, the regional chairman has no knowledge of the actual financing and relies on the Church's account of the situation. As a devout Catholic, he knows, after all: "Those who believe will be saved."

The myth of the 1/0 million

In the Catholic Church's accounts on this subject, it is consistently stated that the Church spends between 150 and 180 million annually on the preservation of historical monuments¹⁸⁶ and that the VAT paid on these expenses alone amounts to several times what the state contributes.

150 million is the figure that is repeatedly cited. However, when one adds up the expenditure listed for heritage conservation in the financial statements of all dioceses, the total comes to no more than around 14 million euros. Even this figure is certainly too high, because some dioceses do not distinguish between heritage conservation and new builds; in other words, the 14 million also includes expenditure on childcare facilities, new buildings and so on.

An attempt to clarify objectively with the spokesperson for the Archdiocese of Vienna exactly how much is actually being spent by and within the Archdiocese, and how he explains the discrepancy between the three-digit million figure he cited and the payments stated in the budgets, proved fruitless, as communication on the part of the Archdiocese was promptly discontinued. With regard to the nine million euros reported in the Archdiocese's accounts (for new buildings, churches and the renovation of nurseries, not just for the preservation of historic monuments), he noted that the Archdiocese spent between 25 and 30 million per year on the preservation of historic monuments, as around two-thirds of this was contributed by the local parishes, which used donations, sponsorship funds, bequests, and so on. When asked where these funds could be found in the budgets, no further answer was given.

Even though one of the dioceses' funding rules stipulates that the diocese provides only one-third of the expenditure on heritage conservation, meaning that the parishes must organise two-thirds themselves, this figure of 150 million euros – repeated year in, year out – is peculiar simply because of its consistency. However, this does not make it any more true.

If we leave it at that, two further questions arise. If the dioceses spend the 14 million shown in the accounts on the preservation of historic monuments and self-finance one third of the 150

million mentioned – that is, 50 million euros – where in the dioceses' financial statements can the difference of 36 million still to be funded be found?

Secondly: it is surprising that the parishes are said to be financially capable of spending 100 million euros annually on the conservation of their churches alone. When this is discussed in the media, it is usually in the context that urgently needed restoration work cannot be carried out because the parish lacks the funds. And when the money is eventually raised, it largely consists of local authority grants from the municipalities, private donations and sponsorship from the business sector – none of which are parish funds, nor do they become church funds simply because the parish uses these grants and donations to pay for the work carried out by tradespeople.

In this respect, the figure in the hundreds of millions can only be a myth. Furthermore, given that the Archdiocese's Finance Office has a comprehensive and detailed overview of parish finances – all parishes must submit their budget plans to the Archdiocese's Finance Office by 30 November each year – its spokesperson could have cited one or two examples to illustrate the point.

This leaves only the explanation that this is a deliberate misrepresentation, which is further reinforced in two ways: firstly, by the claim that the Church, through the VAT paid on these sums ('25 to 28 million'), contributes a significantly larger amount to the state than the state provides to the Church for the preservation of historic monuments. As has already been demonstrated, this is not true.

Secondly, reference is made only to the relatively modest federal funds, whilst the generous state funding is completely ignored. The President of the Federal Office for the Preservation of Historical Monuments is also playing along with this shambolic game by declaring that state contributions towards the preservation of clerical buildings are merely 'a drop in the ocean'.

If the Church's spokespeople believe that their claims should be taken at face value, they are living in the wrong century. Anyone who quotes figures publicly must back them up. Anyone who cannot do so should remain silent.

Furthermore, what is the point of referring to the VAT paid by church organisations for their heritage conservation measures? Do the dioceses believe that the Church has a general right not to pay taxes, and therefore does not have to contribute to Contributions revenue in general?

The figures presented and substantiated tell a different story. Of the 58 million euros cited and substantiated for heritage conservation, three-quarters is government expenditure – that is, general Contributions revenue (44 million) – and only one-quarter (14 million) comes from church funds – mind you, for the Church's very own places of worship.

Furthermore, in the austerity measures for 2012 announced by the Archdiocese of Vienna, for example, it was stated that the diocese's funding for heritage conservation would be cut entirely. The justification given was that these cuts would not affect any church staff jobs; in other words, the aim is, for the time being, to avoid internal conflict, whilst leaving local parishes to manage the upkeep of church buildings on their own.

The explanation for the alleged 150 million is presumably quite simple. In its 2010 budget, the Archdiocese of Vienna quotes a figure of 12,825,279.13 euros for *all* construction projects – including new buildings and staff costs associated with these projects – which represents around twelve per cent (11.7 per cent) of the budgeted funds. This twelve per cent is applied to the budgetary funds of all dioceses ($12 \times 474,955,000$ euros), resulting in a total of around 57 million euros; multiplying this by three (since the parishes are supposed to contribute two-thirds!) yields around 170 million euros, which explains the range of 150 to 180 million euros. One can only marvel or wonder. But now back to the state coffers.

Local authority funding

Who can even make sense of the multitude of local authority budgets, in which the financial triangle between the town hall, the church and the pub is so closely intertwined?

An article by Josef Lidycki, head of the Finance Office of the Diocese of Salzburg, in a commemorative volume marking the 75th

birthday of Archbishop Eder (2003) illustrates how the churches treat the political local authorities: 'The archdiocese's one-third contribution to church renovations had to be essentially restricted to measures aimed at preserving the building's structure. When it came to the construction of parish halls and vicarages, co-funding from the local authorities was increasingly demanded.'¹⁸⁷ – Demanded? What century are we living in?

As it is impossible within the scope of this book to provide a summary overview of all 2,357 local authorities in Austria, only three examples of local authority funding will be mentioned here.

In *Krems*, as in many other local authorities, the 2012 municipal budget is subject to strict austerity measures. Nevertheless, the town is contributing 100,000 euros towards the restoration of Krems's churches.

In the municipality of *Zwettl*, it was decided in 2006 to support the restoration of Zwettl Abbey with a grant of 18,750 euros in each of the years 2006 and 2007, and 37,500 euros in each of the years 2008 and 2009 (totalling 112,500 euros).

In its budget estimates for 2011 and 2012, the City of *Innsbruck* lists the following items as special grants for church-related matters: Dreieiligen Parish, general refurbishment (150,000 euros), Pradl Parish, organ restoration (50,000 euros), Maria am Gestade Parish, refurbishment (25,000 euros), Guter Hirte Parish, refurbishments (30,000 euros), All Saints Parish, organ restoration (15,000 euros), Mühlau Parish, interior refurbishment (13,000 euros) and Amras Parish, tower refurbishment (10,000 euros). This amounts to a total of 293,000 euros.

In addition, at the Innsbruck City Council meeting on 20 January 2011, it was decided to approve the following grant applications under the Tyrolean Town and Village Conservation Act 2003 (SOG): The Diocese of Innsbruck's Property Foundation will receive a non-repayable construction grant of 119,500 euros for the façade restoration at Riedgasse 9, as well as 71,430 euros for the façade renovation at Riedgasse 11; the Servite Monastery in Innsbruck is to receive a special grant of 11,000 euros for the restoration of monastery paintings. The Protestant Parish of A. B. and H. B. in Innsbruck is to receive 10,500 euros to fund an extension

to the Auferstehungskirche, comprising a disabled-accessible toilet, an emergency exit, a kitchenette and a sacristy.

Altogether, barring any further additions, this already amounts to more than half a million euros for Innsbruck alone.

Churches owned by the state: 'federally owned' churches

However, what has been mentioned so far is not all that the State, the province and the local authority contribute towards the maintenance of sacred buildings. Under the heading 'Concordat churches', the Federal Real Estate Act – which reorganised the federal administration of buildings and property and provided for the disposal of federal assets – contains a provision relating to 'churches owned by the federal government': '§ 35. The federal government's obligations under international law arising from Article XV § 8 of the Concordat between the Holy See and the Republic of Austria, Federal Law Gazette II No. 2/1934, (rights of use in respect of federal-owned churches) in relation to properties listed in Annex A shall be fulfilled by the Federal Real Estate Company mbH on behalf of the federal government.'¹⁸⁸

The 1933 Concordat states in general terms in Article XV § 1: 'The Republic of Austria shall at all times fulfil its financial obligations towards the Catholic Church in Austria, which are based on law, contract or specific legal titles.' And with specific reference to state-owned churches, § 8 states: 'The buildings and land owned by the State which currently serve ecclesiastical purposes, either directly or indirectly, including those used by religious orders and congregations, shall continue to be made available for these purposes, taking into account any existing contracts.'

In other words: the Republic of Austria also owns a number of churches that are currently held in the portfolio of the state-owned Federal Real Estate Company (BIG).

These nine 'state churches' of varying sizes are: St Mark's Church, Klagenfurt, Kaufmannngasse 11 (Old Catholic parish); Sacellum, Salzburg, Universitätsplatz (University of Salzburg); Kollegienkirche, Salzburg, Universitätsplatz (University of Salzburg); Chapel of Our Lady of Sorrows, Absam, Walderstraße 26

(Ministry of the Interior); the Jesuit Church, Innsbruck, Karl-Rahner-Platz (University of Innsbruck); St Ursula's Church, Vienna, Johannesgasse 8 (Institute for Organ, Organ Research and Church Music at the University of Music and Performing Arts); Wotruba Church, Vienna-Mauer (parish); Chapel, Vienna, Ungargasse 69 (HTL), Chapel of Our Lady, Wieselburg an der Erlauf (Francisco Josephinum). All of these are listed as 'special properties' by the BIG.

The spectrum ranges from small places of worship and prayer houses in cemeteries to outstanding church buildings, which require several million to be renovated and maintained. The legal structures for the individual properties vary greatly, but they all have one thing in common: the Church itself pays very little, if anything at all.

The smaller Chapel of Our Lady of Sorrows in Absam is used by the Tyrol Training Centre of the Security Executive (police) of the Federal Ministry of the Interior, whilst the Chapel of Our Lady in Wieselburg is situated on the grounds of the 'Francisco Josephinum Higher Federal Teaching and Research Institute for Agriculture, Agricultural Engineering and Food Technology in Wieselburg' (HBLFA). A total of 406,000 euros was invested in 2002.

The so-called Wotruba Church in Vienna-Liesing is of medium size; however, only the 4,000-square-metre plot of land belongs to the BIG. 'It was, however, a long road to the realisation of this unusual building, as several influential ecclesiastical and secular figures spoke out against a place of worship without a tower. It is thanks to Cardinal König, Federal Chancellor Kreisky and Mayor Gratz that a suitable plot of land was eventually found in Vienna-Liesing, on the Georgenberg, and construction could begin.'¹⁸⁹ There are no benefits whatsoever for BIG, as it will receive no rent or similar income for 50 years. From 2021, however, it will be able to benefit from this and is expected to receive 349 euros per year.

The two great 'masterpieces' – in the financial sense of the word as well – are the Jesuit University Church Jesuits in Innsbruck and the Kollegienkirche, that is, the University Church, in Salzburg.

At the end of 2004, the Jesuit Church in Innsbruck was reopened following a major renovation. Of the total costs of almost nine million euros, BIG paid three million. The federal government, the provincial government and numerous other donors covered the remainder. The beneficiary is the Church itself, for the Jesuit Church is not only the centre of many ecclesiastical activities; the annual Sacred Heart Vow of the Province of Tyrol is also celebrated there. The church's solemn splendour is, however, fitting, as it corresponds to the Jesuits' motto: *Omnia ad maiorem Dei gloriam* ('All for the greater glory of God').

An even greater challenge faced – and continues to face – the BIG in Salzburg. For a comprehensive and sustainable restoration of the Kollegienkirche, which will cost a total of more than 16 million euros, 'the funds are lacking, not least due to the complicated ownership, tenancy and usage arrangements. This is because the Kollegienkirche falls, on the one hand, under the jurisdiction of the Faculty of Theology at Paris-Lodron University of Salzburg and, on the other hand, naturally also under that of the Catholic Church, namely the Archdiocese of Salzburg. As no rent is paid under the agreement, the tried-and-tested BIG system – used, for example, by universities to finance refurbishment through fixed-term supplementary rents – does not apply in this case. Furthermore, the company has a clear mandate from the legislature that the portfolio must be managed according to market-oriented criteria – yet in this case, not even the operating costs incurred can be fully covered.'¹⁹⁰

In an initial tranche, BIG has already approved 3.7 million euros. A further 1.3 million euros came from donations from the Kulturerbe Salzburg association, the Archdiocese and the Federal Monuments Office. The largest single donor was the World Monuments Fund with 500,000 US dollars. (The Archdiocese contributed 100,000 euros, which amounts to 0.6 per cent of the total costs.) In 2011, the BIG allocated a further 2.5 million euros for a second phase (running until 2013), which will cost 3.5 million.

However, as the owner of the building, BIG's responsibility is, strictly speaking, limited to painting the walls up to a height of two

metres, which, however, makes no sense in the context of a comprehensive solution. This is because: “According to State Conservator Gobiet, around eight million euros are still needed for the major interior renovation, including new electrical installations, which are to be raised through a wide variety of channels: ‘We will once again make every effort, although this kind of lobbying is not our actual remit.’ Gobiet has already reached a basic agreement with the World Monuments Fund for further support; a Munich-based foundation is providing 50,000 euros, and the Ministry of Culture has pledged 100,000 euros: ‘It all adds up.’ In future, the Salzburg Festival – and specifically conductor Riccardo Muti – are to be involved even more closely through events; Gobiet is also planning a sort of fundraising appeal to the Benedictines: ‘The university used to be run by this order, so they should now contribute their bit too.’”¹⁹¹

The idea of charging admission fees to the 300 to 400 tourists who visit the church building every day, in order to help fund the project, has so far been rejected as not yet fully developed. However, there are positive signals from the Federal Monuments Office, the province and the city regarding further financial contributions. The Catholic Church remains silent.

Abbeys and monasteries

Alongside the institutional Church, the large abbeys and monasteries in particular feature on the beneficiary lists of the ‘architectural heritage’ scheme and thus benefit from cultural funding and other sponsors.

This has always been the case. Take, for example, the year 1954, which marked a double anniversary for St Florian’s Abbey. In the year 304, St Florian—after whom the abbey is named—died; in 354, the Church Father Augustine was born, who introduced communal life for the clergy within the Church. This had to be celebrated in a fitting manner. The Augustinian canons wrote: ‘We took the anniversaries as an opportunity to renovate the west façade of the abbey. Above all, the abbey portal was restored by the sculptor Norbert König of Saalfelden; the unsightly oil paint was removed, and the areas damaged over time were repaired, so that

the portal could once again be seen in its original beauty. Furthermore, the walls of the abbey’s west façade were freshly whitewashed and painted, the windows and window frames were freshly painted, and the roof from the bell tower to the church was re-thatched. The Federal Government and the Province of Upper Austria contributed to these substantial costs through generous subsidies, whilst the work on the window frames and shutters was carried out by the United Austrian Iron and Steel Works, Linz.’¹⁹²

And what if the public authorities are unwilling? Then one has to come up with a solution.

Just as the Benedictine Abbey of St Paul in the Lavant Valley, Carinthia, did in 2010. They wanted to carry out renovations to the archive and the library and requested (behind closed doors) two million in federal subsidies. They were in good spirits, as the ‘St Paul Cultural Summer’ had three main sponsors (the municipality of St Paul, the Federal Ministry of Education, Arts and Culture, and Kärnten Kultur), seven further sponsors (St Paul Abbey Parish, Raiffeisenbank St Paul in the Lavant Valley, Red Zac Mahkovec, Gasthof Hüttenwirt, Mondi Frantschach GmbH, Offner Moden and Kelag plusclub), as well as other partners and supporters. Furthermore, as recently as spring 2010, the Deputy Mayor of St. Paul and the Province of Carinthia had ensured that EU grants were awarded for the restoration of the seven waystations along the route to the Josefsberg Church.

This time, however, the public purse remained closed. The abbey then announced that it had applied to the Federal Monuments Office for an export licence for nine precious medieval manuscripts, as it intended to sell them to the USA. Their estimated value was up to three million euros.

This was a new development, for since when has the Church or a monastery been able to sell what is not for sale? That would certainly be grist to the mill for those who have always argued that the Church should part with some of its abundant art treasures to plug funding gaps. The monks, however, actually had reason to be optimistic, as there was a historical precedent: ‘St Paul also owned a 42-line Gutenberg Bible, which was unfortunately sold to America (the Library of Congress in Washington) as a result of the global economic crisis in the 1930s. Today American presidents take their oath of office using that very Bible from St Paul.’¹⁹³

A brief storm of indignation promptly broke out. The Federal Monuments Office immediately announced a negative decision and then imposed an export ban, against which the abbey lodged an appeal. The diocesan bishop, Alois Schwarz, also considered it ‘un-thinkable’. Although the abbey is not accountable to the Diocese of Gurk-Klagenfurt, the diocese supports the Benedictine abbey and therefore he, Schwarz, had appealed to the other Benedictine abbeys to show solidarity with St Paul’s and to help. Then the media fell silent again. So far, nothing has been made public about what happened next.

What is known, however, and can be read about in the relevant cultural reports, are the subsidies that some of the large abbeys have received.

In *Lower Austria*, in 2010, Altenburg Abbey received 122,000 euros for the ninth phase of construction, Göttweig Abbey 20,000 euros, Herzogenburg Abbey 230,000 euros, Klosterneuburg Abbey 394,800 euros, Melk Abbey (for the revitalisation of the North Bastion) €583,836.94, and Zwettl Abbey €238,500. All in all, €1.6 million.

In *Styria*, Rein Abbey received (in 2009) 467,722.82 euros for revitalisation and restoration. The Franciscans had previously received 700,000 euros for the first phase of renovation of the Franciscan monastery in Graz, and a further 40,000 euros for the renovation of the monastery roof. All in all, 1.2 million euros.

In recent years, it has also become necessary to restore the world-famous library at Admont Abbey. This required six million euros. Where did the money come from? Two point six million euros came from the cultural budget of the Province of Styria and EU funds for regional development; one million was provided by the Federal Ministry of Finance; and a further one million by the Federal Ministry of Education, Science and Culture. The remaining 1.4 million (23 per cent of the costs) had to be covered by the very wealthy Admont Abbey itself.

In *Tyrol*, Stams Abbey (having already received 670,150 euros in 2009) received an initial instalment in 2010 for building works of 500,000 euros and a further instalment of 540,754.11 euros for the basilica and roofs.

That makes a total of 1.4 million. It is therefore understandable that Jakob Wolf, a member of the Tyrolean State Parliament for the Tyrolean People’s Party, writes in his report: “Stams Abbey, one of the most important cultural treasures of the Oberland, receives substantial annual funding from the state for the necessary renovation work.”

Building grants / cost coverage

It is almost impossible to determine the exact amount of building grants from the public sector and from sponsors for church building projects. However, a few examples should illustrate the scale involved.

The federal government, the state and sponsors would have covered the costs of a new underground visitor centre to be built beneath Stephansplatz near St Stephen’s Cathedral.¹⁹⁴

One of these sponsors deserves special mention: Raiffeisen-Holding Lower Austria-Vienna, which describes its commitment as follows: ‘Investing in art and culture is a direct investment in the province’s society. Based on this understanding, Raiffeisen-Holding Lower Austria-Vienna is, on the one hand, deeply committed to the preservation and restoration of valuable sacred and ecclesiastical institutions, such as Klosterneuburg Abbey. In addition, individual managers at Raiffeisen-Holding Lower Austria-Vienna take it upon themselves to drive forward some of these projects and to coordinate the support initiatives within the Raiffeisen sector, such as the restoration of the Lower Austrian pilgrimage basilica of Maria Taferl, the Basilica of Mariazell and the ‘Save St Stephen’s Cathedral’ campaign.’¹⁹⁵

However, the visitor centre never materialised, as, it was said, the Cardinal refused.

How, from the churches’ perspective, a reasonably successful collaboration with politically minded figures sympathetic to them looks in detail is illustrated below by an example from Salzburg: the *Cardinal Schwarzenberg House* on Kapitelplatz.

‘Kapitelplatz is a large square south of Salzburg Cathedral in the city’s old town. The spacious square faces east towards the

Cathedral Provost's House and the Archbishop's Palace, and south towards the fortress and the Kapitelschwemme. Behind it lie the Cardinal Schwarzenberg House, the Cathedral Chapter and the Mühlenhof of St Peter's Abbey', according to the picturesque description of the square in the online encyclopaedia *Wikipedia*.

What is now the Cardinal Schwarzenberg House was formerly the prince-archbishop's granary. After 1920, the building was converted into a single-storey garage using a solid concrete structure and continued to be used as such until after 1990.

Photographs from 2002 show the shabby condition of the run-down property. How do you turn it into a gem? And how do you do that when there is actually no money in the coffers?

Josef Lidicky, Director of the Archdiocesan Finance Office, has written an article on the subject: 'The Financing – A Difficult Path and the Result of a Good Partnership'.

The Archdiocese of Salzburg reports an annual budget revenue of 37 million euros, the article states. It was therefore difficult to gain the understanding of the church's members for a project requiring an investment of eight million euros (plus VAT). 'That is why,' says Lidicky, 'it was clear from the outset that this project could only be justified to the diocesan community if the "public sector" also made an appropriate contribution to this important task.'¹⁹⁶

An agreement was eventually reached with the provinces of Tyrol and Salzburg, as well as with the City of Salzburg, "which, in the overall context, also represents an important financial building block". So this important financial "building block" cannot have been very much. – Or so one might think. In fact, it was actually a great deal: 'The following funding contributions have been approved to date: the State of Salzburg 1,453,000 euros, the City of Salzburg 1,090,000 euros, the State of Tyrol 375,000 euros, and the Federal Monuments Office 143,000 euros.'

That amounts to 3.1 million euros, or around 40 per cent of the costs. The Archdiocese of Salzburg contributed two million euros (around 25 per cent), and at the time of going to press for the commemorative publication marking the inauguration, hopes were still being pinned on support from the federal government. 'The remaining investment costs will be financed through loans from the building authority

'Heimat Österreich'." (For more on 'Heimat Österreich', see the chapter 'Building and Housing Associations'.)

But what was actually built? A multi-part building complex in which (at number 3) the diocesan archive was housed, along with rooms for cathedral music, the cathedral choirboys and -girls, and storage rooms for the Cathedral Museum. In the other renovated sections (Kapitelplatz Nos. 4 and 5), the first and second floors were converted into flats. This generates a steady and healthy rental income. The flats are centrally located within the Old Town conservation area.

However, from a secular perspective, there are even more astonishing examples in other federal states. *Burgenland* has not only allocated 60,000 euros in its 2012 state budget as 'grants for construction work on churches, vicarages, ecclesiastical vestments, parish centres, etc.', but has also included two smaller sums of 3,600 euros each in the budget, the explanation of which in a state budget raises eyebrows. One of the amounts is explained as follows: 'St Stephen's Cathedral, further extension: Provincial contributions have already been granted for over 35 years for the repair and maintenance of Austria's national shrine. In 2012, the budgeted amount is to be made available.' Austria's national shrine? But it goes further still, as the other amount is a 'further contribution from the Province of Burgenland towards the preservation of Austria's Marian shrine'.

This is such a precise political alignment of the province and the Republic with the views of the Catholic Church that the authors presumably do not even consider the possibility that Austria is a secular republic in which power is derived from the sovereignty of the people.

It should also be noted in relation to this section that other Catholic organisations receive building grants as well. Archbishop Christoph Cardinal Schönborn and Federal Chancellor Werner Faymann opened the new Kolping House in Leopoldstadt on 11 November 2011. Of the 29.1 million euros in construction costs, the City of Vienna paid a third, i.e. around ten million euros. No mention is made of federal grants. However, it is reasonable to assume that they were provided, given that the Federal Chancellor was present in person.

These examples – the Cardinal Schwarzenberg House and the Kolping House – are representative of what are presumably many building grants awarded throughout the country, the full extent of which cannot be fully quantified.

Books and magazines

The Austrian Library Association (ÖBW), the umbrella organisation for public libraries run or co-run by church bodies, receives basic funding – as do the Umbrella Organisation of Public Libraries (BVÖ) and the Library Service of the Trade Union Federation. In addition, individual libraries can apply for special funding and grants.¹⁹⁷

According to figures from the Library Association of the Catholic Dioceses, it has approximately 1,340 member libraries classified as public libraries, around 800 of which are run by the Church. And as these are public libraries, they also receive public – that is to say, state – funding.

However, it is highly doubtful that this designation is correct, as these are more likely to be traditional small parish libraries, which are open for only two to three hours (always on Sundays around the time of the church service) and are run by one or two volunteers. Very few of them are likely to meet the minimum requirements or the target standards set by the Ministry of Culture¹⁹⁸ for a genuine public library. For a town with fewer than 2,500 inhabitants, these would include at least 3,500 items, a floor area of at least 75 m² and opening hours of eight hours on at least three days a week.

A random small selection of opening hours for Catholic public libraries may illustrate why their designation as such must be called into question: Kirchberg/Wagram parish: two hours (Saturday, 17:30–18:00, 18:30–19:00, Sunday, 10:00–11:00), Groß-Enzersdorf Parish: three and a half hours (Tuesday, 15:00–17:00, Saturday, 9:00–10:30), Pemitz Parish: three hours (Thursday, 17:00–

18:00, Sunday, 9:00–11:00), St James's: four and a half hours (Wednesday, 9:00–10:30, Sunday, 9:00–11:00), Kirchsschlag Parish: just over five hours (Wednesday, 16:00–18:00, Saturday, after the vigil Mass, Sunday, 8:00–11:00) and Edlitz Parish: four hours (Friday, 16:00–18:00, Sunday 9:00–11:00). The list could be extended indefinitely.

The contradiction between aspiration and reality is also highlighted by the fact that, in the official cultural statistics (for 2010) for public libraries by governing body, only 257 are designated as 'church libraries'.

Be that as it may, even small church libraries receive further grants from taxpayers' money in addition to basic public funding. These are not usually large sums, but it is nevertheless remarkable what the churches, their institutions and the parishes are unable to put on their feet – or, in this case, on their shelves – even with their own financial resources.

One example of this funding is the public library of the Alkoven parish, which barely meets the minimum standard of 8.5 hours' opening time per week and is funded by seven institutions or organisations: the Federal Ministry of Education, Arts and Culture, the Province of Upper Austria and the municipality of Alkoven, the local savings bank and the Raiffeisenbank Alkoven, as well as the Library Service of the Diocese of Linz and the Alkoven parish.

The 2011 federal budget estimates the level of basic federal funding at 743,000 euros for the three professional associations and 1,085,000 euros in project funding for the public library sector, plus 106,000 euros in staff funding, making a total of 1.9 million euros. State libraries receive 1.2 million euros of this (552,000 euros in core funding and 651,000 euros in project funding). The Church Library Service receives €118,000 in core funding, whilst the trade unions receive €73,000. The remaining €540,000 from the project funding and staff funding is allocated directly to individual libraries upon application. Assuming that the church libraries receive at least half of this, they will receive around 400,000 euros (270,000 plus 118,000 equals 388,000) from the state coffers.

Further details on this can be found in the cultural reports for the *federal states*.

The *Burgenland* provincial government is providing 1,000 euros for a book project marking the 150th anniversary of the church in Großwarasdorf and 3,000 euros to the Diocese of Eisenstadt for restoration work. This amounts to a total of 4,000 euros.

In *Lower Austria*, the 2010 cultural report shows 18,750 euros for the diocesan library centre and 20,550 euros for the library services of the Church Educational Institute in Vienna. The following grants were awarded for book publications: 400 euros to Caritas of the Archdiocese of Vienna for a publication on the Roma in the Weinviertel region; 1,100 euros to the Catholic Educational Institute for a church guide to the parish of Furth; and 8,000 euros to the Augustinian Canons' Abbey of Herzogenburg for '600 Years of Dürnstein Abbey'. €1,900 went to the Pöggstall Educational Institute for the book 'Signs Along the Way: Chapels, Wayside Shrines, Crosses, Pictorial Trees and Other Small Sacred Monuments in the Market Town of Pöggstall', and €1,500 to Canon Andreas Redtenbacher for 'New Church Art in the Spirit of the Liturgy'. This totalled 52,200 euros.

In 2010, the Province of *Salzburg* paid 1,500 euros to the St Virgil Library, which collaborates with the Aigen parish library, and 300 euros to the hospital library of the Aigen Diakonie. The public libraries of the following parishes also received grants: Abersee: 1,210 euros, Aigen: 4,100 euros, Bad Hofgastein: 900 euros, Herrnau: 400 euros, Leogang: 600 euros, Maria Alm: 1,100 euros, St Gilgen: 4,670 euros, St Vitalis: 2,390 euros, Uttendorf: €1,000 and, finally, the Hallein Parish Library: €1,870. These amounts add up to €19,040.

In *Syria* (in 2009), 1,000 euros went to the parish and community library in St. Kathrein am Offenegg, 500 euros to the town and parish library in Schladming and 7,000 euros to the 'Lesefest – Neue Texte' organised by the Kulturzentrum bei den Minoriten. The (Franciscan) library of the Franciscan monastery in Graz received 30,000 euros, and the Cistercian Abbey of Rein received 2,000 euros for a book sponsorship scheme. The public library of the Graz-St Peter parish received 500 euros to expand its collec-

tion, and that of the Graz-Süd parish received 300 euros. This amounts to a total of 41,300 euros.

In *Tyrol*, the diocesan library department receives 1,200 euros for the spring and autumn conferences, €1,400 goes to the library of the parish of Fügen, as do €1,500 to the library of the town and parish of Imst; the parish of Rattenberg received €790, the parish of Rum St. Georg €2,500, and the cultural centre and parish hall in Vomp €2,700. The Diocesan Museum in Brixen, South Tyrol (!), received a grant of 987.76 euros for an exhibition catalogue. All in all, 11,077.76 euros. As the saying goes, every little helps.

The 2010 Cultural Report of the Province of *Vorarlberg* lists, amongst a large number of grants to local libraries, 800 euros to the Catholic Public Library in Braz, 3,400 euros to the library of the St Gallus parish in Bregenz, 2,200 to the parish in Bürs, €1,800 to the Göfis parish and municipal library, a further €1,800 to the Catholic Public Library in Lingenau, €1,200 to the Mittelberg parish, €1,200 to the Schnifis parish and €1,500 to the library and toy library of the Schruns parish. This amounts to a total of 13,900 euros.

In 2010, *Vienna* also purchased or subsidised various books from publishers owned by the Church: Niederösterreichisches Pressehaus (517.40 and 3,600 euros), Wiener Dom-Verlag (491.70 euros), Residenz Verlag (8,500, 648.50 and 950.00 euros) and the Evangelischer Presseverband (500 euros). This amounts to more than 15,000 euros in total.

For the federal states mentioned (excluding Upper Austria, which does not publish such cultural reports), the total comes to 157,086 euros. Including federal funding for church library work (388,000 euros), library funding would amount to around 545,000 euros. (The €388,000 in federal funding comprises the exact figure of €118,000 provided by the Federal Ministry for basic funding, plus the assumption that church libraries receive half of the unspecified funding – €270,000 – granted individually to libraries upon application).

The latest trend is the merger of small local libraries with small parish libraries to form a public library under cooperative management, thereby ensuring that the targeted minimum standards are met and, from a Catholic perspective, improving the opportunities and material foundations for the parish libraries are improved,

as the risk of losing public funding is thereby avoided. Who has the final say in this partnership is likely to be beyond dispute, as the parish priest will, in case of doubt, ensure that the ‘wrong’ books are not on the shelves.

For the year 2010, cultural statistics cite 359 public libraries that are run under such a partnership between local authorities and the Church. The contrast is striking when compared with the mere 92 libraries run by local authorities in partnership with the Trade Union Federation and the Chamber of Labour. This, too, highlights the strong position of the Churches in rural areas, as there is a church in every village.

Magazines

But denominational periodicals also deserve consideration. Among KommAustria’s remit is the ‘promotion of journalism that serves civic education’¹⁹⁹, in accordance with Section III of the Federal Act on the Promotion of Political Education and Journalism (PubFG) of 1984.²⁰⁰ A prerequisite for funding is that the magazines ‘deal with issues of politics, culture and worldview at a high level’. The 91 magazines funded in 2010 come from a wide variety of political spheres.

Church magazines are also funded. Do these fall under the category of world views? No, they are expressly included in the PubFG, as stated in Section 7(3): ‘Periodicals are excluded from funding if 1. local authorities or legal entities under public law – with the exception of legally recognised churches and religious societies – are involved as owners, editors or publishers.’

In other words: public-law bodies receive nothing, whereas recognised churches do. Is it worth the effort? Absolutely – church magazines receive (in 2010) more than 100,000 euros in funding.

Funding is provided, for example, to: ‘Academia’ – the journal of the Cartellverband of Catholic Austrian Student and academic associations (ÖCV, ÖAHB), with 6,642 euros; ‘Amt und Gemeinde’ – the journal of the Protestant Church in Austria, with

5,314 euros; ‘Christliche Pädagogische Blätter’ – the journal of the Interdiocesan Office for Teaching and Education, with 3,985 euros; EFA – the journal of the Protestant Women’s Organisation in Austria, with 3,985 euros; ‘Ehe und Familie’ – the journal of the Catholic Family Association of Austria, with 3,985 euros, as well as ‘Welt und geistliche Berufe’ – the journal of the Canisiuswerk Ecclesiastical Institute, with 5,314 euros, and ‘Saat’ – the journal of the Protestant Press Association in Austria, with 9,300 euros.

A total of 24 Catholic and Protestant magazines will receive a combined total of 103,968.50 euros. This means they will receive 29 per cent of all funding from KommAustria.

Music

The federal and state (excluding Upper Austria) cultural reports mention two million euros for the promotion of church music. A comparison between the states also suggests that – when church music schools and organ restoration are taken into account – the figure is significantly higher.

What is remarkable here is not only the large sums, but also – and in particular – the small amounts, which are consistently claimed.

The Vienna Court Orchestra, whose remit is to preserve church music from the Renaissance to the 20th century, performs not only in the Hofburg Chapel but also gives concerts of church music both at home and abroad. In 2010, the federal government paid a net amount (expenditure minus income) of 942,540.12 euros for this.²⁰¹

In *Burgenland*, the Großmüribisch church choir receives 500 euros, the Roman Catholic church choir in Rechnitz 350 euros, and the ‘Christmas with Brass Music’ event organised by the ‘Triffnix-horns’ ensemble 1,000 euros. The 112th Good Friday concert at the Bergkirche in Eisenstadt receives 1,800 euros, and the Protestant School Association in Oberschützen receives 6,137.32 euros for extracurricular instrumental and vocal lessons. Together, this amounts to 9,787.32 euros.

The funding amounts approved by the Province of *Lower Austria* in 2010 for music and music promotion in favour of church-run organisations are many times higher: 11,000 euros for the Association for the Promotion of the St Hildegard Foundation in Kautzen, €3,300 for the candlelit concerts at Geras Abbey, €42,000 for the boarding school of the Boys' Choir at the Benedictine Abbey of Altenburg, and €1,000 for the 'Anna – junge Klänge' concert at Lilienfeld Abbey. For the 'International Culture Summer', the Abbey also received 2,000 euros and the KirchenTonArtKrems Association 1,750 euros. The Church Music Department of the Diocese of St. Pölten received 20,500 euros, whilst the Conservatoire for Church Music received 250,000 euros. The 'Musica Sacra' festival in St. Pölten received 42,000 euros, and the parish of Tattendorf received 400 euros for the 'Orféade' chamber music festival. 1,000 euros went to the Austrian Organ Forum in Vienna and a further 1,000 euros to the Department of Church Music of the Archdiocese of Vienna. Altenburg Abbey received 8,000 euros for its music academy and Zwettl Cistercian Abbey received 25,000 euros for the 'International Concert Days – Music in the Library' 25,000 euros. This brings the total to 408,950 euros.

In the province of *Salzburg*, 1,800 euros were allocated in 2010 for the annual programme of 'Dom-Musik'; the Franciscan Monastery received 4,000 euros (400 euros for a composition project and 3,600 euros for its annual musical programme); the International Salzburg Organ Concerts received a grant of 500 euros; 'Musica Sacra' received 300 euros for an event, the Zell am See Church Choir Association 400 euros, the Cathedral Boys' and Girls' Choir 400 euros, and the St Peter's Abbey Music Ensemble 1,000 euros. The St Elisabeth Parish Office received 1,000 euros for the youth music theatre project. Together, this amounts to 9,400 euros.

In *Styria*, in 2009, 4,000 euros went to the Friends of Protestant Church Music at the Heilandskirche and the Graz Protestant Choir; the Caritas Community Centre of the Diocese of Graz-Seckau received a total of 8,000 euros; the Graz St Peter Church Music Association received 1,000 euros; the choir of the Graz Parish Church received 2,000, and the Association of Catholic Educators and Teachers received a total of 7,500 euros for a family singing week. The Protestant Youth of the Heilandskirche in Graz received 500 euros for a cultural in the Cellar (jazz brunch)

and the Protestant Youth of Styria received 1,000 euros for a pop/jazz choir service; the Rondadinella singing group received 1,000 euros for a sacred choral concert, and the Roman Catholic parish of Piber received 2,500 for 'Musica Sacra'. The music society of the parish of St Margarethen near Knittelfeld was able to purchase musical instruments for 4,200 euros, as was the brass band of the parish of St Georgen an der Stiefing, which spent 2,700 euros on traditional costumes, sheet music and instruments. The Wies Church Choir received 700 euros for 'Corpus Christi at the Vatican 2009 – Campo Santo Teutonico', and the Graz-St Peter Church Music Society received 1,000 euros for two Handel concerts. All in all, that amounts to 35,100 euros.

In *Tyrol*, in 2010, 15,000 euros were allocated to Innsbruck-Mariahilf for the anniversary concert, 3,500 euros to the Igls-Lans Church Choir 3,500 euros, and 1,000 euros (remaining instalment from 2009) to the Wilten parish for 'Geistliche Abendmusik', as well as 3,000 euros for its ongoing programme. The Premonstratensian Canons' Abbey of Wilten receives 5,700 euros for organ vespers, and the Cathedral Parish of St Jakob 2,500 euros for 'Internationale Meisterorganisten'. Götzens receives an annual grant of 20,000 euros from the province for 'Cultura Sacra', and the 'Mariengsänge' concerts in Hatting receive a final instalment of 1,000 euros. The municipality of Schwaz receives 8,500 euros (5,000 for an organ festival and 3,500 for the church opera 'Esther'). Steinach receives 1,200 euros for church concerts, whilst Telfs receives 5,000 euros for the Christmas Oratorio. A CD – 'Weihnacht, wie bist du schön' – also receives a grant of 800 euros. As part of its music funding programme, the Province of Tyrol also consistently allocates funds for the restoration, purchase and maintenance of organs. A total of 106,900 euros was spent on this in 2010. In this respect, a total of 173,100 euros was spent on the promotion of church music in Tyrol.

In *Vorarlberg*, the following sums were paid out for church music purposes in 2010: 912 euros to the Mellau church choir, 1,900 euros in concert funding to the St Martin Organ Festival in Dornbirn, 2,200 euros to the Rheindorf parish office, 1,482 euros to the St Gallus parish office, €1,901 to the St Karl parish office and €900 to the Tosters parish office. The Association for the Promotion of Church Music received an annual grant of €23,750. Together, this amounts to €33,045.

VI. Culture, Building Maintenance and

In *Vienna*, the following church associations and initiatives received funding in 2010 under the 'Music' category: the Vienna Organ Concerts Association (5,000 euros), the Association for the Promotion of Church Music in the Protestant Parish of A. B. – Innere Stadt (4,000 euros), the Austrian Organ Forum (2,000 euros), the Notre Dame School Sisters (2,000 euros), 'Musik am 12ten' – Friends of Protestant Church Music (2,500 euros), Chorus Viennensis of the Vienna Court Music Capella (4,000 euros), and the St Augustin Choral Association (3,500 euros). A total of 23,000 euros.

However, funding at provincial level, as reported in the cultural reports of the federal provinces, represents only part of the local support for sacred music. Two examples may illustrate the breadth of municipal funding.

The City of *Graz* awards 2,000 euros to the Arbeitsgemeinschaft Kinderkultur for Joseph Haydn's *The Creation*, 18,200 euros to the Graz Cathedral Choir as annual programme funding, and 7,250 euros to six parish communities for their concert activities. Together, this amounts to 27,450 euros.

However, the example of the 'Cultura Sacra' concert programme at the Götzens Pilgrimage Church illustrates how this may, in some cases, take place gradually at local authority level. The 'Friends of the Götzens Pilgrimage Church' association organises nine concerts a year, for which funding is required. Whilst a few years ago this money came directly from individual sponsors, today these are no longer named or credited individually, but are represented only by their logos in a box on posters and concert information leaflets. Yet this development does not alter the principle of canvassing for support locally.

For example, in 2005, the 'Innsbruck and its Holiday Villages Tourist Board' sponsored the performance of the Haydn Passion in March, 'Tiroler Wasserkraft' sponsored the Scandinavian music programme 'Nordlichter' in April, the municipality of Götzens sponsored the biblical drama 'King David' in June, the 'Tourism Association and its Holiday Villages' sponsored eight summer concerts 'Sung and Played' featuring sacred folk songs in July and August, Raiffeisenbank Götzens sponsored the light-hearted and solemn a cappella music of the Choral Serenade in September, the 'Götzens Business Park' sponsored the texts and music for the

Music

Feast of the Immaculate Conception in early December, and finally, 'Kultur Tirol' acted as sponsor for the Götzens Christmas carol singing.

To conclude the discussion on the promotion of church music, mention should also be made of an event which, although clearly organised by the church and taking place within a church setting, has a broader programme. The annual 'Carinthischer Sommer' music and culture festival has been held in Ossiach (Carinthia) since 1969. Venues include the Baroque Hall and Knights' Hall of the former Benedictine Abbey of Ossiach, the Abbey Church of Ossiach, the Mountain Church in Triffen, the Tauernkirchlein and St Martin's Church in Feldkirchen.

Since 1974, a church opera – sometimes commissioned specifically for the occasion – has been a regular feature of the festival. The Carinthian Summer opened in July 2012 with the world premiere of Bruno Strobl's church opera 'Sara and Her Men'.

The Federal Ministry of Education, Arts and Culture provides an annual grant of (currently) 373,000 euros for this purpose.

Museums and archives

Around five million euros are spent annually on federal and, above all, provincial funding for church institutions and purposes.

"According to the Federal Constitution, only federal museums and collections fall within the federal government's remit; matters relating to other museums are a matter for the federal states or for the respective governing bodies," writes the Federal Ministry of Education, the Arts and Culture in its Cultural Report. But where would we be if there were no exception to this? And that exception reads: 'In order to ensure the cultural presence of the federal government, as well as in the federal states, the federal government provides funding for state and local authority museums, as well as museums run by other governing bodies, insofar as they are of supra-regional significance [...].' This provision, however, leaves considerable scope for discretion.

Funding is divided into 'discretionary funding' and 'earmarked funding'.

Funds from the 'discretionary' budget are used to support those institutions whose funding is primarily in the Federal Government's interest. Although no church institutions were among the recipients in 2010, in 2008, for example, the Abbey Museum of the Benedictine Abbey of St Paul in the Lavant Valley received 70,000 euros and the Archiepiscopal Cathedral and Diocesan Museum in Vienna received 9,400 euros. No reasons were given as to why the Federal Government had an interest in these institutions.

A proportion of the arts promotion levy collected via ORF licence fees is channelled into earmarked funding for the museum sector. In 2010, a total of 624,000 euros was available for this purpose.

Of this, the Abbey Museum of the Benedictine Abbey of St Paul received 15,000 euros, the Diocesan Museum of St Pölten 15,000 euros, the Abbey Museum of Klosterneuburg Abbey 7,000 euros, the Salzburg Cathedral Museum 10,000 euros, the Cistercian Abbey of Rein 30,000 euros and the Vienna Cathedral and Diocesan Museum 15,000 euros. The total in the Culture Report²⁰² amounts to 107,000 euros. The museums of the dioceses and abbeys have consistently received such grants over the years. In 2009, the total was 133,500 euros (Protestant Diocesan Museum, Klagenfurt; Millstatt Abbey Museum; Diocesan Museum, St. Pölten; Klosterneuburg Abbey Museum; Diocesan Museum, Graz; Rein Cistercian Abbey; Rattenberg Augustinian Museum). In 2008, the total was 144,900 euros (Admont Benedictine Abbey and Rein Cistercian Abbey).

Funding for museums and exhibitions is also provided by the federal states (no figures available for Upper Austria). The province of *Carinthia* is providing (in 2010) 503,400 euros to the Protestant Diocesan Museum for the project 'Toleranzbethaus Fresach Exhibition and Events Centre'. The Benedictines' 'Europe Exhibition' in 2009 – a misnomer, as the subtitle ('Benedictine Monasticism as Reflected in Europe') makes clear – at St Paul's Benedictine Abbey and the Werner Berg Museum in Bleiburg, which attracted 146,046 visitors, was subsidised by the province to the tune of 4,441,154.26 euros. Together, this amounts to around five million euros.

In *Lower Austria*, 7,000 euros were paid to Melk Abbey for a performance in the abbey park, and in Leiben, 5,000 euros were paid for the sculpture 'Die Krone der Schöpfung'.

Melk Benedictine Abbey receives 19,928.43 euros for a project in the abbey church, and 40,000 euros are being allocated for the artistic design of the church square in Stelldorf am Wagram. In St. Pölten, the Catholic Academics' Association is receiving 1,200 euros for the exhibition 'Spurensuche' and the Benedictine Abbey of Altenburg 9,000 euros for the exhibition 'Christians and Jews'. That makes a total of 82,128.43 euros.

The Province of *Salzburg* is paying (in 2010) 1,000 euros to the Salzburg Cathedral Museum for Museum Week.

In *Styria* (in 2009), the Kulturzentrum bei den Minoriten received 10,000 euros for an exhibition marking the tenth anniversary of Josef Fink's death, the Catholic University Community receives 10,000 euros for the KHG Gallery in Graz, Seckau Benedictine Abbey receives 7,500 euros for the exhibition 'The World of the Monks' plus 3,500 euros for its redesign, and Rein Cistercian Abbey receives 7,000 euros for an exhibition in the Cellarium Gallery. Caritas of the Diocese of Graz-Seckau receives 11,000 euros for the exhibition 'Länderzirkel – Encounters of Cultures', and the Association of Friends of the Historic Parish House Complex on the Pürgg receives 3,000 euros for several events. Together, this amounts to 52,000 euros.

In *Tyrol*, 8,000 euros are going to the Museum of Stams Abbey.

In *Vienna*, the 'Association of Friends of the Archiepiscopal Cathedral and Diocesan Museum in Vienna' receives 2,000 euros.

Across the federal states, therefore, a total of around 5.2 million euros was raised for church museums and religious exhibitions in a single financial year.

Preservation of local heritage and customs

Surprisingly – because it is certainly not expected there – religion-specific topics are also mentioned in the categories of cultural funding that deal with 'preservation of local heritage and customs, ethnic groups', i.e. traditional costume groups, folk dance and folklore groups. Could the ironic description of priests as the 'costumed division' of the Church actually have some merit after all?

VI. Culture, Building Maintenance and Heritage Conservation

In *Burgenland*, funding is provided in the category ‘Preservation of local heritage and customs’ for, amongst many other things: the Protestant Youth Association of Kobersdorf (700 plus 350 euros), the Catholic Youth and Young People’s Group of Burgenland (850 euros), and the Catholic Workers’ Youth of Burgenland (1,000 euros). Furthermore, the following are funded as cultural initiatives: the Association of Nativity Scene Enthusiasts of Austria, Innsbruck (2,000 euros), KMB – Catholic Men’s Movement (350 euros), Diakonie Burgenland (1,000 euros), and the Protestant Teachers’ Association of Burgenland (350 euros).

In *Styria*, the Secondary School Students’ Cartel Association of the Catholic Coloured Student Fraternities of Austria has received funding for the purchase of a traditional student jacket (500 euros), the Catholic Academic Gymnastics Association Norica receives funding for the purchase and restoration of the association’s traditional costumes and accessories, as well as an association flag, as follow-up funding (1,200 euros); and the Stein an der Enns Nativity Scene Association receives funding for a nativity scene and picture exhibition to mark its tenth anniversary (1,500 euros). The Styrian Folk Song Association (Steirisches Volksliedwerk) has received funding for the Christmas Carols Project (50,600 euros), and the Association for the Promotion of the Tradition of the Christ Child (Pro Christkind) has received a grant of 1,000 euros.

In *Vorarlberg*, there is a project grant for the Altenstadt Nativity Scene Association (1,500 euros) and an annual grant for the Vorarlberg Regional Nativity Scene Association amounting to 8,600 euros.

Even small grants add up: 71,500 euros.

VII.

INTERNATIONAL ENGAGEMENT

In the field of denominational development work and mission, the state already spends around 30 million euros, both directly and indirectly, on just a few organisations cited as examples.

The Austrian Development Cooperation (OEZA) lists ten organisations under the heading ‘Humanitarian Aid’: Médecins Sans Frontières Austria, Care Austria, *the Protestant Relief Organisation in Austria (Diakonie)*, Hilfswerk Austria International, HOPE ’87, *Jugend Eine Welt, Light for the World, the Austrian Caritas Centre*, the Austrian Red Cross, and *World Vision Austria*.

Five of these (*in italics*), i.e. half, are Christian organisations, including ‘Light for the World’, which is run by ‘World Vision’ as an aid organisation for the blind, although ‘World Vision’ itself is also listed as an organisation, meaning it appears twice in principle.

Development aid/mission projects

Catholic organisations operate within a close-knit network in which, whilst each organisation acts independently, cross-funding with others is common practice. The institutional funder is the state-run Austrian Development Agency (ADA), and the organisational framework is the ‘humanitarian aid programme of the OEZA’. The work is funded by (Contributions-deductible) donations.

Incidentally, it is telling that missionary and development programmes always go hand in hand. In the case of church-based organisations, the two can evidently never be entirely separated, whether they are Catholic or Protestant: the development worker heads into predominantly non-Christian areas with a spade in one hand and a Bible in the other. Their aim is to improve people’s lives – and, where possible, to lead the souls of the heathens to salvation. The days when people were forced to convert are over.

If development workers build a well, they will probably let the unbaptised drink from it too. It is only when they build a school that it is always a denominational school. It provides an education, no question about it. But it has a strong religious focus. And if a university in a developing country is funded, one can be sure that it is a Christian one. It is advisable to read through the project descriptions.

Under the umbrella of the KOO (Coordination Office of the Austrian Bishops' Conference for Development and Mission), the following organisations are worth mentioning in alphabetical order: ARGE Schöpfungsverantwortung, Caritas, DKA (Epiphany Campaign of the Catholic Youth Group), H3000 (Horizont3000), ICO (Initiative Christlicher Orient), J1W (Youth One World), KFB (Catholic Women's Movement of Austria, Family Fasting Day), KJÖ (Catholic Youth of Austria), Climate Alliance Austria, KMB (Catholic Men's Movement of Austria, 'Sei so Frei' Campaign), MISSIO Austria (Pontifical Mission Societies of Austria), Welthaus Linz. Some of these will be examined in slightly greater detail below.

A prime example of the blurring of the lines between mission and development aid is the most widely celebrated development aid campaign in Austria – the 'sacred cow', so to speak, of Catholic development aid: the Epiphany Campaign organised by the Catholic Youth Association.

Three Kings' Campaign / Carol Singers

Funds (2010) are allocated across four main areas: education and awareness-raising (24.2 per cent): 2,756,974.71 euros; securing livelihoods (22.8 per cent): 2,594,595.93 euros; human rights and civil society (19.5 per cent): €2,225,816.79; the Church in the service of people (28.7 per cent): €3,269,363.85; miscellaneous (4.5 per cent): €513,152.32; and emergency aid (0.3 per cent): €37,442.00. A total of around 11.4 million euros.

What does the term 'Church in the Service of People' mean? The Dreikönigsaktion's own description makes it quite clear: 'The liberating message of the Gospel aims at a life of abundance for all people. That is why we support the building of vibrant Christian

communities that put their faith into practice – in their commitment to the poorest and the preservation of creation."

To put it another way: almost 29 per cent of the money – for which, allegedly, 85,000 children across the country knocked on doors in all weathers, come rain or shine – goes directly towards missionary work. It serves to convert people to Christianity. I wonder if they tell the children in the youth groups that too?

Similarly, one can safely assume that numerous expenditure items falling under the heading 'Education and awareness-raising' (accounting for 24 per cent) also serve the purpose of proselytising – in Catholic schools, that is. Reading and writing are simply taught there as an added bonus. In this respect, around half of the funds could be attributed to proselytising.

Taxpayers' money is also used for this initiative: EU funds: 1,613,653.25 euros, ADC: 1,796,516.26 euros, development cooperation staff costs, ADC: €1,400,383.47. The total public funding amounts to around €4.8 million.

Of the total funding of 11.4 million euros, 4.8 million – or 42 per cent – therefore comes directly from taxpayers' money. This is for activities which, to a significant extent, are intended to spread Christianity as a religion. This constitutes state-funded proselytising.

Contributions deductibility does not apply to carol singing, as money is given directly during door-to-door and street collections without a donation receipt.

Part of the carol singers' takings also goes to the Missions-Verkehrs-Arbeitsgemeinschaft (MIVA), which provides vehicles for international missionary work. The Dreikönigsaktion either funds MIVA projects directly, or the project partners are supplied with vehicles by MIVA.

In 2010, MIVA was able to allocate five million euros. 67 per cent came from donations (3,359,078.03), 29 per cent (1,447,667.72) came from the Epiphany Campaign, and four per cent (207,702.96) comprised other income.

With the Contributions relief on the 3.4 million direct donations, around a quarter of MIVA's total budget (1.3 million euros) is thus indirectly publicly funded.

Caritas International

Caritas Austria also has an international department through which it operates worldwide. 25.7 million is available for this purpose (2010), of which 18.5 million euros (72 per cent) comes from donations, the Contributions relief on which represents a loss of revenue for the state of around 7.4 million euros.

There is also state funding for individual projects. For example, the Austrian Development Agency (ADA) provides 1.44 million euros; the Austrian Ministry of the Interior supports 'our disaster relief' [as Caritas puts it, authors' note] in Haiti and Pakistan with 190,000 euros; and the EU funds projects totalling 1.1 million euros. The provincial governments of Vorarlberg and South Tyrol also support the work of Caritas International, meaning that around ten million euros in public funds are being deployed, both directly and indirectly.

All this sounds like development and aid projects – were it not for a fundamental, yet typical, flaw. In the full-page photograph from the 2010 annual report, which shows a local man with a trowel helping to rebuild a destroyed house, the man is wearing a white T-shirt on which *the word* 'Caritas' is printed in large, bold letters on the front (over the heart) and on one visible sleeve. Nothing else. No 'Republic of Austria', just 'Caritas'. So to whom will the uninformed viewer attribute this aid? Not to the Republic of Austria, but to Caritas – which, however, is not funding the whole project.

Horizont3000

A key player in denominational overseas mission work is Horizont3000. Its mission statement reads: 'Backed by Catholic development organisations and supported by the Austrian Development Cooperation (OEZA), Horizont3000 oversees around 220 projects and missions abroad each year. Member organisations of Horizont3000 are Three Kings' Campaign of the Austrian Youth Association (DKA), Catholic Men's Movement of Austria (KMB),

Catholic Women's Movement (kfb), Welthaus of the Diocese of Graz-Seckau (WHG), Caritas Austria (CAÖ), and the Archdiocese of Vienna's departments for mission and development. [...] 'The banking house [Schelhammer & Schattera] is an ideal partner for us.'²⁰³

It is rather telling that the Archdiocese links 'Mission and Development' – like a pair of shoes for the right and left foot.

In 2010, a total of 14 million euros was available to Horizont3000 for 197 projects. Of this, 45.5 per cent (6.37 million euros) came from the OEZA, 14.5 per cent (two million euros) from the European Commission, and two per cent (277,450 euros) from other public funds. Together, the government bodies are therefore providing 8.7 million euros, or 62 per cent, of the funding for the missionary work of the Catholic organisation Horizont3000. A further 8.7 per cent comes from other funding partners.

Own funds are reported as 4.1 million euros (29.3 per cent), consisting of donations raised by the Epiphany Campaign, the Men's Association, the Women's Association, 'Brothers and Sisters in Need' (Innsbruck), the Welthaus of the Diocese of Graz-Seckau and Caritas. The Archdiocese of Vienna contributes 54,789 euros towards Catholic missionary work from the budget of the 'Development and Mission' department, which amounts to 0.39 per cent.

The 8.7 million euros is used not only for development work, but also for 'staff programmes and pastoral projects, including project support', that is, for purely internal church and missionary projects.

For such organisations alone (which are cited here as representative of a majority of similar organisations), Austrian and EU government bodies already spend 16.5 million euros directly from taxpayers' money (on the Sternsinger, Caritas International and Horizont3000). Two organisations (MIVA and Caritas International) receive 21.8 million euros from Contributions-deductible donations, for which the state forgoes around 8.7 million euros in revenue. In total, therefore – both directly and indirectly – around 25 million euros of public funds are already being channelled to these selected aid organisations and, above all, missionary organisations of the Catholic Church.

However, the Protestant churches can also count on state support: the Protestant Christoffel Mission for the Blind receives (in 2010) around 93 per cent of its funding from donations and other contributions, and seven per cent from public project grants (784,981 euros).²⁰⁴ The Federal Government provides 501,091 euros, and the European Union 221,389 euros. In addition, there is a further 62,501 euros in other public funds.

If one considers the Contributions relief (of around 40 per cent) on the direct donations totalling 8,869,017 euros, this results in a further 3.5 million euros of indirect public funding through lost government revenue in favour of the donors. In this respect, this amounts to 4.3 million euros – more than a third (38 per cent) – in direct and indirect state funding for missionary work.

In total, therefore, the organisations mentioned alone receive around 30 million euros in state funding. For Christian missionary work.

Eastern Europe

However, missionary work need not take place solely overseas. From the churches' perspective, there is still much to be done in Europe too, particularly in Central and Eastern Europe, within the territory of the former Austro-Hungarian Empire. 'Tu felix Austria!' (O happy Austria!) – or, as it is known in today's business jargon: the CEE economic region, Central and Eastern Europe. What role does the Catholic Church play in this?

In 1964, the Archbishop of Vienna, Cardinal Franz König, founded the 'Pro Oriente' Foundation, whose task was to establish a network of contacts with the Eastern Churches. He succeeded admirably in this endeavour. For his travels, he held a diplomatic passport issued by the Republic of Austria for his protection, and so König earned the honourable nickname of the 'bridge-building cardinal'.

In a report by the Federal Chancellery²⁰⁵ on religions in Austria dated 2011, the foundation is mentioned under 'Dialogue Forums', where it states: 'Furthermore, reference should be made to the "Pro Oriente" Foundation (www.prooriente.at), within the framework of which, since 1964 a fruitful dialogue has been con-

ducted between the Catholic Church and the Orthodox and Ancient Eastern Churches. The foundation's establishment is largely attributable to the contacts with the Eastern Churches forged by the long-serving Archbishop of Vienna, Cardinal Franz König (1905–2004). On several occasions, foreign policy initiatives on the Balkan Peninsula have been carried out with the involvement of the 'Pro Oriente' Foundation."

The Foundation's headquarters is, as befits its stature, the Vienna Hofburg, Marschallstiege II, and since its early days – when the aim was to rush to the aid of Christians under the communist regimes of the East with advice, practical support and financial assistance – its remit has changed significantly following the fall of the Iron Curtain.

The foundation is still chaired by the Archbishop of Vienna, a role for which the current holder, Dr Christoph Maria Michael Hugo Damian Peter Adalbert Cardinal Schönborn, seems tailor-made.

Born in Bohemia, he is a scion of a noble family, the Counts of Schönborn, who had already produced high-ranking dignitaries of the Catholic Church during the days of the Holy Roman Empire. In December 1970, he entered the Dominican Order and, after studying theology and philosophy, was ordained a priest by Cardinal König. From 1978, he taught as a professor, specialising in, amongst other subjects, 'Theology of the Christian East' in Fribourg, Switzerland. Installed as Archbishop of Vienna in 1995, he is, amongst other roles, the Ordinary for the faithful of the Byzantine Rite in Austria. Within the Roman Curia, he is, amongst other things, a member of the Congregation for the Oriental Churches and a member of the Pontifical Council for the New Evangelisation. Since 2006, Schönborn has been a member of the Order of Malta; since 2007, an Honorary Knight of the Teutonic Order and an honorary member of several student fraternities.

A glance at the cardinal's press spokesman at the time, Richard Barta, shows that Cardinal Franz König was not merely concerned with theological solidarity with the Eastern Churches. 'With Cardinal König's backing,' he undertook 'significant efforts to give a voice to the "silent Church" and to rebuild Catholic journalism in Eastern Central Europe. In doing so, he rendered outstanding services to the establishment of a Catholic media organisation in Zagreb ('Kršćanska sadašnjost')."²⁰⁶ In 1970 he was awarded the

“Golden Medal of Honour for Services to the Republic of Austria”, in 1975 the title of “Professor”, and in 1981 the Commander’s Cross of the Papal Order of St Sylvester.

Since May 2011, Erich Leitenberger – who for decades served as head of public relations for the Archdiocese of Vienna and press spokesman for Cardinals König and Schönborn – has been press spokesman for ‘Pro Oriente’. As recently as 2009, Leitenberger had vehemently declared: ‘The Church must be missionary!’²⁰⁷

In this respect, he is an excellent fit for this missionary organisation focused on Eastern Central Europe. In 1981, he was appointed editor-in-chief of the Catholic news agency Kathpress and also served as press spokesman for the Austrian Bishops’ Conference. In 2002, he was awarded the title of professor by the Republic of Austria.

The current Executive Board (term of office 2009–2013) also includes Leo-M. Maasburg, the National Director for Austria of the Pontifical Mission Societies, who represents the ‘CEE’ missionary focus; his organisation, *missio*, describes him as follows: ‘Following his ordination to the priesthood [in 1982], Maasburg was commissioned to assist in the evangelisation of the former Soviet Empire. When Pope John Paul II publicly consecrated the world to the Mother of God in St Peter’s Square on 25 March 1984 to overcome communist atheism, Father Leo, together with Bishop Pavol M. Hnilica, celebrated Holy Mass and the rite of consecration at the same time, in secret and at great risk, right in the heart of the Moscow Kremlin.’

Through such actions, Maasburg fulfils his task in accordance with Jesus’ mission of proclamation: ‘to spread faith, truth and tolerance’.²⁰⁸

Anyone wishing to examine closely, as through a magnifying glass, what ‘networking’ means in practice would do well to take a look at the board of trustees of the ‘Pro Oriente’ Foundation. It is an exemplary amalgamation of Church, State, politics, as well as banks, insurance companies and other commercial enterprises, for the purpose of mental, cultural, socio-political and economic penetration of Eastern Central Europe. A few examples of who belongs to the 71 members of the Board of Trustees may serve to illustrate this (as at 22 November 2006; some have since passed away).

Church: clerical members chaired by Cardinal Schönborn: the Abbot of Klosterneuburg Abbey and Abbot General Prelate Bernhard Backovsky; the Abbot of Heiligenkreuz Abbey, Gregor Henckel-Donnersmarck; Prelates Bruno Hubl (Admont Abbey), Clemens Lashofer (Göttweig Abbey), Bernhard Naber (Altenburg Abbey), as well as Abbot P. Georg Wilfiger (Melk Abbey) and Archabbot Edmund Wagenhofer (St Peter’s, Salzburg).

Government representatives: Court Councillor Monika Kalista (State of Salzburg, Department of Culture and Society); Ambassador Emil Brix (Head of the Cultural Policy Section at the Federal Ministry for European and International Affairs, Deputy Chairman of the Institute for the Danube Region and Central Europe); Retired Head of Section Bernhard Stillfried (Ministry of Foreign Affairs, responsible for Austria’s cultural and scientific presence in Central and Eastern Europe).

Politics: Former Provincial Governor Waltraud Klasnic, former Provincial Governors Josef Krainer and Siegfried Ludwig, Vice-Chancellor (ret.) D. Josef Riegler and Governor Erwin Pröll, all of the ÖVP. Karl Fürst Schwarzenberg (Minister for Foreign Affairs of the Czech Republic), Stéphanie Gräfin Harrach (displaced noblewoman from Slovakia).

Business: Managing Director KR Prof. Friedrich Macher (Chairman of the Board of Kühne+Nagel Austria, responsible for Eastern Europe, now Spokesman for the Board of Rail Cargo Austria AG), Maria Anna Baroness Mayer-Melnhof (forestry and timber industry, founder of the ‘Mayer-Melnhof Institute for the Christian East’ at the University of Salzburg).

Banks, Insurance: Gerhard Randa (Managing Director of Bank Austria, which accepted losses running into the billions in its Eastern European operations), Guido N. Schmidt-Chiari (former Managing Director of Creditanstalt, member of the supervisory board at Immofinanz, amongst others), Wilfried Stadler (Investkredit Bank AG, a specialist bank for businesses and property with branches in Prague, Warsaw, Bratislava, Budapest and Bucharest).

At the heart of the foundation, the ‘Pro Oriente’ Finance Committee, is where the concentrated financial clout – particularly that of Raiffeisenbank – comes together. Of the ten members, alongside industry representatives such as Gerhard Fuchshuber (Church–

Business Working Group within the Federation of Austrian Industries) and Walter Purrer (long-standing President of the Austrian Forestry Association), several members of the Raiffeisenbank's executive board: Christian Konrad, Chairman of the Supervisory Board of Raiffeisen Zentralbank (RZB) and General Counsel of the Austrian Raiffeisen Association; Manfred Holztrattner, Managing Director of the Raiffeisen Association of Salzburg; and Peter Püspök, Chairman of the Executive Board of RAIKA Lower Austria. Furthermore, the former Governor of the National Bank, Klaus Liebscher, was previously Chief Executive of RZB, as was the Chairman of the Executive Board of Generali Holding Vienna, Karl Stoss. Stoss has been Chief Executive of Casinos Austria since 2007.

If one examines the business policies of Raiffeisenbank and Generali Vienna Holding from this perspective, the perfect fit with the Church's 'bridge-builders' becomes clear, as Raiffeisen Bank International (RBI) sees itself 'as a leading provider of export finance' in the CEE region (Central and Eastern Europe), and Generali Vienna also organises the group's CEE activities within the corporate network.

With state support and funding, the Church joins forces with the local patriarchs of the Eastern Churches to build these 'bridges', and political parties and the business community then cross over these very same 'bridges'.

It is therefore only to be expected that Johann Marte, President of the 'Pro-Oriente' Foundation, should write the following in his foreword to the 2006 Annual Report: 'I would like to conclude by expressing my heartfelt thanks and God's blessings to the BMBWK [Federal Ministry of Education, Science and Culture], the BMAA [Ministry of Foreign Affairs], other public and church bodies, companies and the many private individuals. Through their donations, they enable us to carry out work which, beyond the Foundation's own objectives, also serves Austria's interests abroad.'

Here, too, it is all a question of how things are presented, particularly with regard to Austria's purported interests.

This is also evident in the foundation's name. In order to qualify for Contributions-deductible donations, it becomes a research institute. Donations to 'Pro Oriente – Society for the Study of Ecumenical Relations' are Contributions-deductible under Section 4(4)(5)(E) of the Income Contributions Act 1988. The donation accounts are held with Schelhammer & Schattera and at Erste Bank.

At a reception for members of the 'Pro Oriente' Foundation at the Vatican (on 19 October 1992), John Paul II said, amongst other things: 'With a grateful heart for the visit you have deigned to pay me, I hope that "Pro Oriente" will intensify its efforts more and more. I therefore ask the Lord to strengthen your generous [sic!] commitment and the zeal you feel for the unity of his Church. My very best wishes accompany you in this. I am pleased to impart my Apostolic Blessing from the heart to you and to all who feel connected to your foundation.'²⁰⁹

The Federal Ministry of Education, Arts and Culture provides (in 2011) a fixed grant of 53,000 euros for 'Pro Oriente's' work 'in the field of ecumenism and interfaith understanding, particularly between Orthodoxy and the Eastern Churches' – which is evidently a task worthy of state support, given that it operates, after all, as a research institute. The Federal Ministry for European and International Affairs (Ministry of Foreign Affairs) contributes a further 10,000 euros, whilst the Province of Styria provides 2,500 euros for the Graz branch.

Other Eastern Mission Foundations

However, the 'Pro Oriente' Foundation is not the only one of its kind in Austria. There is also the Bishop Johann Weber Foundation, an institution of the Diocese of Graz-Seckau, which was established in 1994 'on the occasion of Weber's silver jubilee as bishop by the diocese, the province and the city. The aim is to enable people from former communist countries to undertake a study visit to Graz.' In plain language: 'This makes a concrete contribution to overcoming the 40 years of complete isolation of intellectual and social life in these countries. Among the most important aspects are

the promotion of vocations to the priesthood, lay apostolic engagement, ecumenical dialogue and the development of the Churches in Eastern, Central and South-Eastern Europe.²¹⁰ A heartfelt 'God bless you' to the province of Styria and the city of Graz for supporting the Church's missionary work in Central Eastern Europe.

The third in this trio is today's 'Cardinal König Foundation', which was established by König in 1991 as the 'Communio et Progressio – New Hope for the Danube Region' Foundation.

To ensure that Cardinal Schönborn does not hold the chairmanship of two foundations at the same time, Diocesan Bishop Egon Kapellari serves as president here, although the foundation's headquarters and archives are located in the Archbishop's Palace in Vienna. The list of some 30 prominent members of the board of trustees begins with former Vice-Chancellor Hannes Androsch. The purpose of the foundation is the 'formation of a coalition of action bringing together academia, religion, business and the media, in order to make a scholarly contribution to tackling global problems in the fields of freedom of expression and conscience, justice, peace, the preservation of creation and the general development of human society'.²¹¹ A description that could scarcely be better at camouflaging religious interests and commercial motives.

A living example of the interconnection between religion and business can be found in the person of the economist and financial manager Konrad Dietmar Fuchs. He was awarded the Grand Decoration of Honour in Gold for Services to the Republic of Austria, is an honorary member of the Catholic students' fraternity K.Ö.H.V. Franco-Bavaria Vienna within the ÖCV, and serves as a member of the board of trustees of both the 'Cardinal König Foundation' and the 'Pro Oriente' Foundation, as well as a member of the ethics advisory board of Schelhammer & Schattera KAG.

COMMERCIAL ENTERPRISES AND THE CHURCH

Banks and Shareholdings

When it comes to the Church's finances, the Catholic private bank Schelhammer & Schattera is often immediately (and almost exclusively) mentioned. Whilst this may seem understandable, given that it is the only openly Catholic bank, it does not reflect its actual significance.

A review of a random selection of church institutions (dioceses, parishes, childcare and educational establishments, etc.) reveals that the Catholic bank is rarely cited as a bank account provider. Alongside the frequently mentioned Raiffeisen banks, it is primarily the Postsparkasse and regional savings banks through which church institutions process their payments. Of around 100 bank details provided, eight were for Schelhammer & Schattera. No more than that.

This may be due to the bank's structure, which has only one branch in Vienna, but also to the fact that, whilst Schelhammer & Schattera is a universal bank, it is not primarily a current account bank for general business transactions, but rather a Catholic banking house specialising in secure investments and asset management.

A popular riddle goes: Which two institutions have a building in almost every village in Austria and operate a branch of their business there? The answer is: the Catholic Church and Raiffeisenbank. The two chains with the crosses – the Christian cross and the horse-head gable cross. Their proximity, however, is not merely geographical. Even though, for all other commercial banks, the Church and its institutions are an interesting business partner – one whose substantial sums of money they would gladly manage in-house – the Church-Raiffeisen connection is a particularly close one.

This is evident, for example, in their sponsorship activities, of which only a few examples will be mentioned here. Raiffeisen

Holding Lower Austria–Vienna is contributing to the restoration of the Lower Austrian pilgrimage basilica of Maria Taferl and to the St. Pölten diocese's poster campaign 'Messages from the Heart of Life', whose 800 large posters have a commercial value of around 400,000 euros. The Raiffeisen Group Carinthia is also helping its diocese by funding the diocese's 2011 yearbook, 'Humour – Brother of Faith'. RLB Executive Director Georg Messner regards this (without a hint of irony!) as a 'significant contribution to the intellectual development of the province of Carinthia'. Furthermore, Raiffeisen has a strong connection to Christian values and maintains a cordial personal relationship with the Church.

This applies just as much to the little ones, for example when the Raiffeisenbank Heiligenkreuz-Kirchbach kindly provides financial support for the four-part church seminar 'A Colourful Adventure – Everyday Life with Toddlers and Pre-schoolers'. And the Evangelicals also receive their cheque, with Raiffeisenbank Upper Austria acting as sponsor of the Diakonie Prize, contributing two grants of 5,000 euros each.

It is also evident in official acknowledgements and prestigious honours.

When Raiffeisenbank Krems celebrated the founding of Austria's first Raiffeisenbank (in Mühldorf, 125 years ago), the report on the grand anniversary celebrations in Mühldorf stated: 'Leading the list of guests of honour was the Governor of Lower Austria, Dr Erwin Pröll, followed by high-ranking representatives from [note the order, authors' note] the Church, politics and business.'²¹²

Walter Rothensteiner, Chief Executive of Raiffeisen Zentralbank Österreich (RZB), was awarded the Commander's Cross of the Order of St Sylvester in early December 2005. He was honoured with this high papal order "for his commitment to the Church, in particular for his efforts towards the renovation of the Mariazell Basilica and his long-standing support for church organisations and institutions."²¹³

It is not known, at least not publicly, that any of the Catholic bank managers at Schellhammer & Schattera have ever received a papal order of merit. However, it is also one of the peculiarities of the Catholic Church not to with special honours; after all, they are merely fulfilling their ecclesiastical duty.

The laudatory speaker for Raiffeisenbank's Chief Executive Rothensteiner was Christian Konrad, the (then) General Counsel of Raiffeisenbank. He chaired the Friends' Association for the General Restoration and Renovation of the Mariazell Basilica, 'Mariazell Needs Our Help', which raised 30 million euros.

However, the Church never goes out with just one shoe on, and so Magna's Chief Financial Officer Gerhard Randa, the former Chief Executive of Bank Austria, was also awarded the Commander's Cross of the Order of St Sylvester. "This is a high honour bestowed by the Pope upon two people who have done so much for the Church. There is much to be grateful for here," said Cardinal Schönborn in his address.

Magna is also known for its strong links to the political world; for example, it employs several former high-ranking politicians from a wide range of political backgrounds. Karl-Heinz Grasser (then of the FPÖ), who later became Austrian Chancellor, was employed by the Magna Group from 1998 to 1999. The former Austrian Chancellor, Franz Vranitzky, has been a member of the supervisory board since 1997. The former SPÖ managing director, Andreas Rudas, became Magna's press spokesman in 2000. In 2003, the former Minister for Infrastructure, Mathias Reichhold (FPÖ), joined the Magna Group as a consultant for traffic information systems, telematics and space technology. Since 1 February 2010, the former Minister-President of the Free State of Thuringia in Germany, Dieter Althaus, has been working as a lobbyist for the group.²¹⁴

The close ties between the Church and Raiffeisenbank are also evident in their banking arrangements. It is telling, in this respect, that the metropolitans of the two Austrian ecclesiastical provinces – the Archbishops of Vienna and Salzburg – hold their archdioceses' church Contributions accounts with Raiffeisenbank. There is, however, one difference: Whilst the Archdiocese of Salzburg holds its account with the regional Raiffeisenbank, the Archdiocese of Vienna's account is held with Raiffeisen Bank International (RBI), which regards Central and Eastern Europe (CEE) as its home market. In the Central and Eastern European countries, RBI has a dense network of subsidiary banks, leasing companies and numerous special-

ised financial services companies across 17 markets (predominantly in Central and Eastern Europe, but also in Asia).

However, it does not always end in favour of the secular side when two alpha males such as the former Raiffeisen CEO Christian Konrad and Cardinal Christoph Schönborn clash on church territory. Konrad, who also served as chairman of the ‘Unser Stephansdom’ association, was unable to prevail over Schönborn in 2011, as the latter did not wish to invest the association’s eight million euros in an underground visitor centre. The Greens had also protested against these plans (‘Stephansplatz is not a Raiffeisen branch!’). Following the Cardinal’s final decision to reject the proposal, the lay chairman (Raiffeisen Zentralbank) and his deputy (Andreas Treichl, Chief Executive of Erste Bank AG), as well as other lay members, resigned from the association’s executive committee.

As the volume, deposits and assets held by the Catholic Church across the many branches and central institutions of Raiffeisenbank are not known, these points will not be explored further here.

Finally, a quote from the **Schwarzbuch Landwirtschaft** (*Black Book of Agriculture*) should be cited to highlight a commonality between Raiffeisen and the churches.

‘In some areas, Raiffeisen has created a world turned on its head, in which water does not flow downwards but uphill. Take Contributions payments, for example. If one looks at the bare Raiffeisen figures, one comes to the conclusion: power is when someone earns a great deal of money and pays little or no Contributions on it. [...] The undisputed Austrian champion in this discipline is the Raiffeisen Landesbank Lower Austria-Vienna, which, between 2006 and 2008, managed not only to pay not a single euro in Contributions on a profit of 739 million euros, but also to receive a Contributions credit of 21.6 million euros from the state. [...] Between 2006 and 2008, all Austrian Raiffeisen Landesbanks together recorded profits totalling around 1.9 billion euros. In return, they paid taxes amounting to around nineteen million euros. That works out at a Contributions rate of exactly one per cent!²¹⁵ – Whilst that is more than the Church pays in Contributions – namely, nothing at all – it does come remarkably close.

Schelhammer & Schattera Bank

‘We are an Austrian private bank, majority-owned by institutions of the Roman Catholic Church in Austria,’ writes Schelhammer & Schattera on its website²¹⁶ about itself. In its self-description, it sees itself ‘as part of a church network in Austria’. Schelhammer & Schattera is Vienna’s oldest private bank (founded in 1832) and offers all the services of a universal bank.

However, of around 100 church institutions reviewed on a random basis, only eight mention having an account with Schelhammer & Schattera: the donation account for the renovation of the Church of the Redeemer ‘Am Schüttel’, the account held by kathpress.at and also by kathweb.at, the Elisabeth Foundation of the Archdiocese of Vienna, the ‘Pro Oriente’ Mission Foundation ‘Pro Oriente’ and, perhaps surprisingly, the church-wide petition ‘Wir sind Kirche’. Similarly, the Franciscan relief organisation ‘Franz Hilf’ has an account with Schelhammer & Schattera, as does the Canisiuswerk (‘Centre for Spiritual Vocations’), which holds accounts and its securities portfolio (market value as per the 2010 balance sheet: 1.54 million euros) with the bank. Since 2001, Schelhammer & Schattera has handled the payroll accounting for Canisiuswerk staff free of charge, which represents a cost saving for the church-run institution. 85 per cent of the bank’s shares are owned by the Church, of which 52 per cent held by the Conference of Superiors of the Male Religious Orders of Austria. In other words: 44.2 per cent of the shares belong to the religious orders, 40.8 per cent belong to other church organisations, and 15 per cent are held by private Austrian shareholders.

However, this official account is too simplistic, as it suggests that all abbeys and monasteries are represented by the Conference of Superiors and that a majority of other ecclesiastical legal entities, alongside the religious orders, are co-owners of the bank. According to information from the credit reference agency creditreform, this is not the case.

The shareholder representing the Conference of Superiors' 52.5 per cent stake is the company 'Communitatis Holding Gesellschaft m.b.H', which is based at the same address – Freyung 6 in Vienna – as the Benedictines. However, other religious order shareholders in Schelhammer & Schattera include, directly, the Cistercian Abbey of Zwettl (3.93 per cent), the Canons' Abbey of Schlägl (2.14 per cent), the Canons' Abbey of Vorau (1.29 per cent), the Benedictine Abbey of Göttweig (5.12 per cent), the Conference of Superiors e.V. (1.29 per cent) and the Cistercian Abbey of Heiligenkreuz (1.79 per cent). The religious orders thus hold more than two-thirds (68.06 per cent) of the share capital. The only named diocesan shareholder is the Finance Office of the Diocese of St. Pölten (1.05 per cent). The remaining 6.87 per cent not yet included in this overview ²¹⁷ must therefore be accounted for by the dioceses of Eisenstadt, Graz, Innsbruck, Gurk-Klagenfurt, Linz and Salzburg – which are also named (by Schelhammer & Schattera in a separate publication as co-owners) – each holding a share of around one per cent. The dioceses would then collectively hold a stake of just 7.92 per cent. This is less than the stake held by the second-largest individual institutional shareholder – the Archdiocese of Vienna – which stands at 10.25 per cent. A cover-up is therefore being carried out, making the religious orders' share appear smaller than it actually is. The same applies to the '15 per cent of private Austrian shareholders' mentioned in the 2010 annual report. In reality, there are only two families. One family consists of Gerda, Brigitte, Elisabeth, Ingrid, Georg and Josef Melchart (together 9.55 per cent); the other is Thomas Polzer, who holds a further 3.22 per cent. So much for 'private Austrian shareholders'!

Following this camouflage, which can only be described as deliberate, confidence in the reliability of the Catholic bank's self-portrayal has, however, been shaken.

In a press release from the Archdiocese of Vienna dated April 2011 ('Schelhammer & Schattera launches ethical savings account'), the bank is described as follows: 'The Schelhammer & Schattera banking house, which is predominantly church-owned, is said to be Austria's sole provider focusing exclusively on sustainability funds,'

explained Managing Director Jonas. His bank had already taken into account, even before the recent disaster in Japan, that nuclear energy could 'never be acceptable' on sustainability grounds."²¹⁸

In line with its sustainability principles and the structure of its private client base, S&S utilised state-of-the-art Voice-over-IP technology for its telephone customer advisory service in 2007, as the recording of *all* telephone calls is particularly important to the bank in view of its advisory liability.

Regarding the bank's management, it is stated: 'The Supervisory Board comprises high-ranking representatives of the male religious orders, including its Chairman, Abbot Ambros Ebhart (Kremsmünster Abbey), and the Secretary-General of the Conference of Superiors, Father Erhard Rauch; the Advisory Board includes further abbots as well as Bishops Egon Kapellari, Klaus Küng, Alois and Ludwig Schwarz, Christian Werner, Helmut Krätzl and Paul Iby.'

What is not immediately apparent is that the Chairman of the Bishops' Conference, the Viennese Archbishop Christoph Cardinal Schönborn, and the Archbishop of Salzburg, Alois Kothgasser, are not mentioned. There is a simple reason for this: they are with Raiffeisenbank. As regards the bank's total primary capital of 649 million euros, including treasury bills, an annual surplus of 5.8 million euros is reported 'after allocation to reserves' (2010 Annual Report).

Furthermore, through the subsidiary 'Bankhaus Schelhammer & Schattera KAG', ethical funds and ethically sound investments totalling 360 million euros are managed. This arose from the desire of Austria's male religious orders for suitable investment funds to secure the retirement provisions of their members.

However, the reported figure of 989 million euros does not reflect the full extent of the financial activity, as Schelhammer & Schattera reported assets under management of 1.6 billion euros (as at August 2005).²¹⁹ This, however, was only enough for 14th place out of 18 in a business article scrutinising banks in the Austrian private banking sector. The market leader was Erste Private Banking with €20 billion, followed by Constantia Privatbank with €14.6 billion in assets under management.

By 2011, client assets under management at Schelhammer & Schattera had risen to 2.2 billion euros, although Managing Director Helmut Jonas emphasised that the Church accounted for only around 50 per cent of the client business.²²⁰

In this respect, S&S has been able to increase its assets under management by around 100 million euros annually over the past six years (from 1.6 to 2.2 billion euros); this equates to an average of around 275,000 euros per day or around two million euros more per week. It is therefore understandable that Schelhammer & Schattera is a welcome client in private banking – though only if you bring at least around 150,000 euros in cash. Smaller amounts may, however, be invested in investment funds. In the breakdown of assets under management (in 2005), 40 per cent of clients have assets of up to 300,000 euros, a further 40 per cent have assets of up to one million euros, and the remaining 20 per cent of clients have assets in excess of one million euros.

Schelhammer & Schattera's shareholdings

The banking house Schelhammer & Schattera holds a direct 5.795 per cent stake in Casinos Austria AG. Furthermore, the bank holds a 10.77 per cent stake in *medial Beteiligungsgesellschaft m.b.H.* via a second, separate channel; this company, in turn, holds 37.17 per cent of the shares in Casinos Austria AG, which means the bank has a four per cent stake in the casinos. Accordingly, Schelhammer & Schattera holds a total stake of 9.8 per cent in Casinos Austria.

Company directories list 13 branches for the bank (in addition to the head office at Goldschmiedgasse 3 (1010 Vienna), the following are listed: Kärntner Straße 41 (1010 Vienna), Hadikgasse 60a (1140 Vienna), Arenastraße 2 (2500 Baden), Rainerstraße 2–4 (4020 Linz), Schloss Kleßheim (5071 Wals near Salzburg), Grandhotel d'Europe (5640 Bad Gastein), Salurner Straße 15 (6020 Innsbruck), Bahnhofstraße 124 (6100 Seefeld), Hinterstadt 24 (6370 Kitzbühel), Römerstraße 2 (6900 Bregenz), Riezlern 317 (6991 Riezlern), Landhausgasse 10 (8020 Graz) and Am Corso 17 (9220 Velden am Wörther See).

With the exception of one branch in Vienna – the one on Hadikgasse – all twelve other branches are located in towns with Casinos Austria casinos; in ten of these towns, they are integrated directly into the casino building.

S&S has been involved from the very beginning: in 1934, the bank was granted a licence to operate currency exchange offices in the new casinos, which were registered as branches in the commercial register.

Opinions on a Catholic bank's involvement in a gambling enterprise vary considerably. As recently as 1999, the then Executive Director Friedrich Rosenbusch commented on the bank's involvement: 'To infer that the Church has money invested in the casinos would, however, be utterly preposterous.'²²¹

Apparently, the Church has swapped the shares for sweets, as in April 2011, General Manager Helmut Jonas explained that the currency exchange counters in the casinos represent a 'significant source of income' for the bank. At the end of October 2011, in turn, Chairman of the Board Michael Martinek stated that, as part of its increased focus on ethical and sustainable investments, the bank wished to divest itself of its shares in the gambling group Casinos Austria: 'Yes, we are considering it; it is an issue. We are looking for solutions in the medium to long term as to how we can exit the investment.' The holding existed "out of tradition", according to Martinek.²²²

Ethically speaking, one is on the safe side, for the Catholic Catechism is very clear on this point: '2413. Games of chance (such as card games) or betting do not in themselves contravene justice. However, they become morally impermissible when they deprive someone of what they need for their own livelihood and that of others. A passion for gambling threatens to enslave the gambler. Placing an unfair bet or cheating at a game is a serious offence, unless the harm caused is so minor that the victim cannot reasonably take it seriously.'²²³

Aha! Since you can tell at a glance whether a gambler is a gambling billionaire (permitted) or someone who is gambling away their home and farm in a last-ditch attempt (not permitted), this is ethically clear.

This has the same ethical calibre as the response from Gregor Henckel-Donnersmarck, the former abbot of Heiligenkreuz Abbey and chairman of the supervisory board at Schelhammer & Schattera, to the question of why shares in the cardboard manufacturer Mayr-Melnhof were in the portfolio, given that cigarette packets are, after all, also made from their products? (Managing Director Jonas had said of the 'United Funds of Success Ethik', launched in 2007: 'If it says "ethics" on it, then there's ethics in it.') The abbot's reply: Whilst Mayr-Melnhof (a very wealthy and important family of sponsors of the Catholic Church) does produce cigarette packets, these are, after all, printed with the warning: 'Cigarettes are deadly.' Cardboard manufacturers had therefore not been excluded from the ethical funds.²²⁴

That's understandable, isn't it? If every grenade bore the warning 'Grenades are lethal', then arms manufacturers could also be included in the ethical funds.

However, the bank's recent deliberations about withdrawing from the gambling business – which is somewhat disreputable in the eyes of Catholic ethical purists – are unlikely to be a matter of ethics, but are probably due to the fact that, since the introduction of the euro, it has been generating significantly lower turnover and commissions as a currency exchange bureau for the casinos' foreign clientele.

Since 1991, 'Österreichische Lotterien GmbH' has been one of the group companies of Casinos Austria.

The Schelhammer & Schattera banking house holds a 33.3 per cent stake in CLS Beteiligungs GmbH, which in turn holds an 18.7 per cent stake in Lotto-Toto Holding GmbH. This means that the Catholic banking house has a (direct) 6.2 per cent stake in Lotto-Toto Holding GmbH. What appears to be a coincidence is, however, part of a systematic arrangement.

The bank writes (with open pride): 'In 1913, that is, even before the start of the First World War, the Austrian Class Lottery was introduced. Schelhammer & Schattera became the largest branch of the Austrian Class Lottery. The only official lottery journal, *Der Anker*, was published by Schelhammer & Schattera.'²²⁵

Following the global economic crisis of the 1920s, on the occasion of the bank's centenary in 1932, people were once again looking cheerfully to the future: 'The fascination associated with buying tickets and the hope of a big win continued to captivate people, regardless of the changing times. Even in 1933, when the shadow of the Great Depression still hung over Austria, public interest in the Klassenlotterie remained undiminished.'

On the bank's letterhead, the top left-hand third featured an illustration of St Stephen's Cathedral, in whose 'shadow' (Stephansplatz 11) the bank's building stood at the time. Beneath the company name 'Bank- und Wechselhaus Schelhammer & Schattera', the words 'Branch of the Austrian Class Lottery' appeared, also in red lettering.

Since then, things have gone rather well. Due to the aftermath of the war, it was not possible to return to the former building, so the bank purchased a shop and office space for a new head office 'just round the corner' (behind the Haas-Haus on Stephansplatz) at Goldschmiedgasse 3. (However, the bank does not own the entire building; it owns around 72 per cent of the premises, whilst a further 19 private flat owners hold their respective shares.) On 26 April 2007, the bank celebrated its 175th anniversary with a thanksgiving mass at the Augustinerkirche in Vienna. The pontifical mass was celebrated by Diocesan Bishop Alois Schwarz, who is also chairman of the bank's advisory board. Following the pontifical mass, the celebrations continued at the Hofburg.

Schelhammer & Schattera's annual profit from CLS Beteiligungs GmbH amounted to 3.285 million euros in 2010.

The registered office of CLS Beteiligungs GmbH is located in the Schelhammer & Schattera building on Goldschmiedgasse.

A closer look at the shareholdings in Lotto-Toto Holding GmbH illustrates how the interplay of corporate shareholdings in Austria works.

Lotto-Toto Holding GmbH has four shareholders: Österreichischer Rundfunk (ORF) with 18.75 per cent, and the holding companies CLS, LTB and RSV, each with 27.08 per cent. CLS comprises Schelhammer & Schattera (33.33 per cent) and B & C

Holding (66.67 per cent), a subsidiary of B(ank Austria) and C(reditanstalt). LTB comprises Hypo Banken Holding GmbH (33.33 per cent), BAIH Beteiligungsverwaltungs GmbH – which in turn belongs to B & C Holding (33.20 per cent) – and BAWAG P.S.K. Bank für Arbeit und Wirtschaft und Postsparkasse AG (33.47 per cent). The shareholders in RSV are then Österreichische Volksbanken AG (33.33 per cent), RZB Holding GmbH – which in turn belongs to MANA Beteiligungsverwaltungs GmbH of Raiffeisen Zentralbank (33.33 per cent) – and Erste Bank der österreichischen Sparkassen AG (also 33.33 per cent).

The managing director of B & C Holding, Walter Lederer, is also the managing director of CLS Beteiligungs GmbH and the managing director of LTB Beteiligungs GmbH.

Other banks

In a position of some competition with the well-known banking house Schelhammer & Schattera (founded in 1832 and ‘Vienna’s oldest private bank’), the little-known *banking house Spängler & Co. AG* (founded in Salzburg in 1828) regards itself as ‘Austria’s oldest private bank’. Although Spängler is not a ‘church bank’ in the strict sense – as it is not owned by legal entities that are, at least predominantly, church-affiliated – its positioning within the ecclesiastical sphere makes such a classification plausible in substance – yet it cannot be substantiated.

Spängler is, in fact, a private bank, as it is owned by two shareholder families, now represented on the board in the seventh generation. There are 13 branches across four federal states. The main focus is on the province of Salzburg, with five branches in the city of Salzburg and the surrounding area, as well as four branches in the Pinzgau region (Zell am See, Schüttdorf, Kaprun, Piesendorf). There is one branch each in Tyrol (Kitzbühel) and Upper Austria (Linz), and two in Vienna. Since February 1970, the bank has also held a trading licence for jewellery, watches, art, antiques and stamps.

The location of the two bank branches in Vienna is clear at first glance. One (Stephansplatz 3a) is situated in a building owned by the Catholic Church (1/3 Archdiocese of Vienna, 1/3 St Stephen’s Metropolitan Church, 1/3 Archdiocese of Vienna), whilst the other is at Dorotheergasse 20, where the business premises are situated directly next to the Reformed City Church (Helvetic Confession) at No. 16 and the Protestant Lutheran City Church at No. 18.

Even though the bank’s own description makes no mention whatsoever of the church as a client – ‘As a family-owned private bank, we have for many years placed particular emphasis on medium-sized entrepreneurial families and their business and private assets’ – the physical proximity to the church is nevertheless evident. Furthermore: ‘The focus of our services for private clients lies in the areas of wealth accumulation and wealth structuring.’ This also applies to church interests, as: ‘For day-to-day business operations, we offer traditional deposit services – such as term deposits, fixed-term deposits and securities – as well as asset management and specialised and large-investor funds.’

It is probably no coincidence either that the Austrian Library Association, Forum of Catholic Libraries – an association supported by the Bishops’ Conference and based in Salzburg – lists Bankhaus Spängler as its bank. Even the opening photo on the bank’s website is taken with such a powerful telephoto lens that it appears as though the bank’s head office (Schwarzstraße 1) were situated directly in front of the cathedral, which appears to be behind it, although in reality the river and a few streets lie between them. The proximity to the church is, however, clear.

With customer deposits recognised on the balance sheet totalling 824 million euros and total assets of around 1.2 billion euros, an annual profit after Contributions of 6.1 million was generated (in 2010), of which 4.9 million was allocated to reserves.

There is a figure for 2006 regarding the total amount of client assets under management, which amounted to 5.9 billion euros.

An enquiry to Bankhaus Spängler as to whether it would be accurate to describe the bank as a ‘church bank’ was dismissed as a misconception. A jeweller had previously been and when the bank

learnt of this – the bank is also active in this sector – it took over the premises there in the centre of Vienna, in a prime location. And in Dorotheergasse, the proximity to the churches is also purely coincidental, as the bank had purchased the former Dorotheum Bank, which came onto the market when the Dorotheum – previously state-owned – was privatised and the bank sold. The business premises there are those of the former Dorotheum Bank. Whilst it cannot be ruled out that one or two monasteries might have an account with the bank, it is by no means a ‘church bank’.

However, Schelhammer & Schattera is not the only ‘church-affiliated’ bank operating in Austria. Since 2005, there has been a branch of the German Catholic *LIGA Bank* (which describes itself as ‘Germany’s oldest and largest church bank’) has had a branch in Linz, on Rudigierstraße, directly opposite the cathedral.

In terms of the total amount of client funds under management (3,966 million euros), LIGA Bank is indeed roughly twice the size of Schelhammer & Schattera, yet it has virtually no public presence in Austria. Even organisations that operate in several countries and hold an account with LIGA Bank in Germany provide different account details for Austria.

For example, the Fraternity of St Peter holds its German account with LIGA, but its two Austrian accounts are with Raika (Salzburg) and Oberbank (Linz). Similarly, the ‘Initiative Christlicher Orient’, also based in Linz, holds its German account with LIGA Bank, whilst its Austrian account is with Hypo Oberösterreich.

However, the extent to which the bank is involved is evident from the guarantees provided by the Province of Upper Austria, which stands liable for two loans from LIGA Bank: 24 million euros for the Convent of the Elizabethines in Linz and 31.2 million euros for the Upper Austrian St. Franziskus Hospital in Grieskirchen.

The *Steyler Missionaries* also established a bank branch in Austria in 2002 and, as one might expect of missionaries, they are not lacking in self-confidence, as can be seen from their own description: ‘With the Steyler Bank, there was now, for the first time, a Christian bank that was wholly committed to the idea of ethically sustainable financial investments.’

For the first time, a religious order’s bank in Austria offered investments guided by the Christian principles of ‘justice, peace and the integrity of creation’, with profits serving a single purpose: to support the Steyler Missionaries, who work on behalf of people worldwide.” What follows sounds almost as though Schelhammer & Schattera had been driven to pursue ethical investment: “Today, what still sounded exotic and alien in the 1990s is on everyone’s lips: sustainability in action. Initially mocked as idealists who couldn’t be taken seriously, Steyler Bank is now an integral part of the Austrian banking landscape. New sustainable banks are entering the market. But none of them is as consistently Christian in its approach as Steyler Bank.”²²⁶ They know what they’re talking about.

Financially speaking, with 29 million euros in customer deposits, they are, on the one hand, a minnow amongst the banking billionaires; on the other hand, however, with one employee previously and now two, they are still able to generate a profit of 242,000 euros for their missionary work, which, in accordance with the principle on which the bank was founded, is donated back to the bank.

Since 1998, a Protestant bank from Germany, the *Evangelische Kreditgenossenschaft eG* (EKK), based in Kassel, has also had a branch in the ‘Evangelisches Zentrum’ in Vienna, the Albert Schweitzer House. With 3.5 billion in customer deposits, the EKK is one of the larger German church banks. Although represented by just one branch in Vienna, it operates throughout Austria; for example, on the western edge of the country, where the A.Ö. St Josef Hospital in Braunau received a loan of over 25.7 million euros, for which the federal state also acts as guarantor.

Building and Housing Associations

Alongside the better-known municipal housing and housing association companies, which display their cooperative name prominently on the street-facing façade of each of their buildings, as well as the ‘big players’ in the non-profit construction sector – such as Wiener Sozialbau AG – the Catholic Church is also active in the construction industry.

The Mariazell Manifesto (1952), in which the Catholic Church sought to come to terms with its past and future, states the following on the subject of construction: 'Any family policy, however, must begin with a housing policy, with the provision of decent housing. Thousands of marriages do not take place, thousands of children are not born, because there is no space available to have and raise children. The study conference in Mariazell therefore dealt in depth with all issues relating to housing construction. Here, it is essential to bring together all public and private efforts, whilst taking into account economic realities and possibilities, and above all bearing in mind that it is impossible to place a further burden on low and middle-income earners. Ultimately, however, it is the duty of society – a free society – to guarantee all its members not only the right to work but also the right to decent housing.'²²⁷

This 'social responsibility' was also evident in the fact that the state subsidised housing schemes, which the Church was able to utilise in the construction of affordable, subsidised flats for its specific purposes, as the post-war situation was also characterised by a housing shortage (the plight of refugees); and so the motto was: 'Building is also worship.' Or, as a keynote address at the 2009 annual conference of the 'European Economic Interest Grouping of Christian Housing and Settlement Enterprises' ('DEC – Domus Europea Christiana – EWIV') put it years later: 'Entrepreneurial church engagement as a constitutive principle of evangelisation'.

Here, too, it is evident, as always, that the Church's actions primarily serve its own, ecclesiastical interests.

In 1954, the corresponding Housing Promotion Act was passed, which still forms the basis for all existing housing promotion schemes today.

After the war, bishops took a personal interest in the issue; one example was Paulus Rusch, Bishop of the Diocese of Innsbruck, who promoted social housing under the slogan 'Housing is cathedral-building'. To this end, he commissioned the engineer and master builder Albert Andergassen, who went on to become the initiator and a board member of the Tyrolean non-profit housing

cooperative 'Frieden' (Peace) and head of the building company 'Schönere Zukunft' (A brighter future).

The Catholic commitment rested on two pillars: the start-up funding could be provided by the bishops themselves (from the reserves of the bishoprics), whilst the land was to be made available, where necessary, by the parish communities.

'Frieden' and 'Schönere Zukunft'

The 'Frieden Building and Housing Cooperative' (founded in 1947), which makes no mention of its Christian ethos or objectives in its own description, is also a member of the 'DEC – Domus Europea Christiana' as is 'Schönere Zukunft'. According to its own account, the 'Frieden' company ranks among the top ten non-profit Austrian building co-operatives.

The first chairman of the supervisory board was Prelate Jakob Fried, at the time head of the Catholic People's League, founding director of 'Catholic Action' since 1932 and, in his new role, a service provider for the Church on property matters.

Recognised as a non-profit organisation in 1948, the 'Frieden' building and housing cooperative began construction work in Vienna and Burgenland in 1951 and established a Tyrol regional branch. In 1953–54, the Caritas housing estate was built in Wiener Neustadt; construction also began in St. Pölten in 1960; in 1963, the 3,000th residential unit was completed, and the balance sheet exceeded the 500-million-schilling mark (36 million euros).

In 1978, the non-profit housing association 'Niederösterreichisches Friedenswerk' (NÖFW) and the 'Tiroler Friedenswerk' (TFW). In 2002, the commercial property management company 'Sauber-Rein-zu-Frieden' was founded to manage the organisation's own properties, and in 2004, shares in 'Bewirtschaftungsgesellschaft Trazerberg' were acquired in order to provide office space as well.

In November 2009, the Chairman of the Supervisory Board, Vinzenz Pippich, was awarded the Silver Medal of Honour for Services to the Province of Vienna, and when, as in March 2011 in

Mistelbach, another housing project by the 'Frieden' company is developed, the second President of the Lower Austrian State Parliament, Herbert Nowohradsky, representing Governor Erwin Pröll, attends the laying of the foundation stone and the joint ground-breaking ceremony.

The property portfolio of the non-profit housing cooperative 'Frieden' comprises (as of 2011) more than 18,000 residential units in Vienna, Lower Austria and Tyrol, and 10,500 garages and parking spaces, making a total of 28,500 units. The combined annual construction volume of the companies 'Frieden' and 'Friedenswerke' amounts to around 50 million euros, whilst their total assets stand at 436 million euros.

The slightly smaller sister organisation of 'Frieden' in Tyrol (founded in 1952), the 'Gemeinnützige Wohn- und Siedlungsgesellschaft Schöner Zukunft' (Non-profit Housing and Housing Estate Association for a Brighter Future), has, in the approximately 60 years since its establishment, built around 9,000 subsidised rental and owner-occupied flats, terraced houses, garages, care homes for the elderly, nurseries and commercial properties. 6,600 flats are currently managed in-house. The head office is in St. Pölten, with a branch in Vienna. The balance sheet total stood at 383 million euros (2009).

'Heimat'

Another Catholic non-profit housing and estate development company (GmbH), also a member of the Catholic European DEC and likewise bearing a warm and cosy company name, is Heimat (Motherland) GmbH, based in Salzburg.

Its shareholders are Caritas Salzburg (25.2 per cent), Fremdenverkehrs AG, a subsidiary of the Raiffeisenverband Salzburg (25 per cent), Caritas Vienna (18.15 per cent), Caritas Upper Austria (16.65 per cent) and the Diocese of St. Pölten (15 per cent).

Its property portfolio comprises 15,400 residential units; the annual construction volume amounts to around 100 million euros; and turnover from letting and property management stood at 36.9

million (2008), 37.8 million (2009), 41.6 million (2010) and 45 million (2011).

'Heimat' was founded in 1951 by Karl Berg, then head of the seminary and later Archbishop of Salzburg. Its mission statement reads: 'Christian and social values underpin our actions, as does our commitment to being a predictable and reliable partner.'

That sounds simple and modest, yet one of 'Heimat's' particular gems is 'Sui Generis', the 'Riedenburg luxury property' in Salzburg, with the advertising slogan: 'In a class of its own'. According to the website, Riedenburg is today a 'refined, tranquil villa district in the heart of a vibrant city'.²²⁸ The entire site (originally a vineyard) has been owned by the Salzburg Cathedral Chapter since 1139.

No expense has been spared there, for after all, it is about people, the image of God: 'Because every person is unique, the "Riedenburg" project [in an exclusive location with top-of-the-range fittings] breaks new ground in designing your personal "calling card".' The project partner for lettings is the prestigious estate agency Käfer GmbH.

And to ensure everything remains under one roof, Heimat G.m.b.H. has commercially spun off three divisions into 'Heimat Österreich Service Ges.m.b.H.' (property development, housing renovation and property management).

European Group

As national laws are now largely determined or influenced, either directly or indirectly, by European Union legislation, Catholic housing companies have come together to form the 'dec domus europaeus christianus EWIV – European Economic Interest Grouping of Christian Housing and Housing Estate Companies' (dec EWIV).

The initiative for this came from the German 'Katholischer Siedlungsdienst e.V.' (KSD), the financially strong Catholic 'Federal Association for Housing and Urban Development', and the group meets regularly in Germany. A particular focus is the 'establishing an independent church-based social welfare service in

the form socially oriented housing construction' and the 'support of the churches of Europe in property matters'.

The initiatives launched as early as the mid-1960s – namely a 'Proclamation concerning the Foundation Council and Board of Trustees of the European Christian Emergency Aid, based in Luxembourg' (1963) and the EFA (European Family Housing and Urban Development Campaign of the ECHN, European Christian Emergency Aid, 1967) – have evidently had no further impact.

Members of the DEC are (2008): the 'CVBA Sociale Huisvestingsmaatschappij Vlaamse Ardennen', the 'CVBA Volkshaard' and the 'CVBA Zuid-West-Vlaamse Sociale Huisvestingsmaatschappij' (from Belgium), 'Le Foyer Pour Tous' (from France), the 'Gemeinnützige Bau- und Siedlungsgenossenschaft "Frieden"', 'Heimat Österreich' and 'Schönere Zukunft' (from Austria), as well as the 'Joseph-Stiftung' and the 'Gemeinnützige Siedlungswerk GmbH' (from Germany).

Through a European newsletter entitled 'dec Ouvert', the Catholic Housing Service keeps its cooperation partners informed about European legislative initiatives, political initiatives and other matters.

Accordingly, the members regard the primary task of dec EWIV as monitoring developments in Europe that are relevant to the housing sector. In addition, dec EWIV stands ready to act as a potential consortium for EU-funded projects, and finally, it cooperates with church organisations in Eastern Europe to promote the development of a Christian housing sector there.

The 'dec domus europaeus christianus EWIV – European Economic Interest Grouping of Christian Housing and Settlement Enterprises, Salzburg' was registered on 29 July 2011 at the Salzburg Regional Court for 'legal services'.²²⁹

Austrian Housing Association

Österreichische Siedlungswerk GmbH (ÖSW) was founded in 1949 by 'Christliche Nothilfe'. Following the 'devolution' of funding responsibilities, the branches were converted into non-profit subsidi-

aries, which were supplemented by commercial service and project companies. This ÖSW Group currently comprises around 25 property companies (in chronological order of establishment, these include, amongst others): 1953: 'Wohnungseigentum' Building Association; 1955: branch office in Salzburg; 1956: branch office in Klagenfurt; 1970: company 'Kirchberg am Wagram'; 1988: Kärntner Siedlungswerk Gemeinnützige Ges.m.b.H.; 1993: ÖSW Wohnbauvereinigung Salzburg; 1994: STUWO, Gemeinnützige Studentenwohnbau Aktiengesellschaft; Donau City Wohnbau AG; 1999: ÖSW – Öko Soziales Wohnen Wohnbesitzgesellschaft m.b.H.; 2002: ÖSG Stadtentwicklungs- & Wohnbaumanagement GmbH; 2004: Kärntner Wohnungs- und Baubetreuungs GmbH; WPS-Errichtungs- und VerwertungsgmbH; Team nový (Slovakia); 2005: Team Dunaház (Hungary); 2006: ISG Immobilien Service GmbH; Drau Wohnbau GmbH Klagenfurt.

Side note: 'Christliche Nothilfe'

Christliche Nothilfe ("Christian Emergency Aid") was founded in Zurich in May 1946 by the two German Catholic politicians Johann Kindt-Kiefer and Joseph Wirth (former Reich Chancellor of the Centre Party) as the 'Aid Organisation for Starving Germany'. Donations were collected to fund food parcels. In addition, Christian Emergency Aid played an active role in bringing together Christian Democratic politicians (Adenauer, Schuman, Bidault, etc.) to coordinate and harmonise Europe-related policy. Once the supply situation for the population had stabilised, Christliche Nothilfe came under investigation by the public prosecutor's office due to excessively high executive salaries and subsequently moved its headquarters from Switzerland to Frankfurt. Once the original purpose of delivering aid supplies had ceased, Christliche Nothilfe sought ways to invest the abundant donations; and so, due to the Catholic preference for land and property as investments that retain their value, the construction market came into focus. Housing associations were established in various locations across the German-speaking world, such as the ÖSW in Vienna in 1949 and the DEWOG in Cologne in 1950.

‘As a Cologne-based housing association, the Deutsche Wohnungsgesellschaft mbH – DEWOG – was founded in Cologne in 1950 by Christliche Nothilfe and the German Caritas Association in Freiburg, under the leadership of Prelate Dr Alois Stegerwald.’²³⁰

(As a member of the board of directors, he drew the start-up capital of 3.8 million DM from the remaining donations of the Christian Emergency Aid.) DEWOG has built around 13,000 flats and still owns 4,233 rental flats today, mainly in the Cologne city area. Since 1989, the shares in the company have been held by Aachener Siedlungs- und Wohnungsgesellschaft mbH. The shareholders and owners of Aachener, which currently has a property portfolio with a market value of around four billion euros, are the six Catholic dioceses of the Rhine-Ruhr region in Germany. Alongside this is Aachener Grundvermögen Kapitalanlagegesellschaft mbH, which describes itself as follows: ‘The Aachener Grund-Fonds offers a successful, modern approach to long-term wealth creation, which at the same time takes into account the special responsibility of church decision-makers when it comes to investing assets.’²³¹

The fund units are sold ‘exclusively to asset holders of the Catholic Church’, that is, to parishes and the funds/foundations they manage, religious orders, church associations and federations, as well as (arch)dioceses – currently 2,200 investors. As it is a church institution, the company pays no Contributions. The fund’s assets (primarily commercial property in prime inner-city locations) currently amount to around 1.2 billion euros.

Following this brief digression, let us return to the Austrian Housing Association (ÖSW), founded by Christliche Nothilfe: in 1996, ÖSW GmbH was ‘reorganised’ into a public limited company. Since then, the owners have been the Ingeborg Meyer Private Foundation, a registered association (80.18 per cent), the Christliche Nothilfe association (14.85 per cent) and EWU Unternehmensbeteiligung AG (4.97 per cent).

These three owner organisations are distinctive in that none of them has a website. Furthermore, the first two list a postal address in company directories that is identical to that of the ÖSW. It therefore appears that these are letterbox companies of ÖSW.

A note on this: Ingeborg Meyer, who provided her name as the principal owner of the private foundation, was at the time one of the managing directors of the GmbH and became chair of the board of the AG in 1996. Company register portals state the following regarding the private foundation: ‘No annual accounts are available for this company.’

In 2008, around 50,000 units were managed and the group’s turnover amounted to 101 million, the EGT (profit from ordinary activities) to 11.6 million, equity to 113 million, the balance sheet total to 1.15 billion euros and the construction volume to 92 million. Its activities are concentrated in Vienna, Lower Austria, Salzburg and Carinthia.

Evidence that ÖSW is to be counted amongst the Catholic housing associations is not only found in its foundation by Christliche Nothilfe – a conservative Catholic association that emerged from the post-war situation and, amongst other things, fostered strong links between the Catholic political parties – but also in the fact that Christliche Nothilfe remains a shareholder in ÖSW to this day, albeit with a smaller stake.

A further clue can be found by looking at the history of a group company serving a specific market niche: the ‘STUWO Gemeinnützige Studentenwohnbau Aktiengesellschaft’, founded in 1994. More on this later.

petruswerk Group Austria

This company, whose official name is *petruswerk Projektentwicklungs- und Liegenschaften AG*, has existed in Austria since 2008. To some extent, this company presents to the public what has traditionally taken place not only behind the (Catholic) scenes: property trading – direct, brazen, financially powerful – using money whose actual source is as yet largely unknown to the public.

The key figure is Douglas Fernando, born in Sri Lanka, who studied philosophy in India, Catholic theology at the Jesuit Catholic University of Applied Sciences St. Georgen in Frankfurt am Main, and obtained a PhD in religious studies from the Free University

of Berlin. Regarding the source of his funds, he stated that he had invested 'a large circle of friends in the banking sector' and 97 million of his own capital.²³²

In 2008, he purchased *KOOP Lebensraum Beteiligungs-AG* from the *Episcopal St Severin Foundation* and used it to form *petruswerk Projektentwicklungs- und Liegenschaften AG* for Austria, which now operates as the *petruswerk Group Austria* – a holding company under whose umbrella are also *AREV Immobilien GmbH* (construction and building management) and *Aktivbau GmbH* (a pure construction firm), as well as *Severin Hotelmanagement und Consulting GmbH*, which *petruswerk* had purchased in 2010 from the diocesan *St. Severin Foundation of the Diocese of Linz*.

Companies affiliated with *AREV* include *ImmoTrust Immobilien GmbH*, *Märzenkeller Bau- und VerwaltungsgmbH*, *City-Center Errichtungs GmbH* and *VIVAG Vorsorge Immobilien-veranlagungs AG*.

Severin Hotelmanagement und Consulting GmbH comprises four companies, including *Severin Tourismus und Consulting GmbH* (also known as *Severin Holding*, which owns the Hotel am Domplatz [four stars, an investment of eleven million euros], the Spa Hotel Bründl and the Domviertel restaurant in Linz) and *Wilbirg Tourismus-Betriebe GmbH*, which acts as the operator for the two hotels and the restaurant, as well as for the *Kleinstein* restaurant in Linz's ATRIUM City Centre on OK-Platz.

It is a complex and interlinked corporate conglomerate, in which one company plans, another builds, a third is the owner and a fourth is the operator. The fifth, *VALUE Invest Management*, handles the advertising, and the umbrella organisation for the whole is the AVILA Group led by Douglas Fernando, as well as the charitable *Karmel Missions Foundation – Dr Fernando*.

The purpose of the foundation (according to Article 2 of the Articles of Association) is 'the raising of funds to support ecclesiastical, charitable and non-profit purposes through another Contributions-privileged body or through a body governed by public law'. The foundation's purpose is realised in particular through the raising of funds to support the Carmelite Order (OCD), for example for the construction, decoration and maintenance of places of

worship, parish halls and monastic buildings; the holding of religious services; the training of clergy; the provision of religious education; [...] the administration of church assets; [...] the promotion of the Christian faith; and the promotion of development aid."

At the time of the foundation's recognition, the foundation's assets consist of a claim to the transfer of 100,000 euros and 40 per cent of the shares in AVILA Management & Consulting AG, based in Berlin. This means that the Carmelites hold 60 per cent.

The foundation's board of trustees consists of three people. The Provincial of the Discalced Carmelites in Munich and the Provincial of the Teresian Carmel in Austria are ex officio members of the board. They elect the third board member, who must be a layperson and have experience in the finance and property sectors.

The business model is therefore straightforward. As the beneficiary of the group's profits is a charitable foundation, the income remains Contributions-free after deduction of all costs and salaries. In the words of the AREV managing director: 'I intend to firmly establish AREV as the property specialist with Christian values in Upper Austria, Austria and Eastern Europe. To this end, it is necessary to actively shape housing development in our country.'²³³ The purchase price of AREV, including settlement costs, amounted to 25 million euros.

It all began in 2001 in Germany, when Douglas Fernando founded the AVILA Group in Potsdam (near Berlin). The name refers to Teresa of Ávila (1515–1582), founder of the Discalced Carmelites, as well as a mystic, Church teacher and saint, and the patron saint of Spain and chess players. So it was not a long journey for Fernando from Teresa of Ávila to St Peter. The AVILA Group then gave rise to the international AVILA Management & Consulting AG, with national AVILA groups first in Germany and then in Austria.

The German AVILA Group soon made a name for itself. In 2004, Fernando took over from the Archdiocese of Berlin, which, with a deficit of more than 100 million euros, had run into financial difficulties, for 18.1 million euros in cash and by assuming 80 million in debt, thereby pulling the Archdiocese out of the mess.

(The 18.1 million euros are said to have come from an account held by the Catholic Bank in the German Diocese of Essen.) Despite his Christian demeanour, shortly after the purchase was finalised, Fernando sued the Archdiocese for 4.3 million euros in damages over outstanding tradesmen's bills. The Archdiocese had previously written him a friendly letter suggesting that he had probably not read the contracts properly, whereupon Fernando took legal action.

Furthermore, the public conduct of *the* Christian *Petrus-Werk* was so cavalier that even the Archbishop of Berlin, in a letter to the Green Party group in the Bürgerschaft (the city council) of Greifswald on the Baltic Sea, expressed his regret at the course of the project and the business conduct of the housing association in the city.

Nevertheless, Fernando rendered outstanding service to the Carmelites by, as an 'investor with ties to the Church and a Church-oriented outlook' in Germany, purchasing the disused Carmelite convent in Aachen with a view to building a mixed-use residential complex on the site. In Austria, AREV erected a modern building in the gap between the Carmelite Church and the Atrium City Centre shopping centre in Linz (which is owned by the Carmelites and of which Fernando is the managing director), on the site where the parish house, formerly part of the convent, once stood; this building features retail and office spaces on the street side and flats on the side facing the convent courtyard.

'Douglas Fernando – In the Name of the Carmelites' read a newspaper headline, and he does indeed appear like an imported koi ('brocade carp') in the local, Catholic carp pond – one who, whilst unable to integrate into Catholic structures, nevertheless exploits them for his own interests – which are, of course, purely charitable and for the public good.

Right in the very first issue of the customer magazine ²³⁴of *Petrus-Werk Austria*, the Secretary-General of Sparkasse Oberösterreich, Markus Limberger, writes that the bank stands by its 'customers as a bulwark against the crisis'. And AREV receives, for the

renovation of the old primary school in Waizenkirchen, is personally presented with the Heritage Conservation Award by Governor Josef Pühringer.

With its concept of buildings and housing estates featuring high-quality fittings for the upper middle class (see also: *Heimat Österreich*) and public housing finance for homes for ordinary people, the *Petruswerk* has now established itself in Austria as a major investor with a focus on Linz. Its properties include the Danube Promenade in Linz, the Wissenspark in Salzburg-Urstein and the Reininghaus-gründe urban site in Graz (around 50 hectares), which is to be developed into a model city and for which the Catholic building group is said to have paid more than 80 million euros.

According to Fernando, the total value of the property portfolio now stands at 500 million euros in Germany and 200 million euros in Austria.

However, 2011 was a rather turbulent year. In April, the new AREV managing director, Markus Leimer – who had been regional director at *Wüstenrot* until 2009 – did not renew his contract. No reasons were given for this.

At the end of December 2011, it was also reported that relations between the Christian investor and the Diocese of Linz had become strained, as the diocese had withdrawn two property management contracts from AREV. The management of one prestigious project, the Petrinum – the Episcopal Grammar School in Linz – was awarded to *gbv-services*, a subsidiary of *the* non-profit organisations *GWB and Wohnungsfreunde*. The management of the other project, the Blum'sche Hutfabrik, a commercial site in Wels, was awarded to *OMS*, a company run by the Sisters of Mercy of the Holy Cross.

Student halls of residence

As the future academic elite, students are of interest to all politically-oriented groups. In order to forge an emotional and communicative connection with them, organisations affiliated with political parties and the Church run a number of student halls of residence.

Under the Student Accommodation Act, the construction, conversion and refurbishment of halls of residence were subsidised by the state until 2011. Around one third was paid by the federal government (Ministry of Science and Research), one third by the federal state, and one third by the hall of residence operators. The federal subsidy of one third (up to 15,000 euros per place) for new builds could amount to up to two thirds of the total costs (maximum 11,000 euros per place) for refurbishments.

A further source of funding, particularly for student halls of residence in Vienna, is the purchase of place quotas by the federal states from the hall operators.

As the Federal Ministry decided in 2011 to scrap the grants, no new halls of residence will be built in the foreseeable future, and the affordable rents are likely to change, as the providers will have to generate the funds for refurbishments and so on from increased rents.

In 2008, there were around 32,200 places in halls of residence across Austria, accommodating around twelve per cent of students. (There are discrepancies in the figures, as the boundaries between halls of residence and youth hostels are fluid.)

Among the approximately 100 providers of residential accommodation, there are five larger organisations. In addition to the ÖJAB (Austrian Young Workers' Movement), which runs 17 halls of residence in Vienna, Krems, Eisenstadt, Bad Gleichenberg, Graz and Salzburg with a total of around 3,500 places, these are the Austrian Student Support Foundation (16 halls with 2,400 places), WIHAST (Economic Aid for Working-Class Students in Austria), which works in cooperation with the Board of Trustees for the Establishment of Adolf Schärf Student Halls of Residence (16 halls with more than 3,000 places), and STUWO (Non-Profit Student Housing Ltd) with ten halls and around 2,100 places.

The number of places offered by the Catholic Akademikerhilfe is of a similar magnitude; in purely numerical terms, it ranks second amongst the five major providers and will be examined in somewhat greater detail below.

Akademikerhilfe

With 18 student halls of residence (in Vienna, Graz, Innsbruck, Klagenfurt, Leoben, Salzburg and Linz) and a total of 3,200 places, is the largest Catholic provider of student accommodation, having celebrated its 90th anniversary in 2011.

In October 2011, the Akademikerhilfe announced: "The complete refurbishment of one of its most prominent buildings was completed on schedule: the Holzmeister semi-detached house at Pfeilgasse 4–6, 1080 Vienna – known as the "Pfeilheim" – was occupied by 322 students at the start of the month. Today, the responsible Federal Minister for Science and Research, Univ. Prof. Karl-Heinz Töchterle, presided over the official reopening. The building was blessed by the patron of the Akademikerhilfe, Dr Christoph Cardinal Schönborn, Archbishop of Vienna."²³⁵

Of the 11.3 million euros in costs for the complete refurbishment (including new furnishings), the Federal Ministry of Science and Research contributed 3.6 million euros, the City of Vienna provided a grant of 600,000 euros, the Province of Upper Austria contributed 700,000 euros, the Province of Salzburg 100,000 euros, and the Diocese of Linz also contributed a sum, though the exact amount was not specified. A further 6.3 million euros was provided by the City of Vienna in the form of a housing development loan.

In a self-description, the Akademikerhilfe writes about its history: 'In 1921, the student chaplain Prelate Karl Rudolf initiated the founding of the Akademikerhilfe to support students at Viennese universities and to provide them with accommodation at affordable prices. The first student accommodation was rented in the Piarist monastery in Vienna's 8th district. Based on plans by Prof. Clemens Holzmeister, the first student hall of residence owned by the Akademikerhilfe was built in 1927 at Michaelerstraße 11, Vienna XVIII ('Wiener Heim'). [...] By 1955, the halls of residence had been returned by the occupying powers. In addition, the Akademikerhilfe took over halls of residence in Vienna, Graz and Leoben that had been left without a managing body. In 1967, the building at Pfeilgasse 3a in Vienna's 8th district was opened; this is where the association's headquarters and administration are still located today.

Gradually, the Akademikerhilfe opened halls of residence in all Austrian university towns: in Salzburg in 1971, in Klagenfurt in 1989, in Innsbruck in 1993 and in Linz in 1999. In Vienna, Graz and Leoben, too, further halls of residence were built or taken over for management, whilst some buildings underwent comprehensive refurbishment. The next project planned for the future is the comprehensive refurbishment of the large hall of residence in Graz, at Elisabethstraße 93. Further hall of residence projects or takeovers are planned for Vienna, Linz and Innsbruck.”

Three ongoing projects in Vienna, comprising 870 residential units, are being funded by the City of Vienna to the tune of 16 million euros.

Catholic University Community

The Catholic University Community (KHG) of the Archdiocese of Vienna itself runs seven student halls of residence and also provides pastoral care for the halls of residence run by Akademikerhilfe.

However, a glance at the KHG Vienna’s winter 2011/12 term planner gives pause for thought, as several pages featuring full-page photographs are dedicated to the highly controversial founder of Opus Dei, Josemaría Escrivá, as the ‘term portrait’.

There are further student halls of residence run by Catholic University Communities in Graz, where their current use clearly reflects the shift in the Catholic Church’s significance over time. A 16th-century Renaissance building serves as a seminary; another hall of residence was the benefice house of the Teutonic Order until 1985; and yet another, a former convent, once housed wealthy ladies from Catholic circles. The Catholic University Service in Salzburg, with its two halls of residence, also belongs to the KHG.

STUWO

The ‘STUWO Gemeinnützige Studentenwohnbau Aktiengesellschaft’, founded in 1994, can be classified, at least in part, as part of the Catholic sector, although there is no indication of this in its own descriptions. Its general aim is ‘to provide student accommodation that offers effective support for

successful course of study’. What this means in detail, and why STUWO can be counted, at least in part, amongst Catholic organisations, is illustrated by the following example.

In 1998, an ‘exemplary achievement by STUWO’ was realised: ‘Vienna’s most modern student hall of residence’.²³⁶

The background to this student hall of residence, a former publishing house and printing works: (1912) Founding of the Herold Association (a supra-regional Catholic press association), (1913) Move to Strozzigasse 8, additional newspapers and integration of the book printing works, (1929) Printing of the daily newspaper **Das Kleine Volksblatt**, (1976) Takeover of the entire company by the Archdiocese of Vienna. (1986) The daily newspaper **Die Presse**, printed at Herold, is produced on a new newspaper letterpress, (1990) Takeover of Herold Druck by Josef Taus’s industrial group (the schoolbook publishing house, the bookshop division and the Dom-Verlag remain with the Archdiocese), (1992) New building at Faradaygasse 6 (Arsenal).²³⁷

So much for the history, and something that has not yet been mentioned: the site of the former Catholic printing house and publishing house Herold was, and remains, a leasehold property of the Archdiocese of Vienna.

They had a plot of land belonging to the Archdiocese, namely a large building with many offices and several large production areas (printing works). So what to do? How could it be utilised or converted within the framework of existing funding schemes?

Converting it into flats would be too costly. – Dividing it into smaller rooms to serve as offices? Using them individually? Could communal facilities be incorporated into the production area, perhaps a chapel? A look at the Student Accommodation Act (StudHG of 1986) provides some guidance.²³⁸

After all, who is actually permitted to run student halls of residence? According to Section 3, ‘legal entities, in particular bodies governed by public law, which, in accordance with their statutes or other legal basis, provide accommodation for students’ are considered operators of student halls of residence. In other words, only the federal government, the federal states and, amongst others, the churches.

What is funded? ‘The operation, establishment, fitting out and refurbishment of student halls of residence’. How is funding provided? ‘In the form of state subsidies’.

VIII. Commercial enterprises and the Church

Incidentally, the Church has particular discretion regarding the selection of residents and the house rules. Section 20 of the StudHG stipulates: 'Where the hall operator is a legally recognised church or religious society, or one of its institutions, Section 6(1) and Sections 7 to 12 [rights and obligations of hall residents, hall representation] shall apply, provided that this does not infringe upon the rights established in accordance with Article 15 of the State Constitution on the general rights of citizens, RGBL No. 142/1867, or in accordance with the Concordat between the Holy See and the Republic of Austria of 5 June 1933, BGBl. II No. 2/1934, as amended.' In plain language, this means that the Church has sole authority to determine the rights and duties of the residents.

On 9 December 1998, the time had come: following an eccumenical blessing by Cardinal Franz König and Superintendent Werner Horn, the student hall of residence at Strozzigasse 6–8 in Vienna was opened. 252 accommodation units with 345 places, a ballroom, a party room, two music rehearsal rooms, a gym, two saunas, a steam room and 14 kitchen-diners; each place also has a free internet connection. And: 'In keeping with the Christian character of the building, the architecturally outstanding "Pastor Johann Baptist Weber Chapel" forms the spiritual centre of the student hall of residence.'²³⁹

The construction costs amount to 180 million schillings (approx. 13 million euros) and are predominantly financed through housing subsidy funds from the Province of Vienna and grants from the Provinces of Upper Austria and Vorarlberg (which secure a quota of accommodation places in return); the remaining amount is financed by Erste Bank via convertible bonds.

The ceremonial address is delivered by STUWO Supervisory Board member Karl Korinek, and surely it is of no significance whatsoever that, coincidentally, from 2008 until December 2011, Korinek will be the chairman of the association and chairman of the supervisory board of the ERSTE Foundation ('Verein – DIE ERSTE österreichische Spar-Casse Privatstiftung'), which co-financed the building?

In its promotional material, this student hall of residence makes no mention whatsoever of its highest blessing or its on-site chapel;

Student halls of residence

but is referred to, quite neutrally for the uninitiated, as 'STUWO Student Hall of Residence Vienna Strozzigasse (Friedrich Funder Hall)'.

However, the name itself explains a great deal: Friedrich Funder (born in 1872 in Graz, died in 1959 in Vienna) was an Austrian journalist, Catholic publicist, and publisher, as well as editor-in-chief of the Christian-Social Viennese daily newspaper **Reichspost**. He was also a senior official of *the Cartellverband*, the association of Catholic non-duelling, colour-bearing student fraternities in Austria. Bruno Kreisky is said to have remarked about him: 'He was an opponent of socialism and the socialist movement.' The Archdiocese sends its regards.

The Catholic university chaplaincy is provided not only at the STUWO student hall of residence at Strozzigasse 6–8, but also at the student hall of residence at Strudlhofgasse 5 by the University Chaplaincy of the Archdiocese of Vienna. Both halls of residence have Christian chapels.

Opus Dei and others

Alongside these major denominational providers, there are several other, albeit smaller, providers of student accommodation.

One of the most notable, to outsiders, is Opus Dei, an organisation regarded, alongside the Pius Brothers, as the most conservative of all Roman Catholic religious orders. The Archdiocese of Vienna, however, takes a markedly different view. In the '2011/12 Semester Planner'²⁴⁰ of the Catholic University Community, an institution of the Department of Categorical Pastoral Care, University Pastoral Care Sub-department of the Archdiocese of Vienna, Josemaría Escrivá, founder and Spiritus Rector of Opus Dei, features in several full-page spreads. As early as page 2, Escrivá smiles warmly at the reader, accompanied by the motto: 'Do not make any decision without having considered the matter before God.'

This is hardly surprising, given that Cardinal Christoph Schönborn studied in Regensburg in 1972–73, where the current Pope was his academic tutor. Since then, Schönborn has been part of Joseph Ratzinger's circle of students, which meets annually in Castel Gandolfo. The Catholic Church's backward-looking opening

up under this towards Opus Dei is well known. It is also fitting that the current Bishop of St. Pölten, Klaus Küng, served as regional vicar of Opus Dei in Austria from 1976 to 1989.

The websites of two Viennese ‘youth clubs’, *Stubentor* and *Delphin* (the latter of which lists Bank Austria among its sponsors), state: “The educational work is entrusted to Opus Dei, a personal prelature of the Catholic Church. Its aim is to help people discover God in their daily lives and to live a joyful Christian life through the sanctification of work and the fulfilment of everyday duties within the family and society.”

Since 1960, Opus Dei has been running the ‘Währing’ female students’ hall of residence in the former villa of the composer Emmerich Kálmán on Hasenauerstraße in Vienna. The legal entity is, of course, not the Work of God, but an ‘Austrian Cultural Association’. The same applies to the ‘Birkbrunn’ male students’ hall of residence in the 19th district.

Furthermore, Vienna is home to student halls of residence run by the Marianists and the Salesians, two halls of residence for female students run by the Congregation of the Daughters of Divine Love, a hall of residence run by the Catholic Workers’ Association, and four Kolping houses.

As in Vienna, Catholic student accommodation is provided in all other university towns. Opus Dei runs a further hall of residence in Graz, and the Protestant Church also has its own facilities.

Some of these student halls of residence are used as seasonal hotels during the lecture-free periods or are converted into summer hotels.

Media companies

The Catholic Church has built up an influential media empire in Austria. Two major daily newspapers, two radio stations and Austria’s largest weekly newspaper – this enables it to exert effective influence over large sections of public opinion. And God’s long arm extends far further into the country’s media landscape than the direct ownership of Catholic dioceses.

Styria Media Group AG

Particularly in southern Austria, there is no getting round Catholic media for newspaper readers. The **Kleine Zeitung**, the country’s second or third largest daily newspaper depending on the measurement method, is the market leader in the federal states of Styria and Carinthia. It is owned by the Styrian diocese of Graz-Seckau.

The company traces its origins to the ‘Katholische Preßverein’ in Graz, founded in 1869. Since 1880, the company’s divisions have operated under the name ‘Styria’ (Styria is the Latin name for the federal state of Styria, whose capital is Graz) with a values-based Catholic corporate mission. Styria ranks among the top three media groups in Austria, behind Austrian Broadcasting Corporation (ORF) and roughly on a par with the Mediaprint Group (*Kronen Zeitung, Kurier*).

98.3 per cent of the shares in Styria AG are held by the ‘Catholic Media Association Private Foundation’ and 1.7 per cent by the ‘Catholic Media Association’, or in other words: the Diocese of Graz-Seckau. Styria AG is therefore 100 per cent Catholic.

Styria AG describes itself as ‘a forward-looking, values-driven corporate group that reflects current affairs whilst remaining steeped in tradition’. Brought into line by the National Socialists as the ‘Preßverein Graz’ and ‘Steirerdruck’, it was re-established after the end of the war, retaining its traditional values.²⁴¹

Market turnover (2010) stands at 457 million euros, with 2,900 employees. The main profit drivers are the **Kleine Zeitung** (founded in 1904, colloquially known as the ‘Kreuzerfrosch’) and ‘Styria Multi Media’, the second-largest magazine holding company after the NEWS publishing group (*NEWS, GUSTO, *woman*, *profil**). Styria AG is the media market leader in Croatia and also has a strong presence in Slovenia. Around a quarter of the group’s turnover is generated abroad.

Styria AG’s portfolio includes, amongst other things, nine daily newspapers, more than 20 weekly newspapers, 13 magazines, 13 client magazines (‘Styria Multi Media Corporate’), more than 40 magazines in Croatia, Slovenia and Serbia (‘Adria Media’), two supplements, 21 online services and two radio stations; Styria AG

VIII. Commercial enterprises and the Church

holds stakes in two TV channels. It also owns eight book publishing houses. In addition, the group holds shares in printing companies as well as advertising, logistics and IT firms. Its traditional core markets are the federal states of Styria and Carinthia.

Media outlets of Styria Media Group AG:

- *Daily newspapers* in Austria: Die Presse, Kleine Zeitung, WirtschaftsBlatt; Croatia: 24 sata, Poslovni dnevnik, Večernji list; Slovenia: Dnevnik, Zurnal 24; Montenegro: Vijesti.
- *Weekly newspapers* in Austria: Die Furche, der Grazer, Kärntner Regional Medien, Murtaler Zeitung, Privatmarkt, WOCHEN Bildpost, WOCHEN Ennstal, WOCHEN Graz & Umgebung, WOCHEN Hartberger Bezirkszeitung, WOCHEN Kärnten, WOCHEN Südweststeiermark, WOCHEN Obersteiermark, WOCHEN Weizener Zeitung / Gleisdorf; Slovenia: Hvala, Nedeljski Dnevnik, Zurnal; Croatia: Metropola; Italy: Il Friuli.
- *Magazines* in Austria: Alpe Adria Magazin, Business People, Compliment (discontinued), DIVA, Kärntner MONAT, miss, Steirer MONAT, tele, Top Times (renamed SPORT aktiv), WIENER and WIENERIN; Croatia, Slovenia, Serbia: Adria Media; Croatia: TV tjedan.
- *Online media* in Austria: DiePresse.com, kleinezeitung.at, boerse-express.com, ichkoche.at, sport10.at, styriabooks.at, typischich.at, willhaben.at, wirtschaftsblatt.at, woche.at; Croatia: 24sata.hr, vecernji.hr, njuskalo.hr; Slovenia: bolha.com, dnevnik.si, zurnal24.si.
- *Audiovisual media* in Austria: (Radio) Antenne Kärnten, Antenne Steiermark (TV) Sat.1 Österreich.
- *Book publishers* in Austria: Styria Premium, Styria Regional (including: Carinthia, Edition Oberösterreich, Styriaca and Edition Tirol), Kneipp Verlag, Molden Verlag, Pichler Verlag, which are part of the Styria GmbH & Co KG publishing group.

In the sector of regional free weekly newspapers, a merger took place in 2008 with the Tyrolean 'Moser Holding' (Austria's fourth-largest media group, publisher of the **Tiroler Tageszeitung**) to form a

Media companies

50 per cent joint venture under the name 'Regionalmedien Austria AG'. Also in 2011, the monthly magazines of both publishing houses were brought together with Moser Holding to form 'Lifestyle Magazin und Beteiligungs GmbH'. As a result, the two publishing houses have secured key media positions in Carinthia, Styria, Tyrol and Upper Austria.

A further collaboration exists between Styria AG and Der Standard, which have been working together since 2010 within 'Printlogistik GmbH' on 'silent sales' (self-service bags) at weekends.

As regards foreign holdings, the investment in media outlets with wide reach in Croatia and Slovenia comes as no surprise, as Croatia – with around 88 per cent of the population being Catholic – is the most Catholic of the successor states to Yugoslavia, followed by Slovenia with around 54 per cent Catholics. (In Serbia, around 84 per cent are Serbian Orthodox, and in Montenegro the figure is also around 75 per cent; in Kosovo, the overwhelming majority of the population is Muslim [Sunni], and in Bosnia and Herzegovina [according to the 1991 census] around 44 per cent are Muslims, 31 per cent are Serbian Orthodox Christians, and 17 per cent are Roman Catholic Christians.)

Cardinal Schönborn also likes to attend book launches from time to time, as was the case when the book by former ski racer Johannes Aschauer (and others), **Auf dem Jerusalemweg** (a 4,500-kilometre pilgrimage from Austria to Jerusalem), was published by Styria Regional and presented on 27 October 2011 at Club 4 of the Archdiocese of Vienna. ('Club 4' refers to the event venues of the 'Club Stephansplatz 4', run by the Archdiocese's Office for Public Relations and Communication, situated in the immediate vicinity of St Stephen's Cathedral.) The book about the 'distinguished provincial governor', the Governor of Lower Austria, **Erwin Pröll: Fortunately, Confidence Always Wins**, was also published in autumn 2011 by the Catholic Styria AG, rather than by a publishing house belonging to the equally Catholic Lower Austrian Press House in St. Pölten, where Erwin Pröll resides.

Styria does not publish any figures on net proceeds or assets. However, in 2008, the entire property portfolio of Styria AG were spun off into a 'sister' company, SAG Immobilien AG, which holds its account with Raiffeisen-Landesbank Steiermark AG in Graz.

Niederösterreichisches Pressehaus

The second, somewhat smaller Catholic media group is the Lower Austrian Press House (NP), based in St. Pölten, which in 2008 ranked fifth among Austria's eleven largest media companies with a market turnover of around 108 million euros.

In 1874, the NP was founded in Krems as the 'Catholic Press Association' of the Diocese of St. Pölten: 'The purpose of the association is, in the Christian spirit, to contribute to the information and education of the population and to the promotion of the common good', it states, or, as it is also put: 'Journalism in the service of the people, both young and old, in the service of the country and its development; journalism with conviction and a Christian worldview'.²⁴² In 1886, the association relocated to St. Pölten. In 1915, the first newspaper rotary press came into operation. In 1938, the company was also brought into line by the National Socialists; it was re-established in 1947 under its original name. In 1970, the 'Niederösterreichische Pressehaus Druck- und Verlagsgesellschaft m.b.H.' was founded.

The owners are the Diocese of St. Pölten (54 per cent), the Press Association of the Diocese of St. Pölten (26 per cent) and the Raiffeisen Holding Lower Austria-Vienna (20 per cent). In this respect, the NP is 80 per cent Catholic.

Figures for net profit are not published. The limited liability company's equity capital amounts to 10.2 million euros. (Calculated on the basis of the 20 per cent stake held by Raiffeisen-Holding Lower Austria-Vienna, which reported its share as 2,036,795 euros in the 2007 annual report.)

Media outlets of the Lower Austrian Press House:

- *Newspapers in Austria, including*: St. Pöltner Zeitung (since 1886), Niederösterreichische Nachrichten – NÖN, with 28 regional editions (1995), Klosterneuburger Nachrichten (1997), Niederösterreichische Rundschau (2000),

Burgenländische Volkszeitung – BVZ, with six regional editions (2003), Triestingtaler Zeitung (2008). Around 18 free newspapers 'kurz&bündig'.

In Lower Austria and Burgenland, the two weekly newspapers have a high reach (NÖN 48 per cent, BVZ 52 per cent)

- *Publishers*: Faber Verlag (1987), Residenz Verlag (2003).
- *Subsidiary*: LW Werbe- und Verlagsgesellschaft m.b.H.
- *Shareholdings*: Genon Travel GmbH travel agency, Tele – The Austrian TV magazine.

In the daily newspaper sector, the Diocese of St. Pölten may lag slightly behind the Diocese of Graz-Seckau, but its publishing house, Niederösterreichisches Pressehaus, leads the way in the weekly newspaper market. The *Niederösterreichische Nachrichten* (NÖN) remains Austria's most widely read weekly publication and has now also expanded into Burgenland. The publishing house also holds a stake in the television magazine 'tele', which enjoys great popularity as a free supplement to numerous newspapers.

However, the NÖN now faces stiff competition on its own turf, in Lower Austria. The **Bezirksblätter**, a free weekly newspaper, have gained a foothold there and have lured away quite a few readers from the **NÖN**. However, the local diocese need not worry that these readers will end up in a sphere distant from the Church: the **Bezirksblätter** are published by Moser Holding in a joint venture with the Styria Group.

A co-owner of the Tyrolean Moser Holding is a player in the media market that is not entirely distant from the Church: the Raiffeisen sector. It is involved in two ways: firstly, directly, as in the case of Moser Holding, in which the Raiffeisenlandesbank Tirol holds a stake. And secondly, indirectly via its own media holding company. This, in turn, owns, amongst others, the **Kurier**, a national daily newspaper, and **profil**, the country's most renowned news magazine. Incidentally, Mediaprint also forms part of the Raika empire. It organises the printing and distribution of, amongst others, the **Kurier** and the **Kronen Zeitung**.

With around three million readers a day, the latter is by far Austria's largest daily newspaper.

Conclusion on the Catholic media

But God's long arm reaches further. Much further. In Austria, this does not even require a co-owner who is part of the Church or affiliated with it. The **Kronen Zeitung** and the free newspaper **Heute** feature weekly columns by Cardinal Christoph Schönborn. In **Heute**, Schönborn lamented the record number of people leaving the Church and brought himself to make the defiant-sounding statement: 'The question of God remains written in all our hearts.' In 2009, the paper campaigned for about a week against the atheist bus campaign that was then getting under way. Organiser Niko Alm was even accused of "shady profiteering". What exactly this was supposed to consist of was never elaborated upon. Ample space was also given to a faulty calendar commissioned by the EU. Apparently, Christmas and Easter had been omitted. This prompted letter-to-the-editor writers to claim that the EU was bringing about the "Islamisation of Europe".

The **Krone**'s letters to the editor regularly invoke the Christian West. Lower Austria's Governor Erwin Pröll (ÖVP) was allowed to declare there, in a headline and without being challenged, that crosses would, of course, remain hanging in Lower Austrian schools – regardless of what the European Court of Human Rights or the Constitutional Court might think. Christoph Schönborn, too, regularly makes the headlines when he wishes to make statements on current political issues. Atheists, for example, are never mentioned in the *Kronen Zeitung*.

Apart from the Styria Group's radio and television holdings, the Catholic Church is also legally entitled to have a say in electronic media. According to the ORF Act, religious communities are entitled to their own programmes on the Group's radio and television stations. The Catholic Church benefits most from this, whilst Protestants and the Jewish Community are given a few crumbs. Unlike in France, no dedicated airtime is provided for humanists and atheists. On the Audience Council, one of the ORF's supervi-

sory bodies, religious communities have a permanent seat. Unlike other candidates, they do not have to stand for election by the public. Traditionally, this seat goes to the Catholic Church, and traditionally the Catholic representative is also appointed to the Foundation Board, the ORF's highest supervisory body.

And almost as an afterthought, and without any legal entitlement, Christoph Schönborn was allowed to deliver a New Year's address this year on the television channel ORF 2 – one day before the Federal President's New Year's address. Yet even ORF Radio Ö1, which is praised throughout Europe as a high-quality broadcaster, cannot entirely escape a certain proximity to the Church. In a discussion programme on leaving the Church, for example, only representatives of the Catholic Church were given a voice.

In summary, it can be said that the two Catholic media groups set the tone in the print media in six of Austria's nine federal states (Carinthia, Styria, Tyrol, Upper Austria, Lower Austria and Burgenland). Around two-thirds (69 per cent) of Austria's population live in these six federal states.

It is also noteworthy that Raiffeisen-Holding Lower Austria-Vienna has established links with both media groups. Since 1995, Raiffeisen-Holding has held a 20 per cent stake in Niederösterreichische Pressehaus GmbH 'as a logical progression of a friendly business relationship underpinned by the Lower Austrian ethos' and, via its Raiffeisen subsidiary Medicur Holding GmbH, holds a stake in SAT.1 Austria alongside Styria Medien AG (each with 24.5 per cent).²⁴³

It is also worth noting the work of the Catholic Media Academy (KMA), whose programme – or rather, as they call it, 'Credo' – states: 'Journalism is about the ability to distinguish between truth and lies, sense and nonsense, what is important and what is unimportant', says Gerhard Weis, former Director-General of the ORF and Head of Journalism at the Catholic Media Academy. The KMA places this credo at the start of a new journalism course."²⁴⁴ This is what it says – is that really any surprise? – on the ORF's website, given that the former Director-General of the ORF is also head of the KMA. However, from a secular, the question arises as to

whether one has even learnt to distinguish between truth and falsehood on the basis of the Christian faith – for example, when reading the Bible – or, *if* one has learnt to do so, whether one can still be Catholic?

Business within the Church

A characteristic feature of the link between business and the Church in Austria is that, with the exception of those mentioned so far – not even a dozen companies (banks, construction firms and media organisations) – relatively few business activities originate from the dioceses. There seems to be a tendency instead to work with branches of foreign companies that are linked to the Catholic Church in their home countries. This means that, whilst these companies in Austria are not owned by the Church, various indications suggest that they operate within the Church sphere or environment.

The Way of the Lion

If it looks like a lion and roars like a lion, but when asked says, ‘I am a hare’, then one should still call the lion a lion and not refer to it as a hare.

We are talking about an insurance company that has used the Lion of St Mark of Venice as its logo since 1848. Other companies adorn themselves with a jaguar (cars) or a puma (sports shoes), which are intended to evoke associations with power and speed respectively. So what is the story behind the company’s lion?

The evangelists of the Christian Bible are also symbolised by animal figures. The evangelist Mark is associated with the third sentence of his Gospel: ‘A voice of one crying in the wilderness: “Prepare the way of the Lord, make his paths straight!”’ (Mk 1:3) This ‘voice in the wilderness’ was associated with the image of a ‘roaring lion’. He is depicted (including in the insurance company’s logo) with an open book, on whose pages the words ‘PAX TIBI MARCE

EVANGELISTA MEUS’ (Peace be with you, Mark, my evangelist) are written in capital letters.

Can the intention ‘Prepare the way of the Lord’ be found in the business activities of the *Generali* insurance group, which is the subject of this discussion? Yes, it can.

In Vienna, the building at Stephansplatz 10 and 11 belongs to Generali. Until it was bombed in 1944, No. 11 was the building in which the banking house Schelhammer & Schattera had its headquarters. Due to reconstruction restrictions following the end of the Second World War, Schelhammer & Schattera had inevitably sought new business premises one street further on, and the building now belongs to Generali. (Motto: ‘It all stays in the family?’)

Apart from the usual sponsorship provided by all major banks and insurance companies (for culture, the arts, sport and social causes), it is striking that, apart from Raiffeisenbank – whose close ties to the Church have already been described – Generali is the only other non-state sponsor of the Diocesan Museum in St. Pölten. And the reason why the company Biblische Reisen GmbH took out its insolvency insurance with Generali Versicherung is presumably just as commonplace as the ceremonial blessing with which the new branch of Generali Versicherung AG in Hartberg (in April 2012)²⁴⁵ was opened. This, too, might be dismissed as rather insignificant under the heading of ‘custom’. Is it a coincidence?

If so, it would be the same coincidence described in Salzburg by the director of the Archdiocese’s Finance Office in a sort of accountability report covering recent years as follows: ‘Furthermore, a significant improvement in the insurance policies for the parishes and diocesan properties was achieved. On the one hand, comprehensive cover against natural hazards was agreed, and on the other hand, the administrative procedures were simplified in 2001 on the basis of a general policy, in collaboration with the Generali Insurance Group.’²⁴⁶

However, a look beyond our borders sheds further light on the matter. In Germany, Generali is the liability and accident insurer for all member associations of the German Catholic Youth (BDKJ).²⁴⁷ In Hungary, the second-largest insurance company, Generali Providencia—which is managed by Generali Vienna,

is proud of the cooperation with the Catholic Church that has existed since 1991, as stated in the 2001 annual report, and describes the extension of this cooperation for a further five years as an ‘outstanding achievement’.²⁴⁸

On 26 December 1831, the insurance company was founded as ‘Imperial Regia Privilegiata Compagnia di Assicurazioni Generali Austro-Italiche’ in Trieste. Until 1848, it bore the Habsburg coat of arms; since then, it has used the Lion of St Mark as its logo.

A detailed article in the magazine **Der Spiegel** (May 1970) on ‘The Vatican’s Billions’²⁴⁹ states, amongst other things: ‘The Vatican also owns various insurance companies, whilst others are merely controlled by apostolic financiers. Two significant companies belonging to the first group are Assicurazioni Generali di Trieste e Venezia (capital: 23.2 million dollars), which made a profit of more than 4.67 million dollars in 1967, and Riunione Adriatica di Sicurezza (capital: 6.9 million dollars), which reported a profit of over 1.27 million dollars.’ Among the banks, the Banco di Roma is also mentioned, with which there is a close relationship.

Although Generali currently only publicly discloses that the ‘main shareholder’²⁵⁰ holds a 30.47 per cent stake, an insider reports from the same period: ‘I have also had the honour of working for the Vatican since 1961, and I look after all matters relating to shipping. Prior to that, I worked for Generali Insurance in the shipping sector for one and a half years, with the Vatican holding the majority of the shares. I held this position alongside my other duties until 1972.’²⁵¹

In 2008, Generali developed a unique insurance policy, specially tailored to the Vatican, to cover the Vatican’s art treasures and library; and when, in April 2010, the controversial banker Cesare Geronzi was elected president of Generali, a commentary stated: “‘Geronzi is the right man,’ says Giuliano Landi: ‘He knows the right people – including in the Vatican.’”²⁵²

Just two months later, it was reported: “A storm is brewing in Italy’s banking world. The Mafia is alleged to have used accounts held by the Vatican bank, the IOR, at UniCredit for Contributions evasion and money laundering. ‘Investigations are ongoing,’ and

further: ‘For a good quarter of a century, the Vatican bank IOR (Istituto per le Opere di Religione) is said to have maintained an account with the Banca di Roma – which has been part of the empire of Bank Austria’s parent company, UniCredit, since 2007. Up to 60 million euros are reportedly moved annually through the UniCredit branch on the border between the Vatican City State and Italy. For the majority of transactions between the IOR and UniCredit, it is said that neither the account holder nor those with access to it are known. The accounts are reportedly held solely in the name of the Vatican Bank, which contravenes Italian anti-money-laundering legislation. When, in 2006, the internal banking supervisory body at Banca di Roma became aware of the suspicious IOR account, it is said that not only the bank’s president, Cesare Geronzi (currently president of the insurer Generali), but also the public prosecutor’s office were informed.’”²⁵³

This brings us full circle back to Austria. For many years (until 2005), Dietrich Karner was Managing Director and Chairman of the Executive Board of Generali Holding Vienna AG. After completing his studies with a scholarship from Generali, he undertook in-house training and pursued a career in Trieste until he was sent to Vienna in 1986.

Since the early 1990s, the banking landscape in Austria has been characterised by restructuring. In 1991, Bank Austria was formed from the merger of Zentralsparkasse and Länderbank. It was the largest bank in Austria, with Creditanstalt-Bankverein in second place. When the state’s 51 per cent stake in Creditanstalt was put out to tender for privatisation, Bank Austria was awarded the contract. As a political compromise and concession, Bank Austria subsequently sold its majority stake in GiroCredit to Erste österreichische Spar-Casse (now: Erste Bank AG).

From 2002 to 2008, the banking group was known as Bank Austria Creditanstalt AG. Following a brief period during which Bank Austria came under the ownership of the German HypoVereinsbank, the Italian bank UniCredit acquired a majority stake in Bank Austria in 2006. In 2008, the brand identity of what was now UniCredit Bank Austria AG was aligned with that of the UniCredit Group.

In May 2010, it was reported: “Bank Austria (UniCredit) and the Austrian Erste Bank are currently doing away with the last remnant from the time when Bank Austria was the country’s largest savings bank. Both groups are now separating their information technology, which for years had been partly consolidated within their joint subsidiary iT Austria (Informations-Technologie Austria GmbH). In 1998, Erste/Sparkassen and Bank Austria/Creditanstalt had merged their IT subsidiaries. The two banking groups have since drifted apart.”²⁵⁴

Such cross-links are also evident in the case of Dietrich Karner, the former Chief Executive of Generali Holding Vienna: he also held a seat on the supervisory board of Erste Bank and was subsequently appointed as the third member of the executive board of the ERSTE Foundation.

Karner is also President of the Gesellschaft der Musikfreunde in Vienna, and instead of gifts for his 70th birthday on 31 January 2009, he asked for donations towards the construction of the new organ in the Great Hall of the Musikverein. His connection to the Catholic Church and its activities in the East is evident in the fact that he was a member of the Board of Trustees of the ‘Pro Oriente’ Foundation. Karl Stoss, his successor as Chairman of the Board of Generali Holding Vienna from 2005 to 2007, also sat on the ‘Pro Oriente’ Finance Committee during the 2005–2009 term.²⁵⁵ Stoss had previously been on the board of Raiffeisen Zentralbank; since 2007, he has been Chief Executive of Casinos Austria AG, in which Schelhammer & Schattera also holds a stake.

The rationale behind the involvement in Central and Eastern Europe is made clear in a description provided by Generali: “Following the loss of numerous companies in Eastern Europe as a result of the Second World War, Generali made a fresh start in the countries of Central and Eastern Europe from 1989 onwards with its entry into the Hungarian market – managed by Generali Holding Vienna AG. To facilitate further expansion, the CEE operations were transferred to the parent company in 2007.”²⁵⁶

The Generali Holding Vienna Group currently comprises Generali Versicherung AG, BAWAG P.S.K. Versicherung AG and Europäische Reiseversicherung AG, as well as Generali Bank AG, 3

Banken-Generali Investment-Gesellschaft m.b.H. and BONUS Vorsorgekasse AG. The Chairman of the Supervisory Board is Dietrich Karner.

RAS and church insurers

The Riunione Adriatica di Sicurtà (RAS) – mentioned above and also owned by the Vatican – moved from Allianz to the Generali Group in 1991. The history of RAS is described in detail in a doctoral thesis (Gerhard Schreiber: *Die Interunfall Versicherung und die Riunione Adriatica di Sicurtà*, [1890–2004], Vienna, 2007²⁵⁷). It states: ‘In addition to the standard “mass savings” products, insurance companies repeatedly sought to penetrate market niches. This led to unusual and, in some cases, curious insurance products [...] including, amongst others,] church bell insurance: as the leading insurer of churches in the Monarchy, the Riunione was already offering insurance for church bells against damage caused by cracking and breakage as early as the 19th century.’

And regarding the historical context and developments, the author provides the following overview of the competitive struggle between insurance companies in the church sector: ‘The RAS was, in practice, *the* church insurer in the monarchy. At the beginning of 1891, a campaign featuring vehement accusations against the Riunione began in the journal **Politische Fragmente**, penned by a certain Hans Beruth: the RAS’s management contained not a single Christian, only Jews and Freemasons such as Neumann, Morpurgo, Salem and Frigessi. [...] Furthermore, the Prince-Archbishop’s Consistory in Prague, presided over by Cardinal Count Schönborn, was described as an agency of a ‘Jewish’ insurance company. (Apparently, the RAS had its own office in Prague, as it did in the Archbishop’s Palace in Vienna, for insuring church property.) As an alternative to the Riunione, the author recommended insuring church property with ‘Christian’ companies such as the ‘Unio catholica’, the ‘Wechselseitige Brandschaden’ – whose president was a prelate – or the ‘Grazer Wechselseitige’, headed by a relative of the imperial family. [...] Today, we can only speculate as to who was

behind this campaign. It was probably the 'Unio catholica, Association for Mutual Non-life Insurance', which had been founded shortly beforehand (in 1889), or circles closely associated with it. It was of little benefit to the association, as it was wound up in 1901. However, it did harm the Riunione, which gradually lost its portfolio of church insurance policies to the 'Wechselseitige Brandschaden'. This company merged with the 'Wiener Städtische' in 1938, with the result that the latter is now [2007] Austria's leading church insurer, which is surprising given its political orientation."

In response to the author's remark (whose research was financially supported by Generali) that the Wiener Städtische is closely associated with the City of Vienna and thus with the Social Democrats, who were not considered particularly church-friendly, it may be countered that the Wiener Städtische was founded in 1824 as the 'Wechselseitige k.u.k. priv. Fire Insurance Institution' by Georg von Högel Müller, in which '364 prominent figures, including princes, counts, barons and industrialists, as well as ecclesiastical institutions such as monasteries and abbeys' were involved.²⁵⁸

The Wiener Städtische in its present form is the Vienna Insurance Group. It is proud of its history and tradition spanning some 190 years. The company has developed from a local insurance provider into one of the largest internationally active insurance groups in Central and Eastern Europe (CEE).²⁵⁹

Wiener Städtische was one of the two main sponsors of the 'Long Night of Churches' (on 1 June 2012). This now becomes clear.

SUMMARY

If one summarises all the funding recorded and presented – initially without taking the legal basis into account, but solely from the perspective that everything usually regarded as 'belonging to the Church' is therefore also considered to be largely financed by the Church – the total annual cost to the state of funding church institutions amounts to around 3.8 billion euros.

A closer look, however, reveals that around 2.4 billion euros is channelled into church-run health and social care institutions, and around 1.4 billion euros into church-run educational institutions, church cultural work and development aid/mission work.

If one compares the total public funding (3.8 billion euros) with the funds reported in the financial statements of the dioceses and the Protestant regional churches (497 million euros), the stark imbalance between public funds and church funds is immediately apparent. Only 13 per cent of the total Catholic and Protestant infrastructure is financed by the churches themselves; 87 per cent is financed by the state. This is not altered by the fact that funding from foundations and religious orders must be excluded due to a lack of data. Even if one were to assume that their combined budget roughly corresponds to that of the dioceses, the Catholic and Protestant churches together would finance only around a quarter of their infrastructure. To put it another way: even under an optimistic assumption, the churches maintain three-quarters of their total infrastructure solely with the help of state funding.

This analysis was not concerned with the question of whether and where the state could make savings in funding, but rather with who is credited with providing services even though it does not finance them.

In this respect, it is only to a limited extent a question of whether the 2.4 billion euros paid by the state to Caritas, Diakonie

Summary

and religious order hospitals would have to be funded in any case, as these are service fees for which it makes no financial difference who the recipient is. However, the specific benefits the churches derive from these institutions for their own reputation have already been set out in detail, and in this respect, they do not constitute a neutral, professional service as provided by other providers.

This fails to take into account the ongoing debate in Austria regarding necessary cost-cutting measures in the hospital sector. By international standards, the country has too many hospital beds, and it is by no means a given that only public hospitals should be closed or forced to specialise, whilst there is no discussion as to whether individual religious order hospitals might also be contributing to the oversupply. Especially since, as has been shown, these institutions are not merely providing neutral services in the healthcare sector.

In this respect, it becomes clear just how heavily the churches depend on state funding and how the tradition of public financing of particular religious interests still persists.

Yet a look at the recorded assets of around 4.5 billion euros (417 million held by the bishops, 2.5 billion in property and 1.6 billion in capital assets) shows that the Church could certainly finance itself to a greater extent.

In this respect, the assertion mentioned at the outset – that the churches are financially unable to pay acceptable financial compensation to the victims of abuse by Catholic priests and monks – does not correspond to reality. If the Church were so inclined, this would amount to only a fraction of its assets.

The current situation regarding state funding has developed historically and has not (yet) adapted to the changed and still evolving religious landscape. The days when every child received religious education and the ecclesiastical or state elite were educated at Catholic grammar schools are over. Even though one should be cautious with predictions, it is safe to assume that those aged 50 and under today will live to see the time when church members in Austria are in the minority. This development should then be taken into account continuously, without any abrupt changes.

Summary

This means, for example, that the state could save the entire sum of around 322 million euros currently spent on the Church's exclusively self-serving religious interests (religious education, denominational teacher-training colleges and theological faculties).

Should the Church find itself unable to do so, a public body should be appointed, given that this involves public funding.

Direct potential savings can only be inferred here to the extent that these institutions may, in isolated cases, represent overcapacity. As a rule, the public sector would incur the same costs if it were to run the institutions itself. However, in that case, it would also have control, and pupils' rights to opt out of denominational religious education or to leave a religious community would not be curtailed.

Finally, reference should also be made to the extensive Contributions concessions from which the churches benefit partly directly and partly indirectly, in that these Contributions relief measures enable them in the first place to generate revenue for their national and international infrastructure. The figure of around 200 million euros mentioned here – as with the other figures – should be regarded as a conservative estimate. At a time when numerous other Contributions privileges are, at least in theory, up for review, there should also be a discussion as to whether they are still appropriate for the times. They do not benefit the general public, but rather the particular interests of religious groups, which consistently present their own interests as those of the entire population.

Summary

Table 1: Recorded finances and assets, 2010

Item	‘Topic’	Euro
A. Financial management in 2010 (church contributions and other income)		
1.	Catholic Church (2010)	474,955,000
2.	Protestant Churches (2009)	21,686,000
A. Total		496,641,000
B. State funding, education, culture, etc.		
1.	Religious fund, trust agreement	47,300,000
2.	Contributions concessions	174,000,000
3.	Free broadcasting rights	10,000,000
4.	Pastoral care	4,600,000
5.	Sport	5,500,000
6.	Local government	17,000,000
7.	Conf. childcare centres	185,000,000
8.	Religious schools	446,000,000
9.	Schools abroad	3,500,000
10.	Religious education	250,000,000
11.	Recruitment allowances/subject inspectors	6,600,000
12.	Pensions	45,000,000
13.	Conference of Teacher Training Colleges	38,000,000
14.	Faculties of Theology	34,000,000
15.	Adult education	1,200,000
16.	Heritage conservation	44,000,000
17.	Church libraries	648,000
18.	Support for church music	2,000,000
19.	Museums, exhibitions	5,200,000
20.	Development aid/mission work	30,000,000
21.	Agricultural subsidies	5,300,000
B. Total		1,354,848,000
C. Social affairs and health		
1.	Caritas	376,000,000
2.	Diakonie	185,000,000
3.	Religious Order Hospitals	1,800,000,000
C. Total		2,361,000,000
D. Assets		
1.	Manorial estates, dioceses	417,000,000
2.	Real estate	2,500,000,000
3.	Capital assets of the Order	1,100,000,000
4.	Capital assets of dioceses	475,000,000
D. Total		4,492,000,000

Summary

Table 2: Catholics in Austria

Year	Total population*	Catholics	Others	Proportion
1951	6,933,905	6,170,084	763,821	88.98%
1961	7,073,807	6,295,075	778,732	88.99%
1971	7,491,526	6,548,316	943,210	87.41%
1981	7,568,710	6,372,645	1,196,065	84.20%
1991	7,754,891	6,445,649	1,309,242	83.12%
1992	7,840,709	6,359,185	1,481,524	81.10%
1993	7,905,632	6,209,215	1,696,417	78.54%
1994	7,936,118	6,078,640	1,857,478	76.59%
1995	7,948,278	6,058,679	1,889,599	76.23%
1996	7,959,016	6,061,480	1,897,536	76.16%
1997	7,968,041	5,953,122	2,014,919	74.71%
1998	7,976,789	5,921,064	2,055,725	74.23%
1999	7,992,323	5,876,226	2,116,097	73.52%
2000	8,011,566	5,875,763	2,135,803	73.34%
2001	8,042,293	5,886,084	2,156,209	73.19%
2002	8,082,121	5,787,403	2,294,718	71.61%
2003	8,118,245	5,751,615	2,366,630	70.85%
2004	8,169,441	5,692,838	2,476,603	69.68%
2005	8,225,278	5,662,782	2,562,496	68.85%
2006	8,267,948	5,631,587	2,636,361	68.11%
2007	8,300,954	5,603,398	2,697,556	67.50%
2008	8,336,549	5,579,493	2,757,056	66.93%
2009	8,363,040	5,533,517	2,829,523	66.17%
2010	8,387,742	5,452,734	2,935,008	65.01%
2011	8,442,160	5,410,000	3,032,160	64.08%

*Total population

Sources: Statistics Austria: Population by religious affiliation and federal state, 1951 to 2001 (based on the censuses).

Statistics Austria: Population at the start of each quarter since 2002 by federal state. Statistics from the Catholic Church in Austria (katholisch.at/statistik) and reports from kathweb.at, as well as other individual reports.

Summary

<i>Table 3: Caritas in Austria</i>									
in millions of euros									
Source of funds	2001	2002	2003	2004	2005	2006	2007	2008	2009
Public expenditure rate	130.3	140.4	159.8	182.7	192.5	234.7	253.3	267.2	295.3
Private fees	57.5	63.9	54.5	56.4	63.9	71.3	79.0	78.8	80.1
Donations, legacies	31.7	46.4	37.7	37.5	58.6	37.4	38.2	38.2	40.5
Subsidies	27.0	29.3	34.9	32.5	33.5	39.0	45.4	54.7	59.4
Other income	22.4	24.9	29.3	23.7	31.9	42.0	33.2	44.3	42.8
Church contributions	6.3	6.7	6.8	6.7					
Total	275.1	311.6	323.0	339.6	380.5	424.5	449.1	483.2	518.0
Total public cost reimbursements and subsidies	157.3	169.7	194.7	215.3	226.0	273.8	298.6	322.0	354.6
as a percentage									
Public expenditure rates	47.36	45.06	49.48	54	50.6	55.3	56.4	55.3	57.0
Private fees	20.89	20.49	16.88	16.7	16.8	16.8	17.6	16.3	15.46
Donations, legacies	11.53	14.89	11.67	10.9	15.4	8.8	8.5	7.9	7.82
Subsidies	9.83	9.4	10.8	9.6	8.8	9.2	10.1	11.33	11.46
Other income	8.13	8	9.08	6.8	8.4	9.9	7.4	9.17	8.26
Church contributions	2.27	2.16	2.1	2					
Total (%)	100	100	100	100	100	100	100	100	100
Total public cost reimbursements and subsidies	57.19	54.46	60.28	63.60	59.40	64.50	66.50	66.63	68.46

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