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<td>99,452</td>
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1) Source: Statistics Austria – population as at 1 Jan 2017.
2) Source: Statistics Austria – national accounts.
3) Source: Statistics Austria, Table 'Employees by professional status and sex since 1994'.
4) Source: EUROSTAT
5) Source: EUROSTAT
6) Activity rate: ratio of active population aged 15-64 in relation to resident population.
7) Annual average as calculated by the BMASGK; economically active population without workers on parental leave under an ongoing employment relationship and without those currently performing their military service.
9) Source: BMASGK, ELIS database, Table 'Major labour market data'.
10) Source: BMASGK, ELIS database, Table 'Youth unemployment rate compared with the rest of Europe'.
11) Source: BMASGK, ELIS database, Table 'Labour market data for older workers'.
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<td>71.4%</td>
<td>79.4%</td>
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<td>5.9%</td>
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<td>UR of young people according to EUROSTAT [10]</td>
<td>9.8%</td>
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<tr>
<td>UR of older people (registered unemployed) [11]</td>
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1) Source: Statistics Austria – population as at 1 Jan 2018 (preliminary).
2) Source: Statistics Austria – national accounts.
3) Source: Statistics Austria, Table 'Employees by professional status and sex since 1994'.
4) Source: BMASGK, EUROSTAT
5) Source: EUROSTAT
6) Activity rate: ratio of active population aged 15-64 in relation to resident population.
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9) Source: BMASGK, ELIS database, Table 'Major labour market data'.
10) Source: BMASGK, ELIS database, Table 'Youth unemployment rate compared with the rest of Europe'
11) Source: BMASGK, ELIS database, Table 'Labour market data for older workers'.
CHAPTER I – INSTITUTIONS ........................................................................................................ 11

1. FEDERAL MINISTRY OF LABOUR, SOZIAL AFFAIRS, HEALTH AND CONSUMER PROTECTION (BMASGK) ................................................................................ 11

1.1. Organisation and Responsibilities ............................................................................. 11
1.2. Organisation Chart of the BMASGK ....................................................................... 14
1.3. Functions of the Federal Minister of Labour, Social Affairs, Health and Consumer Protection in the Area of the Labour Market .......................................................... 15

2. Public employment service .............................................................................................. 15

2.1. Functions and Legal Basis of the Public Employment Service .............................. 16
2.2. Organisation .............................................................................................................. 17
2.3. Organisation Chart of Austria’s Public Employment Service ............................. 18
2.4. Organisation at the Federal Level ............................................................................ 18
2.5. Organisation at the Länder Level .......................................................................... 19
2.6. PES Organisations at the Regional Level ............................................................... 20
2.7. Managerial Control .................................................................................................. 21
2.8. Staff .......................................................................................................................... 23
2.9. Technical Resources ................................................................................................ 24

3. Implementation of Labour Market Policy ..................................................................... 25

3.1. Principles .................................................................................................................... 25
3.2. Procedures and Organisation of Regional PES Offices .................................. 25
3.2.1. Service to Workers ............................................................................................... 25
3.2.2. Service to Employers .......................................................................................... 28
3.2.3. Strategic Priorities of the PES ............................................................................ 28
3.3. Job Placement outside the Public Employment Service .................................................. 34
3.3.1. Job placement by Non-Profit Organisations ......................................................... 34
3.3.2. Profit-Making Private Placement Services ............................................................ 35
3.4. Social Affairs Ministry Service (SMS) ................................................................. 35

4. Financing Structure of Austrian Labour Market Policy ............................................ 38

4.1. Revenue .................................................................................................................... 38
4.2. Unemployment Insurance (UI) Contributions (AlVG 1977) ................................. 39
4.3. Disbursements .......................................................................................................... 40
4.4. Structure of Labour Market Policy Spending in Austria ........................................ 42
4.5. GDP Share of Expenditure on Active LMP ............................................................. 44

5. Cooperation and Coordination Activities ............................................................... 45

6. International Relations .................................................................................................. 45
CHAPTER 2 – LEGAL FRAMEWORK AND PROCEDURES ................................................. 47

1. Sources of Law and their Hierarchy ................................................................. 47
   1.1. Constitutional Law .................................................................................. 47
   1.2. Laws ........................................................................................................ 47
   1.3. Ordinances .............................................................................................. 49
   1.4. Collective Agreements .......................................................................... 49
   1.5. Company-Level Agreements ................................................................. 49
   1.6. Individual Contracts .............................................................................. 49
   1.7. Case Law ................................................................................................. 49

2. Individual Employment Rights and Workers’ Health and Safety ............... 50
   2.1. Law Pertaining to Employment Contracts ............................................ 50
       2.1.1. Austrian Civil Code (ABGB) ............................................................. 50
       2.1.2. White-Collar Workers’ Act (AngG) ............................................... 50
       2.1.3. Annual Leave Act (UrlG) ............................................................... 52
       2.1.4. Home Work Act (HAG) ................................................................. 53
       2.1.5. Employees’ Liability Act (DHG) ..................................................... 53
       2.1.6. Act Governing Adjustments to Employment Contracts Law (AVRAG) .... 53
       2.1.7. Occupational Pension Act (BPG) ................................................... 55
       2.1.8. Paternity Leave Act (VKG) .............................................................. 55
       2.1.9. Equal Treatment Act (GlBG) ......................................................... 55
       2.1.10. Act Against Wage and Social Dumping (LSD-BG) ............................ 57
   2.2. Health and Safety at Work – Employment and Working Time Restrictions .... 58
       2.2.1. Working Time Act (AZG) .............................................................. 58
       2.2.2. Rest Periods Act (ARG) ................................................................. 59
       2.2.3. Maternity Protection Act (MSchG) ................................................. 59
       2.2.4. Child and Youth Employment Act (KJBG) ..................................... 60
       2.2.5. Heavy Night Work Act (NSchG) .................................................... 60
   2.3. Occupational Health, Safety and Hygiene and Labour Inspectorates ....... 60
       2.3.1. Act and Ordinances Governing Health and Safety at Work ............ 60
       2.3.2. Construction Work Coordination Act (BauKG) .............................. 61
       2.3.3. Labour Inspectorates – Labour Inspectorate Act (ArbIG) ............... 62

3. Legislation for collective and company-level agreements .......................... 63
   3.1. Industrial Relations Act (ARBVG) ......................................................... 63
       3.1.1. General Dismissal Protection ......................................................... 63
       3.1.2. General Instant Dismissal Protection ............................................. 63
       3.1.3. Special Protection against Dismissal and Instant Dismissal .......... 64
   3.2. Law Pertaining to Associations and Unions ........................................ 64
3.2.1. Statutory Stakeholder Groups (Chambers) ................................................. 64
3.2.2. Voluntary Professional/Trade Associations ............................................. 65
3.3. Social Partners and Collective Bargaining .................................................. 66
3.3.1. Right of Collective Lawmaking ................................................................ 66
3.3.2. Social Partnership .................................................................................. 67
3.4. Employee Representation in Enterprises and their Scope for Participation .... 67
4. Regulatory Instruments ............................................................................... 70
4.1. Rules on the Employment of Foreign Nationals .......................................... 70
4.1.1. Act Governing the Employment of Foreign Nationals (AuslBG) .............. 70
4.1.2. Labour Market Test .............................................................................. 71
4.1.3. Labour Market Integration .................................................................... 72
4.1.4. Criteria-Based New Immigration from Third Countries (Red White Red Card) .... 72
4.1.5. Transitional Arrangements for EU Enlargement .................................... 73
4.1.6. Quotas for the Temporary Admission of Foreign Labour ....................... 74
4.1.7. Checking Illegal Employment of Non-Austrians .................................... 74
4.1.8. Settlement Regime under Aliens Law .................................................... 75
4.2. Early Warning System ............................................................................. 75
4.3. Temporary Employment Act (AÜG) .......................................................... 76
5. Passive Labour Market Policy ..................................................................... 77
5.1. Out-of-Work Benefits .............................................................................. 78
5.1.1. Unemployment benefit .......................................................................... 78
5.1.2. Unemployment Assistance ................................................................. 81
5.2. Transfer Benefits to Facilitate Transition into Retirement ......................... 82
5.2.1. Pension advances .................................................................................. 82
5.2.2. Semi-Retirement ................................................................................... 83
5.2.3. Transition Benefits ................................................................................ 83
5.3. Benefits to Facilitate Re-Entry into the Labour Market for Persons with Health Issues ........................................................................................................... 84
5.3.1. Retraining Benefits ............................................................................... 84
5.4. Family Benefits ....................................................................................... 84
5.4.1. Childcare Allowance ............................................................................. 84
Chapter 3 – Measures .................................................................................... 88
1. GENERAL MEASURES – THRUST AND APPROACH ............................... 88
2. Securing Jobs ............................................................................................. 89
2.1. Partial Unemployment (Short-Time Working) or Partial Unemployment plus Upskilling ................................................................. 89
2.2. Bad Weather Compensation ........................................................................................................ 93

3. **Assistance to the Unemployed** .................................................................................................... 95

3.1. Unemployment Benefit .................................................................................................................. 95
3.2. Unemployment Assistance .............................................................................................................. 99
3.3. Benefits to Facilitate Transition into Retirement ........................................................................... 101
3.3.1. Pension Advances ....................................................................................................................... 101
3.3.2. Semi-retirement .......................................................................................................................... 104
3.3.3. Transition Benefits ...................................................................................................................... 106
3.4. Benefits to Facilitate Reentry into the Labour Market for Persons with Health Issues ................ 108
3.4.1. Retraining Benefits ...................................................................................................................... 108
3.5. Financial Support to Regional Mobility and Job Take-Up .......................................................... 110
3.5.1. Journey-to-Work Subsidy .......................................................................................................... 110
3.5.2. Interview grant ............................................................................................................................ 113
3.6. Childcare subsidies ......................................................................................................................... 115
3.7. Childcare Facilities ........................................................................................................................ 118

4. **Training, Further Training and Occupational Mobility** ............................................................ 120

4.1. Subsidies to Individuals: Promotion of Occupational Mobility .................................................... 120
4.1.1. Allowance for Course and Course-Related Costs ....................................................................... 120
4.1.2. Subsistence Allowance ............................................................................................................. 124
4.1.3. Job-related skills training (AQUA) ............................................................................................. 128
4.2. Supporting Skills Enhancement of those Working in Health, Social and Pre-School Childcare (HSCC) ........................................................................................................................................... 130
4.3. Skilled Workers’ Grant .................................................................................................................... 132
4.4. Women in Crafts and Engineering (FIT) ......................................................................................... 136
4.5. Subsidies to Training Establishments; Subsidised Training Participants ...................................... 138
4.6. Subsidies to Special Entities .......................................................................................................... 141
4.6.1. Integration Enterprises (Social Affairs Ministry Service) ............................................................ 141
4.7. Subsidies to Employers .................................................................................................................. 143
4.7.1. In-Work Subsidies to Upskilling Employees/In-Work Training Subsidies (QBN) ...................... 143
4.8. Subsidies to Apprenticeships under Vocational Training Legislation .......................................... 146
4.9. Supra-Company Training Programme (ÜBA) under the 'Training Guarantee' ........................ 149
4.10. Subsidies to Company-Based Apprenticeships ......................................................................... 151
4.11. Projects under §19c (1) 7 of the Vocational Training Act .............................................................. 153
4.12. JUST inplacement foundation .................................................................................................... 156
4.13. Education/Training till 18 (mandatory programme) ..................................................................... 158
4.15. Production Schools (Social Affairs Ministry Service) .......................................................... 160
4.16. Youth Coaching (Social Affairs Ministry Service) .............................................................. 162
4.17. Training Assistance (Social Affairs Ministry Service) .......................................................... 164
5. **Job Creation** ..................................................................................................................... 166

<table>
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<td>Non-Profit Employment Projects (GBPs) .........................................................</td>
<td>169</td>
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<td>Integration Subsidy ‘Come Back Action’ .........................................................</td>
<td>172</td>
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<td>Wage Top-Up Scheme (KOMB) .............................................................................</td>
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<td>Business Start-Up Subsidy (GB) ......................................................................</td>
<td>178</td>
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<td>Business Start-Up Programme for the Unemployed (UGP) ...................................</td>
<td>181</td>
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<td>Microcredit Programme .....................................................................................</td>
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<td>Further Training Allowance ..............................................................................</td>
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<td>Part-Time Training Allowance ..........................................................................</td>
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<td>Solidarity Bonus Model ....................................................................................</td>
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6. **Special Groups of Workers** ....................................................................................... 198

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<td>Older Workers .....................................................................................................</td>
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<td>Part-Time Scheme for Older Workers ...............................................................</td>
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<td>fit2work ..............................................................................................................</td>
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<td>People with Physical, Psychological and Mental Disabilities .........................</td>
<td>203</td>
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<td>Job Assistance for People with Disabilities and Other Assistance Measures of the Social Affairs Ministry Service ..................................................................................................................................................</td>
<td>203</td>
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<td>Job Coaching (Social Affairs Ministry Service) ................................................</td>
<td>205</td>
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<tr>
<td>6.2.3</td>
<td>Personal Assistance in the Workplace (Social Affairs Ministry Service) ..........</td>
<td>207</td>
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<td>6.2.4</td>
<td>Technical and Other Workplace Support, as well as Support to Retain and Create Jobs and Training Places, Provided by the Social Affairs Ministry Service ..................................................</td>
<td>208</td>
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<tr>
<td>6.2.5</td>
<td>Wage Subsidies by Social Affairs Ministry Service ...........................................</td>
<td>210</td>
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<tr>
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<td>Assistance Provided by the Social Affairs Ministry Service to Enter or Perform a Job or Training .........................................................................................................................</td>
<td>211</td>
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<td>6.2.7</td>
<td>Support Provided by the Social Affairs Ministry Service to Ensure Self-Employment .................................................................................................................................</td>
<td>212</td>
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<tr>
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<td>Skills Training Projects Offered by the Social Affairs Ministry Service to People with Disabilities .........................................................................................................................</td>
<td>214</td>
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<td>6.3</td>
<td>PES Labour Market Policies for Persons with Health-Related Employment Handicaps ......................................................................................................................................................</td>
<td>215</td>
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<td>6.4</td>
<td>Labour Market Policies for Women ......................................................................</td>
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<td>Labour Market Policies for Migrants as well as for People Eligible for Asylum or for Subsidiary Protection Status</td>
<td>220</td>
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<td>7.</td>
<td>JOB BROKERING</td>
<td>225</td>
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<td>7.1.</td>
<td>Counselling and Support for Workers and Employers by the PES</td>
<td>225</td>
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<tr>
<td>8.</td>
<td>Other Measures</td>
<td>228</td>
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<td>8.1.</td>
<td>Providers of Labour Market-Related Counselling and Support (BBE)</td>
<td>228</td>
</tr>
<tr>
<td>8.2.</td>
<td>Labour Foundations (AST) according to §18 (5) of the ALVG/UB for Foundation Programmes</td>
<td>231</td>
</tr>
<tr>
<td>8.3.</td>
<td>Wage Compensation from Insolvency Contingency Fund (IEG)</td>
<td>235</td>
</tr>
<tr>
<td>8.4.</td>
<td>Service Employment Cheque</td>
<td>238</td>
</tr>
<tr>
<td><strong>CHAPTER 4 – PROGRAMMES OF THE EUROPEAN SOCIAL FUND (ESF), THE EUROPEAN GLOBALISATION ADJUSTMENT FUND (EGF), THE EUROPEAN TERRITORIAL COOPERATION (ETC) AND THE EUROPEAN UNION strategy for the Danube REGION (EUSDR)</strong></td>
<td><strong>241</strong></td>
<td></td>
</tr>
<tr>
<td>1.</td>
<td>European Social Fund – Structural Fund Period 2014-2020</td>
<td>241</td>
</tr>
<tr>
<td>2.</td>
<td>European Globalisation Adjustment Fund (EGF)</td>
<td>244</td>
</tr>
<tr>
<td>3.</td>
<td>EUROPEAN TERRITORIAL COOPERATION (ETC) AND THE EUROPEAN UNION STRATEGY FOR THE DANUBE REGION (EUSDR)</td>
<td>245</td>
</tr>
<tr>
<td><strong>Chapter 5 – Information and Research</strong></td>
<td><strong>247</strong></td>
<td></td>
</tr>
<tr>
<td>1.</td>
<td>Research</td>
<td>247</td>
</tr>
<tr>
<td>2.</td>
<td>Publications</td>
<td>248</td>
</tr>
<tr>
<td>3.</td>
<td>Statistics</td>
<td>251</td>
</tr>
<tr>
<td><strong>ANNEX</strong></td>
<td><strong>253</strong></td>
<td></td>
</tr>
<tr>
<td>1.</td>
<td>Abbreviations</td>
<td>253</td>
</tr>
<tr>
<td>2.</td>
<td>Relevant Internet Addresses</td>
<td>255</td>
</tr>
</tbody>
</table>
CHAPTER I – INSTITUTIONS

Labour market policy in Austria is characterised by close interaction between governmental and non-governmental institutions. The social partners are involved in a great variety of activities and bodies devising and implementing legislation and policy measures.

1. FEDERAL MINISTRY OF LABOUR, SOZIAL AFFAIRS, HEALTH AND CONSUMER PROTECTION (BMASGK)

Owing to the reorganisation of the powers assigned to the federal ministries, the BMASGK now has a very wide-ranging portfolio, covering areas such as social insurance, consumer protection, long-term (nursing) care, disability, income provision and social assistance, fundamental European, international and social policy issues, labour market, labour law and central Labour Inspectorates, health care system, legal affairs and consumer health protection, public health and medical matters as well as the Federal Disability Advocate’s Office (Behindertenanwaltschaft des Bundes).

Depending on the issues raised, the BMASGK cooperates with other ministries, but also with individual Länder (state) governments, stakeholder groups and other domestic and foreign authorities.

Cooperation in such cases signifies coordinating varying objectives, conducting a periodic exchange of views, creating the toolkit necessary for performing the tasks at hand, developing new laws, initiating projects, improving service and information, etc.

1.1. Organisation and Responsibilities

The BMASGK is organised as follows:

Federal Ministry of Labour, Social Affairs, Health and Consumer Protection

Under the direct authority of the Federal Minister:

Private Office of the Federal Minister

Central Services:

Division Communications and Services

Citizens Service Team

Division Internal Audit
All-Austrian Service:

Federal Disability Advocate

Secretary General

**Departments (under the direct authority of the Secretary General)**

- **Department I:** Secretariat, Support Functions, IT
- **Department II:** Social Insurance
- **Department III:** Consumer Protection
- **Department IV:** Long-Term Care Provision, Disability, Income Provision & Social Assistance
- **Department V:** European, International & Social Policy Affairs
- **Department VI:** Labour Market
- **Department VII:** Labour Law & Central Labour Inspectorates
- **Department VIII:** Health Care System
- **Department IX:** Legal Affairs and Consumer Health Protection
- **Department X:** Public Health and Medical Matters

The following institutions are assigned and subordinate to, or have been devolved from, the Federal Ministry of Labour, Social Affairs, Health and Consumer Protection (Bundesministerium für Arbeit, Soziales, Gesundheit und Konsumentenschutz – BMASGK).

Subordinate agencies of

- **Department IV:** Social Affairs Ministry Service (SMS) with its nine Länder offices
- **Department VII:** Labour Inspectorates
- **Department X:** Austrian Federal Office for Safety in Health Care (BASG)

**Representative offices abroad**

- **Department V:**
  - Permanent Representation to the European Commission in Brussels
Permanent Representation to the OECD in Paris
- Representation at the Austrian Embassies in Serbia, Bosnia-Herzegovina and the Republic of Moldova
- Republic of Macedonia (served from Vienna)

Department VIII:
- Permanent Representation to the EU in Brussels

**Devolved agencies**

Department VI:
- Public employment service.
- Insolvency Contingency Fund Service Company (IEF Service GmbH)

Department VIII:
- Health Austria Company (Gesundheit Österreich GmbH – GÖG)
- Austrian Agency for Health and Food Safety (Agentur für Gesundheit und Ernährungssicherheit – AGES)

Department X:
- AGES Medicines & Medical Devices (AGES-MEA)

The BMASGK is required to supervise social insurers. Moreover, the ministry is responsible for supervising the public employment service and the IEF Service GmbH.
1.2. Organisation Chart of the BMASGK

Federal Minister

MS Beate HARTINGER-KLEIN

Secretary General

Cabinet of the Federal Minister

Department Communications and Service

Citizens’ Service Office

Internal Audit

Division I

General matters such as „Human Resources, Support Tasks, IT etc.

Division II

Social Insurance

Division III

Consumer Policy

Division IV

Long-Term Care Provision, Disability & Social Assistance

Division V

European, International & Social Policy Affairs

Division VI

Labour Market

Division VII

Labour Law & Central Labour Inspectorsates

Division VIII

Health System

Division IX

Law in the Area of Health, Health and Work Accident Insurance
Health Protection

Division X

Public Health and Medical Affairs

Subordinate agencies

Social Affairs Ministry Service (SMS) with its nine Länder offices

Representative offices abroad

Permanent Representation to the European Commission in Brussels,
Permanent Representation to the OECD in Paris, Representation at the Austrian Embassies in Serbia, Bosnia-Herzegovina and the Republic of Moldova Republic of Macedonia (served from Vienna)

Representative offices abroad

Public employment service, Insolvency Contingency Fund Service Company (IEF Service GmbH)

Subordinate agencies

Labour Inspectorsates

Representative offices abroad

Health Austria Company (Gesundheit Österreich GmbH – GDG)
Austrian Agency for Health and Food Safety (Agentur für Gesundheit und Ernährungssicherheit – AGES)

Devolved agencies

Permanent Representation to the EU in Brussels

Subordinate agencies

Austrian Federal Office for Safety in Health Care (BASG)

Representative offices abroad

AGES Medicines & Medical Devices (AGES-MEA)
1.3. Functions of the Federal Minister of Labour, Social Affairs, Health and Consumer Protection in the Area of the Labour Market

Encouraging full employment is an important policy objective for the labour market supported by legislation, such as the Labour Market Promotion Act (Arbeitsmarktförderungsgesetz - AMFG), and by political institutions. The crucial stepping stones towards the long-term goal of full employment include a fair and sensible labour market policy framework, active labour market and employment policies, as well as ensuring equal opportunities for men and women.

The Labour Market Department of the BMASGK assists the Federal Minister, inter alia, in respect of her obligations towards the public employment service by

▪ defining general labour market policy goals;
▪ approving resolutions passed by the Administrative Board concerning financial matters;
▪ exercising powers of supervision and control and ensuring continuous efficiency monitoring.

Although the Federal Minister continues to be the highest body at national level and retains her powers of issuing directions and instructions, the focus of her tasks within active labour market policy is on defining the overarching objectives, supervising and evaluating the activities of the public employment service, and approving fundamental financial policy decisions in agreement with the Federal Minister of Finance.

Decisions on the deployment of LMP tools and the resources necessary to achieve the pre-defined labour market policy objectives largely rest with the public employment service.

2. PUBLIC EMPLOYMENT SERVICE

The Public Employment Service Act (AMSG, Federal Law Gazette no. 313/1994) entered into force on 1 July 1994 and, together with a new organisational form, ushered in a new era of active labour market policy. Large portions of the Labour Market Promotion Act (AMFG), which had governed labour market policy previously, were repealed and replaced by new arrangements and instruments.

At the same time, the AMSG stipulated that management of the labour market would be devolved from federal administration and reorganised in a separate legal entity in the form of a public service enterprise called Arbeitsmarktservice (German acronym AMS, but for ease of understanding the English acronym PES will be used below).

The objectives of this structural reform were:
To enable quick and flexible interventions in labour market developments through de-centralisation of decision-making authority, more flexible use of resources and expanded terms of reference at regional level;

To relieve the public employment service of matters which do not belong to the core tasks of labour market policy (for example, parental leave benefits);

To achieve greater inclusion of representative bodies of employers (Economic Chamber, Federation of Austrian Industry) and of employees (Chamber of Labour, trade unions) in the decision-making structures and the implementation of labour market policy;

To improve active labour market policy, in particular for people disadvantaged in the job market (women, older workers, the long-term unemployed, people with disabilities and so forth);

To licence private placement agencies;

To ensure control by the Court of Audit.

2.1. Functions and Legal Basis of the Public Employment Service

Austria’s PES is the leading client-oriented services enterprise for the Austrian labour market. Within the Federal Government’s full employment policy framework, it seeks to match the supply of and demand for labour as completely, economically and sustainably as possible in compliance with social and economic principles. The PES does so under a mandate of the Social Affairs Minister with substantial involvement of the social partners. This is intended to ensure, as much as possible, the supply of workers to business and industry and of jobs to all workers available to the Austrian labour market, and includes the provision of income support during periods of unemployment as specified by legislation (AMSG).

The public employment service is charged with performing the following tasks:

- Implementing active labour market measures (information, counselling, placement and assistance to workers and employers);
- Verifying claims for, and paying, wage-compensation benefits in the event of unemployment (Unemployment Insurance Act – AlVG);
- Other labour market policies, such as the admission of third-country nationals to the labour market (Act Governing the Employment of Foreign Nationals – AuslBG);
- Providing vocational training options to young people through placement in suitable apprenticeships and through a variety of supplementary measures, e.g. mandating training establishments to provide supra-company apprenticeship training under §30 of the Vocational Training Act (BAG) or under §2 (4) of the Vocational Training Act for Agriculture and Forestry (LFBAG).

The responsibilities are governed by a number of legal bases. Within its own terms of reference (active labour market policies), the public employment service is responsible for managing essentially private-sector matters, but at the same time it has also been charged with
performing public-sector duties (primarily in respect of benefits under unemployment insurance schemes and benefits attributable to foreign workers employed in Austria).

2.2. Organisation

The organisation model of the public employment service revolves around the idea that an effective labour market policy requires a joint approach by workers’, employers’ and government representatives and appropriate consideration of regional disparities and characteristics. Accordingly, the public employment service is a three-tiered organisation comprising federal, Länder and regional levels. The social partners’ involvement in policy design is substantial and extends across all three levels.

The public employment service comprises one Federal Office, nine Länder offices, 98 regional offices and five branch offices.

It consists of:

Bodies with decision-making powers and powers of control
At the federal level this is the Administrative Board (tripartite: social partners and government representatives), at the Land level the Land Directorate (social partners and management, plus – under certain conditions – a representative of the Land government) and at the district level the Regional Advisory Board (social partners and management).

Executive bodies
At the federal level this is the Board of Directors, at the Land level these are the managers of the Länder offices and their deputies, and at the regional level the managers of the regional offices.

Each executive body is supported by PES offices in the implementation of labour market policy. The Land offices and regional employment offices, which had existed before the 1994 reform, have been restructured accordingly, while a new Federal Office (Bundesgeschäftsstelle – BGS) has been established at the federal level.

In addition, the employment service is authorised to create special institutions for specific activities (such as for training its own staff or for covering specific priority areas at the regional level).
2.4. **Organisation at the Federal Level**

At the federal level the employment service consists of the Administrative Board and the Board of Directors, the latter being supported by its own Federal Office (BGS). It should ensure that a uniform approach is applied throughout Austria in all fundamental matters. It is also responsible for all affairs which extend beyond Land level. In addition to managerial control and exercising its coordination and control functions, the federal organisation is responsible for creating the framework necessary for the decentralised implementation of labour market policy.

The Administrative Board comprises a maximum of twelve members. They are appointed by

- the two sides of industry (three members by the employers’ side and three by the workers’ side);
- the Federal Minister of Labour, Social Affairs, Health and Consumer Protection (three representatives of whom one is proposed by the Federal Minister of Finance), and the
central works council of the employment service’s employees (with one member entitled to vote solely on issues concerning staff matters and two other members optionally invited in an advisory capacity).

Members are appointed for a period of six years. The Administrative Board elects the Chairperson and two Deputies from among its members for a period of two years. These three functions are to be shared by the workers’, employers’ and BMASGK representatives.

As a rule, Administrative Board resolutions are passed by simple majority; important issues require a two-thirds majority plus one vote. The Administrative Board has to appoint a monitoring committee and may set up committees to prepare complex issues.

The Board of Directors comprises two members and handles the public employment service’s day-to-day operations on its own authority. The Chief Executive of the Board runs the Federal Office, represents the federal organisation in public and in international bodies and networks. Members of the Administrative Board may not serve on the Board of Directors at the same time.

### Public Employment Service Austria – Organisation of the Federal Office

![Diagram showing the organisation of the Federal Office]

*Source: PES; as at 2017.*

#### 2.5. Organisation at the Länder Level

Each of the nine Länder (federal states) has its own Land organisation composed of the Land Directorate, the manager of the Land office and his/her deputy. The Land organisation is responsible for all labour market policy affairs at the Land level, management and control, budget planning and allocation, as well as coordination and support of regional employment service organisations in the respective Land.
The Land Directorate consists of the manager of the Land office (s/he also chairs the Directorate), his/her deputy and two representatives each of workers’ and employers’ organisations, plus – under certain conditions – a representative of the Land government. A representative of the Land government may be asked to attend in an advisory capacity if the Land in question covers at least 10% of the expenses on PES-subsidised labour market policy projects and at least one third of the expenses on subsidies to employers (in relation to the corresponding PES expenses in the whole Land). The Land Directorate defines the principles for implementing labour market policy in its Land.

The Directorate’s terms of reference include:

▪ Define the principles for implementing labour market policy in a Land (approve priority objectives);
▪ Define the financial outlines (i.e. the budget approved by the BMASGK and BMF for PES staff costs and operating charges within the employment service’s own scope of activity) and the use and allocation of funds;
▪ Supervise the management at Land and regional level;
▪ Decide on the establishment of regional PES offices and the creation of special entities.

The manager of the Land office and his/her deputy are appointed by the Administrative Board for six years and are required to follow the decisions of the Land Directorate and the general outlines of the federal organisation in managing the Land office. The Land organisations are supported in their work by the employees of the Land offices.

2.6. PES Organisations at the Regional Level

At the regional level, the public employment service consists of the tripartite Regional Advisory Board and the manager of the regional PES office. The duties of the regional organisations include achieving the pre-defined labour market policy objectives and implementing labour market policy in the region.

The Regional Advisory Board consists of the manager of the regional PES office (as chairperson of the board) and four other members; the latter are appointed by the Land Directorate for a period of six years on the recommendation of the representative bodies for employers and employees. The Advisory Board is responsible for defining the principles of regional implementation of the guidelines passed down by the federal and Land organisations.

Its terms of reference include:

▪ Make suggestions to the Land organisation as to how labour market policy should be organised at the regional level;
▪ Conduct hearings prior to appointing the manager of the regional office;
▪ Approve the regional work programme and the budget.
The manager of a regional PES office is appointed for an unlimited period of time by the Land Directorate. S/he conducts the employment service’s business at the regional level on his/her own responsibility and represents it in public, while taking into account the guidelines defined by the federal and Land organisation and the principles adopted by the Regional Advisory Board.

The regional PES offices are usually located in the district capitals and are responsible for all clients (job-seekers and employers) located in the administrative district. An office offers its clientele the whole range of services for a given region. The organisational focus of regional offices must be on rendering services in a form appropriate to the specific problems and guidance needs of clients.

### 2.7. Managerial Control

The functions of the public employment service are described in the Public Employment Service Act (AMSG). The federal organisation regulates the execution of these functions by norms (federal guidelines) both at the national level and within its own remit.

The longer-term plan of Austria’s public employment service lays down the medium-term strategies and the resources (staff, budget) required. The planning structure is based on the central dimensions of the quality assurance system implemented in 1999 in accordance with the EFQM model (European Foundation for Quality Management). Gender mainstreaming is one of the major criteria defining the quality assurance process.

The PES services are generally geared towards the needs of job-seekers and employers. Their objectives are to reduce unemployment and its duration, to spread the risk of being affected by unemployment by preventing unemployment from being centred on certain people and groups, and to provide income support as regulated by law (especially whilst people are out of work), as well as to assist employers in their search for suitable workers and in their efforts to help employees adapt to structural change.

The framework for Austria’s PES is defined by the following policy and strategy programmes and targets:

- Europe 2020 – the EU’s growth strategy for a smart, sustainable and inclusive economy including employment policy guidelines;
- Austrian reform programme (NRP);
- Longer-term plan of the Austrian PES 2016-2019;
- Targets defined by the Federal Minister of Labour, Social Affairs, Health and Consumer Protection for the PES’s implementation of labour market policy;
- Plan for gender equality and the promotion of women 2014-2019;
- The annual LMP targets.
§ 59 (2) of the Public Employment Service Act (AMSG) obliges the Federal Minister of Labour, Social Affairs, Health and Consumer Protection to publish the targets defined for the PES’s labour market policy. As a rule, these targets remain in force for several years. The currently applicable targets were communicated to the PES in agreement with the social partners in 2010. They have been supplemented in recent years and read as follows (summarised version):

- Continue developing early intervention (provide assistance as early as possible to avoid and combat long-term unemployment);
- Provide support to specific target groups to enhance equal opportunities in the labour market for: women (e.g. gender budgeting requires that 50% of the active labour market budget be allocated to women), young people, older workers, migrants, people with health issues and people with disabilities;
- Special requirements for PES management and organisation:
  - Continue developing quality standards;
  - Improve quality and sustainability of labour market policy measures;
  - Ensure quality job brokering;
  - Improve quality and sustainability of labour market policy measures;
  - Enhance organisation development, electronic PES services;
- Fight poverty.

For the purpose of management by results, quantified outcome targets for performance enhancement are agreed each year between the federal PES organisation and the Länder organisations and subjected to a process of control. The overriding aim of the employment service is to promote equality between women and men. This mix of outcome objectives and activity/programme targets presents major challenges to the PES.

The annual labour market policy targets of the employment service are developed in consultation with representatives of the PES’s owner, the federal PES organisation and the Länder organisations, negotiated by the Board of Directors and the managers of the Länder offices and ultimately adopted by the Administrative Board. The social partners play a key role in this process. They are involved in the debate of these targets both at the federal and the Länder levels and adopt the binding targets for the entire PES organisation in the exercise of their function in the Administrative Board.

The intention of these targets is to have binding agreements on the effect and influence to be achieved by the public employment service in the labour market at Land level. These outcome targets are supplemented by activity-based targets. It is the responsibility of the Länder offices to define, in cooperation with the regional PES offices, regional strategies and concrete measures for implementing these targets (internal organisational measures, use of
subsidies, strategic partnerships). They are included in the annual written work programmes of the Länder and regional PES offices.

Labour market policy targets focus on the key challenges of the labour market and on those priorities to be pursued by Austria’s PES together with all Länder organisations and PES staff in the forthcoming year.

A balanced score card is used for PES process control. All LMP targets taken together are only one of roughly 30 indicators on this score card. Other key indicators include client and staff satisfaction or indicators which reflect the quality of processes and services to be continuously improved by the PES by benchmarking the process and outcome data at the regional PES level.

Since 2015 the PES has been part of a mandatory and ongoing benchmarking process together with all other EU/EEA employment services, under which it was assessed for the second time by an international team of assessors in 2017. The resulting recommendations and potential strengths will be incorporated both into the longer-term plan and the quality programme.

2.8. Staff

The public employment service had 5,605.63 established posts and 74 training positions for apprentices in 2017. 6,284 employees worked for the PES on the cut-off date of 31 Dec 2017, 11.2% of them are civil servants. PES staff also included 74 apprentices, whereof 44 were female. Women account for 65.9% of all employment service staff. 48.6% of PES executives are female.

All new recruits undergo basic theoretical and practical training. The duration of these modular courses will depend on the particular requirements of the job in question; the courses are held in a training facility created specifically for this purpose by the employment service.

Professional development training for PES staff is continuously adjusted to changing requirements. Different priorities are set for specific target groups in line with organisation objectives. Current priorities of further training in-house include: enhance professional counselling skills, raise the efficiency of services and outreach to employers, and provide comprehensive and advanced training to all PES executives in leadership behaviour, management of change and control. Junior managers are supported with special training programmes. A career advancement plan for women includes defined targets and appropriate training and further training programmes. Its long-term objective is to achieve a fair distribution of management positions between men and women. For this purpose the employment service must ensure that a sufficient number of women apply for managerial-level vacancies.
within its own organisation. Special programmes have been developed to raise the number of female applicants and thus the number of women in managerial positions.

2.9. Technical Resources

The technical resources of Austria’s public employment service meet the requirements of three pillars: process optimisation, enhancement of self-service options and management information. The quality of technical services and products should be for the benefit and satisfaction of its users. Their success is measured against various criteria, such as availability, regular updating, practical use, efficiency and effectiveness of solutions. Areas receiving electronic support thus include client self-service options (e.g. via the internet), operational administration (e.g. on-line matching of applicants and job openings) by employment service staff, as well as managerial systems available to PES executives through Data Warehousing.

Operational software applications support the PES’s core functions, i.e. online matching, administration of financial assistance and of insurance benefits; plus internal training organisation, accounting and numerous support duties within the employment service.

Management information is ensured by a Data Warehouse (DWH) system, which provides web-based access to all employment service staff via the service’s own intranet. Available data include labour market statistics, labour market policy control, financial support and LMP funding budget, insurance benefits or company data and areas covering the employment of foreign nationals and related procedures. The DWH system also features tools for monitoring labour market policy. Other tools are available to monitor active labour market policy programmes, careers and companies.

The Multi-Channel Strategy of the PES is intended to perform the functions of information and communication, administration and job brokering, as far as possible, via electronic channels and – on a selective and supportive basis – over the telephone in order to maximise activation of the clients’ self-help potential. By the same token, most of the personal contacts are to take place by appointment only. They need to be planned and shaped according to the defined assistance and counselling requirements. The ultimate aim is to improve the quality of services and develop these further to better meet client needs.

The ePES account is an important communication and processing channel of the PES and offers clients the opportunity of making full use of the eService tool. It is an unbureaucratic and fast means of submitting requests for unemployment benefits and financial assistance or conducting administrative activities. Employers may use the account to enter vacancies, request financial assistance or process employment permits for foreign nationals. Intensity of assistance is agreed between counsellor and client and included in the written action plan. Registration and authentication is conducted via the competent regional office or via the Federal Ministry of Finance’s online service (FinanzOnline).
Alongside improved self-service options via internet, the provision of telephone services in the PES’s contact centres (‘ServiceLines’) has been further developed and its technology upgraded. The ServiceLines ensure PES availability and a broad range of services in compliance with Austria-wide minimum standards. Since 2009 ServiceLines staff has answered roughly 4.6 million calls per year or an average of 18,318 calls per day.

3. IMPLEMENTATION OF LABOUR MARKET POLICY

3.1. Principles

The PES performs its duties within the framework of the following general labour market policy goals as set out in §29 of the Public Employment Service Act (AMSG):

▪ Sustainable matching of labour supply and demand;
▪ Overcoming placement handicaps;
▪ Reducing unemployment;
▪ Spreading people’s risk of being affected by unemployment by preventing unemployment from becoming prevalent among certain persons or groups;
▪ Ensuring transparency in the labour market;
▪ Securing jobs;
▪ Securing young people’s vocational training;
▪ Integrating people with health issues;
▪ Providing income support as regulated by law (especially whilst people are out of work).

3.2. Procedures and Organisation of Regional PES Offices

In accordance with the requirements of client-oriented service delivery – and a number of central control, coordination and administration functions –, regional offices have two major functions:

▪ **Service to workers** (information, guidance, counselling, UI benefits, sustainable placement support, matters relating to the employment of foreign nationals);
▪ **Service to employers** (information, counselling and assistance in all matters relating to personnel and labour market; placement/filling vacancies, Europe-wide recruitment and placement of personnel within EURES, support for the development of the labour market, employment of foreign workers, early warning system).

3.2.1. Service to Workers

The service to workers is directed at

▪ unemployed persons, persons in employment or in training who are seeking work;
▪ persons in employment who are at risk of losing their job due to structural problems or insufficient qualification;
returners to the labour market;
- persons on means-tested minimum income benefits;
- individuals with health issues;
- young apprenticeship-seekers, and
- secondary school students facing a career choice;
- to ensure their continued participation in, or entry into, the labour market.

These services, which ultimately serve the purpose of sustainable placement, are delivered in a great variety of ways tailored to the specific needs of client groups:

- Information,
- Counselling,
- Guidance,
- Benefit claims processing,
- Assistance and support,
- Subsidies to training, further training and employment, and
- Services relating to the employment of foreign nationals.

An essential basis for efficient guidance is the action plan (Betreuungsvereinbarung), which includes the goal of PES assistance jointly agreed between case worker and each individual person as well as the steps required to reach it. Alongside personal counselling, the entire range of self-service options is also available to PES clients.

Training and special training are usually provided by a large number of external providers, to whom the PES entrusts this function.

**Organisation of the service to workers**
The centrepiece is a clear segmentation of clients according to their problems and their need for guidance. A defined and transparent range of services has been established in line with the varying counselling and guidance needs of individual client segments.

In organisational terms, the graduated counselling and guidance programme takes the form of a three-zone structure:

- Info zone: clients who need information about the job market or the services offered by the public employment service, or who would like to use the self-service facilities, will head for the ‘info zone’. Clients may obtain this information (on careers, training, special training and the entire labour market) through self-service internet access or the available written documents, or they may turn to staff for support. In addition, they may retrieve all registered vacancies. Another key function of the info zone is to ensure the targeted assignment of clients to the service and counselling zones of the PES office.
▪ Service zone: the 'service zone' is responsible for clients who register as unemployed and are seeking a job. It offers both job broking services and benefit claims processing, thereby creating a single contact point for the majority of clients.

▪ Counselling zone: based on specific criteria, clients requiring more counselling and guidance will be referred from the ‘service zone’ to the ‘counselling zone’ immediately (after twelve months at the latest). Alongside intensive counselling and individualised action plans, this zone offers the entire gamut of LMP programmes and subsidies. Depending on the circumstances prevailing in any given region, employment service staff is specially trained and deployed, or the know-how of external providers is bought, to cater to the needs of special groups of people for whom special knowledge is required, such as people furthest from the labour market, returners, young people, individuals with health issues, etc.

Since in recent years the number of unemployed workers has substantially increased – primarily because they remain unemployed for a longer period of time, while a growing number of them have repeated spells of unemployment –, this tried and tested three-zone model has gradually reached its limits. Consequently, a variety of other types of organisation are currently being tested. The common denominator of all models is that they retain the principle of 'one face to the customer'. The discussion on different forms of organisation and their evaluation will result in a major organisation development process over the next few years.

**Individual action plan**

Based on the results achieved in the first counselling session, case worker and client will devise an individual action plan (actually an agreement called Betreuungsvereinbarung, for ease of understanding the common English term individual action plan and its acronym IAP will be used below) taking into account the current labour market situation. The IAP agreed with the client defines the goal and the necessary steps to be taken to attain it. This agreement represents a clearly defined task and timetable for both the case worker and the job-seeker. It will apply for no more than six months. In addition to the individual action plan, the public employment service’s terms and conditions define the rights and obligations at a more general level.

**Outsourcing to external providers for special problem areas**

External entities, which are (co-)financed by the employment service, are called in to support the PES in providing counselling and guidance to groups of people with special problems: reintegration following parental leave, work-life balance, debts, housing problems, imprisonment, migration, psychological handicaps, and reduced employability due to health issues and substance abuse.

There is a tradition of cooperating with external providers in certain fields, i.e. the PES purchases their services to promote training and continuing training, specific counselling and
support services, employment in the secondary labour market, business start-ups and advice to employers concerning HR development or organisational issues.

**Vocational Information Centres (BIZ) of the employment service**
At 68 locations throughout Austria, the PES now offers modern media libraries to all interested parties, which include a plethora of information on occupations, job prospects, income, labour market trends, initial and continuing training or professional development. Visitors may gather information independently or turn to BIZ counsellors concerning assistance in information retrieval and questions on career and education choices. BIZ counsellors also offer lectures, workshops and seminars on labour market issues.

### 3.2.2. **Service to Employers**
In 2016, the PES cooperated with roughly 71,000 employers, thus establishing new customer relations with some 8,160 companies. Alongside concerted actions, such as the annual service campaign ‘AMS ON TOUR’ (PES ON TOUR), active PES assistance to employers greatly helps to canvass vacancies for job-seekers. Vacancy acquisition is supported by the Key Account Management tool, which offers an assistance programme tailored to the specific needs of companies operating across several regions and having branch offices in several Austrian Länder (federal states). In 2016, there were more than half a million vacancies and apprenticeship slots notified by employers to the PES.

In order to meet the human resources needs of companies rapidly and appropriately, the counsellors of the service to employers (Service für Unternehmen - SFU) provide advice on the recruitment of staff and on promising recruitment strategies, draw up specific job profiles and suggest suitable job candidates to employers.

Vacancy processing is based on an agreement concluded between the company in question and the employment service. This service agreement defines tangible parameters for recruitment, such as the kind of placement required, publication of vacancy, application modalities, cooperation (schedule of contacts, feedback on applicants, etc.), procedure in case of deviations and period of validity of the agreement per request.

### 3.2.3. **Strategic Priorities of the PES**

**Service to young people**
Preventing youth unemployment has been a priority of Austrian labour market policy for many years. Since in Austria there is a clear correlation between the risk of unemployment and the level of education and training, the PES’s service to young people is aimed at helping all young job-seekers to complete formal vocational training. This PES goal is supported by the Austrian Government’s Training Guarantee (Ausbildungsgarantie), which guarantees vocational training to all young people. Since 2015, a special focus has been on young persons eligible for asylum or for subsidiary protection.
• **Transition from school to work – career information**

Support in career choices is important for providing sustainable career (training) perspectives to young people. The PES offers – as already described above – written information and individual counselling on the right career choices in Vocational Information Centres (BIZ) throughout Austria and provides details on the labour market and the world of work on its website. PES counsellors – many regional offices have specially trained youth counsellors – will help young people find a suitable apprenticeship or training slot.

• **Division of tasks at the transition from school to work**

In order to prevent the exclusion of young people on their pathways from compulsory schooling to continuing (vocational) training and/or the labour market, the PES and the Social Affairs Ministry Service have developed new programmes and policy measures and have redefined responsibility sharing: the Social Affairs Ministry Service helps young people who are already at risk of exclusion and likely to fail with transition from school to work to prepare themselves for entry into the labour market by offering low-threshold programmes (Production Schools and Youth Coaching). The PES, in turn, assists young people with integration into the labour market by offering vocational training and continued training (see also Chapter 3, 4.13 on page 158 and section 4.15 on page 160).

• **Training Guarantee and Compulsory Education/Training**

Young people who want to enter apprenticeships but fail to find company-based training slots benefit from the Federal Government’s Training Guarantee (Ausbildungsgarantie): In 2017, the Training Guarantee was widened to include all young people until age 25. Each young person up to the age of 25 who wants to take up an apprenticeship shall get a training position – either with a company or in a supra-company training scheme provided by a training workshop or in cooperation with a company. This scheme enables young people to undergo an apprenticeship training programme which is equivalent to company-based training and offers recognised credentials (for a more detailed description see Chapter 3, section 4.8 on page 146, section 4.9 on page 149 and section 4.10 on page 151. Education/Training till 18 and Compulsory Education/Training – as of the cohort which exited from compulsory schooling in 2016/17 – is to enable all young people to complete education/training properly and help them avoid early leaving (see Chapter 3, section 4.13 on page 158).

• **Active labour market policies for young people**

In 2016, roughly 94,400 young people or about 53% of all young people until age 24 who are registered as unemployed participated in active labour market programmes, the great majority of them (more than 90%) in training measures, in particular in initial and further train-
ing programmes. 7,800 received employment subsidies, primarily integration subsidies, and roughly 22,500 were supported by external counselling and assistance providers.

Service to women (see also Chapter 3, section 6.4 on page 217)

▪ The PES supports equal opportunities

On average, young women now have higher education attainment levels than men. More of them attend universities or have passed matriculation exams. However, in relation to the overall population – and in particular among older persons – there are still more women than men who have no qualifications beyond compulsory school. In spite of young women’s good training, equality of opportunity has not been achieved as yet. Female-dominated occupations frequently have a lower pay structure, fewer career prospects and greater job insecurity. The full-time gender pay gap between women’s and men’s earnings amounted to 17.3% in 2016\(^1\). The task of the PES is to tackle these gender-specific inequalities and help establish equality in the labour market through appropriate use of LMP tools. Information, skills training and support programmes targeted at women are used to enhance women’s integration into the job market. Women are to be actively encouraged and supported to choose qualified vocational training with good career and earning prospects.

▪ FiT programme: training of women in engineering

The PES continued the multi-annual FiT training programme (FiT = women in crafts and engineering) in 2016. Under this programme women are encouraged to choose training in occupations with a low percentage of women. PES funding may be claimed for apprenticeship training as well as for training at upper secondary technical or vocational schools, secondary colleges for engineering or technical universities of applied sciences. The programme includes preparation and support measures as well as assistance during training (for a more detailed description see Chapter 3, section 4.4 on page 136).

▪ Programme for returners

An active and supportive attitude, as well as low-threshold information offerings, help with planning a worker’s return to the labour market in due time. With the ‘support returners’ programme (Wiedereinstieg unterstützen) the PES sets high standards for information, counselling and guidance of women returners. In order to inform returners about the relevant programmes as early as possible, the public employment service has enhanced its cooperation with the regional health insurance funds (Gebietskrankenkkassen – GKK). In every regional PES office there are female returner experts in order to improve the quality of counselling for this target group. A special course entitled ‘returners with a future’ (Wiedereinstieg mit Zukunft) assists women in successfully re-entering the labour market.

\(^1\) Source: Statistics Austria, data on taxation of wages payable – social statistics evaluations 2016.
Vocational centres for women

All Länder have Vocational Centres for Women (Frauenberufszentren – FBZ) to ensure high-quality career counselling for women throughout Austria. Their innovative approach lies in the enhancement of the participants’ competences and in a range of freely selectable mini-workshops on topics such as career planning, health and wage negotiations.

Systematic development of competences (KmS)

Systematic development of competences (Kompetenz mit System – KmS) is an upskilling programme for people with only compulsory or lower levels of educational attainment, most of them having already gained job experience. KmS comprises three modules, thus enabling participants to have previous job experiences credited towards training and complete apprenticeships within a shorter period of time. In addition, shorter unemployment spells, e.g. at times of seasonal unemployment, can be used for training to complete apprenticeships. Training is based on competences and ensures long-term and sustainable knowledge building. Completing an apprenticeship programme will substantially reduce the risk of re-entering unemployment. The following training programmes are offered under the KmS scheme: retail, clerical, computing, trade, information technology, hotel and catering, forwarding and logistics, finance and accounting, metalworking, cleaning technology, electrical engineering and bricklaying.

Service to older workers

To reintegrate unemployed workers over 50 into the labour market, the PES uses its entire toolkit of active labour market policies. In 2016, a total of 62,469 older unemployed workers participated in PES programmes. This corresponds to a funding rate of 29%. 25,511 older workers used employment support schemes, i.e. more than every third job take-up was made possible by employment support. In sum, almost €266m were spent on this group. This corresponds to 22% of the entire assignable LMP funding budget for the unemployed.

The PES supports age-appropriate work by granting part-time allowances for older workers as well as by advising employers on policies of active ageing. The part-time allowances enable older workers to reduce their working hours without losing much of their salaries and without having to reckon with any negative consequences for their future retirement income.

Employment initiative 50plus

A major part of assistance to older workers is based on the 50plus initiative of the Federal Government. As of 2014 additional funds have been made available under this programme to support the employment of workers who are over the age 50 and have been on the PES’s unemployment register for at least six months. The maximum budget for this employment
initiative 50plus was €150m for 2016, €175m for 2017, and for 2018 it will also be €175m under the current legal provisions. It is used to fund integration subsidies, wage top-ups and employment projects. More than one third of all beneficiaries in this age group was supported by the employment initiative 50plus in 2016 (approx. 23,000) and in 2017 (approx. 28,000) – see also Chapter 3: section 5.3 on page 172, section 5.4 on page 175 and section 5.1 on page 166 as well as section 5.2 on page 169).

Service to people with health issues (see also Chapter 3, section 6.3 on page 215)
The number of persons suffering from health-related employment handicaps is on the rise as is the dimension of the problem. This poses a major problem to the employment service. In order to prevent workers from entering early retirement for health reasons, a number of measures are taken to ensure that workers remain in the labour market longer and work in jobs commensurate with their health status. In place since the beginning of 2014, one possibility is to draw retraining benefits: whoever, for health reasons, can no longer do the job he or she has been trained for (temporary disability/incapacity to perform their usual work) will be offered retraining by the PES to be able to enter a comparable occupation and may draw retraining benefits for this purpose (see also Chapter 2, item 5.3.1 on page 84, and Chapter 3, item 3.4.1 on page 108).

144,731 people with health issues were affected by unemployment in 2016, i.e. up 10,497 or 7.8%. The number of people with disabilities in the stricter sense of the term (beneficiary disabled persons under Länder disability legislation or under the Disability Employment Act – BEinstG – or holders of a disability passport) who are affected by unemployment rose to 24,919, i.e. up 373 or 1.5%. The duration of unemployment of people with disabilities is 78 days longer than that of non-disabled job-seekers. People with health issues are assisted by PES counsellors with special know-how in rehabilitation.

- Health street and ‘perspectives plan’

‘Health street’ (Gesundheitsstraße) refers to a medical assessment programme for the unemployed to ascertain their capacity or incapacity to work. Assessment is carried out by the assessment competence centre of the social pension insurance at the request of the employment service. Medical assessment includes a performance score which is binding on both entities.

The so-called ‘perspectives plan’ (Perspektivenplan) is an external counselling programme offered at the PES’s request to persons found capable of work by the assessment competence centre. Counselling uses an individual’s health situation and resources as a basis for developing new and realistic career perspectives.
▪ **Occupational rehabilitation with ‘retraining benefits’**

Since 2014 the public employment has carried out occupational rehabilitation measures based on Austria’s revised pension law. In accordance with the tenet ‘rehabilitation takes priority over retirement’ workers are re-trained for a new occupation subject to the social pension insurance’s confirmation that measures of vocational rehabilitation are expedient and reasonably suitable for persons entitled to placement in their former occupation (Berufsschutz) – see also Chapter 2, item 5.3.1 on page 84.

▪ **fit2work**

In place since 2015, fit2work is a free counselling programme for workers and employers jointly provided by the PES, social pension insurance and Social Affairs Ministry Service under the Work and Health Act (Arbeit-und-Gesundheit-Gesetz – AGG). It offers information, individual counselling and support to unemployed, employed and self-employed people regarding any health problems they may have at the workplace and during periods in which they try to (re-)gain productivity. It also supports companies of all sizes in matters of workplace design and improvement of the employees’ capacity to work (see also Chapter 3, item 6.1.2 on page 201).

**Service to persons on minimum income benefits**

A total of 122,470 of those out of work claimed means-tested minimum income (full or partial support) in 2016. This corresponds to an increase by 6,329 or 6%, whereof 55,145 only received means-tested minimum income benefits and no UI benefits. Means-tested minimum income benefits (BMS), an upgrade of the social assistance scheme, are benefits granted by the Länder under social assistance legislation and based on nationwide uniform minimum standards. BMS claimants who are able to work are obliged to look for a job and must have themselves registered with the PES for this purpose.

**Service to persons from migrant backgrounds (also applies to persons eligible for asylum and subsidiary protection)**

In 2016, a total of 392,017 individuals from migrant background were affected by unemployment. This is an increase of 18,109 or 4.8%. Their share in the total number of those out of work thus rose to 40.8%. The unemployment rate of persons from migrant background was 15.3% (women 15.1%, men 15.5%).

Their needs vary greatly and so do the programmes offered by the public employment service to this group. They range from simple placement support via German language courses, vocational training and continuing training to specialised counselling and assistance by entities cooperating with the PES. These assistance centres for migrants address issues such as e.g. settlement, right of access to the labour market, academic validation and recognition of certificates and titles acquired abroad as well as legal concerns.
Roughly 25,027 persons eligible for asylum or for subsidiary protection status were among those from migrant backgrounds in 2016. They have unlimited access to the Austrian labour market and consequently are treated on an equal footing with others within the PES’s entire assistance process. Due to the currently soaring numbers of refugees registered with the PES, new targeted active labour market programmes have been developed and existing policies enhanced in order to support the rapid labour market integration of this target group (for more details see Chapter 3, section 6.5 on page 220).

3.3. Job Placement outside the Public Employment Service

Job placement in Austria is subject to the Labour Market Promotion Act (Arbeitsmarktförderungsgesetz - AMFG) and is carried out by the public employment service (PES) as mandated by law. In addition to the PES, however, various other businesses and institutions may provide placement services.

Private employment agencies are monitored by the competent trade authorities. If such private agencies infringe legal provisions, administrative penalties will be imposed (charges brought against the infringing agencies). In addition, the business licence can be revoked under certain conditions, such as serious infringement of legislation.

Alongside the public employment service, the following firms/entities may broker jobs under the provisions of the Labour Market Promotion Act:

- Statutory stakeholder groups and professional/trade associations with collective bargaining powers;
- Non-profit organisations;
- Holders of a business licence for the provision of placement services, and
- Consultants for businesses and their organisation provided they only render placement services for executives.

Employment services by private agencies are not free for employers, but have to be free for employees. Private employment agencies may charge commissions from job-seekers only in cases involving the successful placement of artists or athletes.

3.3.1. Job placement by Non-Profit Organisations

If a not-for-profit organisation intends to take up job brokering, it has to notify its intention to the Federal Ministry of Labour, Social Affairs, Health and Consumer Protection. Notification must include the charter of the organisation and information on the intended job brokering services.
3.3.2. **Profit-Making Private Placement Services**

The provision of job placement services is a regulated trade requiring proof of ability to do so. The business licence is issued by the competent trade authority, i.e. the district or municipal authority where the agency is located.

The following eligibility conditions must be met:

- Natural persons are required to be nationals of a country which is party to the European Economic Area (EEA) and have their residence in an EEA country.
- Legal entities and commercial partnerships must be located or headquartered in an EEA country and the members of their statutory bodies of representation or members of their managing and representative bodies must be EEA nationals and have their residence in an EEA country.
- A qualification examination to demonstrate the placement knowledge required.

In practicing placement, private placement agencies must comply with the criteria defined in the Labour Market Promotion Act (e.g. voluntary use of services, impartiality, job suitability, no placement in an enterprise affected by strike or lock-out).

3.4. **Social Affairs Ministry Service (SMS)**

The Social Affairs Ministry Service (Sozialministeriumservice) with its nine Länder offices located in the state capitals is subordinate to the BMASGK. It is seen as a central contact point for people with disabilities, health issues or other disadvantages and for their relatives, as well as for employers willing to recruit and/or employ disadvantaged people.

The key task of the Social Affairs Ministry Service is to promote vocational integration of people with disabilities. In this context, the focus is on employment opportunities for this group of persons in cooperation with the competent partners in the federal states (PES, Land, private providers).

Based on the strategic targets defined by the BMASGK, the Social Affairs Ministry Service develops, together with regional partners, regional LMP programmes which are summarised in the Austria-wide LMP programme for people with disabilities.

In order to have a steering function in the regions, implement the programmes and achieve the labour market policy targets for people with disabilities, the SMS has the following tasks at Länder level:

- To take measures of occupational rehabilitation and integration which are necessary in the individual case concerned, and to do so in cooperation with the relevant partners (funding agencies, stakeholder groups, project providers, business and industry);
To ensure rapid and simple processing of all administrative and funding procedures through administrative arrangements or other suitable measures;

To use LMP analyses to achieve joint funding strategies and priorities which are consistent with the situation in the regional job market, the business structure, the employment situation of people with disabilities and existing LMP programmes.

In so doing, the SMS should make optimal use of the networking and coordination structures already in place or establish such structures where required. Since 2012, the SMS has offered an interlinked pool of support measures for people with disabilities and other disadvantaged groups designed to secure and maintain paid work in the regular labour market.

The Social Affairs Ministry Service may fund policy measures and support expenditure for the occupational integration of people with disabilities and young people in need of assistance as from Year Nine at school as well as for employers as set out under the provisions of the Disability Employment Act (Behinderteneinstellungsgesetz - BEinstG). Monies made available under the Employment Initiative for people with disabilities are provided from federal budget appropriations, the Compensatory Levy Fund (Ausgleichstaxfonds – ATF) and the European Social Fund (ESF). In this field, the SMS provides support under a wide range of interlinked individual and project-based subsidies, including the following measures targeted at both employees and employers:

- Programmes offered by the Employment Assistance Network (Netzwerk Berufliche Assistenz – NEBA) such as Youth Coaching, Production Schools, Training Assistance (Berufsausbildungsassistenz), Job Assistance (Arbeitsassistenz) for people with disabilities, Job Assistance for young people with disabilities and Job Coaching;
- Skills development projects aimed at facilitating the vocational integration of people with disabilities;
- Personal Assistance in the Workplace;
- Technical and other workplace support, as well as support to retain and create jobs and training places;
- Wage subsidies;
- Support to ensure self-employment;
- fit2work as defined in labour and public health legislation.

For many years the SMS has focused on the transition from school to work, a particularly difficult phase for many young people with disabilities or in need of assistance. The Employment Assistance Network (NEBA) offers targeted programmes to young people with disabilities to help them manage the transition from school to work, which are organised in association with the various existing providers of Youth Coaching, Production Schools, Training Assistance, Job Assistance as well as Job Coaching.
Education/Training till 18 aims to guide young people towards qualifications that go beyond compulsory education and prevent early dropout. Within the implementation of this compulsory education/training scheme, the SMS – and in particular its Youth Coaching and Production School programmes as well as its coordination offices – plays a key role. The Social Affairs Ministry Service undertakes core functions in terms of operational implementation and provides the interface to the programmes of the Employment Assistance Network (NEBA). Under the Education/Training till 18 scheme, the Youth Coaching/Production School/Training Assistance programmes will be appropriately upgraded to open up career perspectives to young people at risk of exclusion and young people in need of assistance and ensure their sustainable integration into the labour market. In association with the mandated project providers, the SMS ensures cooperation between teachers, social environment, labour market actors and, where applicable, prospective employers.

Since 2013, the Social Affairs Ministry Service has coordinated the fit2work programme throughout Austria. It offers free information and counselling to workers whose job is at risk due to health problems or who have difficulties finding a job for these reasons.

As far as the social inclusion of people with disabilities is concerned, the SMS issues disability cards (Behindertenpass), and as from 1 Jan 2014 it is also in charge of issuing parking cards pursuant to §29b of the Austrian road traffic regulations.

In recent years, the Service has evolved into a key source of expert opinion. It drafts various expert opinions on e.g. entitlement to higher family allowance or tax allowance on grounds of disability. In so doing, the SMS relies on the assistance of experts in medicine, occupational science and occupational psychology who have the requisite expertise and use psycho-diagnostic methods to assess the performance and resources of people with disabilities for the purpose of integrating them into the labour force.

Another important task (as from 1 Jan 2006) of the Social Affairs Ministry Service is to enforce the Federal Disability Equality Act (Bundes-Behindertengleichstellungsgesetz – BGStG). This is an effective anti-discrimination tool in the hands of people with disabilities. The disabled may turn to the Service to initiate conciliation proceedings, which precede any court proceedings that might be instituted later. Ongoing initiatives to ensure implementation of disability equality law and existing know-how have further strengthened the Service’s leadership position in this field.

The Service's traditional functions include the provision of income to victims of war, victims of political persecution, people with vaccine-related injuries and victims of crime.

In respect of 24-hour care services and support for nursing family members, the Service grants financial aid. As from 1 Jan 2014, the Social Affairs Ministry Service is also responsible for care leave benefits (Pflegekarenzgeld).
The Service's employees provide counselling and support in all these questions. They inform about the programmes and benefits available from the Service and about currently applicable regulations or they refer cases to the competent organisations. The open client reception area is the first-stop shop where the 'one-desk principle' is intended to help overcome any fears of the unfamiliar public agency.

### 4. FINANCING STRUCTURE OF AUSTRIAN LABOUR MARKET POLICY

#### 4.1. Revenue

The unemployment insurance scheme is based on the insurance principle and funded by contributions. Minor revenue used for active labour market policies is derived from other sources: winter holiday compensation of the Construction Workers’ Paid Leave and Severance Pay Fund (BUAK); charge payable by employers when they terminate employment relationships (Auflösungsabgabe); contributions for frontier workers; or special funding (e.g. from the labour market reserve fund). In addition, contributions of the Insolvency Contingency Fund (Insolvenz-Entgelt-Fonds) are allocated directly to apprenticeship grants as defined by §19 of the BAG.
Table 1: Revenue for active labour market policies in €m

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<td>UI contributions 1)</td>
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<td>5,025</td>
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<td>Transfers according to §16</td>
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<td>68</td>
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<td>4,818</td>
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<td>6,000</td>
<td>6,227</td>
<td>6,349</td>
<td>6,670</td>
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<tr>
<td>Allocations by IAF</td>
<td>163</td>
<td>159</td>
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<td>162</td>
<td>166</td>
<td>149</td>
<td>165</td>
<td>163</td>
</tr>
</tbody>
</table>

Source: Federal Ministry of Finance (BMF); annual accounts of LMP funds.

1) including charges for the termination of employment by employers and revenue from frontier workers accounting.

4.2. Unemployment Insurance (UI) Contributions (AlVG 1977)

In order to finance the Federal Government’s labour market policy, an UI contribution is collected from all persons required to make contributions under the provisions of §§1-3 of the 1977 Unemployment Insurance Act (AlVG), and from their employers. This revenue represents the major source of income for the LMP budget. As set out in §2 of the Labour Market Policy Finance Act (AMPFG) and revised with effect as of 1 Jan 2016, the UI contribution for apprentices is 2.4% and for all other insurees 6% of the general contribution base under the 1955 General Social Insurance Act (ASVG), up to the maximum contribution base (2018: €5,130) determined for social pension insurance in accordance with §45 of the ASVG. By way of derogation, §2a of the AMPFG defines reduced UI benefits for employees. The UI contribution rate can be changed by ordinance by the Social Affairs Minister in agreement with the Federal Minister of Finance and with the approval of the National Council’s main committee (§3 of the AMPFG). Contribution payments to unemployment insurance are shared equally between employees and employers.

UI contributions of employees on low incomes may be reduced in three steps (§2a of the AMPFG). If they earn up to €1,381, employees need not pay any contribution; if they earn more than €1,381 to €1,506, their contribution amounts to 1% of the contribution base; from over €1,506 to €1,696, it is 2% of the contribution base (contribution limits as applicable in 20182), whereas employers are required to pay their contribution an all cases.

2 Source: Austrian social insurance, contribution classes applicable as of 1 Jan 2018.
The Second Stability Act (Federal Law Gazette I no. 35/2012, entered into force on 1 Jan 2013) sets out that the obligation to pay UI contributions will remain applicable until employees reach entitlement to pension benefits. In the case of corridor pensions, this rule extends to one year beyond reaching entitlement. Hence UI contributions now need to be paid up until employees enter their 63rd year of life at most.

Self-employed individuals are offered the opportunity to voluntarily join the UI scheme.

The Labour Market Policy Finance Act (AMPFG) stipulates that contribution rates are to be raised if projected revenue from contributions is not expected to cover projected expenditure, whereby other sources of income are to be taken into account, as should PES borrowing options, labour market trends, and the average annual expenditure over the past two years. Contribution rates are to be lowered, if the PES’s assets (labour market reserve) exceed the average annual revenue from contributions to unemployment insurance for the previous five years. Income from UI contributions is collected by the providers of statutory health insurance and transferred to the Federal Government for labour market policy funding. These providers receive a fee for collecting UI contributions, which is transferred from the labour market policy budget to the Federation of Austrian Social Insurance Institutions (Hauptverband der Sozialversicherungsträger), where it is distributed amongst the relevant health insurance providers.

4.3. Disbursements

Labour market policy forms part of the Federal Government’s overall budget. However, whereas the overall budget is under overall coverage, which means that all revenue must be used for all expenditure, labour market policy is financed by earmarked funds (§36 of the 2013 Federal Budget Act – BHG), in which spending is subject to separate legal provisions in keeping with earmarked revenue as defined by the Labour Market Policy Finance Act (§1 of the AMPFG). Under this arrangement, the expenses specified in §1 of the AMPFG are financed out of the specified revenues. These revenues and expenses will be balanced at the end of each year; profits will be transferred to the PES, which is charged with performing tasks related to labour market policy, and allocated to a reserve (labour market reserve fund), while losses, as a rule, will be compensated for by the Federal Government from non-earmarked funds (§1(4) of the AMPFG) or by money borrowed by the PES to cover staff costs and overheads (§48 in conjunction with § 41(1) of the AMSG). PES outlay is met in advance by the Government; thus PES revenue accrues to the Federal Government (§7 of the AMPFG).

As concerns fiscal responsibility and the flows of funds between the Federal Government and the PES, and amongst the individual Länder offices of the PES, it is necessary to distinguish between an agency’s own terms of reference and the ones delegated to it in accord-
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BIR Reporting Year 2016/2017, Labour Market Policy – Institutions, Procedures, Measures

ance with §§41 and 42 of the AMSG. Under §42 of the AMSG, the PES is responsible for implementing labour market policy and the corresponding provisions of law (such as those of the AMSG, AIVG or SUG). On the other hand, expenses incurred by the PES in enforcing delegated laws, such as the payment of UI benefits (unemployment benefit, unemployment assistance, special unemployment assistance and the like) together with social insurance contributions, or the implementation of active labour market policies under the AMSG and AMFG, are situated within the delegated terms of reference (§42 of the AMSG) and thus within the federal budget. This means that the annual maximum amount of expenditure will be determined by the national budget estimate incorporated into every year’s Federal Finance Act (BFG); liquidity is ensured by the Federal Minister of Finance based on monthly data of financial requirements communicated by the public employment service and the Federal Ministry of Labour, Social Affairs, Health and Consumer Protection.

The PES’s own remit (§41 of the AMSG) includes PES staff costs and other overheads necessary for enforcing the laws delegated to it. The budget resources required for this are determined by the national budget estimate incorporated into every year’s BFG, and these resources are transferred to the PES in equal monthly instalments. The PES apportions and disburses these funds to its Länder organisations in accordance with the preliminary budgets approved by the Administrative Board.

The level of expenditure within its own remit is ultimately limited by the BFG and the existing reserve. These expenses are subject to the provisions of the Austrian Companies Code (UGB), to the preliminary budgets approved by the BMASGK and BMF, and to the internal financial regulations of the employment service. In addition to the control exercised by the BMASGK and BMF, control is also exercised by a chartered accountant who duly examines the annual accounts and has to confirm their conformity with statutory regulations. The operational framework for the PES’s activity is a longer-term plan covering a period of at least three years and defining the labour market policy priorities and the development of PES performance. This plan balances the necessary capital expenditure, staff costs and other overheads against revenue trends.
4.4. Structure of Labour Market Policy Spending in Austria

The following table shows Austrian LMP spending since 2009 (€m), inter alia broken down by active and passive labour market policies.

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Sources: PES annual reports 2009-2016; BMASGK, Division VI/A/6.
1) including subsidies to short-time work (partial unemployment) and activation grant; programmes for older workers, the long-term (chronically) unemployed, persons eligible for asylum and subsidiary protection status, Action 20,000; year of integration and skilled workers’ grant.

2) DB 20 Jan 2002 and apprenticeship training promotion pursuant to §13e of the IESG.

3) including social insurance contributions for subsistence allowance (DLU) pursuant to §35 of the AMSG.

4) IEF: Insolvency Contingency Fund.

5) including semi-retirement.

6) Contribution to Bad Weather Compensation from the Construction Workers’ Paid Leave and Severance Pay Fund (BUAK), collection fees, transfer to Insolvency Contingency Fund according to §14 of the AMPFG, transfer to social and continued training fund.

7) e.g.: unemployment benefits, unemployment assistance, etc.; including bridge benefits, excluding activating UI funds.
4.5. GDP Share of Expenditure on Active LMP

Active and activating LMP spending in % of GDP (per percentage point of unemployment rate), 2015

Source: OECD Employment Outlook 2017; EUROSTAT; BMASGK’s own calculations.
** Greece, Norway: only EUROSTAT LMP database categories 2-7 active LMP spending.
5. COOPERATION AND COORDINATION ACTIVITIES

Through the members of the Administrative Board, which at federal level is a tripartite decision-making and control body, the social partner organisations and government representatives are included in strategic control and in all decisions taken by the PES management or all decisions concerning PES resources.

By the same token, PES bodies ensure that activities at regional and local levels are performed in close cooperation with the social partners. Furthermore, in recent years efficiency of cooperation has been enhanced with the nine Länder governments, and at local level with business enterprises. There is growing integration of labour market and regional economic policy through Territorial Employment Pacts (TEPs), which support structural change by supplying business and industry with skilled workers and by training job-seekers to meet skill requirements. The agencies responsible for active labour market policies, e.g. institutions for initial vocational training and continued training, external counselling centres for specific target groups, coordination offices for gender mainstreaming and regional coordination offices, are also closely involved in these cooperation efforts.

By introducing new strategic priorities in recent years – such as transition from school to work, Compulsory Education/Training till 18, Training Guarantee till 25 or the integration year, reform of invalidity pensions -, the public employment service increasingly deals with new target groups which are further from the labour market. These new target groups require appropriate fine-tuning of cooperation with local governments (social assistance/means-tested minimum income scheme), with the various social pension and health insurance schemes, rehab centres, the education system or the Austrian Integration Fund (Österreichischer Integrationsfonds – ÖIF).

Cooperation also involves private placement agencies and temporary work agencies, in that the PES website provides links to such private agencies and to vacancies available from temporary work agencies.

6. INTERNATIONAL RELATIONS

The PES is closely integrated with the European Network of Public Employment Services and participates in various programmes, working groups and projects to enhance mutual learning, modernise public employment services and devise labour market policies in agreement with the European Employment Strategy. In place since 2015, the most important initiative of this network is a mandatory benchlearning process of all participating employment services. Based on mutual assessment and benchmarking, it identifies good practices and has established a systematic Mutual Learning Programme. Assessments have confirmed that the
Austrian PES is among the very best employment service organisations in Europe. Owing to this position, the Austrian PES is involved in many workshops.

Austria’s PES is an active member of the World Association of Public Employment Services (WAPES) and was represented in the Association’s Managing Board till May 2012. Austria’s public employment service participates in, and hosts, many WAPES seminars and meetings in Europe and elsewhere and is committed to sharing experience and fostering mutual learning. Owing to its active and reputable role both in the network of PES managers and in WAPES, the Austrian PES and its staff are also involved in a number of bilateral projects and PES study visits.

A PES cooperation agreement with Serbia and Bosnia-Herzegovina has been concluded, its purpose being direct and periodic exchanges of information and good practices.

The Austrian PES is a member of EURES (European Employment Services). EURES is a cooperation network between the European Commission and the public employment services of the EU an EEA Member States. Its primary goals are to develop the European labour market, provide recruitment/placement services, i.e. match vacancies and job-seekers in the EU and EEA, ensure transparency and the exchange of information on European labour markets and foster the mobility of workers, in particular of young workers. Based on the new EURES 2016 Regulation, which entered into force on 1 Apr 2016, private employment services as well as other profit and non-profit organisations are to join this network to help implement the services and objectives of EURES. The EURES Job Mobility Portal now is the central European IT platform for simplifying the matching of CVs, applications and vacancies. This kind of data transparency is intended to provide a detailed overview of vacancies and job-seekers, align and simplify processes of transnational job search and placement, and help achieve the objectives of the European Employment Strategy 2020.

Based on targeted EURES job-brokering projects with and in other EURES Member States, the Austrian PES supports Austrian employers, in particular those in the hotel and catering business, whose vacancies cannot be filled or can hardly be filled with job-seekers registered with the Austrian PES. This is particularly true of seasonal jobs in winter tourism.

The Austrian employment service also welcomes a great number of visitors from abroad, i.e. representatives of other European or non-European countries’ public employment services or public organisations involved in labour market policies who want to learn more about the Austrian approach, while representatives of Austria’s PES use benchmarking results to decide which foreign employment services to visit for the purpose of mutual learning and the transfer of good practices (e.g. Belgium, Estonia, Germany, Sweden).
CHAPTER 2 – LEGAL FRAMEWORK AND PROCEDURES

This chapter provides an overview of the legal framework and procedures, e.g. legal sources and their hierarchy, individual employment rights, occupational health and safety, legislation for collective and company-level agreements, regulatory instruments and passive labour market policy in Austria.

1. SOURCES OF LAW AND THEIR HIERARCHY

1.1. Constitutional Law
No fundamental social rights – such as the right to work – are currently enshrined in the Austrian Constitution. The following constitutionally guaranteed liberal fundamental rights and freedoms are of relevance in the domain of labour law: freedom of association and freedom of assembly (Article 12 of the StGG, Article 11 of the European Convention on Human Rights), the principle of equality (Article 7 of the B-VG), right to inviolability of property (Article 5 of the StGG), freedom to choose an occupation and vocational training (Article 18 of the StGG) and prohibition of forced labour (Article 4 of the European Convention on Human Rights). The Charter of Fundamental Rights of the European Union also includes fundamental social rights.

1.2. Laws
Labour law is the special law applying to wage and salary earners (employees) and consists of

- employment contracts law (law governing individual employment rights);
- industrial relations law (law governing collective and company-level agreements);
- law pertaining to health and safety at work (employment restrictions including restrictions on working hours under the Working Time Act (AZG) and the Rest Periods Act (ARG), occupational hygiene and safety in terms of employment contracts law governed by public law; and
- occupation-specific special acts of labour law, such as the laws and ordinances relating to agricultural labour, farm employees, builders (annual leave and severance pay), journalists or theatre workers.

Labour law’s point of reference is the employment relationship, i.e. the relationship between employees and employers. The primary goal of labour law is to redress the economic and social imbalance between employees and employers. Labour law is an interface between private and public law: while employment contracts law can be classified as private law, workers’ health and safety law falls under public law.
Workers’ health and safety law involves safety provisions under public law related to the employment relationship or, in certain respects, to de facto employment. This occupational health and safety law contains legal provisions designed to protect worker’s lives, health, integrity and dignity at work. Health and safety at work provisions define the employer’s duty of care vis-à-vis employees under labour law. Labour law rules frequently combine aspects of law pertaining to employment contracts and law pertaining to occupational health and safety in a single law, such as the Working Time Act (AZG). The central law applicable to health, safety and industrial hygiene is the Health and Safety at Work Act (ASchG) and its associated implementing regulations. The ASchG forms the basis for occupational health and safety of workers in Austria, governing employment both in the private sector and in the public sector at federal, Länder and local levels.

The Industrial Relations Act (ArbVG) in terms of core legislation for collective and company-level agreements contains the legal regulations governing the structure, function and organisation of representation at supra-company level (for specific industries and groups of occupations) and at company level (for an individual company) in the private sector, part 1 of which governs collective labour law, i.e. primarily the legal foundations for collective agreements. Part 2 of the Act governs company-level industrial relations law: this refers to plant-level co-determination by the works council and the latter’s duties and powers.

Employment contracts law (individual employment rights) governs the individual legal relationships between employees and employers, such as questions of commencing or terminating an employment contract, and the rights and obligations of the parties to an employment contract (employer and employee). Labour legislation in Austria is marked by a wealth of special laws, which have precedence, wherever they apply, over the universal labour regulations contained in Austria’s Civil Code (ABGB).

Acts of law for particular occupations include: White-Collar Workers’ Act (AngG), Theatre Workers’ Act (Theaterarbeitsgesetz), Journalists’ Act (Journalistengesetz), Farm Employees Act (GAngG), Domestic Employees and Salaried Household Staff Act (HausgG), and Home Work Act (HAG). There are also laws which regulate a specific issue for a large number of employees, for example the Annual Leave Act (UrlG, see Chapter 2, 2.1.3 on page 52). As a rule, regulations under labour law are unilaterally binding, i.e. derogation is only possible if in favour of the employee. Absolutely binding stipulations which do not allow any derogation, no matter in whose favour, can be found mainly in company-level industrial relations law and health and safety at work. Statutory law which is entirely non-mandatory is rare and ranks after employment contracts in the hierarchy of legal sources.
1.3. **Ordinances**
Ordinances (Verordnungen) are general standards issued by administrative authorities under any given law. They usually provide implementing details for specific laws and have most relevance in workers’ health and safety issues. Just like laws, ordinances may include mandatory or non-mandatory rules.

1.4. **Collective Agreements**
Collective agreements are written arrangements made between the collective bargaining entities for employers and for employees to regulate certain areas of employment relationships and working conditions as defined by law. The favourability principle is always applied in the relationship between collective agreements and subordinate sources of law. Special arrangements – provided they are not precluded by the related collective agreement – only apply as long as they are more favourable to employees or concern matters which are not regulated by the collective agreement.

1.5. **Company-Level Agreements**
Company-level agreements rank directly after collective agreements. These are written agreements which are concluded between the owners of an enterprise and the competent workers’ representative body (usually the works council) to regulate matters which – by law or under the terms of a collective agreement – can only be governed by company-level agreements. Unlike collective agreements, company-level agreements have no general regulatory power in defining working conditions. In terms of their function, they are primarily an instrument for co-determination within enterprises.

1.6. **Individual Contracts**
An employment contract defines conditions only in those areas which are not subject to superordinate mandatory standards. Unlike comparatively (unilaterally) binding provisions, the only deviating regulations admissible in individual contracts are those which are more favourable to the employee (favourability principle).

1.7. **Case Law**
While court rulings may not establish new law and are thus not sources of law in the strict sense of the term, in reality they are of great legal importance.

Regional courts are authorised to act as 'Labour and Social Courts' and rule on labour law issues in the first instance. Judgements by the Labour and Social Courts (original jurisdiction) on labour law and social law issues can be appealed before the competent regional court of appeal (appellate jurisdiction).
2. INDIVIDUAL EMPLOYMENT RIGHTS AND WORKERS’ HEALTH AND SAFETY

2.1. Law Pertaining to Employment Contracts

2.1.1. Austrian Civil Code (ABGB)
The ABGB contains basic rules concerning the legal relations between parties to an employment contract (specifically §§ 1151 - 1164). In particular it lays down rules concerning the conclusion and the validity of an employment contract. As regards the level of pay, the ABGB stipulates that in the absence of a different arrangement the employee is due a fair wage. In practice, pay rates will be determined primarily by the employment contract – which, however, may only include conditions other than those included in the relevant collective agreement if they are more favourable to the employee – or secondarily by the collective agreement. In terms of application, the stipulations of special laws on employment contracts take precedence over general labour law regulations contained in the ABGB. In addition, the ABGB includes provisions pertaining to employment contracts (such as the right to terminate such contracts) which are applicable to blue-collar workers who are not subject to the Trade Act.

2.1.2. White-Collar Workers’ Act (AngG)
The AngG applies in principle to individuals who are employed by a business establishment to carry out primarily commercial, senior non-commercial or clerical work.

Matters governed by the AngG include:

Entitlements of workers temporarily prevented from doing their jobs
The AngG provides for the continuing payment of salaries for white-collar workers if a white-collar worker is prevented from working for health reasons (illness or accident) or because of a work accident or an occupational disease. There will also be an entitlement to the continuing payment of salaries if the white-collar worker is prevented from working for other important personal reasons. Entitlements of blue-collar workers are subject to the Act on Continuing Payment of Wages (EFZG) and the ABGB.

Dismissals and quits
The AngG regulates dates and periods of notice for terminating an employment contract. An employment contract can be terminated both by the employer and the employee; grounds for termination need not be specified.

Employees are entitled to compensation in cases of unfair dismissals (that do not comply with statutory dates or periods of notice). Blue-collar workers are subject to similar rules laid down, with slight deviations, in the ABGB and in the Trade Act (GewO) of 1859. These laws
may not specify any dates for termination, and the stipulated periods of notice are shorter. More specific rules are defined in collective agreements.

As of 1 Jan 2018 minimum employment of eight working hours on average per week (previously set forth in §20 (1) of the AngG) is no longer required for making the AngG's rules of notice and termination applicable. Now they apply to all white-collar workers irrespective of the extent of their employment.

**Instant dismissals and instant resignations**
The premature unilateral termination of an employment contract is subject to special reasons set out in the AngG in a demonstrative list. Premature termination of the employment contract by the employer is called instant or summary dismissal (Entlassung), premature termination of the employment contract by the employee is called instant resignation (Austritt). Blue-collar workers: the GewO of 1859 exhaustively lists causes for justified premature unilateral termination of the employment contract.

**Severance pay**
Rules on severance pay in the AngG are applicable to employment relationships begun on or before 31 Dec 2002. Blue-collar workers are subject to essentially similar rules as set out in the Severance Pay Act for Blue-Collar Workers (Arbeiter-Abfertigungsgesetz – ArbAbfG).

Employees entering into an employment relationship after 31 Dec 2002 are subject to the Employees’ and Self-Employed Income Provision Act (Betriebliches Mitarbeiter- und Selbständigenvorsorgegesetz – BSMVG or ‘new severance pay’ scheme). Under the ‘old’ AngG-based scheme (Abfertigung alt) an employee was entitled to severance pay upon termination of his/her employment contract, if the employment relationship had lasted for three years or more, and if it had not been terminated by voluntary quits, instant dismissal or unjustified premature quits. The level of severance pay is based on the level of pay received in the last month of the employment relationship and on the duration of the employment relationship.

The BMSVG has revised the relevant special laws to create a fundamentally new concept of legal provisions governing severance pay. It contains the following specific arrangements:

- Basically, the BMSVG applies to all employment relationships under private law contracts.
- The employer’s obligation to provide severance pay is outsourced to legally independent and individually defined contribution funds called ‘occupational income provision funds’ (BV-Kassen). An employee’s entitlement to severance pay is enforceable vis-à-vis this fund.
- Severance pay is financed by recurring contributions paid by the employer under a fully funded system. Once an employment relationship is begun, the employer will contribute
1.53% of the monthly pay to the chosen fund, with the exception of the first month, which is non-contributory. In addition, certain non-wage periods under ongoing employment relationships (periods of national service, periods of alternative civilian service at home or abroad, maternity allowance and sickness benefits, childcare allowance, training leave or family hospice leave) are financed by employers’ and FLAF contributions.

- In principle, an employee is entitled to severance pay upon every termination of an employment relationship.
- However, employees may only draw severance pay provided that the employment relationship has not been terminated by voluntary quits, instant dismissals or unjustified premature quits, and provided that money has been paid into the fund for three years, with contribution periods of different employers being aggregated for this purpose. If these eligibility criteria are met, employees may choose whether they want to have the money disbursed, further invested in the same fund until retirement at the latest, or transferred to the occupational income provision fund of the new employer. Moreover, employees may request that the money be transferred as a one-off premium to annuity insurance, or made available for acquiring shares in a pension investment fund, or transferred to a pension fund.
- When retiring from working life, workers may choose between having the money disbursed as either a principal amount or an annuity.
- Payout in the form of a principal amount is taxed at a rate of 6%.
- The principal amount is tax-free in the event of transfer to annuity insurance, the purchase of shares in a pension investment fund, or transfer to a pension fund. The investment income during annuitisation will not be subject to withholding tax, nor will these amounts be subject to minimum taxation. Payout in the form of an annuity is tax-free.
- The scope of the BMSVG was widened on 1 Jan 2008 and now covers all quasi-freelancers subject to compulsory social insurance under the General Social Insurance Act (ASVG) and all self-employed subject to compulsory health insurance under social insurance legislation for the self-employed (GSVG).

2.1.3. Annual Leave Act (UrlG)

Employees are entitled to leave of 30 working days per annum and to 36 working days after 25 years of service. In addition to annual holidays, the Annual Leave Act also entitles employees to care leave. Up to one week of paid care leave may be taken up by employees to provide the required nursing care for a sick close relative (living in the same household) or for a child. Under certain conditions, there is entitlement to an additional week of paid care leave per year to care for a sick child who is under 12 years of age (for the entirely different scheme of unpaid care leave and part-time care leave see Chapter 2, 2.1.6 page 53. As of 1 Jan 2013 also parents in patchwork families are entitled to paid leave to nurse or care for the biological child of the other spouse, registered or cohabiting partner. Employees are
also entitled to take leave for accompanying their child under age ten to in-patient hospital care. Upon divorce or separation, biological (adoptive or foster) parents are entitled to paid care leave if their biological (adopted or foster) child falls sick, irrespective of whether the sick biological (adopted or foster) child lives in the same household or not.

2.1.4. **Home Work Act (HAG)**
This law applies to all types of home work except in agriculture and forestry production. A home or outworker is someone who, without being a businessperson, works in the manufacture, handling, processing or packaging of goods, from home or in a place of work of his/her choosing, on behalf of and for the account of people who assign such work. Alongside safety rules for workers, the HAG also defines workers’ entitlements (pay and annual leave). The Federal Arbitration Board of the Federal Ministry of Labour, Social Affairs, Health and Consumer Protection is tasked with defining the working conditions and terms of delivery for home work.

2.1.5. **Employees’ Liability Act (DHG)**
The DHG serves to limit the employees’ liability for damages. If an employee has inadvertently caused damage to the employer in providing his or her services, for reasons of equity the court can reduce the amount of compensation. If damage was caused by a minor mistake, the court can also waive the entire compensation.

2.1.6. **Act Governing Adjustments to Employment Contracts Law (AVRAG)**
The main reason for introducing the AVRAG, an Act that covers issues of employment contracts law, was the necessity to harmonise Austrian law with a number of Community directives on labour law.

Thus the AVRAG stipulates that in the event of transfer of ownership of a firm (except in the event of bankruptcy) the new owner, as employer by act of law, will ‘automatically’ assume all obligations and rights regarding the employment relationships in existence at the time of transfer. Under certain conditions employees may object to such transfers.

In respect of flat-rate remuneration agreements concluded at or after the beginning of 2016, the AVRAG stipulates the following: these agreements must specify the base pay a worker is entitled to. If there is no such specification, the employee in question will mandatorily be entitled to the standard sectoral and local hourly wage (actual pay) payable to comparable workers by comparable employers in the relevant place of work. Calculation of the time-related components of remuneration will then have to be based on the standard sectoral and local hourly wage.

In addition, the AVRAG defines framework conditions to increase flexibility of work for both employers and employees without weakening the position of employees under labour law, especially as regards dismissal protection and severance pay.
This concerns, inter alia, rules on training leave (Bildungskarenz) and – as of 1 July 2013 – on part-time training leave (Bildungsteilzeit).

After six or more months of uninterrupted employment with the employer in question employees may qualify for training leave or part-time training leave. In the case of part-time training leave they must work no less than ten weekly hours while taking such leave. Training leave may be agreed to last from two months to one year and part-time training leave from four months to two years. While on training or part-time training leave employees may claim further training allowance (Weiterbildungsgeld) or part-time training allowance (Bildungsteilzeitgeld) respectively (for further information see Chapter 3, section 5.9 on page 189 and section 5.10 on page 192).

The AVRAG’s family-related options for greater flexibility in employment relationships include family hospice leave (Familienhospizkarenz), care leave (Pflegekarenz) and part-time care leave (Pflegeteilzeit).

Employees have the option of changing their working time or taking leave from their employment for a certain period of time to be with a dying family member or their seriously ill children (family hospice leave).

In force as of 1 Jan 2014, care leave and part-time care leave enables employees to agree with their employers in writing that they will waive their wages or salaries in full or in prorated part while taking leave or reducing their working hours to care for or nurse a close family member for between one month and three months at most. Nursing or care must relate to close family members who, at the time when the worker takes care or part-time care leave, have received an official decision granting them long-term care benefits of category 3 or higher (category 1 in case of demented or under-age family members in need of care) under the Federal Long-Term Care Benefit Act (BPGG). This written agreement between employer and employee may be drawn up if the employment relationship has been in effect for an uninterrupted period of at least three months.

If care leave or part-time care leave meets all legal requirements, workers are entitled to claim care leave benefits or prorated care leave benefits, respectively. For the duration of benefit receipt the competent federal authority will pay the social health and pension insurance contributions.

Part of the AVRAG until the end of 2016, the rules on enforcing proper work and employment conditions for workers posted to Austria from abroad are now implemented in the Act Against Wage and Social Dumping (Lohn- und Sozialdumping-Bekämpfungsgesetz – LSD-BG), see also Chapter 2, item 2.1.10 on page 57.
2.1.7. Occupational Pension Act (BPG)
The BPG governs the protection of benefits and entitlements accrued under retirement, invalidity and survivors’ pension commitments (defined benefit schemes) made voluntarily by employers under private law employment relationships to supplement statutory pension insurance schemes. It also includes provisions on the vesting of entitlements accrued upon termination of an employment relationship prior to the claiming of benefits. Moreover, the Act defines what employees can do with the vesting amount which is due when the employment relationship is terminated.

In itself the BPG does not entitle employees to an occupational pension. It only applies in the event of an employer voluntarily entering into such a commitment towards an employee.

2.1.8. Paternity Leave Act (VKG)
Under the VKG wage- or salary-earning fathers are entitled to statutory paternity leave up to the second birthday of a child, provided they share the same household with this child. Mother and father may share parental leave and twice alternate in taking such leave. It is not possible for both parents to take parental leave simultaneously. However, when the career for the baby changes for the first time, parents may take leave simultaneously for one month.

Male employees working in companies with more than twenty employees are entitled to part-time employment up to the seventh birthday of a child. Details such as beginning and length of leave or reduction and distribution of working hours need to be agreed with the employer. In case of dispute the employer will have to sue the employee. In smaller enterprises male employees may agree with employers to work part-time up to the child’s fourth birthday, but cases of dispute will have to be resolved by the employee suing the employer. In both cases the normal weekly working hours of part-time employment must be reduced by at least 20% and they must not fall below 12 hours.

Fathers on paternity leave are subject to special protection against dismissal and summary dismissal up until four weeks after the end of the leave period. In case of part-time employment they enjoy this special dismissal and summary dismissal protection up until four weeks after the child’s fourth birthday. After that ‘motivated’ dismissal protection (Motivkündigungsschutz) will apply. (for mothers see Chapter 2, section 2.3 on page 60).

2.1.9. Equal Treatment Act (GlBG)
The GlBG bans any direct or indirect discrimination within the framework of an employment relationship on the grounds of gender, racial or ethnic origin, religion or belief, age or sexual orientation, especially in such matters as

- entering employment relationships,
- determining remuneration,
▪ granting fringe benefits which are not part of the remuneration,
▪ initial and continuing training and retraining,
▪ career advancement, especially promotions, and
▪ terminating employment relationships,
▪ as well as in other areas of the labour market, including
▪ access to career counselling, vocational training, continuing training and retraining outside employment,
▪ participation in employees’ or employers’ organisations, or
▪ establishment, setting up or enlargement of a company as well as take-up or expansion of any other kind of self-employed activity.

In addition, the Equal Treatment Act bans discrimination on the grounds of gender or ethnic origin outside the world of work. No one may be discriminated against in the access to and supply of goods and services available to the public, including housing. In addition, discrimination based on ethnic origin is banned in areas such as social protection (including social security and health services), social benefits or education.

Direct discrimination is understood to mean that no individual may be treated unfavourably as opposed to an individual who is in a comparable situation. Indirect discrimination is understood to mean that the outcome of any per se neutral regulation disadvantages individuals on the grounds listed above, unless objective reasons warrant such different treatment.

Discrimination also includes instructions to discriminate or if an individual is discriminated against because of his/her closeness to another individual and that other individual’s gender, ethnicity, religion or belief, age or sexual orientation.

Sexual harassment or harassment based on one of the above forms of discrimination are deemed to constitute discrimination as well.

The Equal Treatment Act provides for the following sanctions in the event of non-compliance:
▪ compensation of pecuniary loss, i.e. direct loss and lost profit, or
▪ remedial action to create a non-discriminatory situation, and in both cases
▪ compensation of non-pecuniary loss suffered due to personal discrimination.

If dismissal or instant dismissal involves discrimination, such dismissal can be contested before the Labour and Social Court. As an alternative, the individual concerned may accept discriminatory dismissal and sue for damages.

In case of harassment or sexual harassment, damages of €1,000 or more will be awarded. For better protection from discrimination neither the petitioner nor any other person sup-
porting the petition for redress of such grievances (such as witnesses or co-workers) may suffer any unfavourable treatment.

Any claims arising from the infringement of non-discrimination rules have to be filed with the court. However, in addition to this route the GIBG also provides the possibility of involving the parity Equal Treatment Commission (Gleichbehandlungskommission). The role of this Commission is to check individual cases as to whether they involve discrimination and issue expert opinions on general questions. To strengthen control and avoid discrimination, the Federal Chancellery has created an ombudsoffice for equality issues. It is responsible for counselling and supporting individuals who believe they are subject to discrimination as defined by the GIBG.

In order to enhance the principle of equal pay for equal work, an obligation for employers to compile wage and salary reports was introduced in 2011. They are required to include data on the number of female and male employees in the different pay groups as well as their average and median pay within the calendar year. As of 1 Jan 2014, the requirement to draft this pay analysis applies to all employers with more than 150 employees.

The wording of job advertisements must be non-discriminatory. In addition, they must indicate minimum pay as defined by collective agreements or other standards of collective labour law as well as any readiness on the part of the employer to pay in excess of minimum pay. Unless minimum pay is defined by collective agreement, legislation or other standards of collective lawmaking, job advertisements must indicate the wage or salary that will form the minimum level of pay underlying contract negotiations. This, too, is intended to foster transparency of pay.

2.1.10. Act Against Wage and Social Dumping (LSD-BG)
As of 2017 the rules which make entitlements under employment contracts law – in particular entitlements to minimum wages – also enforceable under administrative law are no longer part of the AVRAG (see also Chapter 2, item 2.1.6 on page 53) but part of the Act Against Wage and Social Dumping (LSD-BG). The LSD-BG defines all and any legitimate entitlements (to minimum wage, annual leave, compliance with working time provisions) of employees working in Austria – Austria being either their habitual place of work or the place of work they have been posted to – and makes the granting of actual entitlements subject to official checks on the wages paid. Wage checks cover both domestic and foreign employers. In order to be able to conduct these checks on foreign employers, the latter must report any posting of workers and keep these reports, any documents on pay and social insurance, working time records and, where applicable, employment permits of the country of origin ready for inspection.

The previous contents of the AVRAG have been supplemented by administrative cooperation with other EU Member States in cases of posted workers. The related provisions in the
LSD-BG enable cross-border law enforcement in investigation proceedings, criminal proceedings and enforcement of judgements in criminal proceedings. These LSD-BG provisions have become possible under Directive 2014/67/EU and help enforce rights other than those governed by employment contracts law, such as the ones addressed in the following items 2.2 and 2.3. on page 60.

2.2. Health and Safety at Work – Employment and Working Time Restrictions

2.2.1. Working Time Act (AZG)
The AZG regulates normal working hours, maximum working hours, rest breaks and minimum daily rest periods. The norm assumed by the AZG is a working week of 40 hours and a working day of eight hours, although there is a range of alternative possibilities for the distribution of normal working hours.

Under collective agreements normal daily working time may be extended to up to ten hours. Collective agreements may also permit arrangements under which normal weekly working hours are averaged across a longer reference period. The reference period may be more than one year if time in lieu is grouped in periods lasting several weeks. The weekly working time may not exceed 50 hours in single weeks and 48 hours on average within a reference period of up to 8 weeks. Overtime is payable by either a premium of 50% of the normal hourly wage or compensation hours at a ratio of 1:1.5.

Working time limits which must not be exceeded by overtime or any other arrangements total 10 hours per day, 50 hours in individual weeks and 48 hours on average.

Night work regulations (night = the hours between 22:00 and 05:00; night worker = whoever works during the night for at least three hours either regularly or for at least 48 nights a calendar year) provide for compensatory rest periods if the average normal daily working hours (in case of availability rotas) or the total daily working hours (in case of heavy night work) exceed eight hours. Moreover, such workers are entitled to regular medical checks and to transfer to day work if they are verifiably subject to health risks or have care duties for children under twelve years of age.

Special regulations are in force for the transport sector, in particular for drivers of motor vehicles, as well as for employees of pharmacies. The Working Time Act for Hospitals (KA-AZG) governs the employment of workers in hospitals; the Bakery Workers’ Act (BäckAG) that of workers in enterprises producing bakery products.

The AZG also includes a number of rules relating to employment contracts law. This concerns the provision that the distribution of normal workings hours has to be agreed upon, and that
employers may only deviate from this agreement under exceptional circumstances and with due regard to periods of advance notice. In addition, the AZG contains comprehensive protection provisions, including non-discrimination, for part-time workers. Part-timers may, under certain circumstances, work additional hours; if they do, they are entitled to a premium for additional work of 25% of their normal hourly wage.

2.2.2. Rest Periods Act (ARG)

The ARG entitles all and any employees to 36 hours’ rest per week, normally including Sundays. It regulates rest periods on weekends and public holidays, as well as derogations from these rules, such derogations being included in the Act itself, some in collective agreements or in special ordinances.

2.2.3. Maternity Protection Act (MSchG)

Mothers-to-be (employees and quasi-freelancers) are subject to an absolute ban on working for a duration of eight weeks before and eight to sixteen weeks after the birth of a child (protection period). Beyond this period there is an absolute ban on employment if before childbirth the life or health of the mother and child is endangered by continued employment. The employee or quasi-freelancer concerned receives health insurance benefits (maternity allowance) during the period of protection.

During pregnancy, women must not be employed in physically demanding jobs, nor must they work in jobs which are harmful to their health or that of their unborn child. With a few exceptions, night work, Sunday work and work on public holidays is prohibited for pregnant women and nursing mothers.

On expiry of the protection period the mother is entitled to maternity leave up to the second birthday of her child.

Mother and father may share parental leave and twice alternate in taking such leave. It is not possible for both parents to take parental leave simultaneously. However, when the carer for the baby changes for the first time, parents may take leave simultaneously for one month.

Female employees working in companies with more than twenty employees are entitled to part-time employment up to the seventh birthday of a child. Details such as beginning and length of leave or reduction and distribution of working hours need to be agreed with the employer. In case of dispute the employer will have to sue the employee. In smaller enterprises female employees may agree with employers to work part-time up to the child’s fourth birthday, but cases of dispute will have to be resolved by the employee suing the employer. In both cases of part-time employment the normal weekly working hours must be reduced by at least 20% and they must not fall below 12 hours.
There is full protection against dismissal and summary dismissal for pregnant women and mothers beginning on the day they notify their pregnancy until four months after childbirth. Mothers on maternity leave are subject to protection against dismissal and summary dismissal up until four weeks after the end of their leave period. In case of part-time employment they enjoy this special dismissal and summary dismissal protection up until four weeks after the child’s fourth birthday. After that ‘motivated’ dismissal protection (Motivkündigungsschutz) will apply.

As of 2018 the rules on premature leave of pregnant workers have been simplified. As a rule, it now suffices to submit a medical certificate from a gynaecologist. The reasons for such leave are defined by ordinance.

For childcare allowance see family policy benefits, Chapter 2, item 5.4.1 on page 84.

2.2.4. Child and Youth Employment Act (KJBG)
This law prohibits child labour. Children are defined as minors who are under fifteen or who have not yet completed compulsory schooling. Children turning thirteen may be employed to carry out specific simple and isolated tasks. The KJBG also lays down protective regulations for young people concerning working hours, rest breaks and rest periods; rest at night, on Sundays and public holidays; as well as weekly time off.

Young persons (minors aged under eighteen) may not be employed in certain enterprises (e.g. bars) or carry out specific tasks hazardous to their health.

2.2.5. Heavy Night Work Act (NSchG)
There are special protective measures for employees doing heavy work at night to prevent, eliminate or reduce the difficulties connected with this type of work, or to compensate for the stress and strains of such jobs. These measures include: supplementary leave, additional rest breaks and special retirement benefits (Sonderruhegeld).

2.3. Occupational Health, Safety and Hygiene and Labour Inspectorsates
Occupational health, safety and hygiene requirements are designed to protect workers’ lives, health, integrity and dignity at work. Humane working conditions and high safety standards in enterprises lower the consequential costs of accidents at work and occupational diseases for the national economy and for individual companies.

2.3.1. Act and Ordinances Governing Health and Safety at Work
The central rules applicable to health, safety and industrial hygiene are included in the Federal Health and Safety at Work Act (ASchG) and its associated implementing regulations. They define the duties – i.e. dos and don’ts – of employers, and to some extent also of em-
employees, to protect (physical and psychological) health and safety in the workplace. Compliance is checked by the locally responsible Labour Inspectorate. The ASchG seeks to continuously improve working conditions, ensure safety at work, protect health, promote health based on appropriate working conditions, and ensure that jobs are designed in compliance with workers’ needs.

The ASchG applies to the employment of workers, meaning all people working under an employment or training relationship. Also temporary workers come under this law. Separate legal provisions are applicable to employees of federal, Länder and local government offices, to employees in agricultural and forestry enterprises, in private households, and to out-workers. People working not in government offices but in enterprises run by territorial authorities are also covered by the ASchG.

Workers’ safety and occupational hygiene legislation includes provisions on

- the use of hazardous tools and equipment;
- the handling of hazardous materials, such as toxic or flammable chemicals;
- special stress and strain caused by certain work processes or exposure to other factors, e.g. noise, vibrations or radiation;
- design of workplaces, workshops, office spaces and sanitary facilities;
- hazard prevention equipment;
- suitability and impact studies;
- preventive care in terms of safety engineering and industrial medicine;
- coordination and assignment;
- employee instruction, information and participation;
- preventive organisational measures of occupational health and safety (safety stewards, prevention experts, first-aid officers, fire protection officers).

A number of implementing ordinances have been issued under the ASchG to provide more detailed rules for certain sectors, e.g. on certain work processes such as those of the building industry (Ordinance for the Protection of Construction Workers – BauV). The BauV regulates the employment of workers for performing all types of construction work and contains rules on fire protection, first aid and personal protective equipment, but also and in particular protective provisions for special construction jobs, on-site processes and methods. In addition, there are various implementing ordinances on certain hazards such as working equipment (Ordinance on Working Equipment – AM-VO) or on hazardous materials (Ordinance on Limit Values – GKV, Ordinance on Explosive Atmospheres – Vexat).

2.3.2. Construction Work Coordination Act (BauKG)
The Construction Work Coordination Act (Bauarbeitenkoordinationsgesetz – BauKG) obliges builder-owners and project managers to use safety and health protection coordinators when
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workers of different companies are deployed at one construction site either at the same time or in succession. At larger construction sites, a safety and health protection plan, a prior notice and a document with the structure’s characteristics must also be produced. The obligations specified by the BauKG must be observed in addition to compliance with the ASchG and its ordinances.

2.3.3. Labour Inspectorates – Labour Inspectorate Act (ArbIG)

The 1993 Labour Inspectorate Act (Arbeitsinspektionsgesetz – ArbIG) charges Labour Inspectorates with enforcing the statutory protection of workers and regulates their duties, rights and obligations: Labour Inspectorates advise and support employers and employees and monitor compliance with legal provisions and official decrees for the protection of workers.

The 19 General Labour Inspectorates established for this purpose and the Labour Inspectorate for Construction Work are under the authority of the BMASGK (Department VII/Labour Law & Central Labour Inspectorate), which is responsible for ensuring overall management and handling of Labour Inspectorate affairs. The Labour Inspectorate for Transport is part of the Central Labour Inspectorate.

The Labour Inspectorates’ activity extends to all types of establishments and workplaces (except for those under the supervisions of the Agriculture and Forestry Inspectorates, public educational institutions and reformatory homes, educational facilities of legally recognised churches and religious societies, private households and employees of the Federal Government, the Länder, associations of local authorities and municipalities unless they are employed in companies). In addition, based on the Federal Employees’ Health and Safety Act (B-BSG), Labour Inspectorates monitor observance of health and safety rules in Federal Government offices subject to the B-BSG.

To perform their duties, labour inspectors are entitled to enter and inspect at any time establishments, workplaces, living spaces, accommodation and welfare institutions, to question people in enterprises and demand information in writing, to examine documents related to work safety or employment, to take photographs and measurements, to take samples of materials, and to have studies performed and obtain information on materials and machinery used by manufacturers and distributors. Employers must ensure that these premises and the company facilities and equipment are accessible to labour inspectors at all times.

The Labour Inspectorate is a party to approval and exemption procedures, and it can submit requests to the competent authority requiring measures to protect working people.

The Labour Inspectorate is under obligation to treat any source of complaint as strictly confidential. If rules governing the protection of workers are infringed, the Labour Inspectorate will advise those responsible and (except in the case of serious violations) request them in writing to remedy the situation within a certain period of time. If this is to no avail, it will bring charges before the competent authority. In cases of imminent threat to the life and
health of people in their workplace, the Labour Inspectorate is obliged to take immediate action, such as prohibiting further work until the source of the identified danger has been removed.

3. LEGISLATION FOR COLLECTIVE AND COMPANY-LEVEL AGREEMENTS

3.1. Industrial Relations Act (ARBVG)

In addition to defining the legal standards for collective and company-level agreements, the ArbVG governs dismissal and instant dismissal protection within the framework of company-level labour relations.

3.1.1. General Dismissal Protection

General dismissal protection (allgemeiner Kündigungsschutz) applies to all employees who work in companies having five or more employees at all times. Employers must inform the works council prior to terminating an employment contract. The works council is entitled to request consultation with the employer within one week and state its position. Any dismissal made before the end of this period has no legal effect unless the works council has already stated its position.

The works council may either agree to the proposed dismissal, or make no statement of its position, or file an objection. Dismissal may be challenged in court within 14 days either by the works council or by the employee concerned if the works council fails to act or in the absence of a works council.

Dismissal may be challenged if the employer has dismissed the employee for legally inadmissible motives, or if dismissal is unfair (‘socially unjustified’) and the employee affected has an enterprise tenure of six or more months. Dismissal cannot be challenged on grounds that it is unfair if such dismissal has been expressly agreed to by the works council (the so-called blocking right of the works council). The works council has no blocking right in cases of ‘motivated’ dismissal (Motivkündigung). This means an employee can challenge such dismissal before the Labour and Social Court even though the works council has expressly agreed to this dismissal. If the competent court rules in favour of the challenge, the dismissal will be retroactively annulled. The employment relationship will be considered non-terminated and will thus go on without interruption.

3.1.2. General Instant Dismissal Protection

The employer is obliged to immediately report any instant dismissal (Entlassung) to the works council and, if requested, to discuss it with the works council within a period of three working days.
Instant dismissal can be challenged before the Labour and Social Court whenever the employee concerned has not provided cause for dismissal, and whenever there are justified grounds to do so (motivated dismissal or unfair dismissal). A key condition for challenging any instant dismissal is that the dismissal notice was issued without cause. The employee has two options: if s/he does not wish to continue the employment relationship, s/he can accept dismissal and bring claims (e.g. for dismissal compensation, severance pay); if s/he would like to resume the employment relationship, instant dismissal can be challenged in court provided there is a reason for doing so (motivated dismissal or, unless the works council agreed to instant dismissal, unfair dismissal). If the challenge is unsuccessful, the employee still has the option of asserting his/her claims to dismissal compensation and other entitlements. If the court rules in favour of the challenge, instant dismissal will be annulled and the employment relationship will be continued.

3.1.3. Special Protection against Dismissal and Instant Dismissal
Under the terms of special dismissal and special instant dismissal protection (besonderer Kündigungs- und Entlassungsschutz), certain categories of employees enjoy greater job security. For employees’ representatives in enterprises, employees in training, pregnant women, parents on parental leave, beneficiary disabled persons and employees temporarily in the public service (national military or alternative civilian service), dismissal is only considered valid if it occurs for particularly serious reasons and is permitted by court ruling.

3.2. Law Pertaining to Associations and Unions

3.2.1. Statutory Stakeholder Groups (Chambers)
Statutory stakeholder groups are self-governing public entities established under law with compulsory membership and terms of reference defined by law.

Employees
The statutory representation of the majority of employees including quasi-freelancers (as well as those unemployed people who are again or still attached to the labour market and its workforce) is regulated by the Chamber of Labour Act (AKG) of 1992.

Each Land (federal state) has its own chamber for blue-collar workers and white-collar workers, and these are affiliated at federal level in the Federal Chamber of Labour (BAK). The general assembly of the relevant chamber of labour is elected on the basis of equal, direct and secret suffrage. The mode of election is by proportional representation. The remaining bodies of a workers’ chamber are always elected by the general assembly. The chambers of labour are mandated to represent and promote the social, economic, vocational and cultural interests of workers.
To this end, their specific mandate is to prepare reports, proposals and expert opinions for legislative bodies and public authorities, draw up position papers on draft bills and ordinances, represent workers on various bodies, participate in measures of economic management, provide advice and collaboration to voluntary trade associations with collective bargaining power and to works councils, monitor working conditions and establish offices for the protection of apprentices and young workers.

The chambers are required to advise their members in matters of labour and social law and to provide them with legal protection in the form of representation before a court of law as defined by framework rules.

Workers in agriculture and forestry are represented by agricultural workers’ chambers. These are established under Länder law.

**Employers**

The Economic Chamber Act (WKG) regulates the legal representation of most enterprises and employers. Each Land has its own economic chamber and these are affiliated at federal level in the Austrian Economic Chamber (WKO). The economic chambers are authorised to represent the common interests of all natural and legal persons and other legal bodies within their geographic scope which operate independently in any one of the following areas of business: trade, industry, retail, finance, banking and insurance, transport or tourism.

There are also chambers of agriculture and forestry for employers in these sectors, as well as chambers for the liberal professions (e.g. for physicians, lawyers, notaries, public accountants).

**3.2.2. Voluntary Professional/Trade Associations**

These are based on voluntary membership and are associations as defined in the Associations Act (VerG).

**Employees**

The most important voluntary trade association is the Austrian Trade Union Federation (ÖGB), which consists of seven craft unions organised – with the exception of the Union of Salaried Private Sector Employees (GPA) – by industrial groups. Its functions include monitoring compliance with labour legislation, representing the members in individual labour disputes, reviewing or initiating bills, providing support to works councils and participating in the country’s social and economic policy formulation. The trade unions’ key task, however, is to formulate wage policy for workers through the conclusion of collective agreements.

**Employers**

The most important voluntary professional association for employers is the Federation of Austrian Industry (IV). There are also a few others, such as the Federation of Austrian News-
papers (VÖZ), the Printing and Media Association (Verband Druck & Medientechnik), or the Federation of Insurance Companies (Verband der Versicherungsunternehmungen).

### 3.3. Social Partners and Collective Bargaining

#### 3.3.1. Right of Collective Lawmaking

The Industrial Relations Act (ArbVG) defines the regulatory instruments of collective lawmaking: collective agreements, statutes, minimum wage rates, apprentices’ remuneration and company-level agreements.

Collective agreements are written arrangements made between the collective bargaining entities for employers and for employees to regulate working conditions. The most important items covered by collective agreements are wages and salaries.

The parties to collective agreements operate autonomously in defining the contents of the agreement within the given regulatory framework. Statutory stakeholder groups for employers and employees and legal entities under public law enjoy collective bargaining power by act of law. Voluntary trade associations of employers and employees may be invested with collective bargaining power by official decision of the Federal Arbitration Board (Bundeseinigungsamt, a public authority).

Whenever such an association with collective bargaining power concludes a collective agreement, the designated statutory representative body for the members affected will forfeit its collective bargaining power for the duration of the agreement concluded by this association.

The stipulations laid down in collective agreements have a direct influence on the contents of employment contracts, including contracts of employees who are not members of the employees’ association concerned but are employed by an employer subject to the collective agreement (legal validity for non-affiliates). The contents of collective agreements may not be curtailed by company-level or individual agreements. The only agreements with effect are those which are more favourable to employees (favourability principle), unless the collective agreement exercises its right – as is permissible under law – to preclude even such exceptional more favourable arrangements (regulatory principle).

The Federal Arbitration Board may use statutes (wherein collective agreements are declared to be generally applicable) to extend the normative regulations contained in a collective agreement to employment not covered by collective agreement. At the request of employers’ associations with collective bargaining authority, the Federal Arbitration Board may fix minimum wage rates for segments where, due to the lack of bargaining parties on the employers’ side, there is no option to conclude collective agreements (e.g. for building caretak-
ers, domestic help, kindergarten teachers). Unlike collective agreements, minimum wage rates only relate to minimum wages and salaries and cannot be used to regulate other working conditions.

Company-level agreements are written agreements which are concluded between the owner of an enterprise and the works council as the workers’ representative (works committee, central works council, group works council) for the purpose of regulating matters which – by law or under the terms of a collective agreement – are subject to company-level agreements.

The conditions laid down in company-level agreements are directly binding within their scope of application – inasmuch as they do not regulate the legal relationship between the parties – and may neither be suspended nor restricted by individual contracts. Individual contracts are only valid provided they are more favourable to the employee or concern matters which are not regulated by company-level agreements.

3.3.2. Social Partnership
Austria’s social partnership is characterised by a special culture of dialogue and negotiation as well as by the willingness of the organisations concerned to enforce compromises internally and externally and to represent diverse interests with a view to ensuring common medium-term goals for society. This requires an ongoing basis for dialogue and a constant exchange of information.

The essential function of the social partners in Austria is to resolve economic and social policy problems by way of consensus. The social partners do not limit their action to social policy issues but are aware of their responsibility at a more general level.

Maintaining social peace at home is an approach which results in a tangible competitive advantage for Austrian business and industry on world markets. This also explains the virtual absence of legislation relating to industrial disputes in Austria.

3.4. Employee Representation in Enterprises and their Scope for Participation
Employee representation in enterprises is subject to the Industrial Relations Act (ArbVG). Works councils must be elected in all companies having five or more employees at all times who are eligible to vote. If both the blue- and the white-collar workers meet this condition, a works council is to be elected for each group. If this is the case, a works committee is established to jointly represent the two separate works councils. The number of works council members depends on the number of employees in the company. The works council represents all employees of the company concerned, regardless of their union membership.
The members of the works council are elected on the basis of equal, direct and secret suffrage. The mode of election is by proportional representation. Works councils are elected for a period of five years. Voting rights are extended to all employees – including foreign workers – in the company who are 18 years of age and over on the date the works meeting is convened to elect the electoral committee. The right to stand for election extends to all employees who are 18 years of age and over on the day the election is announced and have worked for the company for six months or more.

Board executives and directors of legal entities, as well as senior staff with executive authority, are not considered employees within the meaning of company-level industrial relations law. They are thus neither entitled to vote nor are they eligible to stand for election to the works council.

Works council members hold office on an honorary basis. They must be granted the necessary paid time off for performing their duties. One or more works council members – depending on the number of staff – must be wholly relieved from their work duties in enterprises with 150 or more employees. Works council members may not be subject to any disadvantages as a result of exercising their mandate and they enjoy special dismissal protection and special instant dismissal protection.

Other employees’ representative bodies
A works meeting is a convention of the entire workforce of a company with a staff of at least five employees aged over 18 years. If an enterprise runs several plants or companies, a central works council will be established at enterprise level. The members of the central works council are elected by all members of all the plant- or company-level works councils established within the enterprise. A youth council (Jugendvertrauensrat) must be established in companies having five or more young employees at all times. A group works council may be established in consolidated companies in which works councils exist in more than one of the affiliated companies.

Duties and powers of the works council
The function of the works council is to protect the economic, social, health-related and cultural interests of employees. For this purpose it is vested with the following powers:

**General powers:** supervisory powers concerning compliance with legal regulations which affect the employees in the company, rights of intervention (proposals to the employer in the interest of employees) and rights of information (e.g. relating to matters which concern the interests of employees). The owner of the enterprise is obliged to consult with the works council at least every quarter, or once a month if the works council so requests.

**Participation in social affairs:** participation in decisions which concern the company’s workforce in part or whole, such as the right to information and counselling with respect to in-
house training, company-run welfare facilities and the conclusion of company-level agreements regarding generally applicable working conditions.

**Participation in personnel affairs:** concerns the participation of an enterprise’s works council as the representative of the workforce in individual personnel-related decisions of the owner, e.g. dismissals and instant dismissals, recruitment, transfer or promotion of employees, performance-based remuneration rates, imposition of disciplinary measures, allocation of company-sponsored housing units and termination of employment contracts by common consent.

**Participation in business affairs:** refers to the business management of the enterprise and encompasses, for instance, the right to information and consultation on the economic and financial position of the enterprise, the right to inspect the annual accounts, and the right to codetermination in proposed changes.

**Participation in the supervisory board:** the central works council or the works council (if the enterprise consists of only one company) is represented on the supervisory boards of public limited companies, private limited companies, mutual insurance companies, cooperatives having forty or more employees at all times, the Austrian Postal Savings Bank (Österreichische Postsparkasse), the savings banks’ advisory body (Sparkassenrat), as well as on their sub-committees. For every two members appointed by capital holders according to law or articles of incorporation, one employees’ representative is entitled to a seat and a vote (one-third participation). In exchange-listed companies as well as in companies with more than 1,000 employees at all times and a workforce of 20% or more female or male employees, the workers representatives delegated to the supervisory board must be composed in such a way that each of the two sexes is represented by at least 30% provided that at least three representatives of the workforce are delegated to the supervisory board.

In groups, the works councils of the subsidiaries also participate in appointing employees’ representatives to the supervisory board of the parent company.

In controlling (holding) companies, which are not required to establish a works council and whose activities are not limited to managing company shares, the workers’ representatives from the controlled subsidiaries are also entitled to participate in the supervisory board.

Following the implementation of Directive 94/45 EC, a special bargaining body – the European Works Council – and a procedure for informing and consulting employees have been added to the Industrial Relations Act (ArbVG). These rules apply to enterprises and groups of enterprises with headquarters on Austrian territory which employ at least 1,000 employees in the Member States of the European Union, of whom 150 each are employed in at least two Member States.
4. **REGULATORY INSTRUMENTS**

4.1. **Rules on the Employment of Foreign Nationals**

4.1.1. **Act Governing the Employment of Foreign Nationals (AuslBG)**

The Act Governing the Employment of Foreign Nationals (Ausländerbeschäftigungsgesetz - AuslBG) is the legal basis for the admittance of foreign workers to the Austrian labour market. Settlement and residence are governed by the Settlement and Residence Act (Niederlassungs- und Aufenthaltsgesetz – NAG) and by the Immigration Policing Act (Fremdenpolizeigesetz – FPG).

**Purpose and objective of the AuslBG:**

- Maintain protection of Austrian workers and of non-Austrian workers already integrated in the domestic labour market;
- Safeguard the legitimate interests of foreign workers concerning their employment in Austria;
- Ensure a targeted and controlled inflow of new foreign workers to the labour market with due regard to manpower requirements of business and industry;
- Promote the integration of foreign workers who have been employed in Austria for a number of years;
- Penalise any illegal employment of foreign workers.

The AuslBG is based on a broad concept of employment. It covers all forms of employment, self-employment, (temporary) posting of foreign workers and the activities of so-called working partners (ArbeitsgesellschafterInnen) who do not exercise any major influence on company management. Decisions of whether employment requires authorisation are guided by its true economic contents rather than by the surface appearance of facts and situations.

The AuslBG itself and the related ordinance (Ausländerbeschäftigungsverordnung) include numerous exceptions for specific persons and activities (e.g. top managers, scientists, pastoral workers, embassy staff).

**Nationals of EU Member States**

Nationals of EU Member States (with the exception of Croatia), and of the EEA countries Iceland, Norway and Liechtenstein, enjoy free access to the Austrian labour market and therefore need no authorisation by the competent labour market authority if they want to take up employment in Austria (free movement of workers). This also applies to workers from Switzerland (agreement of the EU with Switzerland on the free movement of persons).
Croatian Nationals
Transition rules apply to Croatian nationals, i.e. workers from this country continue to be subject to the restrictions of the AuslBG concerning admission to the Austrian labour market. Hence they need authorisation by the competent labour market authority (public employment service) for taking up work in Austria.

As long as these transitional arrangements apply, Austria will prioritise the admission of Croatians over the admission of third-country nationals to its labour market (Community preference rules).

A number of exceptions and eased rules apply to them:

▪ Facilitated admission under the 2008 BHZÜV for skilled workers;
▪ Facilitated admission of key workers;
▪ Facilitated admission of qualified care workers;
▪ Option of employing care workers in private households without permit;
▪ Option of employing special executives (top managers), scientists and researchers and their spouses and children without permit;
▪ Option of employing university students (no labour market test);
▪ Admission of non-national graduates of Austrian universities to employment commensurate with their qualifications.

Third-Country Nationals
The underlying policy approach is to prioritise 'integration over new immigration' (Integration vor Neuzug). With the introduction of a criteria-based immigration system (Red White Red Card/RWR Card) in 2011, Austria has changed the framework for new permanent immigrants (for more details see below item 2.4.1.4) primarily focusing on highly qualified workers, skilled workers for skills shortage occupations and key workers. Also the rules governing the temporary admission of foreign labour to meet seasonal demands in tourism, agriculture and forestry have been changed and adjusted to address the labour market situation following the opening up of the Austrian job market to EU-8 and EU-2 workers.

4.1.2. Labour Market Test
Admission of any new foreign worker is subject to a labour market test based on which an employment permit, or a Red White Red Card for other key workers, is issued only if neither an Austrian national nor a well-integrated foreign national on UI benefits is available for the vacancy to be filled. The issue of a RWR card for highly skilled workers, skilled workers for skills shortage occupations as well as for foreign graduates from Austrian universities is not subject to any labour market test. Pupils or students working for up to twenty hours a week, too, are not subject to labour market tests.
4.1.3. Labour Market Integration
Provided they are holders of a permanent residence title under EU law (Daueraufenthalt – EU), or a Red White Red Card plus, or a ‘residence entitlement plus’ (Aufenthaltsberechtigung plus), foreign nationals are entitled to seek work throughout Austria (unrestricted access to the labour market). Residence titles which were issued under previous provisions and are deemed to be of a nature equivalent to those listed above will also provide unrestricted labour market access.

4.1.4. Criteria-Based New Immigration from Third Countries (Red White Red Card)
In 2011, an admission system based on a worker’s personal qualifications and on labour market policy criteria was created to enable qualified third-country nationals (and their family members) to come to and work in Austria under a Red White Red (RWR) Card.

With the RWR system it has become possible to check LMP admission criteria in greater detail than under the previous quota-based admission system. Important labour market policy criteria such as skills, vocational experience, language skills and age are assessed by a clearly defined points system.

The following persons may obtain a Red White Red Card:

Particularly highly qualified foreign workers may be issued job search visas valid for six months if they score the minimum number of points. If, within this period, they find an employer who employs them in a job commensurate with their qualifications, they will be issued a RWR Card (no labour market test required), and after 24 months a RWR Card plus giving them unrestricted access to the Austrian labour market provided they have been in qualified employment for 21 or more months.

Skilled workers for skills shortage occupations must furnish proof of appropriate training, score the minimum number of points defined by law and produce a specific job offer. They will be issued a RWR Card for 24 months (no labour market test required) for employment with a specific employer, and after 24 months a RWR Card plus giving them unrestricted access to the Austrian labour market provided they have been in qualified employment for 21 or more months. Skills shortage occupations are defined each year in an ordinance drafted by the BMASGK (in agreement with the Federal Ministry for Digital and Economic Affairs – BMDW). The main underlying criterion is the ratio between notified vacancies and registered job-seekers in any given occupation (jobless-to-vacancy ratio).

Other key workers must must score the necessary minimum points and be paid a monthly minimum wage (applicable to workers under 30 years of age) of 50% of the monthly assessment ceiling for social insurance contributions (2017: €2,490) as defined by the General Social Insurance Act (ASVG) or a monthly minimum wage (applicable to workers over 30 years
of age) of 60% of this assessment ceiling (2017: €2,988). Their admission is subject to a labour market test.

**University graduates** who spent half or more of their study time in Austria and graduated from an Austrian university need not undergo assessment by the points system. They will be issued a RWR Card (no labour market test required) if they produce a job offer commensurate with their level of educational attainment and if the intended job is paid at an adequate local rate, however no less than 45% of the monthly assessment ceiling for social insurance contributions (2017: €2,241) as defined by the ASVG. After 21 or more months (within 24 months) of employment in a job commensurate with their qualifications, they will be issued a RWR Card plus providing unrestricted access to the Austrian labour market.

**EU Blue Card:** with the introduction of the EU Blue Card, Austria implements the requirements of Council Directive 2009/50/EC. The Directive harmonises the conditions of entry, residence and admission to the labour market of highly qualified third-country nationals and their family members throughout the European Union. Conditions include three or more years of higher education, a job offer commensurate with the level of educational attainment, a salary of at least 1.5 times the average gross annual salary paid in Austria (2017: €59,718 or roughly €4,266 monthly gross pay). The issue of an EU Blue Card is subject to a labour market test. After two years holders of such a card will be issued a RWR Card plus providing unrestricted access to the Austrian labour market if they have been employed for 21 months or more in a job commensurate with their qualifications.

**Family members** of highly qualified workers, key workers, skilled workers, holders of an EU Blue Card and foreign university graduates who have permanent residence status or are admitted under the new immigration system will immediately receive a RWR Card plus providing unrestricted access to the Austrian labour market if they meet all the other conditions, and if they have A1 level German language skills (as defined by the Common European Framework of Reference for Languages) and if the resident worker has sufficient resources to maintain him-/herself and family members (however, there are exemptions from these universal requirements for the family members of highly qualified workers and holders of an EU Blue Card who need not establish proof of German language skills).

**4.1.5. Transitional Arrangements for EU Enlargement**

Croatia joined the EU on 1 July 2013. In terms of labour market access, Croatians will be subject to the same transitional rules concerning the free movement of workers – and in certain sectors concerning the freedom to provide services – as were EU-8 workers (whose home countries joined the EU in 2004) and EU-2 workers (whose home countries, i.e. Bulgaria and Romania, joined the EU in 2007).
4.1.6. Quotas for the Temporary Admission of Foreign Labour

The Federal Minister of Labour, Social Affairs, Health and Consumer Protection is authorised to issue ordinances within the framework set out by the settlement ordinance (Niederlassungsverordnung) defining quotas for the temporary employment of foreign nationals (2017: 4,000) in cases of temporary additional labour demand in certain sectors. The quotas relate to the tourist and agriculture/forestry sectors.

The validity of employment permits issued under such quotas is limited to six months. Exception: permits for seasonal agricultural workers from Croatia may be extended for up to nine months if these workers were employed in Austria also in the past three seasons. Under this seasonal quota system, a seasonal worker may be employed for a maximum of nine months within twelve months.

In addition, the annually updated settlement ordinance also defines a special quota for the short-term employment of harvest labour (2017: 600). Permits issued under the harvest labour quota cover a period of up to six weeks. The ordinances for seasonal workers expressly state that preference should be given to Croatians and asylum seekers when issuing quota permits.

Seasonal workers employed in Austria under quota permits for four or more months per year between 2006 and 2010 in tourism or agriculture/forestry were given the opportunity to have themselves registered with the PES by 30 Apr 2012 as seasonal workers regularly returning to Austria (Stammsaisoniers). Registered regular seasonal workers receive employment permits which are neither subject to a labour market test nor to the official quota numbers. Such a permit is valid for up to six months. Several seasonal permits are admissible within a calendar year and sector, while the total period of all authorised employment per year is restricted to nine months.

4.1.7. Checking Illegal Employment of Non-Austrians

Illegal employment is checked by the Financial Intelligence Unit (Finanzpolizei, formerly called KIAB – special agency to check illegal employment); the district administrative authorities prosecute cases brought to their attention. Fines range from €1,000 to €50,000 per illegally employed foreign worker and are imposed on the employer.

In implementation of the Employer Sanctions Directive (2009/52/EC), additional measures to combat employment on the black market were incorporated into the AuslBG with effect on or after 1 July 2011. The most important ones are: reporting requirement for the employment of foreign nationals having no long-term residence permit, liability of client for infringements of subcontractors, court-imposed penalties for particularly serious forms of illegal employment of foreign workers, as well as the obligation to inform illegally employed workers of their rights.
4.1.8. **Settlement Regime under Aliens Law**

With the approval of the National Council’s main committee, the Federal Government has to issue ordinances (each applicable for one year) wherein the number of residence permits subject to quotas for

- family members of third-country nationals for the purpose of family reunification (family members of key and skilled workers under the RWR Card system will be admitted without being subject to quota numbers);
- third-country nationals and their family members permitted to permanently stay in Austria without intending to work here;
- third-county nationals holding a permanent residence title under EU law (Daueraufenthalts – EU) of another EU Member State and intending to come to Austria, and
- third-country nationals holding a settlement permit for family members (Niederlassungsbewilligung – Angehörige/-r) and intending to convert it into a residence title under the Red White Red Card plus system

as well as the maximum number of temporarily employed foreign workers (seasonal workers) and harvest workers are defined.

Prior to issuing the annual settlement ordinance, the Federal Government has to consult the Austrian Institute for Economic Research (WIFO) on expected developments of the Austrian labour market.

4.2. **Early Warning System**

Under the terms of the Labour Market Promotion Act (AMFG, §45a: reporting requirement), enterprises are obliged to notify the regional PES offices in good time of planned large-scale reductions in manpower. The PES is thus in a position to consult with the management of the enterprise, the works council and the competent representative bodies for employers and employees to discuss measures aimed at preventing the termination of employment contracts or redundancy notices. The PES may initiate appropriate schemes and subsidies to this end, e.g. in-company training or partial unemployment (short-time working) or partial unemployment accompanied by upskilling programmes. Also insolvency must be reported to the public employment service.

If negotiations fail to achieve the goal of saving jobs, efforts will be made to reintegrate the redundant workers into the labour market as quickly as possible by means of counselling, placement and measures which facilitate placement. Older workers are priority beneficiaries of such efforts at reintegration.

The PES must be notified at least 30 days prior to the termination of employment relationships if the layoffs concern
- five or more employees in enterprises with a staff of between 20 and under 100, or
- five or more percent of the workforce in enterprises with 100 to 600 employees, or
- 30 or more employees in enterprises with a staff of over 600, or
- five or more employees having completed their 50th year of age (does not apply to seasonal enterprises).

Layoffs which are carried out before they have been reported to the PES or before the period of notification of 30 days has expired have no legal effect unless the manager of a PES Land office approves such layoffs after consultation with the Land Directorate (if, for example, layoffs are justified on economic grounds or because notification of the PES within the stipulated period would have been an impossible or unreasonable demand).

For more information refer to the PES's website – early warning system.

### 4.3. Temporary Employment Act (AÜG)

In effect since 1 July 1998, the Temporary Employment Act (AÜG) regulates the employment of workers hired out or made available to third parties for performing jobs. The 2002 Economic Stimulus Act (KBG) shifted responsibility for enforcement from the Federal Social Offices (Bundessozialämter) to the trade authorities (Gewerbebehörden). The competent trade authorities in these matters are the relevant district administrative authorities.

The objective is to ensure comprehensive protection of temporary agency workers in terms of employment contracts law and social insurance law, and to avoid negative developments in the labour market by eliminating the competitive distortion due to the use of hired-out workers in place of regular staff, in particular any shifting of the employer’s risk to the workers. Temporary employment is intended to enhance the flexibility of labour input, although this greater flexibility should be restricted to cases where outside labour can be used to cover short-term periods of peak work and provide skills demanded on short notice. However, the use of such labour should not be less expensive to the temporary employer than the recruitment of regular staff.

Temporary employment is characterised by a tripartite relationship, in which employees perform their work not in the enterprise of their regular employer (the party hiring out temporary labour) but rather in the enterprise of a third party, the temporary employer, and are subject to this temporary employer’s managerial authority.

Since 2002 a collective agreement has been in place for temporary work agencies and the workers they hire out. It includes provisions on working hours, minimum pay, and pay for periods in between temporary employment spells, etc.

Amendments to the Temporary Employment Act (AÜG, in force as of 1 Jan 2013) have enhanced equal treatment of temporary agency workers and regular employees of the tempo-
temporary employer and further improved the working conditions for temporary workers. The revised Act also introduces a social and continued training fund (in force as of 1 Jan 2014). This fund is intended to support temporary agency workers during periods of non-work (in between temporary employment spells) either through financial aid or through funding further training. But temporary work agencies, too, may draw benefits from this fund if they maintain the employment relationship of agency workers after termination of an assignment. The finances of the fund are based on contributions paid by private temporary work agencies (also from abroad) and on money provided from the labour market policy budget. Temporary agency workers are obliged to pay contributions as of 1 Jan 2013, while regular employees are obliged to pay their contributions only as of 1 Jan 2017. These contributions will be raised gradually from 0.25% (2013) to 0.8% (beginning in 2016) of the contribution base as defined by the General Social Insurance Act (ASVG).

As of 1 Jan 2015, under revisions of the Labour and Social Law Reform Act of 2014 (ASRÄG 2014), the notifications to be made by the temporary employer must be made electronically. Moreover, legislation stipulates that the fiscal authorities and their auditing bodies (Financial Police – Finanzpolizei) now have the express function of parties to administrative penalty proceedings, and that the possibilities of assistance by the social and continued training fund are not restricted to periods of non-work in between temporary employment spells (this latter provision serves the purpose of ensuring that any further training begun during periods of non-work can also be continued during periods in which the worker is [again] hired out).

As of 1 Jan 2017, the rules on combating wage and social dumping, previously included in the Act Governing Adjustments to Employment Contracts Law (AVRAG) and in the Temporary Employment Act (AÜG), are now harmonised in the new Act Against Wage and Social Dumping (LSD-BG). Any hiring out after 31 Dec 2016 is now subject to the provisions of the LSD-BG.

In order to ease the burden on temporary work agencies, their contributions to the social and continued training fund has been reduced under the Temporary Employment Act with effect on or after 1 Apr 2017. The burden on employers required to pay wage-dependent levies has thus been reduced as of the second quarter of 2017 up to and including the first quarter of 2019 to 0.35% (previously 0.8%); as of the second quarter of 2019 till the end of the first quarter of 2021, these levies will be 0.5% and as of the second quarter of 2021 again 0.8% of the contribution base.

5. **PASSIVE LABOUR MARKET POLICY**

Out-of-work compensation for the unemployed includes unemployment benefit (Arbeitslosengeld) and subsequently unemployment assistance (Notstandshilfe). Older unem-
ployed may claim a pension advance to facilitate their transition into retirement. To qualify for these benefits applicants must be unemployed, able and willing to work and have previously been in UI-covered employment for a specified minimum duration. There are specific qualifying conditions for the individual benefits. Applicants who fulfil these eligibility criteria are legally entitled to benefits.

Benefit claimants enjoy health insurance, pension insurance and in some cases work accident insurance; health insurance extends to their co-insured dependants. The duration of benefit receipt is credited as an insurance period or (for older workers) as a substitute qualifying period towards old-age pensions. Beneficiaries are insured against work accidents while participating in labour market policy schemes or when going to job interviews (labour foundations, unemployment benefits for training, continuing receipt while participating in measures).

The benefit level will largely depend on the claimant’s previous income earned. If such a benefit is low due to a low previous income, it may be ‘topped up’ with money from the means-tested minimum income scheme of the Länder and communities. Unemployment assistance depends on the income of a claimant’s partner (cohabiting partners and married spouses have equal status under the terms of the Unemployment Insurance Act – AlVG) – this rule is applicable until 30 June 2018. Federal Law Gazette I no. 157/2017 abolishes the inclusion of the partner's income in calculating the level of unemployment assistance (with effect on or after 1 July 2018).

Regional PES office staff will determine and check eligibility for benefits in terms of both a claimant’s previous employment record and a claimant’s compliance with willingness-to-work criteria.

5.1. Out-of-Work Benefits

5.1.1. Unemployment benefit

Entitlement conditions for claiming UB (Arbeitslosengeld) are as follows:

**Unemployment**: a person is considered to be out of work if his or her income falls below the marginal earnings threshold (e.g. in 2018 up to €438.05 a month for wage and salary earners); persons who fulfil the conditions for entitlement to benefits from old-age pension insurance or are already in receipt of such benefits will not receive any benefits under unemployment insurance.

Availability for work means that claimants can and may take up employment, and that they are able to work, willing to work and currently out of work.

Individuals who can and may take up employment are defined as those who
▪ are ready to take up and engage in the type of reasonably suitable insurance-covered employment that is normally offered on the labour market and complies with the relevant legal and collectively agreed rules,
▪ are authorised to take up waged or salaried employment under residence law, and
▪ are not subject to any final and enforceable expulsion order.

Willingness to work is defined as the readiness to take up a reasonably suitable job, including jobs brokered by the competent regional PES office. Jobs considered to be reasonably suitable include jobs in socio-economic enterprises or community (non-profit) employment projects.

A job is considered reasonably suitable if it is fairly paid (in compliance with collective agreements and/or legal stipulations), matches the unemployed individual’s physical capabilities and does not jeopardise the unemployed individual’s health or violate moral standards. Placement in a job which does not correspond to the beneficiary’s previous employment is permissible, provided that it does not significantly impede a return to his/her previous occupation. Unemployed workers must be willing to accept a reasonably suitable job or undergo additional training or retraining. A job is considered reasonably suitable if it suits the job-seeker’s capabilities and corresponds to the standards defined in legislation and collective agreements. The job-seeker must be able to reach the place of work within an adequate period of commuter time or, if this is not possible, must be given appropriate accommodation near the workplace. Workplace and working hours must not conflict with statutory care duties (for children).

In the first 100 days on unemployment benefits (under newly acquired entitlements to such benefits), unemployed workers are entitled to placement in their former occupation (Berufsschutz). Vacancies offered must not significantly impede such workers’ return to their previous occupations. Moreover they enjoy Entgeltschutz, i.e. basic pay level entitlements. In the first 120 days on unemployment benefits (under newly acquired entitlements), job-seekers are entitled to certain pay levels in any new job totalling 80% of previous pay (up to the maximum assessment basis), and for the remaining period of benefit receipt they are entitled to pay rates that are equivalent to 75% of this previous pay level. If job-seekers primarily had part-time jobs, pay in the new job opening may not fall below previous pay levels.

If claimants refuse or frustrate opportunities by failing to accept jobs or failing to actively participate in training programmes, their unemployment benefits will be suspended and, as a consequence, the duration of benefit entitlement will be reduced (by at least six weeks, and in repeat cases by eight weeks).

Capacity to work means that the unemployed is not incapacitated for work as defined by social pension law rules.
Compliance with entitlement conditions

Minimum period of UI-covered employment:

- For first-time claimants the required period is 52 weeks within the 24 months prior to assertion of such claims;
- For repeat claimants it is 28 weeks within the 12 months prior to assertion; and
- For young people (under 25 years of age) it is 26 weeks within one year.

Specific periods are credited towards the duration of previous employment (e.g. military service or alternative civilian service; employment abroad provided certain treaties or EU regulations apply, family hospice leave, etc.); the qualifying period may be extended under certain conditions defined by law (as a rule the period may be extended by five years).

Calculation of UB rates is based on the claimant’s previous income from work (basic benefit amount). This is increased, where applicable, by a supplement amount and by family supplements of €0.97 a day for each person entitled to this supplement (e.g. children and grandchildren, step children, adoptive and foster children; in addition and where applicable, also spouses and partners). The basic daily amount of UB corresponds to 55% of the previous net income underlying benefit calculation.

With this additional supplement, unemployment cash benefits will be increased to the equalisation supplement reference rate (2018: €909.42 per month). Applicants qualify for this additional supplement in the following circumstances

- the supplement increases the cash benefits of unemployed persons who are not eligible for family supplements to no more than 60% of their daily net income as defined by the assessment basis, or
- the supplement increases the cash benefits of unemployed persons who are eligible for family supplements to no more than 80% of their daily net income as defined by the assessment basis.

An additional benefit of €2.00 (applicable to 2018) a day is paid to cover the extra costs related to refresher training or retraining or labour market reintegration programmes.

Unemployment benefits for older unemployed persons (45plus) are calculated on the basis of the gross pay last used for assessing unemployment benefits provided that this is more than the income from work last earned, the purpose being to enable such persons to enter employment which pays less than their previous wage without suffering disadvantages if they draw benefits later on.

The rate of unemployment benefit has an upper limit (a 'cap'; maximum assessment basis in 2018: gross monthly total of €4,650).
The minimum period for claiming unemployment benefits is 20 weeks and may be raised to:

- 30 weeks for 156 weeks of employment within the preceding five years;
- 39 weeks for 312 weeks of employment within the preceding ten years if the unemployed person is at least 40 years of age; and
- 52 weeks for 468 weeks of employment within the preceding fifteen years if the unemployed person is at least 50 years of age.

For participants in refresher training, retraining and reintegration programmes offered by the public employment service the duration of benefit entitlement may be extended by the period the programme lasts. The duration of benefit entitlement is extended by 156 weeks at most for participants in labour foundation programmes and by 209 weeks at most if training takes longer or the unemployed in question has turned 50. Having completed an occupational rehabilitation measure, people may claim unemployment benefits for another 78 weeks.

Unemployment benefits are payable from the date the UB application is filed (if dismissal compensation, compensation or pay for leave due are claimed, UB will be payable after the end of the related periods); persons who voluntarily quit their employment or are dismissed through their own fault will not receive their first payment of unemployment benefits until four weeks after the termination of employment (while duration of receipt will not be reduced). See also Chapter 3, section 3.1. on page 95.

5.1.2. Unemployment Assistance

UA (Notstandshilfe), which is payable on exhaustion of unemployment benefit, combines the principles of social insurance and welfare. The UA rate is calculated on the basis of the unemployment benefit previously received and is equal to no more than 92% or 95% of the related basic UB amount and no more than 95% of the supplement amount paid along with the unemployment benefit plus any family supplements where applicable.

After deduction of an exemption limit (varies according to the unemployed person’s age and period of UB receipt), unemployment assistance is means-tested on the income of the partner (spouse, cohabiting partner, registered partner). This rule applies for periods of up to 30 June 2018; as of 1 July 2018, the partner’s income will not be included in calculations of the level of unemployment assistance.

- Exemption limits for partners: €657 per month; for persons required to pay alimony €285.50 per month.

Once the period of unemployment benefit receipt of 52 weeks or longer (after the claimant’s 50th year) is exhausted, higher exemption limits apply.
▪ **Exemption limits for partners:** €1,142 per month; for persons required to pay alimony €571 per month.

For workers becoming unemployed after their 55th year even higher exemption limits apply once the period of unemployment benefit receipt of 52 weeks or longer is exhausted and they have accrued insurance periods of at least 240 months or 1,040 weeks (for women these rules apply after their 54th year and for insurance periods of at least 180 in past 25 years).

▪ **Exemption limits for partners:** €1,173 per month; for persons required to pay alimony €856.50 per month (all rates for 2018).

Under present legislation, unemployment assistance is granted for 52 weeks at a time and may be requested and drawn repeatedly.

See also Chapter 3, section 3.2 on page 99.

### 5.2. Transfer Benefits to Facilitate Transition into Retirement

#### 5.2.1. Pension advances

Individuals who apply for a pension (old-age pension, occupational disability pension, invalidity pension, etc.) while in receipt of unemployment benefit or unemployment assistance will be granted an advance on their pension, while their claim is being processed by the social pension insurance institution. This is intended to provide financial security to applicants.

Pension advances based on requests for old-age pension or special retirement benefits (under the Heavy Night-Work Act – NSchG) will be granted only to those persons who satisfy the waiting time standard for pension benefits and are able to produce a confirmation by the pension insurance institution that their pension benefit entitlements cannot be assessed within two months of the cut-off date for retirement. If, however, the waiting time requires clarification, claimants may only receive unemployment benefits or unemployment assistance – provided that they meet all eligibility criteria for these benefits (including availability for the job market and willingness to work) – until pension benefits are awarded. As soon as pension benefits are awarded, the provisionally paid benefits will be reimbursed by the relevant social pension insurance institution.

If claimants request an invalidity or occupational disability pension, they are entitled to unemployment benefit or unemployment assistance payments until receipt of the medical report. Once this medical assessment confirms their incapacity to work, they are entitled to pension advances until the social pension insurer decides on their request for pension benefits. These claimants need not be available for placement to the employment service for three months beginning on the day the request for pension benefits is filed.
See also Chapter 3, item 3.3.1 on page 101.

5.2.2. Semi-Retirement

A semi-retirement scheme (Teilpension) has been introduced with effect as of 1 Jan 2016 and incorporated into the Unemployment Insurance Act. This new scheme is designed to keep workers entitled to corridor pension benefits from leaving the labour market prematurely, while enabling them to continue working on reduced hours until statutory retirement age. The statutory retirement age for women is currently 60 years, i.e. below the minimum age for entering the corridor pension scheme (62 years). Consequently, during a transition period the semi-retirement scheme will only be applicable to men until the statutory retirement age for women is raised to over 62 years.

The semi-retirement scheme is similar to the part-time scheme for older workers. To qualify for corridor pension benefits (Korridorpension), claimants are required as of 2017 to have an insurance record of 480 insurance months or 40 insurance years when they turn 62. If these requirements are met, workers may reduce their working hours by 40%-60% and will, in turn, receive wage compensation from their employers for 50% of the earnings lost by the working hours thus reduced.

For more details see also Chapter 3, item 3.3.2 on page 104.

5.2.3. Transition Benefits

Gradually rising age limits apply to new transition benefit claimants.

The following persons may claim transition benefits:

- Women from age 57 years and 6 months and men from age 62 years and 6 months who, between Jan and April 2012, reached 56.5 years (women) and 61.5 years (men);
- Women from age 57 years and 9 months and men from age 62 years and 9 months who, between May and Aug 2012, reached 56.5 years (women) and 61.5 years (men);
- Women from age 58 years and men from age 63 years who, between Sept and Dec 2012, reached 56.5 years (women) and 61.5 years (men);
- Women from age 58 years and 3 months and men from age 63 years and 3 months who, between Jan and April 2013, reached 56.6 years (women) and 61.5 years (men);
- Women from age 58 years and 6 months and men from age 63 years and 6 months who, between May and Aug 2013, reached 56.5 years (women) and 61.5 years (men);
- Women from age 58 years and 9 months and men from age 63 years and 9 months who, between Sept and Dec 2013, reached 56.5 years (women) and 61.5 years (men);
- Women from age 59 years and men from age 64 years who, between Jan and April 2014, reached 56.5 years (women) and 61.5 years (men);
- Women from age 59 years and 3 months and men from age 64 years and 3 months who, between May and Aug 2014, reached 56.5 years (women) and 61.5 years (men);
• Women from age 59 years and 6 months and men from age 64 years and 6 months who, between Sept and Dec 2014, reached 56.5 years (women) and 61.5 years (men);
• Women from age 59 years and 9 months and men from age 64 years and 9 months who, between Jan and April 2015, reached 56.5 years (women) and 61.5 years (men);

However, transition benefits may only be granted to claimants who have been out of work (i.e. unemployed as defined by the Unemployment Insurance Act – AIVG) for 12 months or more within the past 15 months. For this purpose, eligibility is not tied to any UI benefit having been claimed during that period. However, the required out-of-work period is extended by periods of sickness benefits or periods spent in sanatoria or nursing homes.

For more details see Chapter 3, item 3.3.3 on page 106.

5.3. Benefits to Facilitate Re-Entry into the Labour Market for Persons with Health Issues

5.3.1. Retraining Benefits
Retraining benefits (Umschulungsgeld) are granted to persons who have received an official decision by their social pension insurer stating that their disability or incapacity to perform their usual work, although temporary, will last for at least six months or that they will probably become disabled or incapacitated in the near future, and that the required occupational rehabilitation measures make sense and are reasonably suitable.

Retraining benefits are already paid during the period in which suitable rehabilitation programmes are selected and preparations made, and continue to be paid during actual participation in these programmes. However, claimants are eligible for retraining benefits only if they actively cooperate in the selection, preparation and implementation of their occupational rehabilitation programmes.

For more details see Chapter 3, item 3.4.1 on page 108.

5.4. Family Benefits

5.4.1. Childcare Allowance
The childcare allowance scheme (Kinderbetreuungsgeld), in effect since 1 Jan 2002, ensues from family policy considerations and is, unlike the previous insurance-based parental leave benefits (i.e. which required insurance-covered employment to qualify), a universal benefit. Parents may choose between flat-rate benefits (childcare allowance account) and income-related childcare allowance (for details see below). Childcare allowance is paid from the equalisation fund for family allowance. It expands freedom of choice and makes it much easier for parents to reconcile work and family life. When losing their job during or after claim-
ing childcare allowance, claimants may draw UB. In addition, the financial conditions for taking advantage of available childcare options are strengthened for parents of small children entering the workforce, which will stimulate the supply of such services for small children.

On 15 June 2016, the Austrian National Council adopted revisions to the Childcare Act (Kinderbetreuungsgesetz – KBG) applicable to births on or after 1 Mar 2017. The reform eliminates the financial differences of the previous flat-rate options by introducing a childcare allowance account.

Eligibility criteria for drawing childcare allowance under the Childcare Allowance Act (Kinderbetreuungsgeldgesetz – KBGG) include:

- Family allowance has been claimed and received for the child in question;
- For separated parents additional custody rights for the child and receipt of family allowance by the requesting parent;
- Joint household formed on a lasting basis with the child and identical usual residence;
- Compliance with exemption limit – if the limit is exceeded any childcare allowance wrongfully received will be recovered from the recipient for the calendar year in question;
- Regular health checks as required by the maternity health card programme (Mutter-Kind-Pass) comprising five examinations during pregnancy and five examinations of the child after birth;
- Legal residence in Austria;
- The centre of vital interest of the requesting parent and of the child must be in Austria; and
- Cross-border situations (living and/or working and/or claiming pensions abroad): EEA, EU and Swiss citizens are subject to Regulation (EC) No 883/2004 on the coordination of social security systems which are applied to employed persons, self-employed persons and to members of their families moving within the Community. The Regulation defines which country has to provide family benefits.

Earnings exemptions only relate to the claimant’s own earnings, i.e. they are not means-tested against family income.

**Childcare allowance account (flat-rate benefit)**

As of 1 Mar 2017, the previously applicable flat-rate models have been replaced by a childcare allowance account (Kinderbetreuungsgeld-Konto). The new rules ensure that mothers and fathers receive a more uniform total amount (€15,449.28 or €16,449 provided that childcare is shared by both parents at a ratio of 50:50 or 60:40, i.e. they claim a partnership bonus of €1,000) irrespective of how long they draw childcare allowance.
Parents may claim the flat-rate childcare allowances irrespective of whether they were economically employed prior to the birth of the child or not.

They may choose between benefit durations of 365 and 851 days (counted from the day of the child's birth). If parents alternate in taking the allowance, its duration will be extended to 456-1063 days.

Under this system, the benefit rate ranges from €14.53-€33.88 per day, depending on the option chosen.

Low-income parents may request a grant in addition to the flat-rate childcare allowance totalling €6.06 per day. The grant is available to single parents who earn no more than €6,800 per calendar year (2017), or to parents who are married or cohabiting with a partner, with the claiming parent earning no more than €6,800 (2017) and the other parent/partner no more than €16,200 per calendar year. Grant duration is limited to one year as from first-time request for this benefit.

While on flat-rate childcare allowance, a parent may earn up to 60% per annum of the income last earned (so-called 'individual earnings exemption'). If the individual earnings exemption cannot be determined, or if the determined earnings exemption falls below €16,200, an exemption limit of €16,200 will apply.

### Income-related childcare allowance

The income-related childcare allowance is primarily designed to give better earning parents – who want to withdraw from the labour market for a limited period of time only – the opportunity of receiving some compensation for the earnings foregone during that period. This scheme has been revised under the reform.

- Unlike the childcare allowance account, the income-related childcare allowance is only granted to persons who actually worked in a job covered by Austrian social insurance in the six months preceding the birth of the child.
- Income-related childcare allowances can be drawn up to the 365th day from the child’s birth if only one parent claims childcare allowance. If parents share benefit claim, the duration of benefit entitlement will be extended by the period in which the other parent actually claimed the allowance, the maximum period being up to the end of the child’s 14th month of life.
- Both parents must remain within the requested system, i.e. that of income-related childcare allowance.
- Under this system, the benefit rate totals 80% of the income last earned, the maximum amount being €66 per day (or roughly €2,000 per month).

### Social health and pension insurance

During the entire period of childcare allowance both the recipient and the child are covered by social health insurance. 48 months of childcare allowance per child are counted as contribution periods towards social pension insurance (equivalent to employment periods). For
several children only the months up to the birth of the next child (which may be fewer than 48 months) are counted as contribution periods.

**Partnership bonus**
If parents have shared their time on the childcare allowance account or on the income-related childcare allowance in roughly equal parts (50:50 to 60:40) and claimed these benefits for at least 124 days each, a partnership bonus of €500 each – €1,000 in total – is due to each parent upon request after the end of total benefit duration. Each parent may file the request for childcare allowance with the social health insurer applicable to her/him. Once the partnership bonus is disbursed, childcare allowance for this child may no longer be drawn.

**Family time bonus for fathers**
For the first time, fathers may request financial support if they devote themselves to their family directly after the birth of their child. To this end, a father must temporarily discontinue his economic activity and look after his family (family time). Fathers may spend time with their families in the form of special unpaid leave agreed with their employers in the private sector or in the form of a 'dad's month' (Papamonat) in the public sector. Family time may last 28, 29, 30 or 31 days (i.e. it covers a so-called 'family month'). The family bonus is €22.60 a day, totalling roughly €700 a month, and is available upon application. During family time, beneficiaries will be fully covered by social health and pension insurance.
CHAPTER 3 – MEASURES

Reducing unemployment and securing jobs, as well as achieving and maintaining full employment over the long term, are the most important objectives of Austria’s labour market and employment policy. This policy approach is based on sustainable and stable economic growth and a competitive and stable economy. The core function of Austria’s public employment service is to match labour supply and demand based on efficiency, economy and targeting criteria. This is intended to ensure a high level of employment on the one hand, and the supply of workers to business and industry on the other.

1. GENERAL MEASURES – THRUST AND APPROACH

A key characteristic of Austrian labour market policy is the targeted use of LMP tools geared to the needs of different groups of persons affected by unemployment.

The PES focuses on the following services:

- Ensure efficient placement of suitable workers in jobs which, if possible, offer work in line with the job-seekers’ aspirations;
- Help remove obstacles to direct placement;
- Facilitate transparency in the labour market;
- Reduce disparities between labour supply and demand in both quantitative and qualitative terms;
- Help secure jobs;
- Ensure young people’s training by placing them in suitable apprenticeships and assisting them with supplementary measures; and
- Provide income support to the unemployed.

Active labour market policies applied by the public employment service focus on three types of measures: promote employment, provide initial and continued vocational training and support. In international comparison, Austria has a clear focus on initial and continued training, with roughly two thirds of the LMP funding budget and almost three fourths of newly subsidised persons accounting for this area. More than one third of all persons registered as unemployed are included in an active LMP programme. Active LMP funds have been increased primarily for disadvantaged groups in the labour market (young people, older workers, individuals with health-related employment handicaps, non-Austrians, migrants) in recent years.

The budget for active labour market policy spending has been continuously expanded during this time, reaching record levels during the years of the financial and economic crisis. Since then it has remained at a much higher level than before the crisis (see also Chapter 1, section 4.4 on page 42).
The public employment service is obliged to foster equality of women and men in society and the labour market. Therefore, gender mainstreaming is a binding principle incorporated in all guidelines or guidance notes, and all measures are regularly checked for their impact on women and men. LMP tools designed to tackle the gender employment gap and, more particularly, the gender pay gap often provide an experimental playground for upgrading LMP tools in general. This policy approach is based on legal provisions requiring that at least 50% of active LMP funds must be spent on women.

2. SECURING JOBS

2.1. Partial Unemployment (Short-Time Working) or Partial Unemployment plus Upskilling

Aim

Partial unemployment benefits (Kurzarbeitsbeihilfe) are used to mitigate short-term fluctuations in employment caused by temporary economic difficulties and secure jobs through partial compensation of wages lost because of short-time working arrangements. For the purpose of securing jobs in the longer term, the benefit claimant (enterprise and/or employer) in question may be placed under the obligation to keep the current number of employees not only as long as they are put on short hours but also for as long afterwards as agreed. Subsidies to skills enhancement while in partial unemployment should help workers to use the hours not worked for quality training (which meets labour market and employers’ needs) and thus to improve their chances for sustainable employability.

In response to the impact of the financial and economic crisis, partial unemployment was the LMP tool widely used to secure jobs in many enterprises.

Target group

Partial unemployment benefits and benefits plus upskilling are granted primarily to employees affected by short-time working arrangements.

Instrument

Partial unemployment benefits may be granted to workers (save apprentices) for a maximum period of 24 months to partially compensate for pay losses resulting from short-term difficulties of the company they work for. The flat rates of partial unemployment assistance (Kurzarbeitsunterstützung) defined for each hour lost depend on the expenses the unemployment insurance would incur for unemployment benefits plus social insurance contributions if the same worker were made redundant. The level of benefit is derived from the product of a worker’s partial unemployment benefits (= hours lost) multiplied by the appli-
cable flat rate. Employers are reimbursed the social insurance contributions from the 5th month of short-time working and from the 1st day of short-time working accompanied by upskilling programmes.

The flat rates defined for upskilling assistance include a supplement for training-related additional expenses of 15%. The applicable flat rate is based on the current normal working time determined by law or collective agreement, the monthly gross pay plus prorated special bonus payments due before the beginning of partial unemployment, and the number of children a worker has. In the case of training costs being funded for workers on short hours, all those workers are eligible who, under the 'partial unemployment-cum-upsckilling' scheme, use hours lost for upskilling measures and claim such subsidisation for at least 16 hours of training.

There is also the possibility to change from one scheme to the other, i.e. to switch from partial unemployment to partial unemployment plus upskilling.

**Eligibility criteria**

The conditions for granting partial unemployment benefits include:

- the company is in temporary economic difficulties;
- these difficulties are caused by external circumstances which are (largely) outside the company’s scope of influence;
- company management informs staff and works council of imminent job problems;
- management notifies the regional PES office in due time (exception: natural disasters);
- consultation between public employment service and employer (including the works council!); such consultation must also address the possible use of lost hours for upskilling measures; in addition, consultations should be used to seek other solutions to the current employment problems;
- the social partners must conclude an agreement (irrespective of whether the company has a works council or not) on the details of short-time working arrangements, such as: compensation paid during partial unemployment and/or compensation paid during upskilling programmes with due regard to any skills enhancement assistance (Qualifizierungsunterstützung) being claimed; conditions of partial unemployment and/or details of upskilling measures; as well as maintenance of the workforce during partial unemployment and/or partial unemployment plus upskilling and for a certain agreed period thereafter (with a few exceptions in special cases). In case of natural disasters which only affect some individual companies, the above social partner agreement may be waived.
Financial resources

The scheme is financed from UI funds (employers’ and employees’ contributions).

Responsible organisation/entity

Public employment service.

Legal basis

Partial unemployment benefits and/or partial unemployment benefits plus upskilling are based on §§37b and 37c as well as §34 of the Public Employment Service Act (AMSG);


Recent revisions

The PES guideline has been revised (applicable as of 1 Jan 2017) in implementation of revisions introduced under Federal Law Gazette I no. 31/2017, which entered into force on 1 Jan 2017. The revised legal basis for partial unemployment rules is intended to provide, if and when required, more generous compensation for the expenses incurred by partial unemployment, an arrangement that stood the test during the financial crisis and might be needed in the context of possible negative consequences of the BREXIT.

- The special rules applicable until 2015 – stipulating that additional expenses for social insurance contributions were to be reimbursed from the 5th month of short-time working and from the 1st day of short-time working accompanied by upskilling programmes, and providing the possibility to extend benefits for up to 24 months (in lieu of 18 months) – have now become permanent legal provisions. The current new rules apply to all such benefits newly requested in 2017 or later.
- The AMPFG now stipulates that benefits for partial unemployment or for partial unemployment plus upskilling must be treated like expenses under the AlVG, the cap on these expenses being €20m per year as of 2016.

Unemployment as eligibility condition

No.

Other transfers of funds

None.
**Type of expenditure**

Partial unemployment benefits are paid to employers who provide partial unemployment assistance (Kurzarbeitsunterstützung) to employees suffering earnings losses for having been put on short hours.

**Duration**

If granted for the first time, partial unemployment benefits and partial unemployment benefits plus upskilling may be drawn for no more than six months. If, after this period, claimants continue to meet the eligibility criteria, claim duration may be extended by a maximum of another six months at a time. Since 2017 partial unemployment benefits and partial unemployment benefits plus upskilling may be drawn for up to 24 months (now part of permanent law).

**Partial unemployment benefits – number of persons on short hours**

<table>
<thead>
<tr>
<th>Year</th>
<th>Women</th>
<th>Men</th>
<th>Total</th>
<th>Pers. in % of employment (15-64)</th>
<th>Benefit paid</th>
<th>as % of GDP</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>€</td>
<td>GDP</td>
</tr>
<tr>
<td>2007</td>
<td>206</td>
<td>435</td>
<td>640</td>
<td>0.017</td>
<td>388,157</td>
<td>0.0001</td>
</tr>
<tr>
<td>2008</td>
<td>1,101</td>
<td>7,131</td>
<td>8,232</td>
<td>0.210</td>
<td>1,007,726</td>
<td>0.0003</td>
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<td>2009</td>
<td>12,969</td>
<td>53,736</td>
<td>66,505</td>
<td>1.701</td>
<td>113,512,859</td>
<td>0.0394</td>
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<tr>
<td>2010</td>
<td>5,734</td>
<td>17,986</td>
<td>23,706</td>
<td>0.601</td>
<td>54,872,860</td>
<td>0.0185</td>
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<tr>
<td>2011</td>
<td>1,674</td>
<td>2,205</td>
<td>3,879</td>
<td>0.097</td>
<td>6,086,179</td>
<td>0.0020</td>
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<tr>
<td>2012</td>
<td>1,257</td>
<td>2,301</td>
<td>3,558</td>
<td>0.031</td>
<td>4,041,161</td>
<td>0.0013</td>
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<tr>
<td>2013</td>
<td>1,384</td>
<td>2,626</td>
<td>4,010</td>
<td>0.034</td>
<td>7,845,621</td>
<td>0.0024</td>
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<tr>
<td>2014</td>
<td>348</td>
<td>3,296</td>
<td>3,644</td>
<td>0.090</td>
<td>7,483,967</td>
<td>0.0022</td>
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<tr>
<td>2015</td>
<td>419</td>
<td>3,955</td>
<td>4,366</td>
<td>0.107</td>
<td>4,851,730</td>
<td>0.0014</td>
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<tr>
<td>2016</td>
<td>338</td>
<td>2,031</td>
<td>2,367</td>
<td>0.057</td>
<td>4,622,219</td>
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<tr>
<td>2017</td>
<td>206</td>
<td>1,574</td>
<td>1,780</td>
<td>0.043</td>
<td>6,078,452</td>
<td>0.0016</td>
</tr>
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</table>

*Source: BMASGK, ELIS (Economic and Labour Market Information System, section on PES subsidies and grants – AMS-Förderungen und Beihilfen, 2016); Statistics Austria; BMASGK’s own calculations.*

*Note: the accounting procedures used for partial unemployment benefits result in delayed disbursements.*
2.2. Bad Weather Compensation

Aim

To avoid fluctuations in employment in the construction industry caused by weather-related inactivity.

Target group

Construction workers affected by weather-related fluctuations in wages.

Instrument

The workers concerned receive wage compensation amounting to 60% of the wage due under normal circumstances. A flat rate of 30% towards social security contributions is included. As of 1 Jan 2017, trade apprentices are included in the bad weather compensation scheme (apprentices enrolled in two apprenticeships simultaneously – ‘dual apprentices’ – continue to be excluded).

Examples of bad weather include rain, snow, frost or heat. There is a limit on the number of winter or summer working hours for which bad weather compensation can be claimed. Contributions to the bad weather compensation scheme, of which the employer and employee each pay half, amount to 1.4% of the income from work. Bad weather compensation will be refunded to the employer, upon application, by the Construction Workers’ Paid Leave and Severance Pay Fund (BUAK).

Financial resources

Bad weather compensation (Schlechtwetterentschädigung – SWE) is financed by employers’ and employees’ contributions to the BUAK, and in case of shortfalls it is financed from UI funds (employers’ and employees’ contributions) or revised contribution rates.

Responsible organisation/entity

Construction Workers’ Paid Leave and Severance Pay Fund (BUAK), BMASGK.

Legal basis

Construction Workers’ Bad Weather Compensation Act of 1957 (BSchEG).
Recent revisions

Under Federal Law Gazette I no. 72/2016, in force since 1 Jan 2017, master well drillers have been included in the scope of the BSchEG. Trade apprentices, too, now come within the scope of the BSchEG, while dual apprentices are still excluded from its scope. The latter rule was clarified in Federal Law Gazette I no. 114/2017, in force since 1 Aug 2017.

Federal Law Gazette I no. 32/2017, in force since 1 Jan 2017, extends the annually defined contribution from the labour market policy budget for the period from 2017 up to and including 2019; the annual contribution has been raised from €3m to €5m.

Unemployment as eligibility condition

No.

Other transfers of funds

None.

Type of expenditure

Transfers to employers (reimbursements).

Duration

There is a limit on the number of winter or summer working hours for which bad weather compensation (SWE) can be claimed. Entitlement to SWE is limited to a maximum of 200 lost working hours per company from 1 Nov to 30 April (the winter period) and to a maximum of 120 lost working hours from 1 May to 31 Oct (the summer period), while there is the possibility of crediting lost hours not claimed in the summer period towards the subsequent winter period.
Bad weather compensation

<table>
<thead>
<tr>
<th>Year</th>
<th>Hours paid</th>
<th>Income (€)</th>
<th>Expenditure</th>
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<td></td>
<td></td>
<td>€</td>
</tr>
<tr>
<td>2007</td>
<td>5,226,719.00</td>
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<td>9,236,826.00</td>
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<td>42,556,217.00</td>
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<td>2010</td>
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<td>39,533,152.90</td>
<td>47,182,617.23</td>
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<tr>
<td>2011</td>
<td>4,259,825.00</td>
<td>40,907,344.77</td>
<td>40,805,132.16</td>
</tr>
<tr>
<td>2012</td>
<td>4,093,049.00</td>
<td>42,716,82838</td>
<td>40,792,936.50</td>
</tr>
<tr>
<td>2013</td>
<td>5,118,680.50</td>
<td>43,383,826.31</td>
<td>51,402,185.10</td>
</tr>
<tr>
<td>2014</td>
<td>4,325,574.00</td>
<td>44,900,524.43</td>
<td>45,444,357.75</td>
</tr>
<tr>
<td>2015</td>
<td>4,115,643.50</td>
<td>45,457,168.01</td>
<td>46,435,690.21</td>
</tr>
<tr>
<td>2016</td>
<td>5,313,168.50</td>
<td>46,715,537.56</td>
<td>56,798,109.72</td>
</tr>
<tr>
<td>2017</td>
<td>4,920,822.00</td>
<td>49,559,356.22</td>
<td>45,477,875.58</td>
</tr>
</tbody>
</table>

Source: BUAK (Construction Workers’ Paid Leave and Severance Pay Fund), Statistics Austria (national accounts, GDP – current prices); BMASGK/Division VI/A/6 and own calculations.

Note: annual expenses relate to the period Jan-Dec as included in the bad weather section of the BU-AG income statement.

3. ASSISTANCE TO THE UNEMPLOYED

3.1. Unemployment Benefit

Aim

Unemployment benefit (UB) provides income support (as partial compensation for earnings lost due to unemployment) and bridges the gap between old and new job during job search.

Target group

Unemployed workers who are willing and able to work, who are available for work and who have been in UI-covered employment for the necessary length of time.

Instrument

Unemployment benefits are composed of a basic amount and, in the case of basic amounts below the equalisation supplement reference rate for singles, a supplement amount and, where applicable, family supplements. The social insurance contributions (contributions to social health insurance and social pension insurance as well as, if provided by law, to work accident insurance) are paid by the PES on behalf of the unemployed concerned.
Put simply, the basic amount is derived from the income previously earned. If this benefit is claimed in the first half of any given year, it will be based – as a rule – on the income of the penultimate calendar year; if it is claimed in second half of a year, it will be based on the income of the previous calendar year. The net replacement rate amounts to 55% of the relevant net income previously earned. Family supplements are granted for children and (in addition to children only) for partners who (other than an apprentice’s remuneration) have no income above the marginal earnings threshold (2018: €438.05 per month). Claimants receiving less than the equalisation supplement reference rate (2018: €909.42 per month) are entitled to an extra amount to reach a net replacement rate of up to 60% (for those eligible for family supplements a net replacement rate of up to 80%).

Participants in refresher training, retraining and labour market reintegration programmes are entitled to an amount of €2 per day (2018) in addition to the daily unemployment benefit.

The duration of benefit entitlement is graduated according to age and the duration of previous UI-covered jobs and usually varies from 20 to 52 weeks. Under special conditions defined by law, this benefit may be drawn for a longer period of time. See also Chapter 2, item 5.1.1 on page 78.

Eligibility criteria

Applicants must be unemployed, willing and able to work and have been in UI-covered employment for a minimum duration of

- 52 weeks within the last two years prior to asserting the claim if they claim UI benefits for the first time,
- 28 weeks within the last year prior to asserting the claim if they claim UI benefits for a second or third time, etc.

Furthermore, the worker must not have exhausted benefit entitlement. Income from work below the marginal earnings threshold is permissible and will not impinge on eligibility. (Exception: if claimants enter marginal part-time employment with the same employer, they will not be considered unemployed if less than one month has elapsed between previous fully insurance-covered employment and marginal employment).

For individuals younger than 25 who are claiming the benefit for the first time, prior UI-covered employment of 26 weeks within the last twelve months will suffice to qualify for the benefit.

Self-employed individuals are offered the opportunity to voluntarily join the UI scheme under specific conditions. In so doing, they may acquire the necessary periods of UI coverage which are credited towards the above minimum employment spells required.
Financial resources

The benefits are financed from UI funds (employers’ and employees’ contributions). Any shortfalls will be covered by the Federal Government. This applies not only to unemployment benefits but also to other UI-based benefits such as unemployment assistance.

Responsible organisation/entity

Public employment service.

Legal basis

1977 Unemployment Insurance Act (AlVG).

Recent revisions

The Social Insurance Reform Act 2017 (Federal Law Gazette I no. 38/2017), which entered into force on 1 May 2017, simplified the previously applicable non-uniform limitation rules for back payments and the recoveries under the unemployment insurance system.

Basically, it restricts the period for both back payments and recoveries to three years. Revocation or correction of benefits (including any recovery claims) is admissible for periods dating farther back than three years only if benefit claim assessment depends on evidence which is only provided or can only be provided after three years.

Moreover, as from 1 May 2017, notifications on benefit entitlements include a note indicating that within three months of their delivery claimants may request an official decision without giving any reasons. Unless an official decision on benefit entitlements is requested within three months of delivery of the notification, the matter is considered to be settled and not subject to further appeal.

The Social Insurance Reform Act 2016 (Federal Law Gazette I no. 29/2017) and the Act on Part-Time-Work to Reintegrate Employees after Long-Term Sickness Leave (Wiedereingliederungsteilzeitgesetz – WIETZG, Federal Law Gazette I no. 30/2017) stipulate with effect from 1 Jan 2017 that periods during which people were on rehabilitation or reintegration benefits are to be treated as periods during which people did not receive their full pay due to illness. Hence they must not be included in unemployment benefit assessment.

Unemployment as eligibility condition

Yes.
Other transfers of funds

No LMP benefits; under certain conditions, benefits below the defined reference rate can be supplemented by means-tested minimum income (administered by the Länder).

Type of expenditure

Transfer payments to individuals (periodic cash benefits).

Duration

Basically, unemployment benefit is granted for 20 weeks. 30 weeks’ duration applies to claimants having 156 weeks of UI-covered employment.

Claim duration is extended

- to 39 weeks if, at the time of asserting their claim to unemployment benefits, workers have completed their 40th year and have a record of 312 weeks of verifiable UI-covered employment within the preceding ten years;
- to 52 weeks if, at the time of asserting their claim to unemployment benefits, workers have completed their 50th year and have a record of 468 weeks of verifiable UI-covered employment within the preceding fifteen years.

The duration of benefit entitlement may be extended by no more than 156 weeks if the claimant participates in some labour foundation training scheme. It may be extended by no more than 209 weeks if some training measure lasts longer or the unemployed worker is 50 or over (see also Chapter 3 – section 8.2 on page 231).

Having completed an occupational rehabilitation measure under the statutory social insurance scheme, people may claim unemployment benefits for another 78 weeks.
### Unemployment benefit claimants – annual average stock

<table>
<thead>
<tr>
<th>Year</th>
<th>Claimants total (m+w)</th>
<th>Claimants in % of employment (15-64)</th>
<th>Men</th>
<th>Women</th>
<th>Expenditure €</th>
<th>as % of GPD</th>
</tr>
</thead>
<tbody>
<tr>
<td>2007</td>
<td>114,468</td>
<td>2.92</td>
<td>65,605</td>
<td>48,863</td>
<td>1,487,900,989</td>
<td>0.52</td>
</tr>
<tr>
<td>2008</td>
<td>113,471</td>
<td>2.84</td>
<td>64,568</td>
<td>48,903</td>
<td>1,486,892,027</td>
<td>0.51</td>
</tr>
<tr>
<td>2009</td>
<td>146,314</td>
<td>3.67</td>
<td>88,778</td>
<td>57,536</td>
<td>2,040,907,101</td>
<td>0.71</td>
</tr>
<tr>
<td>2010</td>
<td>131,204</td>
<td>3.27</td>
<td>77,177</td>
<td>54,027</td>
<td>1,912,578,571</td>
<td>0.65</td>
</tr>
<tr>
<td>2011</td>
<td>124,979</td>
<td>3.08</td>
<td>71,342</td>
<td>53,637</td>
<td>1,817,534,296</td>
<td>0.59</td>
</tr>
<tr>
<td>2012</td>
<td>131,217</td>
<td>3.21</td>
<td>75,979</td>
<td>55,239</td>
<td>1,916,321,943</td>
<td>0.60</td>
</tr>
<tr>
<td>2013</td>
<td>140,687</td>
<td>3.43</td>
<td>82,752</td>
<td>57,935</td>
<td>2,098,385,689</td>
<td>0.65</td>
</tr>
<tr>
<td>2014</td>
<td>144,253</td>
<td>3.51</td>
<td>84,007</td>
<td>60,247</td>
<td>2,214,179,930</td>
<td>0.66</td>
</tr>
<tr>
<td>2015</td>
<td>151,138</td>
<td>3.64</td>
<td>86,966</td>
<td>64,172</td>
<td>2,351,223,985</td>
<td>0.68</td>
</tr>
<tr>
<td>2016</td>
<td>145,976</td>
<td>3.46</td>
<td>82,335</td>
<td>63,641</td>
<td>2,368,760,035</td>
<td>0.67</td>
</tr>
<tr>
<td>2017</td>
<td>138,015</td>
<td>3.30</td>
<td>77,070</td>
<td>60,944</td>
<td>2,305,422,936</td>
<td>0.62</td>
</tr>
</tbody>
</table>

Source: PES DWH; Statistics Austria; retrieved on 14 Dec 2017 and 5 April 2018; budgetary figures provided by BMASGK/Division VI/A/6; BMASGK’s own calculations.

Note: expenses only relate to payments disbursed to claimants of passive unemployment benefits (including prorated social insurance contributions).

### 3.2. Unemployment Assistance

**Aim**

Unemployment assistance (UA) provides income support to unemployed workers who have exhausted their entitlement to unemployment benefit.

**Target group**

Unemployed workers (particularly the long-term unemployed) who are willing and able to work as well as available for work, have exhausted their entitlement to unemployment benefit and are in need of financial support.

**Instrument**

If unemployment benefits (without family supplements) exceed the equalisation supplement reference rate of €909.42 (2018) per month, unemployment assistance will always amount to 92% of the rate of unemployment benefits drawn previously. In all other cases unemployment assistance will amount to 95% of the previous UB rate. Any supplement amount granted along with UB is taken into account in UA assessment.
In addition, the rate of unemployment assistance depends on the period during which UB was awarded. If unemployment assistance follows on 20 weeks of unemployment benefit entitlement, the basic UA rate after the means test must not exceed the equalisation supplement reference rate of €909.42 a month (2018). If the duration of UB entitlement was 30 weeks, the basic UA rate is restricted to the subsistence level of €1,060 a month (2018). If unemployment assistance is claimed for the first time, the above rules will only apply after six months of benefit receipt. In addition, family supplements and an extra amount of €2 (2018) a day are due to be paid to participants in refresher training, retraining or training programmes for reintegration into the labour market. The basic amount is reduced by the income of a partner, graduated by age and duration of unemployment benefit, with obligations to support dependants taken into account (for graduated exemption limits, which are currently still applicable, see Chapter 2, item 5.1.2 on page 81).

As of 1 July 2018, the rate of unemployment assistance will no longer be means-tested against the partner's income.

**Eligibility criteria**

Applicants must have exhausted their claim to UB and be in need of financial support. Beneficiaries of unemployment assistance are required – just as UB claimants are – to be available for work, which means they must prove that they are willing and able to work.

**Financial resources**

Benefits are financed from UI funds (employers’ and employees’ contributions). Any shortfalls will be covered by the Federal Government. This rule applies not only to unemployment assistance but also to all UI-based benefits, in particular to the unemployment benefit.

**Responsible organisation/entity**

Public employment service.

**Legal basis**

1977 Unemployment Insurance Act (AIVG).

**Recent revisions**

Federal Law Gazette I no. 157/2017 abolishes the means test on the partner's income for calculating unemployment assistance (with effect on or after 1 July 2018).

**Unemployment as eligibility condition**

Yes.
Other transfers of funds

No LMP benefits; under certain conditions, benefits below the defined reference rate can be supplemented by means-tested minimum income (administered by the Länder).

Type of expenditure

Transfer payments to individuals (periodic cash benefits).

Duration

UA is payable for a maximum of 52 weeks at a time upon request, provided the necessary entitlement conditions are met.

Unemployment assistance claimants – annual average stock

<table>
<thead>
<tr>
<th>Year</th>
<th>Claimants (m+w)</th>
<th>Claimants in % of employment (15-64)</th>
<th>Men</th>
<th>Women</th>
<th>Expenditure €</th>
<th>as % of GPD</th>
</tr>
</thead>
<tbody>
<tr>
<td>2007</td>
<td>85,181</td>
<td>2,17</td>
<td>50,137</td>
<td>35,045</td>
<td>953,154033</td>
<td>0,34</td>
</tr>
<tr>
<td>2008</td>
<td>78,431</td>
<td>1,96</td>
<td>46,393</td>
<td>32,038</td>
<td>900,507,339</td>
<td>0,31</td>
</tr>
<tr>
<td>2009</td>
<td>91,211</td>
<td>2,29</td>
<td>55,856</td>
<td>35,354</td>
<td>1,024,489,078</td>
<td>0,36</td>
</tr>
<tr>
<td>2010</td>
<td>97,931</td>
<td>2,44</td>
<td>60,358</td>
<td>37,573</td>
<td>1,166,457,757</td>
<td>0,39</td>
</tr>
<tr>
<td>2011</td>
<td>98,230</td>
<td>2,42</td>
<td>59,072</td>
<td>39,158</td>
<td>1,241,791,430</td>
<td>0,40</td>
</tr>
<tr>
<td>2012</td>
<td>105,132</td>
<td>2,57</td>
<td>63,069</td>
<td>42,063</td>
<td>1,335,047,402</td>
<td>0,42</td>
</tr>
<tr>
<td>2013</td>
<td>120,276</td>
<td>2,93</td>
<td>72,634</td>
<td>47,641</td>
<td>1,512,599,990</td>
<td>0,47</td>
</tr>
<tr>
<td>2014</td>
<td>140,778</td>
<td>3,42</td>
<td>85,458</td>
<td>55,320</td>
<td>1,735,996,071</td>
<td>0,52</td>
</tr>
<tr>
<td>2015</td>
<td>163,040</td>
<td>3,93</td>
<td>99,886</td>
<td>63,154</td>
<td>2,015,151,263</td>
<td>0,58</td>
</tr>
<tr>
<td>2016</td>
<td>167,075</td>
<td>3,96</td>
<td>101,527</td>
<td>65,548</td>
<td>2,145,150,503</td>
<td>0,61</td>
</tr>
<tr>
<td>2017</td>
<td>157,483</td>
<td>3,76</td>
<td>94,906</td>
<td>62,578</td>
<td>2,092,446,570</td>
<td>0,57</td>
</tr>
</tbody>
</table>

Source: PES DWH; Statistics Austria; retrieved on 14 Dec 2017 and 5 April 2018; budgetary figures provided by BMASGK/Division VI/A/6; BMASGK’s own calculations.

Note: expenses only relate to payments disbursed to claimants of passive unemployment assistance (including prorated social insurance contributions).

3.3. Benefits to Facilitate Transition into Retirement

3.3.1. Pension Advances

Aim

Pension advances (Pensionsbevorschussung) provide financial support to unemployed persons (who meet the requisite eligibility criteria) while their request for invalidity or occupational disability pension benefits, or for old-age pension or special retirement benefits (un-
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Target group

Employees who have applied for pension benefits under the insured event of old age or reduced earning capacity.

Instrument

An individual is entitled to a pension advance when applying for benefits on grounds of reduced capacity or incapacity to work, old-age pension benefits or special retirement benefits (under the Heavy Night-Work Act – NSchG) once it is established that s/he can expect to be awarded these pension benefits. Advances are granted in the amount of unemployment benefits or unemployment assistance benefits. If claimants request an invalidity or occupational disability pension, they are entitled to unemployment benefit or unemployment assistance payments until receipt of the medical report on their health status. If, based on this medical assessment, they are found incapable of work, they are entitled to pension advances until the social pension insurer decides on their request for pension benefits. Once pension benefits are granted, the advances (including basic benefits – UB and UA – paid until receipt of medical report) will be paid back by the pension insurance provider to the employment service. If the pension request is denied, the pension advance will be classified as UB or UA (whichever is applicable). See also Chapter 2, item 5.2.1 on page 82.

Eligibility criteria

Persons requesting an invalidity or occupational disability pension qualify for these benefits

- if a medical assessment by the social pension insurer confirms their incapacity to work, and
- provided they meet the waiting time criteria necessary for pension benefits.

PES case workers will consider the claimants' health situation during the ex ante period of clarification.

Pension advances based on requests for old-age pension or special retirement benefits (under the Heavy Night-Work Act – NSchG) will be granted only to those persons who satisfy the waiting time standard for pension benefits and are able to produce a confirmation by the pension insurance institution that their pension benefit entitlements cannot be assessed within two months of the cut-off date for retirement. If, however, the waiting time requires clarification, claimants may only receive unemployment benefits or unemployment assis-
tance until pension benefits are awarded. In such cases they must meet all eligibility criteria for these benefits (i.e. including availability for the job market and willingness to work).

**Financial resources**

Benefits are financed from UI funds (employers’ and employees’ contributions).

**Responsible organisation/entity**

Public employment service.

**Legal basis**

1977 Unemployment Insurance Act (AIVG).

**Recent revisions**

New rules governing pension advances to persons having requested invalidity or occupational disability pension benefits – since 1 Jan 2014 possibility to postpone decision on capacity to work for three months at most pending receipt of medical assessment.

These new rules for persons who have requested invalidity or occupational disability pension benefits were incorporated into the Social Law Reform Act of 2012 (SRÄG 2012) and entered into force on 1 Jan 2014. They set out that persons likely to be eligible for drawing or claiming these pension benefits are to be considered incapable of work. Otherwise it would be possible for persons unable to exit from unemployment due to their health situation to receive UI benefits even without any special rules. Persons who, after completion of some occupational rehabilitation programme, re-entered employment are subject to the special provision of §7(4) of the Unemployment Insurance Act (AIVG). In cases of doubt about a worker’s capacity to work, or in cases where the health hazards of certain activities need to be clarified, the person concerned is obliged to have himself/herself examined by an appropriate physician or appropriate medical centre. Following this examination, persons may be exempted from the availability for work for up to three months until they receive the official medical assessment of their capacity to work (i.e. whether rehabilitation is expedient and reasonable). The same rules apply to cases where special reasons warrant this approach.

**Unemployment as eligibility condition**

Yes.

**Other transfers of funds**

None.
Type of expenditure

Transfer payments to individuals (periodic cash benefits).

Duration

Payable until regular retirement.

Pension advance claimants – annual average stock

<table>
<thead>
<tr>
<th>Year</th>
<th>Claimants (m+w)</th>
<th>Claimants in % of employment (15-64)</th>
<th>Men</th>
<th>Women</th>
<th>Expenditure €</th>
<th>as % of GPD</th>
</tr>
</thead>
<tbody>
<tr>
<td>2007</td>
<td>19,447</td>
<td>0.50</td>
<td>7,016</td>
<td>12,430</td>
<td>57,606,314</td>
<td>0.020</td>
</tr>
<tr>
<td>2008</td>
<td>19,012</td>
<td>0.48</td>
<td>6,865</td>
<td>12,147</td>
<td>58,611,343</td>
<td>0.020</td>
</tr>
<tr>
<td>2009</td>
<td>19,700</td>
<td>0.49</td>
<td>7,187</td>
<td>12,513</td>
<td>66,775,167</td>
<td>0.023</td>
</tr>
<tr>
<td>2010</td>
<td>20,407</td>
<td>0.51</td>
<td>7,392</td>
<td>13,014</td>
<td>73,605,385</td>
<td>0.025</td>
</tr>
<tr>
<td>2011</td>
<td>20,303</td>
<td>0.50</td>
<td>7,371</td>
<td>12,932</td>
<td>77,498,343</td>
<td>0.025</td>
</tr>
<tr>
<td>2012</td>
<td>19,061</td>
<td>0.47</td>
<td>7,258</td>
<td>11,803</td>
<td>64,621,487</td>
<td>0.020</td>
</tr>
<tr>
<td>2013</td>
<td>10,261</td>
<td>0.25</td>
<td>6,468</td>
<td>3,792</td>
<td>-16,621,402</td>
<td>-0.005</td>
</tr>
<tr>
<td>2014</td>
<td>2,710</td>
<td>0.07</td>
<td>1,814</td>
<td>896</td>
<td>1,402,076</td>
<td>0.000</td>
</tr>
<tr>
<td>2015</td>
<td>1,646</td>
<td>0.04</td>
<td>1,113</td>
<td>533</td>
<td>38,260,466</td>
<td>0.011</td>
</tr>
<tr>
<td>2016</td>
<td>1,678</td>
<td>0.04</td>
<td>1,110</td>
<td>569</td>
<td>56,887,049</td>
<td>0.016</td>
</tr>
<tr>
<td>2017</td>
<td>1,245</td>
<td>0.03</td>
<td>830</td>
<td>415</td>
<td>51,874,973</td>
<td>0.014</td>
</tr>
</tbody>
</table>

Source: PES DWH; Statistics Austria; retrieved on 14 Dec 2017 and 5 April 2018; budgetary figures provided by BMASGK/Division VI/A/6; BMASGK’s own calculations.

3.3.2. Semi-retirement

Aim

The semi-retirement scheme is designed to keep workers entitled to corridor pension benefits from leaving the labour market prematurely, while enabling them to continue working on reduced hours until statutory retirement age (see also Chapter 2, item 5.2.2 on page 83).

Target group

Workers meeting the eligibility criteria for corridor pension benefits.

Instrument

The semi-retirement scheme is similar to the part-time scheme for older workers. Working time may be reduced by 40% to 60%. Workers will receive wage compensation for 50% of the earnings lost by the working hours thus reduced up to the ceiling on insurable earnings.
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under the General Social Insurance Act (ASVG). At the same time the full amount of social insurance contributions will be paid. Employers will receive a full refund of any additional costs incurred.

Semi-retirement can continue on seamlessly from the part-time scheme for older workers provided that claimants have chosen to reduce their working hours on a continuing basis rather than to consume the reduced working hours in one single period of leave. It is thus possible for workers to e.g. enter the part-time scheme for older workers at age 60 and — until statutory retirement age — semi-retirement at age 62 with 50% compensation for the pay lost. In this case, employers will receive a 90% refund of additional expenses while their older workers are on part-time and a full refund (100%) of additional expenses beginning with their workers’ semi-retirement.

The semi-retirement scheme is a UI benefit which may only be claimed by individuals who are in employment relationships as: blue-collar workers; white-collar workers; contract staff in public service employment. It may not be claimed by civil servants.

**Eligibility criteria**

To qualify for corridor pension benefits (Korridorpension), claimants are required as of 2017 to have an insurance record of 480 insurance months or 40 insurance years when they turn 62.

**Financial resources**

The scheme is financed from UI funds (employers’ and employees’ contributions).

**Responsible organisation/entity**

Public employment service.

**Legal basis**

§27a of the 1977 Unemployment Insurance Act (AlVG).

**Recent revisions**

A new section (§27a) on the semi-retirement scheme has been added to the Unemployment Insurance Act (AlVG), Federal Law Gazette I no. 106/2015, in force since 1 Jan 2016.

**Unemployment as eligibility condition**

No.

**Other transfers of funds**

Page 105 of 257
None.

**Type of expenditure**

Transfer payments to employers.

**Duration**

Maximum total duration of both part-time and semi-retirement scheme for older workers is five years and must end when claimants reach statutory retirement age.

**Semi-retirement claimants – annual average stock**

<table>
<thead>
<tr>
<th>Year</th>
<th>Claimants total (m+w)</th>
<th>Claimants in % of employment (15-64)</th>
<th>Men</th>
<th>Women</th>
<th>Expenditure €</th>
<th>as % of GPD</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>157</td>
<td>0,00</td>
<td>157</td>
<td>0</td>
<td>3,056,475</td>
<td>0,001</td>
</tr>
<tr>
<td>2017</td>
<td>367</td>
<td>0,01</td>
<td>367</td>
<td>0</td>
<td>7,835,209</td>
<td>0,002</td>
</tr>
</tbody>
</table>

*Source: PES DWH; Statistics Austria; retrieved on 14 Dec 2017 and 20 Feb 2018; budgetary figures provided by BMASGK/Division VI/A/6; BMASGK’s own calculations.*

**3.3.3. Transition Benefits**

**Aim**

The reformed public pension scheme introduced these benefits to facilitate transition into retirement for jobless individuals who would have been entitled to pension benefits on grounds of unemployment under the previous legislation.

**Target group**

Older workers who reach the minimum age for early retirement only after 2010 are subject to gradually rising age limits (an additional three months of life per four calendar months) until, as of 1 May 2015, the statutory retirement age is reached (see also Chapter 2, item 5.2.3 on page 83).

**Instrument**

Older jobless workers receive compensation totalling their basic unemployment benefit rates (increased by 25%) plus family supplements (where applicable). If their level of unemployment benefits is higher due to supplement amounts, compensation must not fall below this level. Entitlements to family supplements continue for children, if the jobless worker in question greatly contributes to their maintenance and if family allowance is granted for these children.
Eligibility criteria

Individuals are entitled to transition benefits

- if they have already reached the minimum age of early retirement while unemployed, or
- if they meet these requirements, with benefits being granted to women who have completed their 56.5th year (earliest date) and to men who have completed their 61.5th year (earliest date).

However, transition benefits may only be granted to claimants who have been out of work (i.e. unemployed as defined by the Unemployment Insurance Act – AIVG) for 12 months or more within the past 15 months. For this purpose, eligibility is not tied to any UI benefit having been claimed during that period. However, the required out-of-work period is extended by periods of sickness benefits or periods spent in sanatoria or nursing homes.

Entitlements are also tied to having been employed for a minimum period of time (as are entitlements to unemployment benefits). These entitlement conditions are met if claimants have a record of 15 years of UI-covered employment within the past 25 years. The reference period of 25 years is extended by uninsured periods of childcare (up to the child’s 15th birthday).

Financial resources

The scheme is financed from UI funds (employers’ and employees’ contributions).

Responsible organisation/entity

Public employment service.

Legal basis

§39a of the 1977 Unemployment Insurance Act (AIVG).

Recent revisions

None.

Unemployment as eligibility condition

Yes.

Other transfers of funds

None.
Type of expenditure

Transfer benefits.

Duration

Transition benefits are paid until claimants meet the requirements for old-age pension, or no longer than the end of the calendar month in which claimants reach statutory retirement age.

Beneficiaries of transition benefits – annual average stock

<table>
<thead>
<tr>
<th>Year</th>
<th>Claimants total (m+w)</th>
<th>Claimants in % of employment (15-64)</th>
<th>Men</th>
<th>Women</th>
<th>Expenditure</th>
<th>as % of GPD</th>
</tr>
</thead>
<tbody>
<tr>
<td>2007</td>
<td>7,432</td>
<td>0.19</td>
<td>1,517</td>
<td>5,915</td>
<td>57,606,314</td>
<td>0.020</td>
</tr>
<tr>
<td>2008</td>
<td>7,130</td>
<td>0.18</td>
<td>1,510</td>
<td>5,620</td>
<td>58,611,343</td>
<td>0.020</td>
</tr>
<tr>
<td>2009</td>
<td>7,255</td>
<td>0.18</td>
<td>1,679</td>
<td>5,576</td>
<td>113,993,712</td>
<td>0.040</td>
</tr>
<tr>
<td>2010</td>
<td>8,239</td>
<td>0.21</td>
<td>1,900</td>
<td>6,338</td>
<td>135,352,249</td>
<td>0.046</td>
</tr>
<tr>
<td>2011</td>
<td>7,564</td>
<td>0.19</td>
<td>1,422</td>
<td>6,143</td>
<td>128,692,639</td>
<td>0.041</td>
</tr>
<tr>
<td>2012</td>
<td>5,650</td>
<td>0.14</td>
<td>958</td>
<td>4,693</td>
<td>95,072,220</td>
<td>0.030</td>
</tr>
<tr>
<td>2013</td>
<td>4,414</td>
<td>0.11</td>
<td>795</td>
<td>3,619</td>
<td>79,084,510</td>
<td>0.024</td>
</tr>
<tr>
<td>2014</td>
<td>3,525</td>
<td>0.09</td>
<td>627</td>
<td>2,898</td>
<td>64,770,556</td>
<td>0.019</td>
</tr>
<tr>
<td>2015</td>
<td>2,935</td>
<td>0.07</td>
<td>458</td>
<td>2,476</td>
<td>56,452,122</td>
<td>0.016</td>
</tr>
<tr>
<td>2016</td>
<td>2,660</td>
<td>0.06</td>
<td>452</td>
<td>2,208</td>
<td>56,188,473</td>
<td>0.016</td>
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<td>2017</td>
<td>1,720</td>
<td>0.04</td>
<td>305</td>
<td>1,416</td>
<td>34,830,641</td>
<td>0.009</td>
</tr>
</tbody>
</table>

Source: PES DWH; Statistics Austria; retrieved on 14 Dec 2017 and 5 April 2018; budgetary figures provided by BMASGK/Division VI/A/6; BMASGK’s own calculations.

3.4. Benefits to Facilitate Reentry into the Labour Market for Persons with Health Issues

3.4.1. Retraining Benefits

Aim

Retraining benefits (Umschulungsgeld) are designed to provide income support to persons entitled to placement in their former occupation (Berufsschutz) and ready to participate in occupational rehabilitation programmes.
Target group

Persons entitled to placement in their former occupation (Berufsschutz) who have received an official decision by their social pension insurer stating that they suffer from disability or incapacity to perform their usual work as defined by the General Social Insurance Act (ASVG), that their condition will last for six months or more or that they will probably become disabled or incapacitated in the near future, and that the required occupational rehabilitation measures make sense and are reasonably suitable.

This only applies to persons who have not turned 50 prior to 1 Jan 2014.

Instrument

Retraining benefits are already paid by the PES during the period in which suitable rehabilitation programmes are selected and preparations made. Their amount equals that of unemployment benefits and will be increased by 22% during participation in the first programme of occupational rehabilitation. In order qualify, claimants must actively cooperate in the selection, preparation and implementation of a suitable occupational rehabilitation programme.

Entitlements to family supplements continue for children, if the jobless worker in question greatly contributes to their maintenance and if family allowance is granted for these children. The claimant’s spouse or registered partner is entitled to family supplements only if family supplements have also been awarded to under-age children who live in the same household or for whom this spouse or partner has custody. In this context, children of age have the same status as under-age children if family allowance is claimed for these adult children on grounds of disability.

The minimum amount of retraining benefits during participation in a programme is €35.33 (2018) per day.

Financial resources

The scheme is financed from UI funds (employers’ and employees’ contributions).

Responsible organisation/entity

Public employment service.

Legal basis

§39b of the Unemployment Insurance Act (AlVG).
Recent revisions

Under the Social Insurance Reform Act 2017 (Federal Law Gazette I no. 38/2017), the option of occupational rehabilitation has been extended, as of 1 Jan 2017, to persons who are not yet disabled or incapacitated but who are likely to be so in the near future.

Unemployment as eligibility condition

Yes. This, however, does not apply to persons who are no longer entitled to pay under an ongoing employment relationship and whose entitlement to cash benefits from social health insurance has been exhausted.

Other transfers of funds

Allowance under the retraining benefit scheme of the PES, e.g. refund of travel costs (see also course-related costs in Chapter 3, item 4.1.1 on page 120).

Type of expenditure

Transfer payments to individuals.

Duration

Retraining benefits are due once the social pension insurer decides that the insuree is legally entitled to measures of occupational rehabilitation provided that the insuree concerned asserts this claim with the competent PES within four weeks of the date of the official decision of the pension insurer. If claims are asserted more than four weeks after the date of the official decision, retraining benefits are due no earlier than on the day the application for retraining benefits is filed. Entitlement ends on the last day of the month in which the final occupational rehabilitation programme is completed.

If the claimant’s state of health deteriorates so that occupational rehabilitation cannot be continued, s/he may go on drawing retraining benefits in the amount last received until his/her pension insurer issues another decision.

3.5. Financial Support to Regional Mobility and Job Take-Up

3.5.1. Journey-to-Work Subsidy

Aim

Offering partial cost refunds for travel (commuters) and for accommodation at the place of work, the journey-to-work subsidy (Entfernungsbeihilfe) is designed to support placement (of wage or salary earners); to facilitate supra-regional job take-up if job-seekers cannot be
placed in jobs in their vicinity; to reduce the added financial burden caused by the distance between home and work in a new job or apprenticeship.

Target group

Unemployed workers, job-seekers and apprenticeship-seekers who cannot be placed in a suitable job or apprenticeship locally and are prepared to accept a more distant one that requires them to move or commute (first-time applicant). Employed workers who are already receiving a journey-to-work subsidy and who have difficulties maintaining, or are at risk of losing, their employment due to the distance between home and work.

Instrument

The journey-to-work subsidy serves to facilitate supra-regional job take-up. The public employment service may grant a partial cost refund for the added financial burden caused by the distance between home and work when taking up a job or apprenticeship. As a matter of principle, only journeys as far as the Austrian state border are eligible for subsidisation, the only exception being journey to EURES border regions (EURES T TransTirolia, EURES T Lake Constance and EURES T Pannonia). A partial cost refund may be granted for recurring journeys (daily, weekly or monthly) or for accommodation at the place of work. Employees may continue drawing the subsidy (repeat applicants) under certain conditions (ceiling on gross income and cost refund; minimum distance for public transport: 1 hour 15 minutes commuter time in one direction; minimum distance for private car transport: over 30 km). The subsidy may be granted up to the amount of the monthly travel and/or accommodation costs incurred (rent subsidies) minus contribution by another funding entity (e.g. employer) and minus a deductible of 33.33% of the costs eligible for funding, but it may not exceed €260 per month in the case of travel subsidies and/or €400 per month in the case of rent subsidies. To qualify, the gross income of applicants may not exceed €2,300 a month.

Eligibility criteria

Unemployed workers, job-seekers and apprenticeship-seekers who cannot be placed in a suitable job or apprenticeship locally and are prepared to accept a more distant one that requires them to move or commute are eligible for this subsidy. The journey-to-work subsidy is also conditional on a counselling meeting between the applicant and the responsible PES case worker in good time before the start of the employment relationship.

3 EURES T TransTirolia: Autonomous Province of Bozen-South Tyrol (I) and the Canton of Grisons (CH); EURES T Lake Constance: Kempten (D), Ravensburg (D), Konstanz (D), Canton of Zurich (CH), Canton of Thurgau (CH), Canton of St. Gallen (CH), Canton of Appenzell Ausserrhoden (CH), Canton of Appenzell Innerrhoden (CH), Canton of Schaffhausen (CH), Canton of Grisons (CH), Principality of Liechtenstein (FL) and EURES T Pannonia: County of Győr-Moson-Sopron(HU); County of ZALA (HU) and County of Vas (HU).
Financial resources

The scheme is financed from UI funds (employers’ and employees’ contributions).

Responsible organisation/entity

Public employment service.

Legal basis

§34 of the 1994 Public Employment Service Act (AMSG);


Recent revisions

The federal PES guideline of 27 Nov 2017 introduced rent subsidies and changed the rate of travel subsidies.

Unemployment as eligibility condition

No.

Other transfers of funds

None.

Type of expenditure

Individual transfers (periodic payments, reimbursements) to employees and apprentices.

Duration

The subsidy may be granted for up to a maximum total period of two years (104 weeks) per employment relationship and supra-regional workplace. It may be claimed for up to 26 weeks for seasonal jobs. In the case of apprenticeships and similar training situations it may be claimed for the whole duration of training. In the case of rent subsidies, duration ends either by exhaustion of the subsidy period or by premature termination of the employment/apprenticeship relationship or the tenancy.
Journey-to-work subsidy – approved persons *)

<table>
<thead>
<tr>
<th>Year</th>
<th>Persons total (m+w)</th>
<th>Persons in % of employment (15-64)</th>
<th>Men</th>
<th>Women</th>
<th>Expenditure €</th>
<th>as % of GDP</th>
</tr>
</thead>
<tbody>
<tr>
<td>2007</td>
<td>2,286</td>
<td>0.058</td>
<td>924</td>
<td>1,362</td>
<td>2,638,933</td>
<td>0.00093</td>
</tr>
<tr>
<td>2008</td>
<td>2,498</td>
<td>0.063</td>
<td>987</td>
<td>1,511</td>
<td>3,048,468</td>
<td>0.00104</td>
</tr>
<tr>
<td>2009</td>
<td>2,285</td>
<td>0.057</td>
<td>950</td>
<td>1,335</td>
<td>2,901,836</td>
<td>0.00101</td>
</tr>
<tr>
<td>2010</td>
<td>2,627</td>
<td>0.065</td>
<td>1,196</td>
<td>1,431</td>
<td>3,101,992</td>
<td>0.00105</td>
</tr>
<tr>
<td>2011</td>
<td>2,526</td>
<td>0.062</td>
<td>1,159</td>
<td>1,367</td>
<td>3,101,876</td>
<td>0.00100</td>
</tr>
<tr>
<td>2012</td>
<td>2,774</td>
<td>0.068</td>
<td>1,287</td>
<td>1,487</td>
<td>3,138,079</td>
<td>0.00098</td>
</tr>
<tr>
<td>2013</td>
<td>2,943</td>
<td>0.072</td>
<td>1,337</td>
<td>1,606</td>
<td>3,365,814</td>
<td>0.00104</td>
</tr>
<tr>
<td>2014</td>
<td>3,141</td>
<td>0.076</td>
<td>1,411</td>
<td>1,730</td>
<td>3,645,841</td>
<td>0.00109</td>
</tr>
<tr>
<td>2015</td>
<td>3,115</td>
<td>0.075</td>
<td>1,442</td>
<td>1,673</td>
<td>3,703,794</td>
<td>0.00108</td>
</tr>
<tr>
<td>2016</td>
<td>3,034</td>
<td>0.073</td>
<td>1,391</td>
<td>1,643</td>
<td>3,625,316</td>
<td>0.00103</td>
</tr>
<tr>
<td>2017</td>
<td>1697</td>
<td>0.041</td>
<td>839</td>
<td>858</td>
<td>1,935,198</td>
<td>0.00052</td>
</tr>
</tbody>
</table>

Source: PES DWH; Statistics Austria; retrieved on 14 Dec 2017 and 15 March 2018; BMASGK’s own calculations.

*) Number of approved beneficiaries who received the subsidy on at least one day in a given year.

3.5.2. Interview grant

Aim

Interview grants (Vorstellungsbeihilfe) provide financial assistance to jobless workers and job-seekers to facilitate the search for jobs or apprenticeships, encourage occupational mobility and support rapid reintegration into the labour market.

Target group

The grants are available from the public employment service and are targeted at registered unemployed, job-seekers, participants in training schemes, apprenticeship-seekers and workers at risk of losing their jobs. Interview grants are partial refunds of travel expenses, board and lodging incurred by job-seekers (apprenticeship-seekers) having job interviews farther away from home. Grants may be awarded up to the interview costs incurred for travel by bus, rail or own car, and for board and lodging.

Financial resources

Benefits are financed from UI funds (employers’ and employees’ contributions).
Responsible organisation/entity

Public employment service.

Legal basis

§34 of the 1994 Public Employment Service Act (AMSG);


Eligibility criteria

The workers mentioned under ‘target group’ must be in financial distress, making it difficult for them to search for a job or apprenticeship. Grants are also conditional on a counselling meeting between the applicant and the responsible PES case worker.

Unemployment as eligibility condition

Yes.

Other transfers of funds

Unemployment benefit or unemployment assistance.

Type of expenditure

Grants are awarded to applicants in the form of one-off grants (in cash or in kind).

Duration

These one-off payments are used to help beneficiaries go to job interviews.
Interview grants – approved persons *)

<table>
<thead>
<tr>
<th>Year</th>
<th>Persons total (m+w)</th>
<th>Persons in % of employment (15-64)</th>
<th>Men</th>
<th>Women</th>
<th>Expenditure €</th>
<th>as % of GPD</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>as % of GPD</td>
<td></td>
</tr>
<tr>
<td>2007</td>
<td>9,710</td>
<td>0.25</td>
<td>5,943</td>
<td>3,767</td>
<td>647,263</td>
<td>0.000228</td>
</tr>
<tr>
<td>2008</td>
<td>9,553</td>
<td>0.24</td>
<td>5,883</td>
<td>3,671</td>
<td>657,635</td>
<td>0.000224</td>
</tr>
<tr>
<td>2009</td>
<td>10,262</td>
<td>0.26</td>
<td>6,637</td>
<td>3,625</td>
<td>709,862</td>
<td>0.000246</td>
</tr>
<tr>
<td>2010</td>
<td>9,679</td>
<td>0.25</td>
<td>6,277</td>
<td>3,402</td>
<td>682,453</td>
<td>0.000231</td>
</tr>
<tr>
<td>2011</td>
<td>9,017</td>
<td>0.23</td>
<td>5,769</td>
<td>3,248</td>
<td>613,710</td>
<td>0.000198</td>
</tr>
<tr>
<td>2012</td>
<td>9,583</td>
<td>0.24</td>
<td>5,979</td>
<td>3,604</td>
<td>623,162</td>
<td>0.000196</td>
</tr>
<tr>
<td>2013</td>
<td>9,729</td>
<td>0.24</td>
<td>6,122</td>
<td>3,607</td>
<td>650,506</td>
<td>0.000201</td>
</tr>
<tr>
<td>2014</td>
<td>9,696</td>
<td>0.24</td>
<td>6,093</td>
<td>3,603</td>
<td>641,945</td>
<td>0.000193</td>
</tr>
<tr>
<td>2015</td>
<td>8,283</td>
<td>0.20</td>
<td>5,156</td>
<td>3,127</td>
<td>566,301</td>
<td>0.000164</td>
</tr>
<tr>
<td>2016</td>
<td>7,191</td>
<td>0.17</td>
<td>4,499</td>
<td>2,692</td>
<td>495,098</td>
<td>0.000140</td>
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<tr>
<td>2017</td>
<td>5,857</td>
<td>0.14</td>
<td>3,664</td>
<td>2,193</td>
<td>372,232</td>
<td>0.000101</td>
</tr>
</tbody>
</table>

Source: PES DWH; Statistics Austria; retrieved on 14 Dec 2017 and 15 March 2018; BMASGK's own calculations.

*) Number of approved beneficiaries who were subsidised under this programme on at least one day in a given year.

3.6. **Childcare subsidies**

**Aim**

Childcare subsidies (Kinderbetreuungsbeihilfe) are designed to facilitate labour market integration for workers with care duties by supporting placement (for wage or salary earners), securing employment and/or ensuring participation in an LMP scheme, or supporting and/or ensuring participation in the business start-up programme (UGP) for the unemployed.

**Target group**

Job-seekers, unemployed workers or wage/salary earners who need support to (payable) care for their child

- so they can take up employment,
- so they can participate in an LMP measure (e.g. training course);
- because their financial situation has substantially worsened despite employment;
- because major changes in working hours require new providers/forms of childcare; or
- because the previous carer is no longer available.
Participants in the business start-up programme for the unemployed.

Instrument

The categories of workers with care duties mentioned under ‘target group’ will receive partial reimbursement of childcare costs (kindergartens, crèches, children's groups, day care for schoolchildren, child minders, etc.) for up to three years for children under the age of 15 (under 19 for the disabled) living in the same household. Subsidy rates are graduated by gross (family) incomes, care costs incurred, and duration and type of care chosen for the child. Eligibility for these subsidies is subject to compliance with certain income limits.

The monthly gross income of claimants may not exceed €2,300. Income also includes annuities, pension benefits, alimony payments, child support payments, UI benefits, subsistence allowance (DLU), start-up subsidies, wage top-ups, transition benefits, payments to foster parents for childcare as well as care leave benefits and income from self-employment.

Childcare subsidies total €300 per month at most. They are staggered and depend on gross income and care costs incurred.

Financial resources

The scheme is financed from UI funds (employers’ and employees’ contributions).

Responsible organisation/entity

Public employment service.

Legal basis

§34 of the 1994 Public Employment Service Act (AMSG);


Eligibility criteria

The subsidy is conditional on a PES counselling meeting. The applicant must contact the PES in good time before taking up employment, entering the LMP scheme or using care providers for the child.

Recent revisions

-
Unemployment as eligibility condition

No.

Other transfers of funds

Other LMP benefits.

Type of expenditure

Transfer payments to individuals (periodic payments).

Duration

These subsidies may be claimed and granted for 26 weeks at a time (for job-seekers and prior to job take-up for up to 13 weeks, in exceptional cases for 26 weeks). If claimants participate in a labour market policy measure, they may be granted for up to 52 weeks. If the duration of childcare subsidy payment is to be extended, claimants need to file a new application. Childcare subsidy payments per child may be extended to three years (156 weeks) provided the necessary entitlement conditions are met. Participants in the business start-up programme for the unemployed will receive the childcare subsidies as long as they also receive start-up subsidies.

Childcare subsidies – approved persons*)

<table>
<thead>
<tr>
<th>Year</th>
<th>Persons total (m+w)</th>
<th>Persons in % of employment (15-64)</th>
<th>Men</th>
<th>Women</th>
<th>Expenditure €</th>
<th>as % of GDP</th>
</tr>
</thead>
<tbody>
<tr>
<td>2007</td>
<td>6,802</td>
<td>0.176</td>
<td>171</td>
<td>6,631</td>
<td>6,296,737</td>
<td>0.0022</td>
</tr>
<tr>
<td>2008</td>
<td>6,243</td>
<td>0.159</td>
<td>146</td>
<td>6,097</td>
<td>5,586,059</td>
<td>0.0019</td>
</tr>
<tr>
<td>2009</td>
<td>5,158</td>
<td>0.132</td>
<td>134</td>
<td>5,024</td>
<td>4,110,571</td>
<td>0.0014</td>
</tr>
<tr>
<td>2010</td>
<td>5,091</td>
<td>0.129</td>
<td>115</td>
<td>4,976</td>
<td>3,970,405</td>
<td>0.0013</td>
</tr>
<tr>
<td>2011</td>
<td>5,613</td>
<td>0.141</td>
<td>107</td>
<td>5,506</td>
<td>4,525,120</td>
<td>0.0015</td>
</tr>
<tr>
<td>2012</td>
<td>6,181</td>
<td>0.154</td>
<td>159</td>
<td>6,022</td>
<td>5,053,661</td>
<td>0.0016</td>
</tr>
<tr>
<td>2013</td>
<td>6,185</td>
<td>0.153</td>
<td>163</td>
<td>6,022</td>
<td>4,822,231</td>
<td>0.0015</td>
</tr>
<tr>
<td>2014</td>
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<td>0.148</td>
<td>177</td>
<td>5,801</td>
<td>4,722,770</td>
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</tr>
<tr>
<td>2015</td>
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<td>0.145</td>
<td>164</td>
<td>5,735</td>
<td>4,495,102</td>
<td>0.0013</td>
</tr>
<tr>
<td>2016</td>
<td>7,938</td>
<td>0.192</td>
<td>189</td>
<td>7,749</td>
<td>6,777,800</td>
<td>0.0019</td>
</tr>
<tr>
<td>2017</td>
<td>9,355</td>
<td>0.224</td>
<td>223</td>
<td>9,132</td>
<td>8,407,302</td>
<td>0.0023</td>
</tr>
</tbody>
</table>

Source: PES DWH; Statistics Austria; retrieved on 14 Dec 2017 and 15 March 2018; BMASGK’s own calculations.

*) Number of approved beneficiaries who were subsidised under this programme on at least one day in a given year.
3.7. Childcare Facilities

Aim

The LMP objective of this support programme is to enhance childcare capacities and, consequently, encourage the labour market integration and secure the jobs of people with childcare duties.

Target group

Private childcare facilities (parents’ initiatives, children’s groups, child minding projects, company-based childcare solutions, private kindergartens, etc.) which offer supplementary care programmes if required.

Instrument

Subsidies to childcare facilities are provider-based subsidies to employment relationships of organisational and care staff in childcare facilities, while Land-specific criteria for co-funding by territorial authorities (Land, local governments) are taken into account.

The following cases are eligible for funding:

- Either suitable workers employed by private childcare facilities as carers;
- Or workers employed by private facilities to organise, coordinate and train other carers in a supra-regional context (e.g. district, Land).

Moreover, also the recurring overheads and external training costs are funded in the form of a grant. The grant may cover up to 100% of the expenses, depending on how much of childcare provision is of relevance to labour market policy.

The amount of funding is up to 50% of the assessment basis in (1.) and up to 100% of the assessment basis in (2.).

Eligibility criteria

For at least as long as the subsidy is granted, the applicant must provide social insurance-covered employment to the worker for whom the subsidy is granted. The care places available must first be offered to the clientele of the employment service at least in proportion to the PES’s share in programme funding.

Financial resources

The scheme is financed from UI funds (employers’ and employees’ contributions).
Responsible organisation/entity

Public employment service.

Legal basis

Public Employment Service Act (AMSG), §34 in conjunction with §32(3);

Federal PES guideline, BGS/AMF/0722/9943/2014, in force as of 1 August 2014.

Unemployment as eligibility condition

No.

Other transfers of funds

None.

Type of expenditure

Transfer payments to employer (periodic payments, refunds).

Duration

Subsidies under this programme are meant to be a kind of starter aid and are granted for up to four years per carer or job in the case of funds made available for carer staff costs. They are granted for at least one year in the case of funds made available for organisational staff costs. If funding continues to be of relevance to labour market policy objectives, the duration of funding may be extended.
4. TRAINING, FURTHER TRAINING AND OCCUPATIONAL MOBILITY

4.1. Subsidies to Individuals: Promotion of Occupational Mobility

4.1.1. Allowance for Course and Course-Related Costs

Aim

Allowance is paid to eliminate and/or reduce financial barriers (added financial burden) generated by the duration of suitable LMP programmes or by the distance between home and place of these suitable LMP (training) measures, including initial or further vocational training, career guidance, measures to gather work experience or be trained for work, active job search programmes or participation in a labour foundation schemes. It facilitates integration into the labour market by enabling beneficiaries to participate in the above programmes.

Target group

Unemployed workers, participants in (basic) skills development, career guidance or training measures or in active job search programmes as well as individuals participating in work

Childcare facilities – approved persons

<table>
<thead>
<tr>
<th>Year</th>
<th>Persons total (m+w)</th>
<th>Persons in % of employment(15-64)</th>
<th>Men</th>
<th>Women</th>
<th>Expenditure €</th>
<th>as % of GDP</th>
</tr>
</thead>
<tbody>
<tr>
<td>2007</td>
<td>317</td>
<td>0.0082</td>
<td>5</td>
<td>312</td>
<td>3,338,162</td>
<td>0.00118</td>
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<tr>
<td>2008</td>
<td>295</td>
<td>0.0075</td>
<td>4</td>
<td>291</td>
<td>2,190,359</td>
<td>0.00075</td>
</tr>
<tr>
<td>2009</td>
<td>263</td>
<td>0.0067</td>
<td>8</td>
<td>255</td>
<td>2,361,322</td>
<td>0.00082</td>
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<tr>
<td>2010</td>
<td>242</td>
<td>0.0061</td>
<td>5</td>
<td>237</td>
<td>2,593,592</td>
<td>0.00088</td>
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<tr>
<td>2011</td>
<td>237</td>
<td>0.0060</td>
<td>5</td>
<td>232</td>
<td>2,572,209</td>
<td>0.00083</td>
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<tr>
<td>2012</td>
<td>228</td>
<td>0.0057</td>
<td>6</td>
<td>222</td>
<td>2,844,237</td>
<td>0.00089</td>
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<td>2013</td>
<td>156</td>
<td>0.0039</td>
<td>4</td>
<td>152</td>
<td>2,490,807</td>
<td>0.00077</td>
</tr>
<tr>
<td>2014</td>
<td>188</td>
<td>0.0047</td>
<td>3</td>
<td>185</td>
<td>2,547,510</td>
<td>0.00076</td>
</tr>
<tr>
<td>2015</td>
<td>126</td>
<td>0.0031</td>
<td>0</td>
<td>126</td>
<td>1,685,532</td>
<td>0.00049</td>
</tr>
<tr>
<td>2016</td>
<td>118</td>
<td>0.0028</td>
<td>1</td>
<td>117</td>
<td>1,600,874</td>
<td>0.00045</td>
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<td>2017</td>
<td>78</td>
<td>0.0019</td>
<td>0</td>
<td>78</td>
<td>1,004,743</td>
<td>0.00027</td>
</tr>
</tbody>
</table>

Source: PES DWH; Statistics Austria; retrieved on 14 Dec 2017 and 15 March 2018; BMASGK’s own calculations.

*) Number of approved beneficiaries who were subsidised under this programme on at least one day in a given year.
training or trial programmes; employees (including those on leave claiming further training or part-time training allowance) whose gross monthly income does not exceed €2,300 and workers who intend to acquire qualifications in job segments suffering from skills shortages or whose jobs are at risk; workers already dismissed; workers with a physical, psychological or mental disability; older workers and workers supported by integration subsidies; individuals without any ongoing employment relationship who draw childcare allowance; apprenticeship-seekers; farmers; participants in business start-up programmes; participants in labour foundation programmes; individuals on retraining benefits; and individuals serving their sentence who are registered with the PES.

As far as school-based education is concerned, the following target groups may also be supported within the meaning of §31 (3) of the Public Employment Service Act – AMSG (at least one of the criteria must apply):

Individuals who have not completed school-based education; individuals without any form of vocational training (except for graduates of academic secondary schools – AHS); upper secondary school graduates and university dropouts two years after having passed their matriculation examination or provided they meet the entitlement conditions as defined by the Unemployment Insurance Act (AlVG); school dropouts two years after having dropped out or provided they meet entitlement conditions as defined by the AlVG; individuals who have completed training with qualifications that are no longer marketable (e.g. women returners to the labour market); the long-term unemployed (younger persons under 25 and older persons who have been out of work for more than six months, all other age groups for more than twelve months); the older unemployed.

**Instrument**

Members of the above target groups may receive an allowance to cover course costs (for example for non-PES-driven courses) and course-related costs (when participating in a measure outside their place of residence). These measures are intended to supplement the actual training measure. Allowances for unemployed beneficiaries cover 100% of the course and course-related costs. Allowances for employees are income-related, i.e. if an applicant earns between €1,150 and €2,300 a month, the allowance will cover 50% of the costs, if s/he earns less than €1,150, the allowance will cover 100% of the costs. Financial support may be granted for course costs, attendance fees, learning materials, medical or psychological as-

---

4 They need to be able to attend a PES measure and be again available to the labour market within one year.

5 The standard value of the agricultural/forest property must not exceed €17,020.

6 Monitored house arrest, wearers of electronic anklets, prisoners on day release.

7 Older workers are registered unemployed as from the age defined in the targets.
sessments, examination fees, special clothes, commuting expenses (daily, weekly, monthly), board and lodging as well as for the cost of sign language interpretation.

The maximum allowance for course-related costs is €306 per month/€10.20 per day. Allowances for course-related costs may be granted for up to €917 in the case of refunds for accommodation costs. Persons with physical limitations may be awarded allowances for course-related costs of up to €917 a month.

Eligibility criteria

- Prior to awarding such allowances the PES must have counselled the applicant and/or assessed whether this labour market policy measure actually makes sense;
- The gross income of employed applicants may not exceed €2,300 a month;
- In the case of applicants who already receive further training allowance or part-time training allowance, total programme costs may not exceed €3,000, otherwise they are not eligible for funding;
- The route planner for training is to be defined by the PES’s relevant Land office;
- No allowance will be granted if claimants participate in training measures organised by the PES.

Financial resources
The scheme is financed from UI funds (employers’ and employees’ contributions).

Responsible organisation/entity
Public employment service.

Legal basis
§34 of the 1994 Public Employment Service Act (AMSG); §20(6) of the Unemployment Insurance Act (AlVG) concerning flat-rate refunds of course-related costs;


Recent revisions

Item I.B.3 of the guideline now includes checks on allowances for course costs.

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8 Owing to their disability, they must be incapable of using public transport or a car of their own.
Unemployment as eligibility condition
No.

Other transfers of funds

Other LMP benefits, e.g. ‘subsistence allowance’.

Type of expenditure

Transfer payments to individuals (periodic cash benefits, one-off lump sum, refunds).

Duration

The allowances are granted for the total length of a measure (e.g. bookkeeping course), or
for an associated package of measures (e.g. bookkeeping courses I and II are considered to
be one single measure). If allowances concern workers on short hours (partial unemployment), the measures must start while claimants are still in partial unemployment.

Course costs – approved persons *)

<table>
<thead>
<tr>
<th>Year</th>
<th>Persons (m+w)</th>
<th>Persons in % of employment (15-64)</th>
<th>Course costs (CC)</th>
<th>Expenditure CC</th>
<th>as % of GDP</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>€</td>
<td></td>
</tr>
<tr>
<td>2007</td>
<td>38,996</td>
<td>1.01</td>
<td>18,984</td>
<td>20,013</td>
<td>41,528,746</td>
</tr>
<tr>
<td>2008</td>
<td>38,309</td>
<td>0.98</td>
<td>18,914</td>
<td>19,395</td>
<td>40,036,984</td>
</tr>
<tr>
<td>2009</td>
<td>49,643</td>
<td>1.27</td>
<td>25,853</td>
<td>23,790</td>
<td>56,090,820</td>
</tr>
<tr>
<td>2010</td>
<td>40,227</td>
<td>1.02</td>
<td>21,104</td>
<td>19,124</td>
<td>50,310,515</td>
</tr>
<tr>
<td>2011</td>
<td>38,208</td>
<td>0.96</td>
<td>19,041</td>
<td>19,169</td>
<td>36,429,619</td>
</tr>
<tr>
<td>2012</td>
<td>46,460</td>
<td>1.16</td>
<td>23,391</td>
<td>23,070</td>
<td>48,092,056</td>
</tr>
<tr>
<td>2013</td>
<td>51,504</td>
<td>1.28</td>
<td>25,962</td>
<td>25,542</td>
<td>58,774,101</td>
</tr>
<tr>
<td>2014</td>
<td>40,073</td>
<td>0.99</td>
<td>21,069</td>
<td>19,005</td>
<td>48,271,779</td>
</tr>
<tr>
<td>2015</td>
<td>20,434</td>
<td>0.50</td>
<td>10,357</td>
<td>10,078</td>
<td>23,334,145</td>
</tr>
<tr>
<td>2016</td>
<td>23,261</td>
<td>0.56</td>
<td>11,329</td>
<td>11,932</td>
<td>26,306,917</td>
</tr>
<tr>
<td>2017</td>
<td>25,128</td>
<td>0.60</td>
<td>12,036</td>
<td>13,093</td>
<td>29,121,404</td>
</tr>
</tbody>
</table>

Source: PES DWH and Statistics Austria; retrieved on 14 Dec 2017 and 15 March 2018; BMASGK’s own calculations.
Course-related costs – approved persons *)

<table>
<thead>
<tr>
<th>Year</th>
<th>Persons (m+w)</th>
<th>Persons in % of employment (15-64)</th>
<th>Men</th>
<th>Women</th>
<th>€</th>
<th>as % of GDP</th>
</tr>
</thead>
<tbody>
<tr>
<td>2007</td>
<td>145,760</td>
<td>3.77</td>
<td>69,984</td>
<td>75,781</td>
<td>18,151,282</td>
<td>0.006</td>
</tr>
<tr>
<td>2008</td>
<td>137,811</td>
<td>3.51</td>
<td>67,301</td>
<td>70,516</td>
<td>16,934,287</td>
<td>0.006</td>
</tr>
<tr>
<td>2009</td>
<td>172,256</td>
<td>4.41</td>
<td>89,645</td>
<td>82,613</td>
<td>21,316,359</td>
<td>0.007</td>
</tr>
<tr>
<td>2010</td>
<td>183,065</td>
<td>4.64</td>
<td>95,038</td>
<td>88,031</td>
<td>26,648,272</td>
<td>0.009</td>
</tr>
<tr>
<td>2011</td>
<td>162,686</td>
<td>4.09</td>
<td>80,495</td>
<td>82,193</td>
<td>22,947,606</td>
<td>0.007</td>
</tr>
<tr>
<td>2012</td>
<td>186,217</td>
<td>4.64</td>
<td>94,306</td>
<td>91,914</td>
<td>24,104,892</td>
<td>0.008</td>
</tr>
<tr>
<td>2013</td>
<td>110,368</td>
<td>2.74</td>
<td>53,042</td>
<td>57,328</td>
<td>19,205,680</td>
<td>0.006</td>
</tr>
<tr>
<td>2014</td>
<td>102,627</td>
<td>2.54</td>
<td>49,932</td>
<td>52,695</td>
<td>18,468,780</td>
<td>0.006</td>
</tr>
<tr>
<td>2015</td>
<td>91,301</td>
<td>2.24</td>
<td>45,270</td>
<td>46,033</td>
<td>17,872,025</td>
<td>0.005</td>
</tr>
<tr>
<td>2016</td>
<td>98,390</td>
<td>2.37</td>
<td>50,782</td>
<td>47,613</td>
<td>20,723,370</td>
<td>0.006</td>
</tr>
<tr>
<td>2017</td>
<td>100,608</td>
<td>2.40</td>
<td>51,712</td>
<td>48,896</td>
<td>24,298,751</td>
<td>0.007</td>
</tr>
</tbody>
</table>

Source: PES DWH and Statistics Austria; retrieved on 14 Dec 2017 and 15 March 2018; BMASGK’s own calculations.

*) Number of approved beneficiaries who were subsidised under this programme on at least one day in a given year.

4.1.2. Subsistence Allowance

Aim

The subsistence allowance scheme (Beihilfe zur Deckung des Lebensunterhalts – DLU) is designed to secure the livelihood of individuals participating in suitable LMP programmes, including initial or further vocational training, career guidance, measures to gather work experience or be trained for work, active job search programmes, business start-up programmes for the unemployed or labour foundation schemes. Subsistence allowance is intended to supplement the actual training measure.

Target group

Unemployed workers, participants in skills development, career guidance or training measures or in active job search programmes, participants in measures enabling them to gather work experience or be trained for work, workers on short hours, employees (including those on leave claiming further training or part-time training allowance) whose gross monthly income does not exceed €2,300; workers who intend to acquire qualifications in job segments suffering from skills shortages or whose jobs are at risk; workers already dismissed; workers with a physical, psychological or mental disability; older workers and workers supported by integration subsidies; individuals without any ongoing employment rela-
tionship who draw childcare allowance\(^9\), apprenticeship seekers, farmers\(^{10}\), participants in business start-up programmes; participants in labour foundation programmes.

As far as school-based education is concerned, the following target groups may also be supported within the meaning of §31 (3) of the Public Employment Service Act – AMSG (at least one of the criteria must apply):

Individuals who have not completed school-based education; individuals without any form of vocational training (except for graduates of academic secondary schools – AHS); upper secondary school graduates and university dropouts two years after having passed their matriculation examination or provided they meet the entitlement conditions as defined by the Unemployment Insurance Act (AlVG); school dropouts two years after having dropped out or provided they meet entitlement conditions as defined by the AlVG; individuals who have completed training with qualifications that are no longer marketable (e.g. women returners to the labour market); the long-term unemployed (younger persons under 25 and older persons\(^{11}\) who have been out of work for more than six months, all other age groups for more than twelve months); the older unemployed.

**Instrument**

Members of the above target groups may receive subsistence allowance. However, they are only granted such an allowance if an ex-ante counselling meeting is held between the PES and the applicant concerned and if the intended measure is expected to result in his or her improved employability. The chosen measure must verifiably improve employability and may in no case be a policy to bridge unemployment.

The measure must last one week or more and cover at least sixteen hours per week.

Allowance rates include three levels (minimum standards):

- Young people under 18 years of age receive €10.55 (2017) a day;
- Adults in part-time programmes covering at least 16 (but less than 25) hours per week receive €17.14 (2017) a day; and
- Adults in programmes covering at least 25 hours per week and workers in preparation for business start-up programmes (UGP) receive €24.39 (2017) a day.

---

\(^9\) They need to be able to attend a PES measure and be again available to the labour market within one year.

\(^{10}\) The standard value of the agricultural/forest property must not exceed €17,020.

\(^{11}\) Older workers are registered unemployed as from the age defined in the targets.
If claimants complete their 18th year during claim duration, their rate of allowance will be changed to that of adults. Where applicable, family supplements are added to these amounts. Any entitlements to unemployment benefit or unemployment assistance will be credited towards the DLU allowance. Since the DLU allowance is meant to make up for any difference between benefits received and minimum standards currently applicable, these minimum standards will be taken as a basis if applicants are not entitled to any other benefits. If benefit entitlements exceed these standards, DLU allowance will not be granted. In such a case, only the entitlements to benefits will continue to apply. All claimants of DLU allowance are covered by social insurance (work accident, social health and pension insurance). An additional amount of €1.6 per day is added to unemployment benefit and unemployment assistance rates while beneficiaries participate in PES training programmes (this amount is valorised every year by an adjustment factor defined in §108f of the ASVG).

The subsistence allowance is often combined with the ‘allowance for course and course-related costs’ scheme.

Financial resources

The scheme is financed from UI funds (employers’ and employees’ contributions).

Responsible organisation/entity

Public employment service.

Legal basis

§35 of the 1994 Public Employment Service Act (AMSG);

Continuing receipt of unemployment benefit or unemployment assistance during participation in LMP training measures is governed by §12(5), in the case of unemployment benefit by §12(5) in conjunction with §18(4)-(7), of the AlVG.

Participants with no benefit entitlements are subject to the following legal provisions: §8(1) item 3 lit. c of work accident insurance legislation and §74(2) of general social insurance legislation.


Recent revisions

Federal PES guideline BGS/AMF/0722/9919/2016, in force as of 3 Apr 2017, introduced the following adjustments:
▪ Job-related skills training (Arbeitsplatznahe Qualifizierung – AQUA) included in the federal guideline as a separate individual measure.
▪ The rates for DLU and flat-rate refunds applicable on or after 1 Jan 2017 have been updated.

**Unemployment as eligibility condition**

No.

**Other transfers of funds**

Other LMP benefits, such as allowance for course and course-related costs.

**Type of expenditure**

Transfer payments to individuals (periodic cash benefits, reduction of social security contributions).

**Duration**

The allowance is granted for the total length of a measure (e.g. bookkeeping course), or for an associated package of measures (e.g. bookkeeping courses I and II are considered to be one single measure). Participants in school-type education and training will continue receiving their DLU allowance (same rate) during summer holidays.
Subsistence allowance (DLU)\(^*) – approved persons\(^**) 

<table>
<thead>
<tr>
<th>Year</th>
<th>Persons total (M+F)</th>
<th>Persons in % of employment (15-64)</th>
<th>Men</th>
<th>Women</th>
<th>Expenditure €</th>
<th>% of GDP</th>
</tr>
</thead>
<tbody>
<tr>
<td>2007</td>
<td>170,913</td>
<td>4.36</td>
<td>83,094</td>
<td>87,823</td>
<td>399,815,061</td>
<td>0.141</td>
</tr>
<tr>
<td>2008</td>
<td>163,378</td>
<td>4.09</td>
<td>80,241</td>
<td>83,144</td>
<td>372,589,166</td>
<td>0.127</td>
</tr>
<tr>
<td>2009</td>
<td>206,562</td>
<td>5.19</td>
<td>108,833</td>
<td>97,731</td>
<td>481,984,254</td>
<td>0.167</td>
</tr>
<tr>
<td>2010</td>
<td>215,581</td>
<td>5.37</td>
<td>113,019</td>
<td>102,567</td>
<td>603,385,079</td>
<td>0.204</td>
</tr>
<tr>
<td>2011</td>
<td>188,344</td>
<td>4.65</td>
<td>94,485</td>
<td>93,861</td>
<td>520,872,870</td>
<td>0.168</td>
</tr>
<tr>
<td>2012</td>
<td>210,150</td>
<td>5.14</td>
<td>107,319</td>
<td>102,836</td>
<td>556,179,904</td>
<td>0.175</td>
</tr>
<tr>
<td>2013</td>
<td>236,981</td>
<td>5.77</td>
<td>122,320</td>
<td>114,666</td>
<td>657,445,447</td>
<td>0.203</td>
</tr>
<tr>
<td>2014</td>
<td>237,419</td>
<td>5.77</td>
<td>123,818</td>
<td>113,605</td>
<td>719,266,665</td>
<td>0.216</td>
</tr>
<tr>
<td>2015</td>
<td>183,230</td>
<td>4.42</td>
<td>90,873</td>
<td>92,361</td>
<td>632,471,599</td>
<td>0.184</td>
</tr>
<tr>
<td>2016</td>
<td>179,740</td>
<td>4.26</td>
<td>89,009</td>
<td>90,738</td>
<td>650,589,679</td>
<td>0.184</td>
</tr>
<tr>
<td>2017</td>
<td>182,302</td>
<td>4.36</td>
<td>90,433</td>
<td>91,875</td>
<td>678,248,337</td>
<td>0.184</td>
</tr>
</tbody>
</table>

Source: PES DWH and Statistics Austria; retrieved on 14 Dec 2017 and 15 March 2018; BMASGK’s own calculations.

\(^*) DLU allowance including continued receipt of unemployment benefit and unemployment assistance during PES measure including social insurance contributions.

\(^**) Number of approved beneficiaries who were subsidised under this programme on at least one day in a given year.

4.1.3. Job-related skills training (AQUA)

Aim

Job-related skills training (Arbeitsplatznahe Qualifizierung – AQUA) serves to obtain certified qualifications to be achieved by the theoretical and practical training contents defined in the education and training plan (Bildungsplan). The practical aspects are trained in companies to ensure their job-relatedness.

Target group

Unemployed persons registered with the PES who lack appropriate training and who are interested in initial or further training which is in demand on the labour market.

Instrument

By granting subsistence allowances, allowances for course and course-related costs during job-related training, the PES secures the livelihood of participants.
Job-related skills training may only be granted if

- a written AQUA agreement has been concluded between the applicant and the AQUA company imparting the practical training contents;
- the applicant receives theoretical training from an external training provider;
- both theoretical and practical training as well as their duration are defined in an individual training and education plan, their ratio being one third (minimum) : two thirds (maximum).
- job-related skills training takes place in Austria for the most part.

The rate of subsistence allowance is at least the rate of unemployment benefit or unemployment assistance (including, where applicable, family supplements).

Participants in AQUA programmes are covered by social health, work accident and social pension insurance. The PES will cover up to 100% of course and travel costs.

Financial resources

The scheme is financed from UI funds (employers’ and employees’ contributions).

Responsible organisation/entity

Public employment service.

Legal basis


Unemployment as eligibility condition

Yes.

Duration

Benefits are granted for as long as claimants participate in the AQUA programme. The minimum duration is 13 weeks of 16 weekly hours. Benefits are conditional on a PES counselling meeting. Conditions for entitlement may differ between regions.
4.2. Supporting Skills Enhancement of those Working in Health, Social and Pre-School Childcare (HSCC)

Aim

This scheme is intended to secure the jobs of low-skilled workers (in particular of low-skilled women) by enhancing their skills level in the field of health, social and pre-school childcare, by improving their career prospects, and by reducing skills bottlenecks in this segment of the labour market.

Target group

Employees and quasi-freelancers participating in a training programme defined by the PES (see instrument).

Instrument

Employees may qualify for this scheme if they enrol in one of the listed training programmes while under an insurance-covered employment contract or while on leave from an existing employment contract (claimants of further training allowance, part-time training allowance and skilled workers’ grant in relation to course costs only). Quasi-freelancers, too, are eligible for funding.

Support is available for the following training programmes (and only for these programmes):

- Training to become a care assistant (according to §92 of the Health Care and Nursing Act – Gesundheits- und Krankenpflegesetz);
- Training to become a skilled care assistant (according to §92 of the Health Care and Nursing Act);
- Training of care assistants to become skilled care assistants;
- Training of care assistants to become certified health carers and nurses, certified paediatric nurses or certified psychiatric health carers and nurses (according to §44 of the Health Care and Nursing Act);
- Training of skilled care assistants to become certified health carers and nurses, certified paediatric nurses or certified psychiatric health carers and nurses (according to §44 of the Health Care and Nursing Act);
- Training to become a skilled social care professional specialised in working with the elderly;
- Training to become a certified social care professional specialised in working with the elderly;
- Training to become a skilled social care professional specialised in working with the disabled;
▪ Training to become a certified social care professional specialised in working with the disabled;
▪ Training to become a skilled social care professional specialised in assisting the disabled;
▪ Training to become a certified social care professional specialised in assisting the disabled;
▪ Training to become a pre-school teacher;
▪ Training to become a special-needs kindergarten teacher;
▪ Training to become a day care professional for schoolchildren;
▪ Training to become an asylum and migration support worker.

Funding is available for the course costs of external training providers as well as for the staff costs of staff away on training during paid working hours. In each case it amounts to 60% of the eligible course and staff costs.

Financial resources

Funding is provided from national PES resources.

Responsible organisation/entity

Public employment service.

Legal basis

§34 of the 1994 Public Employment Service Act (AMSG);


Recent revisions

Under the revised Health Care and Nursing Act, the above federal PES guideline has been amended:

▪ Training of care assistants and skilled care assistants (individual creditability) to become certified paediatric nurses or certified psychiatric health carers and nurses was only possible until 31 Dec 2017. Since 1 Jan 2018, only those with a certificate (diploma) in (general) health care and nursing may enter special basic training in paediatric, youth or psychiatric health care and nursing.
▪ In order to meet the demand for well-trained professionals in asylum and refugee support, training programmes for asylum and migration support worker have been added to the list of programmes eligible for funding. The two-semester course is being prepared by the Klagenfurt University in association with the Federal Institute of Social Education (Bundesinstitut für Sozialpädagogik) at the initiative of the Federal Ministry of the Inter-
The programme is for working students and requires no matriculation exam. For the time being it is a one-off pilot programme to begin on 31 Dec 2018 with 25 participants each in Vienna and Klagenfurt.

**Unemployment as eligibility condition**

No.

**Other transfers of funds**

None.

**Type of expenditure**

Transfer payments to individuals.

**Duration**

For as long as claimants participate in the training programme.

### 4.3. Skilled Workers' Grant

**Aim**

This grant scheme (Fachkräftestipendium – FKS) is intended to raise labour market prospects through skills enhancement and/or career shift and improvement for workers who have no higher education qualifications (below that of a university of applied sciences). Under a decision by the PES Administrative Board of 23 June 2015, no new applicants were accepted for the skilled workers’ grant in 2016. Those who had begun training under such a grant by the end of 2015 could complete their grant period.

The grant scheme has been revived for 2017 and 2018: training which is begun no earlier than 1 Jan 2017 and no later than 31 Dec 2018, takes place in Austria, provides upskilling and certification in segments suffering from skills shortage is eligible for this grant. Possible training programmes are summarised in a list of the PES in effect since 1 Jan 2017 (for list go to [list Skilled workers' grant scheme](#)).

Persons who, after an interruption of more than two months (62 days), want to continue FKS-funded training begun by 31 Dec 2015 are not subject to the condition of training commencement on or after 1 Jan 2017.

**Target group**

Employees who are on leave for the duration of training and unemployed workers with income from work up to the marginal earnings threshold as well as previously self-employed
workers whose business is suspended and who have higher education qualifications below the level of a university of applied sciences.

Instrument

This FKS grant scheme is intended to change and enhance the skills and, consequently, the career prospects of workers and unemployed job-seekers who have education qualifications below that of a university of applied sciences. This will improve their opportunities in the labour market. The grant scheme provides income support during training (subsistence allowance).

To be eligible for these grants, workers must

- have been in UI-covered employment or social pension insurance-covered self-employment for 208 weeks within the past 15 years with due regard to §14 (4) and (5) of the AlVG;
- have qualifications below those from universities of applied sciences;
- provide proof that they have passed the entrance examination, or that they meet all the other conditions for enrolment, or that they participated in education and career counselling sessions, and provide satisfactory evidence that they are suited for this kind of training (through preceding career guidance or education counselling);
- have their permanent residence in Austria, and
- conclude an agreement with the PES on the training chosen as a result of previous counselling.

The skilled workers’ grant is only available for full-time training comprising a weekly average of 20 hours or more and lasting for three months or more.

Grants amount to one thirtieth of the equalisation supplement reference rate for single persons as defined by the ASVG minus social health insurance contributions, but without children’s supplements, and is granted in daily rates (2018: €28.80 a day). Unemployment benefit or unemployment assistance will be credited towards this grant, i.e. claimants are only entitled to the difference between benefit and daily grant rate. The minimum grant rate payable to claimants is based on the equalisation supplement reference rate (2017: €889,84 and 2018: €909.42). Grants for skilled workers are available under the proviso that no other PES or unemployment insurance benefits are claimed for the period in question. Grants are available for as long as claimants participate in training, but for no more than three years (1,096 days). Within this period of three years no more than one part of training may be repeated provided that training can be completed within four years in spite of this repetition. Individuals may only obtain a skilled workers’ grant for training if such training is completed and the LMP objective achieved. Grants for skilled workers are available under the proviso that no other PES or unemployment insurance benefits are claimed for the period in ques-
tion, one exception being persons with no more than compulsory schooling. Since 1 Jan 2017, they may receive allowances for course costs under the Federal PES guideline on training and further training subsidies (BEMO).

Financial resources

Funding is provided from national PES resources.

Responsible organisation/entity

Public employment service.

Legal basis

The skilled workers’ grant was incorporated into law under the Skilled Workers’ Package (Fachkräftepaket), Federal Law Gazette I no. 67/2013, and entered into force on 1 July 2013; §34b of the 1994 Public Employment Service Act (AMSG) in conjunction with §34 of the AMSG, §80 of the AMSG, §1(3) and §13 of the Labour Market Policy Finance Act (AMPFG).


Recent revisions


The above federal PES guideline introduced the following amendments:

- Item 6.4.2 Training programmes eligible for funding: applicable to programmes beginning no earlier than 1 Jan 2017 and no later than 31 Dec 2018.
- Item 6.4.4 Delimitations to other subsidies: alongside the skilled workers grant, allowances for course costs may be granted to persons with no more than compulsory schooling under the Federal PES guideline on training and further training subsidies (BEMO).
- The list of programmes eligible for funding under §34b (3) of the AMSG has been supplemented by: skilled care assistants (two years); prep-courses for final apprenticeship examinations; all apprenticed trades for persons with no more than compulsory schooling.


- Item 6.4.1 Training programmes eligible for funding now provides for an exemption rule: persons who, after a break of more than two months (62 days), want to continue FKS-funded training begun by 31 Dec 2015 are not subject to the condition of training commencement on or after 1 Jan 2017.
The list of training programmes eligible for funding includes the following new training programmes:

- Add-on course for working students in mechatronics (6 semesters).
- Post-secondary VET course (Kolleg) for working students in mechatronics (6 semesters).

**Unemployment as eligibility condition**

No.

**Other transfers of funds**

None.

**Type of expenditure**

Transfer payments to individuals.

**Duration**

Grants are available for as long as claimants participate in training, but for no more than three years (1,096 days). Within this period of three years no more than one part of training may be repeated.

**Skilled workers’ grant (FKS)**

<table>
<thead>
<tr>
<th>Year</th>
<th>Persons total (m+w)</th>
<th>Persons in % of employment (15-64)</th>
<th>Men</th>
<th>Women</th>
<th>Expenditure (€)</th>
<th>as % of GDP</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>1,325</td>
<td>0.0323</td>
<td>442</td>
<td>883</td>
<td>2,268,947</td>
<td>0.001</td>
</tr>
<tr>
<td>2014</td>
<td>4,018</td>
<td>0.0977</td>
<td>1,329</td>
<td>2,689</td>
<td>18,127,201</td>
<td>0.005</td>
</tr>
<tr>
<td>2015</td>
<td>2,539</td>
<td>0.0612</td>
<td>1,333</td>
<td>1,206</td>
<td>20,796,533</td>
<td>0.006</td>
</tr>
<tr>
<td>2016</td>
<td>115</td>
<td>0.0027</td>
<td>50</td>
<td>65</td>
<td>13,617,487</td>
<td>0.004</td>
</tr>
<tr>
<td>2017</td>
<td>1,811</td>
<td>0.0433</td>
<td>839</td>
<td>972</td>
<td>5,560,157</td>
<td>0.002</td>
</tr>
</tbody>
</table>

*Source: PES DWH and Statistics Austria; retrieved on 14 Dec 2017 and 15 March 2018; BMASGK’s own calculations.*

*The persons listed for 2013 only relate to the period from 1 July 2013 (when the scheme entered into force) to 31 Dec 2013.

** Number of approved beneficiaries who were subsidised under this programme on at least one day in a given year.
4.4. Women in Crafts and Engineering (FIT)

Aim

To train women in non-traditional occupations; provide better access to technical jobs for women; plan future careers in crafts and engineering (apprenticeships, continuing training in upper secondary technical or vocational schools or universities of applied sciences, etc.); overcome gender-specific segregation and reduce gender-specific income differences. This programme has been extended until 2020.

Target group

All women registered with the public employment service, no matter which skill level, including young women until age 19 under the supra-company training scheme as defined in §30 of the Vocational Training Act (BAG).

Instrument

The programme includes

- information events (overview of available programme, training courses, monetary benefits; workshops);
- widening of perspectives (take stock of existing skills, learn about job profiles, work in workshops, study the labour market, identify good earnings prospects and compare pay rates in various traditional and non-traditional jobs);
- pre-training programme (to acquire basic skills in crafts and engineering, as well as in IT, mathematics and physics, gather work experience in companies);
- full-fledged apprenticeship including final examination in crafts/engineering;
- school-based training courses at e.g. technical universities of applied sciences, secondary colleges for engineering, post-secondary colleges, etc. (key condition: women’s current share in the intended course is below 40%);
- guidance and support to participants during entire training programme by women’s or girls’ counselling centres; guidance and support also offered to companies.

The livelihood of participating women is secured during their participation in the programme and during training.

Financial resources

Funded from labour market budget.

Responsible organisation/entity

Public employment service.
Legal basis

§31 of 1994 Public Employment Service Act (AMSG). The employment service is obliged to use its programmes in a manner suited to counteract the gender-specific segregation of the job market and combat discrimination against women on the labour market.

Unemployment as eligibility condition

Yes.

Other transfers of funds

None.

Type of expenditure

Transfer payments to individuals (subsistence allowance, allowance for course and course-related costs, unemployment benefit).

Duration

Benefits are granted for as long as claimants participate in the programme.

Women in crafts and engineering – number of persons in the programme

<table>
<thead>
<tr>
<th>Year</th>
<th>Persons (Women)</th>
<th>Persons in % of female employment (15-64)</th>
<th>Expenditure</th>
<th>as % of GDP</th>
</tr>
</thead>
<tbody>
<tr>
<td>2007</td>
<td>5,062</td>
<td>0.28</td>
<td>10,07</td>
<td>0.0035</td>
</tr>
<tr>
<td>2008</td>
<td>6,633</td>
<td>0.36</td>
<td>15,71</td>
<td>0.0053</td>
</tr>
<tr>
<td>2009</td>
<td>7,561</td>
<td>0.41</td>
<td>18,51</td>
<td>0.0064</td>
</tr>
<tr>
<td>2010</td>
<td>6,627</td>
<td>0.35</td>
<td>18,34</td>
<td>0.0062</td>
</tr>
<tr>
<td>2011</td>
<td>6,027</td>
<td>0.32</td>
<td>19,61</td>
<td>0.0063</td>
</tr>
<tr>
<td>2012</td>
<td>6,741</td>
<td>0.35</td>
<td>20,98</td>
<td>0.0066</td>
</tr>
<tr>
<td>2013</td>
<td>6,818</td>
<td>0.35</td>
<td>20,37</td>
<td>0.0063</td>
</tr>
<tr>
<td>2014</td>
<td>7,241</td>
<td>0.37</td>
<td>20,13</td>
<td>0.0060</td>
</tr>
<tr>
<td>2015</td>
<td>6,764</td>
<td>0.35</td>
<td>19,30</td>
<td>0.0056</td>
</tr>
<tr>
<td>2016</td>
<td>6,700</td>
<td>0.34</td>
<td>21,01</td>
<td>0.0059</td>
</tr>
<tr>
<td>2017</td>
<td>7,255</td>
<td>0.37</td>
<td>25,00</td>
<td>0.0068</td>
</tr>
</tbody>
</table>

Source: PES DWH and Statistics Austria; retrieved in Oct 2017 and March 2018; Division VI/10; BMASGK’s own calculations.
4.5. Subsidies to Training Establishments; Subsidised Training Participants

Aim

The overarching LMP objective of training and further training subsidies is to support placement of those who are out of work and to secure jobs at risk.

Target group

Unemployed workers, workers on short hours, employees (including those on leave claiming further training or part-time training allowance) whose gross monthly income does not exceed €2,300; workers who intend to acquire qualifications in job segments suffering from skills shortages or whose jobs are at risk; workers already dismissed; workers with a physical, psychological or mental disability; older workers and workers supported by integration subsidies; individuals without any ongoing employment relationship who draw childcare allowance, apprenticeship seekers, farmers, participants in business start-up programmes; participants in labour foundation programmes; individuals participating in work training or trial programmes; persons receiving retraining benefits and persons serving their sentence who are registered with the PES.

As far as school-based education is concerned, the following target groups may also be supported within the meaning of §31 (3) of the Public Employment Service Act – AMSG (at least one of the criteria must apply):

Individuals who have not completed school-based education; individuals without any form of vocational training (except for graduates of academic secondary schools – AHS); upper secondary school graduates and university dropouts two years after having passed their matriculation examination or provided they meet the entitlement conditions as defined by the Unemployment Insurance Act (AlVG); school dropouts two years after having dropped out or provided they meet entitlement conditions as defined by the AlVG; individuals who have completed training with qualifications that are no longer marketable (e.g. women returners to the labour market); the long-term unemployed (younger persons under 25 and older persons who have been out of work for more than six months, all other age groups for more than twelve months); the older unemployed.

Instrument

Training providers receive subsidies to reimburse up to 100% of their expenditure on training and continuing training measures: guidance (career guidance, preparation for work courses), basic skills development and training, continuing education and training, active job search, work experience and training for work (teaching staff and overheads).
Financial resources

Subsidies are financed from UI funds (employers’ and employees’ contributions).

Responsible organisation/entity

Public employment service.

Legal basis

1994 Public Employment Service Act (AMSG): §32 (3) in conjunction with §33 (1), or for training centres §32 (3) in conjunction with §34 (2);

The legal framework for the procurement of training measures by the PES is provided by Austria’s Federal Procurement Act (BVerG) as currently amended.

PES guidelines: funding of education and training measures (measure 1), BGS/AMF/0722/9934/2015, in force as of 1 Jan 2016, and funding of education and training measures through subsidies to staff costs and overheads of providers (measure 2), BGS/AMF/0722/9975/2013, in force as of 1 July 2013.

Recent revisions

Board guideline: BGS/AMF/0722/9934/2015 (measure 1), in force as of 1 Jan 2016:

- Delimitation to course costs: any arrangements with the providers of external training establishments which interfere with the planning process (in respect of time, place, contents, economic considerations) are inadmissible.
- Basic skills development (Basisqualifizierung): introduction of this new type of training measure including measurement of successful labour market outcome (success equals employment and qualification). Basic skills development courses impart general non-vocational basic skills without which it would not be possible to manage low-threshold entry into the labour market or participation in subsequent initial and/or continued training measures. Basic skills development programmes include: German language courses, literacy courses, courses offering a second chance to complete previously missed compulsory education cycles, basic computer courses, etc.
- Successful labour market outcome: inclusion of a definition of the reference value for successful labour market outcomes against which the future success or failure of basic skills development programmes is measured; as well as definition of an appropriate procedure.
- Planning quality – performance specifications: introduction of the principle that training measures are full-time measures and introduction of compulsory monitoring of learning and its outcomes.
Tasks of regional course monitoring staff: compulsory presence of a monitoring staff member at the end of the course.

Unemployment as eligibility condition

Yes.

Other transfers of funds

Benefits by third parties, such as the Länder. Participants in a continuing education or training scheme may also receive other PES subsidies while participating in such a programme, e.g. subsistence allowance (DLU).

Type of expenditure

Transfer payments to service providers (training establishments).

Duration

Will depend on the agreed period of funding.

Subsidies to training establishments; subsidised training participants – approved persons *)

<table>
<thead>
<tr>
<th>Year</th>
<th>Persons total (m+w)</th>
<th>Persons in % of employment (15-64)</th>
<th>Men</th>
<th>Women</th>
<th>Expenditure</th>
<th>as % of GPD</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>€</td>
<td></td>
</tr>
<tr>
<td>2007</td>
<td>136,773</td>
<td>3.54</td>
<td>65,761</td>
<td>71,019</td>
<td>328,240,552</td>
<td>0.116</td>
</tr>
<tr>
<td>2008</td>
<td>127,948</td>
<td>3.26</td>
<td>62,376</td>
<td>65,577</td>
<td>360,882,255</td>
<td>0.123</td>
</tr>
<tr>
<td>2009</td>
<td>160,176</td>
<td>4.10</td>
<td>83,552</td>
<td>76,626</td>
<td>444,428,796</td>
<td>0.154</td>
</tr>
<tr>
<td>2010</td>
<td>171,680</td>
<td>4.35</td>
<td>88,760</td>
<td>82,920</td>
<td>431,195,294</td>
<td>0.146</td>
</tr>
<tr>
<td>2011</td>
<td>150,708</td>
<td>3.78</td>
<td>73,862</td>
<td>76,848</td>
<td>455,528,534</td>
<td>0.147</td>
</tr>
<tr>
<td>2012</td>
<td>169,339</td>
<td>4.22</td>
<td>84,337</td>
<td>85,002</td>
<td>432,030,329</td>
<td>0.136</td>
</tr>
<tr>
<td>2013</td>
<td>189,438</td>
<td>4.70</td>
<td>96,633</td>
<td>92,807</td>
<td>443,500,327</td>
<td>0.137</td>
</tr>
<tr>
<td>2014</td>
<td>189,118</td>
<td>4.69</td>
<td>97,392</td>
<td>91,730</td>
<td>448,869,793</td>
<td>0.135</td>
</tr>
<tr>
<td>2015</td>
<td>163,293</td>
<td>4.01</td>
<td>81,155</td>
<td>82,141</td>
<td>509,006,383</td>
<td>0.148</td>
</tr>
<tr>
<td>2016</td>
<td>167,433</td>
<td>4.04</td>
<td>85,386</td>
<td>82,052</td>
<td>510,266,066</td>
<td>0.144</td>
</tr>
<tr>
<td>2017</td>
<td>168,978</td>
<td>4.04</td>
<td>85,490</td>
<td>83,493</td>
<td>500,476,688</td>
<td>0.136</td>
</tr>
</tbody>
</table>

Source: PES DWH and Statistics Austria; retrieved on 14 Dec 2017 and 15 March 2018; BMASGK’s own calculations.

*) Number of approved beneficiaries who were subsidised under this programme on at least one day in a given year.
4.6. **Subsidies to Special Entities**

4.6.1. **Integration Enterprises (Social Affairs Ministry Service)**

**Aim**

To facilitate vocational and social integration of people with disabilities through skills training and employment in integration enterprises (integrative Betriebe).

**Target group**

People with disabilities whose working capacity is at least half the working capacity of people without disabilities for the same job.

**Instrument**

Integration enterprises receive refunds from the public purse for the additional expenditure required for the employment of people with disabilities; any other costs incurred must be recovered by the revenue they generate. Each integration enterprise operates in several lines of business so as to offer disabled people the kind of work that is commensurate with their abilities.

Integration enterprises take the legal form of private limited companies (GmbH) and are commercially organised business operations. They are to produce goods or provide services that are in demand and set cost-covering prices. Most of them operate in wood and metal processing, plastic processing, assembly and facility service. Integration companies must provide a basic level of attendant care involving medical, psychological, pedagogical and social services. Employees of integration enterprises are covered by social insurance, receive at least the wages set by collective agreements and have a voice in company decisions. A fully operative integration enterprise should have no less than 30 workplaces for beneficiaries with disabilities.

People with disabilities are to be given not only low-threshold skills training but also access to quality training with formal credentials. In line with this premise, company-based apprenticeships for people with disabilities are supplemented by appropriate special training in the integration enterprises.

Developments towards largely full automation ('industry 4.0') in the forthcoming years will pose major challenges for integration enterprises. Therefore a strategy process was launched in 2016 to prepare integration enterprise for meeting these challenges.

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12 People with disabilities within this programme are people with disabilities as defined in the Disability Employment Act (BEinstG).
Financial resources

Most of the money is made available by the Compensatory Levy Fund (Ausgleichstaxfonds) managed by the BMASGK. The remainder is borne by the Länder and the public employment service.

Responsible organisation/entity

Federal-level administration by the Social Affairs Ministry Service.

Legal basis


Eligibility criteria

Enterprises which employ beneficiaries with disabilities who, because of the nature and severity of their disability, are not yet able to work in the general labour market or cannot return to it, but who have a minimum level of productive work capacity.

Other transfers of funds

Benefits provided by the Länder and the public employment service.

Type of expenditure

Transfer payments to employers (periodic cash benefits, refunds).

Duration

As agreed (can be of unlimited duration).
### Subsidies to Employers

#### 4.7.1. In-Work Subsidies to Upskilling Employees/In-Work Training Subsidies (QBN)

The QBN is the successor to another in-work upskilling programme (QfB) which ran under the European Social Fund and was phased out at the end of the ESF funding period 2007-2013. The QBN is a purely national funding instrument.

**Aim**

This preventive LMP tool aims to increase participation in in-work further training, enhance employability and job security, and improve the career and income situation of eligible target groups.

**Target group**

The following persons may qualify for subsidies provided that the chosen training belongs to one of the LMP objectives previously defined by the PES (see above aim):

- Employees with no more than compulsory schooling (or less than that);
Employees with completed apprenticeships or upper secondary technical or vocational schools (BMS); and
Employees with more than compulsory schooling who are 45 years or older.

Instrument

The QBN scheme is used to fund participation in labour market-related courses which are of use at a supra-company level and last 24 hours or more (including breaks). The course is chosen by the employer in consultation with the employee. The funding level amounts to:

- 50% of course costs;
- 50% of personnel costs beginning with the 25th hour of a chosen course, for workers with no more than compulsory school with the 1st hour of a chosen course.

Training hours within practical training are eligible for funding only if they take place in, or are organised by, a training or further training establishment and are separate from other in-work processes. Funding must not exceed €10,000 per person and application. These training courses must start by 31 Dec 2018 and be completed by 31 Dec 2019 at the latest as the programme is to be terminated by the end of 2019.

Financial resources

The scheme is financed from UI funds (employers’ and employees’ contributions).

Responsible organisation/entity

Public employment service.

Legal basis

§34 of the 1994 Public Employment Service Act (AMSG);


Recent revisions

The federal PES guideline, in force as of 27 Nov 2017, introduced the following major revisions:

- Extension of programme duration till 31 Dec 2019;
▪ Training courses which take place abroad are not eligible for funding (e.g. not even for support agreed under EURES cross-border partnerships) unless they ensure on-site inspections.
▪ Subsidies to personnel costs during paid working hours are calculated on the basis of the current monthly gross pay (excluding special bonus payments, overtime premiums, supplements, expenses, allowances, etc.) plus a flat rate of 75.12% for non-wage labour costs.
▪ Random checks (in particular in case of abnormalities) on whether the subsidies to personnel costs have been used for the intended purpose.

**Unemployment as eligibility condition**

No.

**Other transfers of funds**

None.

**Type of expenditure**

Transfer payments to employers; paid ex-post, i.e. upon verification of whether the funds have been used for the intended purpose.

**In-work subsidies to upskilling employees (QBN) – approved persons *)**

<table>
<thead>
<tr>
<th>Year</th>
<th>Persons total (m+w)</th>
<th>Persons in % of employment (15-64)</th>
<th>Men</th>
<th>Women</th>
<th>Expenditure €</th>
<th>as % of GDP</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>9,453</td>
<td>0.23</td>
<td>2,905</td>
<td>6,549</td>
<td>3,218,914</td>
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<td>2016</td>
<td>10,828</td>
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<td>3,507</td>
<td>7,323</td>
<td>6,534,101</td>
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<td>2017</td>
<td>13,054</td>
<td>0.31</td>
<td>4,594</td>
<td>8,461</td>
<td>7,307,129</td>
<td>0.0020</td>
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</table>

*Source: PES DWH and Statistics Austria; retrieved on 14 Dec 2017 and 15 March 2018; BMASGK’s own calculations.*

*) Number of approved beneficiaries who were subsidised under this programme on at least one day in a given year.
4.8. Subsidies to Apprenticeships under Vocational Training Legislation

Aim

To integrate hard-to-place workers into the labour market (placement support); counteract the disadvantages facing women in the job market; reduce the shortage of apprenticeships by the creation of substitute training places; facilitate entry into, or transition to, an apprenticed trade.

Target group

Specially disadvantaged apprenticeship-seekers (e.g. people with physical, psychological or mental impairment; socially maladjusted individuals; apprenticeship-seekers who spent all or part of compulsory schooling in general special needs schools or in new secondary schools with special educational needs programmes; slow learners after completion of compulsory schooling or slow-learning school dropouts who completed compulsory schooling at a non-German speaking school, apprenticeship dropouts; young people on UI benefits); young women in occupations with a low proportion of women (i.e. apprenticed trades with a percentage share of female apprentices of under 40% in all apprentices in the previous training year); young adults (aged 18plus at the beginning of their apprenticeship) whose employability problems are caused by inadequate skills and can be solved by apprenticeship training (this also includes graduates of academic secondary schools); as well as participants in apprenticeships with extended periods of training or in apprenticeships for acquiring partial skills and school dropouts (18plus years).

Instrument

This PES subsidy may be granted to companies and training providers authorised to train apprentices under §2, §8c or §30 of the Vocational Training Act (BAG) or under §2(1), §2(4) and/or §15a of the Vocational Training in Agriculture and Forestry Act (LFBAG). Excluded are the Federal Government, political parties and institutions defined by §29 of the BAG. The subsidy is paid as a monthly lump-sum grant towards the costs of apprenticeships or extended apprenticeship training or the acquisition of partial skills (apprentices’ remuneration, staff costs and overheads).

The subsidy level may vary within the following limits:

- Depending on the targeted workers (young women, disadvantaged apprenticeship-seekers, or participants in extended apprenticeship training or acquisition of partial skills), companies may receive up to €400 per month, and training establishments up to €453 a month.
Companies and training establishments may receive up to €900 per month for workers aged 18 plus if, under the related collective agreement, these workers receive higher apprentice's remuneration or wages for unskilled workers.

Subsidies to apprenticeships may also be awarded following on subsidies in socio-economic enterprises (SÖB) or a non-profit employment project (GBP).

Financial resources

The scheme is financed from UI funds (employers’ and employees’ contributions).

Responsible organisation/entity

Public employment service.

Legal basis

§34 of the 1994 Public Employment Service Act (AMSG);

§8b, §8c of the Vocational Training Act (BAG) and §11a-11i of the Vocational Training in Agriculture and Forestry Act (LFBAG) concerning extended apprenticeship training or acquisition of partial skills;


Recent revisions


The major revisions include:

- The groups of persons eligible for funding has been enlarged by apprenticeship-seekers who completed compulsory schooling at a non-German speaking school.
- Elimination of the possibility of changing from non-subsidised to subsidised apprenticeships with extended training or the acquisition of partial skills.
- Subsidies to apprenticeships may also be awarded following on SÖB and GBP.
- For workers aged 18 plus with higher apprentice's remuneration/wages for unskilled workers the maximum subsidy level has been increased from €755 to €900.


The major revisions include:

- Among the specially disadvantaged apprenticeship-seekers, the group of dropouts of post-compulsory education or training has been removed, while slow-learning dropouts
who completed compulsory schooling at a non-German speaking school have been added.

- Among the 18plus group, school dropouts are eligible for funding.

Eligibility criteria

Subsidies are available to companies and training establishments authorised under the BAG and/or LFBAG to train apprentices or participants in extended apprenticeship training programmes or programmes for the acquisition of partial skills. To qualify for these subsidies, they must hire and train within an apprenticeship programme young people who are disadvantaged on the labour market or young women in occupations with a low proportion of women (under 40%). Financial support is conditional on a counselling session between the PES and the company or training establishment regarding the apprentice to be subsidised. To this end, the applicant and the apprentice to be subsidised must contact the responsible case worker of the regional PES office before entering this kind of (pre-) apprenticeship or training relationship. Providers of extended apprenticeship training programmes or programmes for the acquisition of partial skills also have to submit a binding declaration on the provision of Training Assistance (Berufsausbildungsassistenz).

Unemployment as eligibility condition

No.

Other transfers of funds

None.

Type of expenditure

Subsidy to employers.

Duration

Subsidies may be claimed and granted for one year of apprenticeship/training at a time. They may be granted for up to three years in total. They may also be granted for apprenticeships with extended training or the acquisition of partials skills.
PES subsidies to apprenticeships – approved persons *)

<table>
<thead>
<tr>
<th>Year</th>
<th>Persons total (m+w)</th>
<th>Persons in % of employment (15-64)</th>
<th>Men</th>
<th>Women</th>
<th>Expenditure €</th>
<th>as % of GDP</th>
</tr>
</thead>
<tbody>
<tr>
<td>2007</td>
<td>33,455</td>
<td>0.87</td>
<td>19,774</td>
<td>13,682</td>
<td>93,325,294</td>
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<td>2008</td>
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<td>17,900</td>
<td>12,881</td>
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<td>2009</td>
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<td>10,762</td>
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<td>2010</td>
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<td>5,801</td>
<td>4,616</td>
<td>32,316,401</td>
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<td>2011</td>
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<td>3,515</td>
<td>22,232,162</td>
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<td>2012</td>
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<td>0.21</td>
<td>4,831</td>
<td>3,681</td>
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<td>2013</td>
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<td>5,335</td>
<td>3,944</td>
<td>25,226,931</td>
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<td>2014</td>
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<td>5,725</td>
<td>4,012</td>
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<td>2015</td>
<td>9,382</td>
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<td>5,578</td>
<td>3,804</td>
<td>27,563,919</td>
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<td>2016</td>
<td>9,073</td>
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<td>5,405</td>
<td>3,668</td>
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<td>2017</td>
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<td>5,935</td>
<td>3,832</td>
<td>27,727,977</td>
<td>0.0075</td>
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</tbody>
</table>

Source: PES DWH; Statistics Austria; retrieved on 14 Dec 2017 and 15 March 2018; BMASGK’s own calculations.

*) Number of approved beneficiaries who were subsidised under this programme on at least one day in a given year.

4.9. Supra-Company Training Programme (ÜBA) under the 'Training Guarantee'

Aim

All young people who are unable to find suitable company-based training slots are to be offered, at least temporarily, additional training places.

Target group

Registered apprenticeship-seekers who completed compulsory schooling or have finished compulsory schooling with too many negative marks and are unable to find suitable company-based training slots despite enhanced placement efforts, or who dropped out of an apprenticeship, as well as apprenticeship-seekers with special educational needs or apprenticeship-seekers whose education is partially based on the curriculum of a special needs school; young people up to the age of 18; disabled people within the meaning of the Disability Employment Act (BEinstG) and/or the respective legislation (Landesbehindertengesetze) of the individual Austrian Länder; specially socially disadvantaged youth and slow learners; and increasingly also education dropouts and young adults (19 to 24 years of age).
Instrument

This LMP tool has been modified under the 2008 Youth Employment Package (Jugendbeschäftigungspaket). The total number of training places in supra-company training schemes made available to young people under the Training Guarantee was 13,000 for the 2016/17 training year. As a complement to the prioritised company-based apprenticeship scheme, the supra-company training programme is a recognised and equally valued programme providing apprenticeship certificates. The centrepiece of ÜBA are the training courses (preceded by vocational guidance modules and accompanied by special coaching where needed) which teach the skills and knowledge needed in the apprenticed trade in question. A special form of supra-company training (formerly integrated vocational training) is provided under this programme, enabling participants to acquire partial skills or extend their period of training. The period of training may be extended by one year or in exceptional cases, and if this is required to prepare a candidate for the final apprenticeship examination, by up to two years. A programme for the acquisition of partial skills may last between one and three years.

The ÜBA funds budgeted for the 2016/17 training year totalled roughly €200m. The public employment service plans to spend roughly €188.45m in the 2017/18 training year (with some €15.63m being contributed by the Länder). This is to provide training places for roughly 12,800 young people.

Financial resources

Financial support to supra-company training programmes is provided from PES and – to a varying degree – from Länder resources.

Responsible organisation/entity

Public employment service.

Legal basis

Vocational Training Act (BAG), 1994 Public Employment Service Act (AMSG) and related changes as set forth in the 2008 Youth Employment Package (Federal Law Gazette I no. 82/2008).


Recent revisions

The federal PES guideline, in force as of 1 Sept 2017, introduced the following revisions:
With entry into force of the federal PES guideline, the training subsidy for 18plus-year-olds (no matter which year of training) has been increased.

Health-promoting measures may also be provided as supporting measures.

Clarification of how to proceed when beneficiaries change from supra-company training to company-based apprenticeships.

Eligibility criteria

Varies by measure.

Duration (period of participation)

Varies by measure.

4.10. Subsidies to Company-Based Apprenticeships

Aim

To improve the quality of apprenticeship training and raise the number of training positions.

Target group

Apprentices.

Instrument

Subsidies available to individual companies in support of apprenticeship training are processed by the Austrian Economic Chamber (WKO). The various types of subsidies serve to raise both the number and the quality of apprenticeship training within companies.

Most of the funds are used for needs-oriented basic subsidies to companies training apprentices. The level of these subsidies is based on the remuneration scheme for apprentices as agreed under collective agreements and varies according to the year of apprenticeship training.

Moreover, companies and apprentices are offered quality- and employment-related direct subsidies to create additional apprenticeships, provide incentives for improving the quality of training and increase the apprentices’ chances of completing their training successfully.

Financial support is available

- to inter- and supra-company training schemes, e.g. training clusters launched by several companies, occupation-related additional training of apprentices, as well as preparation for final apprenticeship examinations (Lehrabschlussprüfung) or vocational matriculation examinations (Berufsreifeprüfung);
to training clusters launched by several companies;
- to train the trainers (initial and continuing training);
- for excellent or good final examinations; and
- to in-house policies designed to ensure equality of access for young women and men to apprenticeship trades.

Measures to foster individual training success:

- Apprentices in the last year of training may attend preparatory courses for their final examination free of charge.
- The expenses incurred will be refunded to candidates taking the examination a second or third time.
- Employers who are willing to accept apprentices from a supra-company training scheme into their own in-house scheme receive a one-off bonus of €1,000.
- In order to improve the quality standards of apprenticeships and ensure the success of these training programmes, additional funds of up to €3m are made available as of 2014 for innovative programmes and pilot projects.

In 2016, the money spent on company-based apprenticeships according to §19c (1) 1-7 of the Vocational Training Act (BAG) amounted to roughly €165m. €173m were made available for 2017.

Financial resources

Financial support to company-based apprenticeship training is provided from the Insolvency Contingency Fund (Insolvenz-Entgelt-Fonds).

Responsible organisation/entity

Austrian Economic Chamber (WKO).

Legal basis

Vocational Training Act (BAG) and related changes as set forth in the 2008 Youth Employment Package (Federal Law Gazette I no. 82/2008).

Eligibility criteria

Varies by measure.

Duration (period of participation)

Varies by measure.
4.11. Projects under §19c (1) 7 of the Vocational Training Act

According to §19c (1) 1-7 in conjunction with §19c (2) of the Vocational Training Act (BAG), the Federal Minister for Digital and Economic Affairs may issue, in agreement with the Federal Minister of Labour, Social Affairs, Health and Consumer Protection, a guideline defining subsidies and additional support measures for counselling, guidance and assistance services to improve the chances of successful vocational training and raise participation in such training, especially in business segments with only a few companies providing apprenticeship training or with only a few apprentices. The guideline, applicable as of 31 Dec 2015, governs all support measures available under this provision. It replaces previous guidelines on the issue (1/2012 and 1/2013) in accordance with §19c (1) 8 of the BAG.

The following support services are available to employers taking on apprentices:

Coaching and counselling for apprentices and their employers

After a pilot phase beginning in 2012, the coaching and counselling programme for apprentices and their employers has been available throughout Austria since 2015. It aims to assist both the apprentices and their employers during training in order to enable apprentices to complete their apprenticeships by successfully taking the final examination and, where applicable, the vocational matriculation examination as well as to improve the quality of apprenticeship training programmes and, consequently, prevent apprentices from discontinuing their training. Special priorities within this programme include apprentices and employers from migrant backgrounds (ethnic economies), young women in atypical apprenticed trades as well as SME-based training.

Apprentices: If problems occur during training, supportive coaching by a professional coach may be requested by apprentices (for themselves), trainers or those responsible for training within a company, vocational schools or parents. The tasks of these coaches are: to have an initial talk with the apprentice in question; to identify perspectives; to conduct mediation where required; to assist with choosing refresher, upskilling or continued training programmes; and to support apprentices in preparation for the final apprenticeship examination. The steps to be taken are identified and defined in the initial meeting. Follow-up meetings are agreed between apprentices and coaches according to individual requirements.

Employers of apprentices: Counsellors may be made available to employers of apprentices to address issues of training design according to quality criteria, dealing with apprentices, information on educational opportunities for apprentices and trainers, as well as financial support. The period and intensity of counselling depend on requirements and are agreed individually with the employer.

In 2016, roughly 1,100 participants benefited from this coaching scheme for apprentices.
Training guidebooks – quality of training
In order to provide practical information on training design, guidebooks for employers on the training of key apprenticed trades were drawn up in 2012 and published (e.g. at www.ausbilder.at). The guidebooks consist of a general part applicable to all apprenticeships and a special part applicable to a specific apprenticed trade. They include examples of best practice, while practical aids help reflect and design a company’s own training system and in-house approach to job profiling. The books have been prepared in cooperation with ibw trainers and staff responsible for apprenticeship training (ibw = Institut für Bildungsforschung der Wirtschaft [Institute for Research on Qualifications and Training of the Austrian Economy]). Work on guidebooks for other and eventually all apprenticed trades continues. Some 30 training guidebooks were made available by 2016.

Clearing Centre for final apprenticeship examinations
In order to assure the quality of test questions in final apprenticeship examinations (LAPs), ibw has established a Clearing Centre for all Apprenticeship Offices (Clearingstelle LAP). Its tasks include:

To examine existing test questions and examples for their relevance for daily job practice and for their suitability for verifying the knowledge and skills necessary for exercising an occupation, and to draw up new or updated questions and examples. The test questions and examples approved or prepared by the Clearing Centre receive a ‘quality label’ and are to be made available by the Apprenticeship Offices to the boards of examiners;

to examine the suitability and quality of current modalities in conducting final apprenticeship examinations and prepare proposals for adjustments to the relevant target groups if required. In 2012, the Clearing Centre drafted a concept for the preparation of examiners for their tasks and developed a certificate (certified LAP examiner). Based on its curriculum, course providers may train examiners and award this certificate to LAP examiners. Up to €750,000 may be made available for this measure until 2021 from funds earmarked for this purpose under §13e of the IESG.

Support to apprentices’ placements abroad
Employers whose apprentices gain job-related work experience in placements abroad may request prorated refunds of the apprentices’ remuneration for the period of placement. If the period of placement coincides (in part) with an apprentice’s annual holidays, only the period credited towards working hours is eligible for financial support. In order to receive support under this programme, employers need to file a request and attach proof of the internship taken and payment of remuneration for the period concerned. Requests can be processed either by the Apprenticeship Offices or (as an alternative) by the competent entities involved in the organisation of internships abroad.
Further funds can be made available under §13e of the IESG for claiming funding under the European Erasmus+ programme as well as for enabling apprentices and trainers who are not eligible for Erasmus+ funding to enter work placements abroad.

As of 2016, up to €200,000 are provided for this purpose every year.

**Funding the attendance of preparatory courses for the final examination**
Apprentices who attend courses in their last year of training in preparation for their final apprenticeship examination and persons who attend such courses no later than twelve months after the end of their apprenticeship may request financial support. Tuition fees are fully borne by the resources available under the subsidies to company-based apprenticeships programme which, in turn, is funded by the Insolvency Contingency Fund (Insolvenz-Entgelt-Fonds).

**Funding the costs of repeat LAP examinations**
This funding option is available to cover the repeat examination fee as well as the costs of the necessary test materials for apprentices who failed the final apprenticeship examination (LAP) once or twice (for 2018: €103 per examination).

**Participation in international skills competitions**
Employers who enrol their apprentices or apprenticeship graduates in international skills competitions (WorldSkills – international vocational skills competition, EuroSkills – European vocational skills competition) are supported with a grant. The Apprenticeship Office pays prorated refunds of the apprentices’ remuneration or the employee’s wage or salary (gross) for the period of (external) preparation (expert training, etc.) and of the competition itself. Every year up to €100,000 from funds under §13e of the IESG are made available for this purpose.

**Project grants**
Since 2016, up to €300,000 can be made available under §13e of the IESG every year to support the organisation of WorldSkills and EuroSkills as well as Austrian skills competitions (‘national championships’).

**Supplementary measures to support the quality of company-based apprenticeship training**
These measures are designed to support quality management and quality assurance in company-based training as well as to test or further develop systemically relevant tools in pilot projects. In order to enhance quality in the dual training system, an Austria-wide and data-based quality management system is available for apprenticeship training (‘quality management in apprenticeships’). Austria-wide coordination is ensured by the newly established quality committee of the Federal Advisory Board on Vocational Training (Bundes-Berufsausbildungsbeirat).
Supplementary measures to support integration into apprenticeship training and the labour market

In addition to the above support measures, the following measures can be financed by additional funds under §13e of the IESG to ensure better – also supra-regional – integration into apprenticeship training and the labour market with a special focus on persons from migrant backgrounds as well as persons eligible for asylum or subsidiary protection status:

▪ Targeted support within the framework of the ‘coaching and counselling programme for apprentices and their employers’;
▪ Organisation and provision of accompanying support measures in addition to the types of funding specified in item III of the guideline according to §19c (1) 1-7 as well as, where required, psychosocial care;
▪ Projects and instruments helping beneficiaries to enter company-based apprenticeship training;
▪ Projects supporting the company-based training of young adults with the aim of enabling them to take the final apprenticeship examination, this involves the following projects:
  ▪ Supra-regional placement of young people with special integration needs in apprenticeship vacancies;
  ▪ ‘JUST new’ (JUST neu) – foundation for young adults who find it difficult to integrate into the labour market; it offers individual assisted and supported job-related training to complete formal apprenticeships (focus on persons eligible for asylum or subsidiary protection status);
  ▪ Upstream support to access apprenticeship training.

As of 2016, up to €10m were made available annually for these projects from funds earmarked for this purpose under §13e of the IESG.

4.12. JUST inplacement foundation

Aim

To enhance nationwide assistance to young adults aged 19-24 years and registered as unemployed by establishing labour foundation programmes and support these young people’s search for a new job or for reemployment by practical job training, case management and appropriate coaching. At the same time, the labour foundation schemes are intended to help recruiting employers fill vacancies rapidly and with the right staff.

Target group

Young people and young adults aged 19 to 24 years and registered as unemployed with the PES. Programme participants are young people whose highest educational attainment level is a completed apprenticeship or comparable school certificate, and who are interested in
qualified initial and continued training. If young people with higher educational attainment levels (upper secondary school graduates) are at risk of entering long-term unemployment, they, too, may enter such a labour foundation programme. Training in inplacement foundation programmes is aimed at having participants placed in employment with participating companies upon completion of the programme. The foundation programme focuses on cooperation with small- and medium-sized enterprises (SMEs) with no more than 250 employees. See also Chapter 3, section 8.2 on page 231.

**Instrument**

The JUST inplacement foundation programme includes appropriately matched training measures with the primary aim of enabling participants to take the final apprenticeship examination (LAP). Participants who, for unforeseeable reasons, cannot take up the job position originally intended for them may use the ‘active job-search’ programme to find another job. The JUST programme is administered by AUFLEB GmbH.

**Financial resources**

The programme is financed from funds provided by the participating companies, from appropriations of the Insolvency Contingency Fund, the public employment service and the Länder.

**Responsible organisation/entity**

AUFLEB GmbH.

**Legal basis**


**Eligibility criteria**

Referral by regional PES office.

**Period of participation**

Young people’s period of participation will depend on their personal needs. They are expected to remain within the programme for an average of 14 months.

So far, 1,730 JUST entries have been recorded of which more than 80% relate to young people intending to take the final apprenticeship examination.
4.13. **Education/Training till 18 (mandatory programme)**

**Aim**

All young people who have completed compulsory schooling and stay in Austria not only temporarily are to be given the chance of entering continuing training until they turn 18. The programme is to help these young people obtain qualifications which enhance their prospects for sustainable and comprehensive participation in economic and social life. As a result the risk of unemployment and/or social exclusion will be markedly reduced.

**Target group**

Young people under 18 years of age who have successfully completed compulsory schooling and are not enrolled in any continuing training programme. The first group to be affected by the programme are young people who successfully completed compulsory education in summer 2017.

**Instrument**

The mandatory education/training programme may be fulfilled by continuing school education, by entering company-based or supra-company apprenticeship training or by other suitable LMP schemes. A list of approved training programmes is published by the Social Affairs Ministry Service on its website and is being updated periodically.

**Financial resources**

Additional funds of €6.8m were provided from the labour market policy budget for Education/Training till 18 in 2016. The annually available funds will be gradually increased to reach €57m by 2020 when the programme is fully operational. This will ensure, inter alia, the expansion of Youth Coaching, Production Schools, coordination offices and additional low-threshold programmes for young people.

**Legal basis**

The Compulsory Education or Training Act (Ausbildungspflichtgesetz – ApflG), as amended on 1 Aug 2016.

**Eligibility criteria**

None.

**Unemployment as eligibility condition**

No.
Type of expenditure

Compensatory Levy Fund and Budget Item 20.

Period of participation

Individual.


Aim

In 2015, an average of almost 19,000 young adults aged 19-24 years with no more than compulsory education were listed in the employment service’s unemployment register. The PES guarantees this target group of unemployed young adults with no more than compulsory education to provide suitable additional skills training (return to learn) programmes and subsidies to in-company training. This priority programme is to help young people obtain, where possible, certified qualifications in vocational training programmes.

Target group

Registered young unemployed aged 18-24 years with no more than compulsory education.

Instrument

The Training Guarantee till 25 is implemented under currently applicable PES guidelines and programmes, such as the 'intensive programmes to train young people to become skilled workers', supra-company training programmes, job-related skills training or inplacement foundations (e.g. youth foundations).

Financial resources

The programme is limited to two years for the time being; in 2017, additional funds of €37m were made available.

Legal basis

Article VI (4) of the Federal Finance Act (BFG).

Eligibility criteria

Participants must correspond to the defined target group.
Unemployment as eligibility condition

Yes.

Other transfers of funds

No.

Type of expenditure

Budget Item 20.

Period of participation

Individual.

4.15. Production Schools (Social Affairs Ministry Service)

Aim

Disadvantaged young people are to be integrated into vocational training or the labour market through individual assistance and support. The main objective is to help young people overcome upstream problems and acquire the basic skills that are indispensable for entering vocational school and the job market.

After a pilot phase the Production Schools of the Social Affairs Ministry Service are implemented (as of 2015) throughout Austria under the Fit for Training (AusbildungsFit – AFit) concept developed and fine-tuned in cooperation with the PES and budgeted with €26.7m (2016) and €33.2m (2017). In 2016 3,108 young people (1,890 male and 1,218 female) benefited from the programme (2017: 3,769 young people).

Target group

Young people who, at the time of entering the programme, cannot meet the requirements of vocational training (nor the requirements for the acquisition of partial skills) due to deficits in defined basic skills (foundation skills including new media and social skills) as well as young people seeking jobs or registered as unemployed (in particular those up to the age of 18) who have not completed compulsory education or who fail to move from compulsory education on to continuing training/education, who have discontinued schooling or training or are affected by persistent exclusion from the training, education and employment system (NEETs), and where support within existing LMP schemes, e.g. supra-company vocational training or subsidies to apprenticeships, do not appear to be expedient. The programme targets young people up to 21 years of age or, in the case of young people with special educational needs, up to 24 years of age. Participation in a Production School programme is
Instrument

Since Jan 2016 the Fit for Training programme of the Social Affairs Ministry Service (SMS) and the PES's Production Schools have been gradually dovetailed to enhance synergies and ensure structural improvement for better quality and efficiency. Currently, Austria has some 40 Production Schools. Essentially, the contents of Production School training is based on four pillars:

- Training modules focusing on activation (entry assistance), practice (training, career guidance, etc.) and specialisation (preparation for specific vocational training);
- Coaching: special coaches assist young people, discuss the progress made and support them during spells of internship with private businesses;
- Knowledge workshop: in a subsequent stage of training, participants are given the opportunity to train the necessary skills in a number of fields, including foundation skills or skills related to the new media;
- Physical activity: sports and exercise play a key role with the objective of making these activities attractive for participants and providing opportunities for experiencing success.

Financial resources

Funds are primarily provided from federal budget resources or from the Compensatory Levy Fund (Ausgleichstaxfonds), including appropriations of the European Social Fund based on the currently applicable operational programme, as well from national PES funds (DLU).

Responsible organisation/entity

Social Affairs Ministry Service.

Legal basis


Eligibility criteria

Participants must correspond to the defined target group.
Unemployment as eligibility condition

No.

Other transfers of funds

None.

Type of expenditure

Transfer payments to service providers.

Period of participation

The period of enrolment in a Production School course is geared to young people's individual needs (maximum: 12 months; in exceptional cases this maximum period may be extended); the average period of participation usually is nine months.

4.16. Youth Coaching (Social Affairs Ministry Service)

First introduced as a pilot project in Vienna, Styria and Salzburg in 2012, the Youth Coaching programme (Jugendcoaching) is now available throughout Austria and involved 45,132 participants in 2016 (49,937 in 2017).

Aim

The programme is to ensure nationwide cross-cutting advice, guidance and support from the end of compulsory schooling until, where possible, sustainable integration into continuing training or education. All young people at risk of exclusion are to be empowered to take appropriate decisions regarding their continuing training or education after completion of compulsory schooling.

Target group

Pupils in Year Nine (whichever year this may be in individual cases) at risk of exclusion, young people at the transition from school to working life with physical, psychological or mental disabilities or sensory impairment who are unable to land or keep a job without assistance in the workplace (this group also includes very slow learners or socially andemotionally disadvantaged young people), young people outside the school system (NEETs), young people in training (measures) and at risk of dropping out from such training.

Instrument

Youth Coaching includes counselling, assistance and diagnostic support. Each young person has a primary contact who will remain the key youth coach until completion of the pro-
gramme. Youth Coaching begins with identifying, in cooperation with teachers and based on defined indicators, young people who are at risk of exclusion and still within the education system (Year Nine). This is intended to ensure that pupils, thus identified as being at risk of exclusion, benefit from ongoing needs-based assistance as from Year Nine and receive the kind of support within the education system that is specially geared to their individual requirements. Youth Coaching is based on a modular three-stage programme composed of initial interviews (stage 1), case management-type counselling (stage 2) and assistance within a case management setting (stage 3).

Financial resources

Funds are primarily provided from federal sources or from the Compensatory Levy Fund (Ausgleichstaxfonds), including appropriations of the European Social Fund based on the currently applicable operational programme.

Responsible organisation/entity

Social Affairs Ministry Service.

Legal basis


Eligibility criteria

Young people with disabilities as defined by the special guideline on ‘vocational integration’, or young people with special educational needs or social/emotional disadvantages, or Year Nine pupils or young people under 19 years of age who left school early and without qualification, as well as young people at risk of exclusion.

Unemployment as eligibility condition

No.

Other transfers of funds

None.
Type of expenditure

Transfer payments to service providers.

Period of participation

The period of counselling and support depends on the young people’s individual needs.

Youth Coaching (‘clearing’ till 2011) – actual number of participants

<table>
<thead>
<tr>
<th>Year</th>
<th>Participants total (m+w)</th>
<th>Participants in % of employment (15-64)</th>
<th>Men</th>
<th>Women</th>
<th>Expenditure *) (€)</th>
<th>as % of GDP</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>23,221</td>
<td>0.58</td>
<td>13,227</td>
<td>9,994</td>
<td>23,108,000</td>
<td>0.0071</td>
</tr>
<tr>
<td>2014</td>
<td>35,509</td>
<td>0.88</td>
<td>20,095</td>
<td>15,414</td>
<td>17,337,000</td>
<td>0.0052</td>
</tr>
<tr>
<td>2015</td>
<td>39,360</td>
<td>0.97</td>
<td>22,362</td>
<td>16,998</td>
<td>24,448,000</td>
<td>0.0071</td>
</tr>
<tr>
<td>2016</td>
<td>45,132</td>
<td>1.09</td>
<td>25,736</td>
<td>19,396</td>
<td>26,695,000</td>
<td>0.0076</td>
</tr>
<tr>
<td>2017</td>
<td>49,937</td>
<td>1.19</td>
<td>28,204</td>
<td>21,733</td>
<td>33,214,000</td>
<td>0.0090</td>
</tr>
</tbody>
</table>

Sources: BMASGK regarding participation – statistics reports 2013 and up to 2017 npb; 2014 - 2016: Participation npb data according of the coordination office - annual reports; regarding expenses: SAP, EAZ, DWH retrieved on 30 April 2018.

*) The lower level of disbursements in 2014 is due to budgetary requirements for liquidity of the Compensatory Levy Fund and preparations for migration of IT system applications to capture and disburse funds.

4.17. Training Assistance (Social Affairs Ministry Service)

Aim

The Training Assistance programme (Berufsausbildungsassistenz) should facilitate entry into the labour market for young people with special needs at the transition from school to work.

Target group

Young people at the transition from school to working life with physical, psychological or mental disabilities or sensory impairment who are unable to land or keep a job without special assistance are guided and supported by trained support workers.

Instrument

This service has been introduced for young people with special needs who are unable to complete a 'regular' apprenticeship. New forms of vocational training are used to meet disadvantaged adolescents' individual needs. Training involves apprenticeships extended by up...
to two years or apprenticeships for the acquisition of some specific skills rather than all the skills of an apprenticed trade. Trained support workers provide guidance and support to these young people to ensure the successful completion of extended apprenticeship training or the acquisition of partial skills. The objective is to enable young people with special placement handicaps to enter the labour market even though they are unable to complete any formal apprenticeship.

**Financial resources**

Funding is provided from government budget resources, appropriations of the Compensatory Levy Fund (Ausgleichstaxfonds) and the European Social Fund.

**Responsible organisation/entity**

Social Affairs Ministry Service.

**Legal basis**


**Eligibility criteria**

Young people with disabilities as defined by the special guideline on ‘vocational integration’ or young people with special educational needs or social/emotional disadvantages.

**Unemployment as eligibility condition**

No.

**Other transfers of funds**

None.

**Type of expenditure**

Transfer payments to service providers.

**Duration**

As a rule several years (from target agreement to final examination).
5. JOB CREATION

5.1. Socio-Economic Enterprises (SÖBs)

Aim

These work integration social enterprises (Sozialökonomische Beschäftigungsbetriebe - SÖB) are designed to integrate the long-term unemployed and other hard-to-place groups into the labour market by creating near-market, fixed-term jobs. This is intended to promote the sustainable (re-)integration of hard-to-place individuals into the job market.

Target group

Unemployed workers faced with special handicaps (chronic long-term unemployment, age, disability, care duties, social maladjustment); groups further from the labour market with employment handicaps (e.g. loss of social skills owing to persistent unemployment, lack of skills owing to persistent unemployment, homelessness, imprisonment, debts, drugs, etc.).

Instrument

Unlike other LMP programmes, socio-economic enterprises (sozialökonomische Betriebe – SÖBs) are real business entities subject to the PES requirement of combining economic (revenue earning) aspects and LMP success criteria (skills development and placement). Most of the SÖBs are smaller enterprises founded and run by non-profit or self-help entities. They produce goods or sell services that need to be viable in the market (such as wood processing, interior and exterior refurbishing, catering, scrap and junk recycling, textiles, metal, household services, pottery, as well as non-profit temporary work agencies). Alongside the provision of fixed-term ‘transition jobs’, the programme offers targeted skills training and socio-pedagogic support to participants. Prior to entering such an employment relationship, participants may attend preparatory programmes. In special cases employment may be preceded by trial/work training periods to identify the candidates’ aptitude for the intended transition job. Financial support during work training periods is provided by DLU allowance payments. These periods of preparation or work training may last up to eight weeks.

SÖBs receive financial support from the public employment service, i.e. partial reimbursement of the costs incurred for providing fixed-term employment to unemployed workers. SÖBs are entities operating in the secondary labour market, i.e. they differ greatly from wage subsidy programmes and other traditional LMP instruments. Unlike non-profit employment projects, SÖBs need to generate enough revenue to cover 20% or more of their expenses. This is intended to ensure entrepreneurial approaches despite public funding.
Employment is provided under a formal employment relationship. The PES also provides socio-pedagogic support and (further) training in order to greatly improve the employability of workers placed in transition jobs.

In 2014, the PES issued a special federal guideline on quality standards for employment relationships within socio-economic enterprises (SÖBs) or non-profit employment projects (GBPs). It combined and revised the quality standards for transition workers in SÖBs and GBPs defined in a previous guideline (= the federal guideline on promoting socio-economic enterprises). SÖB programmes can now only be funded if they comply with the quality standards set out in the guideline.

In 2016 roughly 7,600 persons and in 2017 more than 9,500 persons were subsidised in socio-economic enterprises as transition workers and funded under the employment initiative 50+. (For more information on this programme see Chapter I, item 3.2.3 on page 28).

Financial resources

SÖBs are financed by the PES (from the active budget), by the Land in question and occasionally by other providers. They are run by an independent association.

Responsible organisation/entity

Public employment service.

Legal basis

§34 of the Public Employment Service Act (AMSG) in conjunction with §32(3);

Federal PES guideline, BGS/AMF/0722/9950/2017, in force as of 1 July 2017, federal PES guideline on ‘quality standards for employment relationships within a socio-economic enterprise or a non-profit employment project’, BGS/AMF/0722/9948/2015, in force as of 1 Jan 2016.

Recent revisions

Federal PES guideline on ‘quality standards for employment relationships within a socio-economic enterprise or a non-profit employment project’, BGS/AMF/0722/9948/2015, in force as of 1 Jan 2016.

The following major adjustments were made:

- Addition of another example of socio-pedagogic support;
- Extension of the periods of non-work in between temporary employment spells if a previous internship has not resulted in temporary employment.

Item 6.6.1 has been revised concerning the period of enrolment of transition workers. The revision has been introduced in response to the discontinuation of the Action 20,000. It stipulates that long-term (chronically) unemployed workers aged 50plus may remain within the SÖB scheme for more than one year, while the transitional character of their work must be maintained.

**Unemployment as eligibility condition**

Yes.

**Other transfers of funds**

None.

**Type of expenditure**

Transfer payments to employers (periodic cash benefits, refunds).

**Duration**

Usually, the term of employment is one year. This period may be extended in certain cases – provided that SÖB jobs retain their transitional character.

Older unemployed workers about to enter retirement (in 3.5 years or less) and having no formal job prospects may remain within SÖBs until retirement under certain conditions.
Socio-economic enterprises (SÖBs) – approved persons *)

<table>
<thead>
<tr>
<th>Year</th>
<th>Persons total (m+w)</th>
<th>Persons in % of employment (15-64)</th>
<th>Men</th>
<th>Women</th>
<th>Expenditure €</th>
<th>as % of GPD</th>
</tr>
</thead>
<tbody>
<tr>
<td>2007</td>
<td>11,571</td>
<td>0.299</td>
<td>6,158</td>
<td>5,413</td>
<td>67,252,381</td>
<td>0.0237</td>
</tr>
<tr>
<td>2008</td>
<td>11,792</td>
<td>0.300</td>
<td>6,225</td>
<td>5,568</td>
<td>70,331,117</td>
<td>0.0239</td>
</tr>
<tr>
<td>2009</td>
<td>14,266</td>
<td>0.365</td>
<td>7,842</td>
<td>6,424</td>
<td>79,874,846</td>
<td>0.2773</td>
</tr>
<tr>
<td>2010</td>
<td>16,513</td>
<td>0.419</td>
<td>9,535</td>
<td>6,979</td>
<td>81,959,612</td>
<td>0.0277</td>
</tr>
<tr>
<td>2011</td>
<td>17,731</td>
<td>0.445</td>
<td>10,088</td>
<td>7,643</td>
<td>96,397,687</td>
<td>0.0311</td>
</tr>
<tr>
<td>2012</td>
<td>22,377</td>
<td>0.558</td>
<td>13,110</td>
<td>9,267</td>
<td>114,918,886</td>
<td>0.0361</td>
</tr>
<tr>
<td>2013</td>
<td>28,144</td>
<td>0.698</td>
<td>16,022</td>
<td>12,122</td>
<td>115,127,396</td>
<td>0.0355</td>
</tr>
<tr>
<td>2014</td>
<td>29,703</td>
<td>0.736</td>
<td>17,485</td>
<td>12,218</td>
<td>128,028,912</td>
<td>0.0384</td>
</tr>
<tr>
<td>2015</td>
<td>15,649</td>
<td>0.385</td>
<td>8,895</td>
<td>6,754</td>
<td>116,451,512</td>
<td>0.0338</td>
</tr>
<tr>
<td>2016</td>
<td>18,028</td>
<td>0.435</td>
<td>10,260</td>
<td>7,768</td>
<td>163,517,675</td>
<td>0.0463</td>
</tr>
<tr>
<td>2017</td>
<td>19,193</td>
<td>0.459</td>
<td>10,861</td>
<td>8,332</td>
<td>164,980,451</td>
<td>0.0447</td>
</tr>
</tbody>
</table>

Source: PES DWH; Statistics Austria; retrieved on 14 Dec 2017 and 15 March 2018; BMASGK's own calculations.

*) Number of approved beneficiaries who were subsidised under this programme on at least one day in a given year.

5.2. Non-Profit Employment Projects (GBPs)

Aim

Non-profit employment projects (Gemeinnützige Beschäftigungsprojekte - GBPs) are aimed at integrating disadvantaged groups into the labour market. Providing largely sheltered fixed-term jobs is intended to promote the sustainable (re-)integration of hard-to-place individuals into the job market (employability assistance).

Target group

Unemployed workers faced with special handicaps (chronic long-term unemployment, age, disability, care duties, social maladjustment); groups further from the labour market with employment handicaps (e.g. loss of social skills owing to persistent unemployment, lack of skills owing to persistent unemployment, homelessness, imprisonment, debts, drugs, etc.).

Instrument

GBPs willing to hire jobless people for a fixed term will receive financial support from the employment service. Jobs made available under such projects are supported in the form of
wage subsidies amounting to 66.7% of wage costs (in justified cases up to 100%). In addition, the staff costs for key workers of the project are fully covered throughout the entire programme period, such staff including qualified project managing and operating staff, skilled trainers and supervisors or social workers needed to assist project participants. The same applies to overheads and to costs incurred in preparing the project.

GBPs create jobs by producing goods or rendering services such as maintaining parks and green spaces, mailing, cleaning, transport (moving house), scrap and junk recycling, wood and metal processing, household and home services and non-profit temporary work agencies. They are non-profit organisations in competition with companies which offer their goods and services according to the laws of the market. Unlike socio-economic enterprises (SÖBs), GBPs focus on hiring low-skilled workers from among the long-term unemployed.

However, workers who do not belong to the above problem groups may also be subsidised under a GBP if the GBP jobs are innovative and serve the purpose of opening up novel and needs-oriented employment opportunities.

Integration of persons disadvantaged in the labour market may be supported either by transition-type or by initiator-type subsidies. Transition-type programmes use subsidised fixed-term employment relationships to facilitate transition from unemployment to formal-sector employment. Initiator programmes are intended to ensure employment of the subsidised person with the same employer even after exhaustion of the programme period. The PES also provides socio-pedagogic support and (further) training in order to greatly improve the employability of workers placed in transition jobs.

In 2014, the PES issued a special federal guideline on quality standards for employment relationships within socio-economic enterprises (SÖBs) or non-profit employment projects (GBPs). It combined and revised the quality standards for transition workers in SÖBs and GBPs defined in a previous guideline (= the federal guideline on promoting socio-economic enterprises). SÖB programmes can now only be funded if they comply with the quality standards set out in the guideline.

In 2016 roughly 2,400 persons and in 2017 roughly 2,200 persons were subsidised in non-profit employment projects as transition workers and funded under the employment initiative 50+. (For more information on this programme see Chapter I, item 3.2.3 on page 28).

Financial resources

GBPs are financed by the PES from the active budget. Co-funding by third parties (Länder and local governments) is also possible.
Responsible organisation/entity

Public employment service.

Legal basis

§32(3), §34 and §34 (5) of the 1994 Public Employment Service Act (AMSG);


Federal PES guideline on ‘quality standards for employment relationships within a socio-economic enterprise or a non-profit employment project’, BGS/AMF/0722/9951/2017, in force as of 1 July 2017.

Recent revisions

Item 6.6.1 of the federal PES guideline, in force as of 1 July 2017, has been revised concerning the period of enrolment of transition workers. The revision has been introduced in response to the discontinuation of the Action 20,000. It stipulates that long-term unemployed workers aged 50plus may remain within the GBP scheme for more than one year, while the transition character of their work must be maintained.

Unemployment as eligibility condition

Yes.

Other transfers of funds

None.

Type of expenditure

Transfer payments to employers (periodic cash benefits, refunds).

Duration

Maximum duration is twelve months. This period may be extended in certain cases.

Older unemployed workers about to enter retirement (in 3.5 years or less) and having no formal job prospects may remain within GBP until retirement under certain conditions.
## Non-profit employment projects (GBPs) – approved persons

<table>
<thead>
<tr>
<th>Year</th>
<th>Persons total (m+w)</th>
<th>Persons in % of employment (15-64)</th>
<th>Men</th>
<th>Women</th>
<th>Expenditure €</th>
<th>as % of GDP</th>
</tr>
</thead>
<tbody>
<tr>
<td>2007</td>
<td>5,250</td>
<td>0.136</td>
<td>2,617</td>
<td>2,633</td>
<td>48,215,709</td>
<td>0.0170</td>
</tr>
<tr>
<td>2008</td>
<td>5,153</td>
<td>0.131</td>
<td>2,518</td>
<td>2,635</td>
<td>47,204,947</td>
<td>0.0161</td>
</tr>
<tr>
<td>2009</td>
<td>5,802</td>
<td>0.148</td>
<td>3,097</td>
<td>2,705</td>
<td>56,376,744</td>
<td>0.0196</td>
</tr>
<tr>
<td>2010</td>
<td>5,347</td>
<td>0.136</td>
<td>2,948</td>
<td>2,399</td>
<td>40,516,953</td>
<td>0.0137</td>
</tr>
<tr>
<td>2011</td>
<td>4,532</td>
<td>0.114</td>
<td>2,397</td>
<td>2,135</td>
<td>44,658,799</td>
<td>0.0144</td>
</tr>
<tr>
<td>2012</td>
<td>4,666</td>
<td>0.116</td>
<td>2,497</td>
<td>2,169</td>
<td>41,078,333</td>
<td>0.0129</td>
</tr>
<tr>
<td>2013</td>
<td>4,662</td>
<td>0.116</td>
<td>2,560</td>
<td>2,102</td>
<td>37,215,762</td>
<td>0.0115</td>
</tr>
<tr>
<td>2014</td>
<td>4,993</td>
<td>0.124</td>
<td>2,689</td>
<td>2,304</td>
<td>41,428,861</td>
<td>0.0124</td>
</tr>
<tr>
<td>2015</td>
<td>5,609</td>
<td>0.138</td>
<td>3,007</td>
<td>2,602</td>
<td>50,192,338</td>
<td>0.0146</td>
</tr>
<tr>
<td>2016</td>
<td>5,186</td>
<td>0.125</td>
<td>2,618</td>
<td>2,568</td>
<td>49,905,536</td>
<td>0.0141</td>
</tr>
<tr>
<td>2017</td>
<td>5,101</td>
<td>0.122</td>
<td>2,319</td>
<td>2,782</td>
<td>54,895,942</td>
<td>0.0149</td>
</tr>
</tbody>
</table>

Source: PES DWH; Statistics Austria; retrieved on 14 Dec 2017 and 15 March 2018; BMASGK’s own calculations.

*) Number of approved beneficiaries who were subsidised under this programme on at least one day in a given year.

### 5.3. Integration Subsidy ‘Come Back Action’

**Aim**

Integration of the long-term unemployed, and those at risk of becoming long-term unemployed, into the labour market by providing subsidies to employment; reduction of the employment deficit by creating additional jobs.

**Target group**

Long-term unemployed (young people until the age of 25 who have been registered with the PES for more than six months and persons of age 25 plus who have been registered with the PES for more than twelve months), people who are further from the labour market, older workers, older unemployed (women aged 45 plus and men aged 50 plus), people with health issues, unemployed people following medical and/or occupational rehabilitation; unemployed people following health-related retraining or skills enhancement; unemployed people taking up jobs within an integration plan (found capable of work by the ‘health street’ medical assessment programme, individuals whose application for pension benefits has been rejected by the social pension insurance); people with psychological, physical or mental disabilities, returners (in particular single parents), socially maladjusted individuals (e.g. alcohol,
drugs, imprisonment, etc.), job-seekers with poor or outdated labour market skills who have been registered with the PES for a longer period of time as well as training participants lacking the requisite practical experience.

**Instrument**

Integration subsidies are used by the public employment service to support placement activities and the (re-)integration of disadvantaged groups. It is intended to foster employment relationships for the above target groups in the form of wage subsidies to their employers. Up to 66.7% of the assessment basis (monthly gross pay excluding special bonus payments, plus a lump sum of 50% for non-wage labour costs) is subsidised. During a probationary period of no more than three months (six months for people with disabilities) these subsidies may cover up to 100%. The following employers are not eligible for subsidisation: public employment service, political parties, radical associations and the Federal Government. The integration subsidy is increasingly used for women, in particular women returners to the labour market, to help raise their employment rate.

In the case of SÖB and GBP transition workers, the integration subsidy can be granted directly after such an employment relationship, and it can be combined with other funding schemes such as allowances for course and course-related costs, Job Assistance, counselling and assistance providers to ensure sustainable employment integration.

In 2016 roughly 13,100 persons and in 2017 roughly 17,300 persons were supported by integration subsidies and funded under the employment initiative 50+. (For more information on this programme see Chapter I, item 3.2.3 on page 28).

**Financial resources**

Subsidies are financed from UI funds (employers’ and employees’ contributions).

**Responsible organisation/entity**

Public employment service.

**Legal basis**

§34 of the Public Employment Service Act (AMSG);

Recent revisions

The revisions introduced under the federal PES guideline, in force since 1 July 2017, related to adjustments within the Action 20,000 programme for long-term unemployed aged 50plus. However, the Action 20,000 scheme was discontinued on 31 Dec 2017 and is currently being evaluated for its effectiveness.

Eligibility criteria

The subsidy is conditional on the establishment of a fully insurance-covered employment relationship which comprises at least 50% of the statutory or collectively agreed weekly hours, is adequately paid (minimum: standard pay under collective agreement; where no collective agreement can be applied, the pay level is determined – in case of doubt – on the basis of comparable collective agreements or pay schemes), and complies with the stipulations of labour and social law. The subsidy is conditional on a counselling meeting between the PES and the prospective employer regarding the individual to be subsidised, and the level and duration of subsidy, as well as on a preceding PES-based counselling and assistance process involving the individual to be subsidised. Basically, both the level and the duration of subsidisation will be agreed between the PES and the employer with due regard to LMP requirements.

Unemployment as eligibility condition

Yes.

Other transfers of funds

None.

Type of expenditure

The employer will receive financial support in the form of wage subsidies (periodic payments).

Duration

An integration subsidy may be granted for the duration of the employment relationship, but for no more than three years.
Integration subsidy – approved persons

<table>
<thead>
<tr>
<th>Year</th>
<th>Persons total (m+w)</th>
<th>Persons in % of employment (15-64)</th>
<th>Men</th>
<th>Women</th>
<th>Expenditure €</th>
<th>as % of GDP</th>
</tr>
</thead>
<tbody>
<tr>
<td>2007</td>
<td>27,817</td>
<td>0.720</td>
<td>13,091</td>
<td>14,726</td>
<td>88,537,028</td>
<td>0.031</td>
</tr>
<tr>
<td>2008</td>
<td>25,362</td>
<td>0.646</td>
<td>12,006</td>
<td>13,356</td>
<td>73,823,575</td>
<td>0.025</td>
</tr>
<tr>
<td>2009</td>
<td>27,543</td>
<td>0.705</td>
<td>13,616</td>
<td>13,927</td>
<td>82,008,088</td>
<td>0.028</td>
</tr>
<tr>
<td>2010</td>
<td>35,443</td>
<td>0.899</td>
<td>18,946</td>
<td>16,499</td>
<td>116,523,557</td>
<td>0.039</td>
</tr>
<tr>
<td>2011</td>
<td>24,619</td>
<td>0.618</td>
<td>12,443</td>
<td>12,176</td>
<td>61,035,348</td>
<td>0.020</td>
</tr>
<tr>
<td>2012</td>
<td>28,992</td>
<td>0.722</td>
<td>14,163</td>
<td>14,829</td>
<td>68,334,421</td>
<td>0.021</td>
</tr>
<tr>
<td>2013</td>
<td>37,681</td>
<td>0.935</td>
<td>19,114</td>
<td>18,567</td>
<td>92,378,384</td>
<td>0.029</td>
</tr>
<tr>
<td>2014</td>
<td>38,912</td>
<td>0.965</td>
<td>20,277</td>
<td>18,635</td>
<td>122,925,341</td>
<td>0.037</td>
</tr>
<tr>
<td>2015</td>
<td>29,612</td>
<td>0.728</td>
<td>15,891</td>
<td>13,721</td>
<td>115,505,525</td>
<td>0.034</td>
</tr>
<tr>
<td>2016</td>
<td>38,804</td>
<td>0.937</td>
<td>21,498</td>
<td>17,306</td>
<td>166,077,354</td>
<td>0.047</td>
</tr>
<tr>
<td>2017</td>
<td>48,442</td>
<td>1.157</td>
<td>26,900</td>
<td>21,542</td>
<td>216,755,742</td>
<td>0.059</td>
</tr>
</tbody>
</table>

Source: PES DWH and Statistics Austria; retrieved on 14 Dec 2017 and 15 March 2018; BMASGK’s own calculations.

Number of approved beneficiaries who were subsidised under this programme on at least one day in a given year.

5.4. Wage Top-Up Scheme (KOMB)

Aim

Integration of unemployed persons for whom wage top-ups offer a new incentive to take up lower paid employment – including part-time employment e.g. because of care duties or health issues.

Target group

Job-seekers aged 45plus, returners to the labour market, other job-seekers with health-related employment handicaps who have been registered as unemployed for more than 182 days (interruptions of less than 62 days are ignored), unemployed people who completed occupational rehabilitation measures and claimed retraining benefits, unemployed people who completed occupational rehabilitation measures co-funded by the social pension insurance institution and who claimed transition benefits, unemployed people who completed PES-driven measures of occupational rehabilitation, unemployed people whose rehabilitation benefits were revoked, unemployed people who cannot be placed in a suitable job closer to their homes and who are ready to take up jobs located farther away as well as unem-
employed people with multiple placement handicaps (45plus, no more than compulsory education, health issues).

**Instrument**

The wage top-up scheme (Kombilohn – KOMB) is used to encourage people with poorer job prospects to move into work. Benefit rates are defined as the difference between the net income from work, i.e. from the new job taken up, and unemployment benefit/assistance payments last received as well as comparable benefits under the Bridge Benefit Act (ÜHG) plus a supplement of 30%. Beneficiaries of wage top-ups thus have incomes which are 30% higher than their previous unemployment benefit/assistance rates as these incomes are composed of the net income from work and the benefit awarded (wage top-up). The maximum benefit level totals €950 per month.

In 2016 roughly 2,300 persons and in 2017 roughly 4,160 persons were supported by wage top-ups and funded under the employment initiative 50plus. *(For more information on this programme see Chapter I, item 3.2.3 on page 28).*

**Financial resources**

Subsidies are financed from UI funds (employers’ and employees’ contributions).

**Responsible organisation/entity**

Public employment service.

**Legal basis**

§34 and §34a of the 1994 Public Employment Service Act (AMSG).


**Recent revisions**

The federal PES guideline, in force since 27 Nov 2017, introduced the following major revisions:

- Under the 'groups eligible for funding' a hardship clause was introduced for persons who lose the wage top-up descriptor because of care leave.
- The 'groups eligible for funding' have been supplemented by unemployed people who cannot be placed in a suitable job closer to their homes and who are ready to take up jobs located farther away as well as unemployed people with multiple placement handicaps.
- Clarification that the level of subsidy is calculated on the basis of the first gross income.
Eligibility criteria

Prior to awarding such benefits the PES must have counselled the beneficiary and assessed whether this labour market policy measure actually makes sense.

The beneficiary must enter an employment relationship of at least 20 weekly hours that is fully covered by social insurance (exceeding the marginal earnings threshold as defined by the ASVG). Quasi-freelance jobs are not eligible for this kind of funding.

If fewer weekly hours have been recommended in a person’s perspectives plan for reintegration, this person needs to take up work with at least ten weekly hours in order to qualify for funding.

Unemployment as eligibility condition

Yes.

Other transfers of funds

None.

Type of expenditure

The employer will receive financial support in the form of wage subsidies (periodic payments).

Duration

Wage top-up is granted for the duration of the subsidised employment relationship, but for no more than one year.

Wage top-ups may be granted for another year (based on reexamination of incomes) to unemployed people aged 59plus (when they claimed the benefit for the first time) who have been registered as unemployed for more than 182 days as well as to unemployed people who completed occupational rehabilitation measures or whose rehabilitation benefits were revoked. The maximum duration of three years in total (1,096 days) must not be exceeded.

Wage top-ups may continue to be awarded in cases where employers are changed several times provided that the interruptions in between employment amount to no more than 62 days.
Wage top-up – approved persons*)

<table>
<thead>
<tr>
<th>Year</th>
<th>Persons total (m+w)</th>
<th>Persons in % of employment (15-64)</th>
<th>Men</th>
<th>Women</th>
<th>Expenditure €</th>
<th>as % of GDP</th>
</tr>
</thead>
<tbody>
<tr>
<td>2007*”</td>
<td>34</td>
<td>0.001</td>
<td>17</td>
<td>17</td>
<td>1,260,793</td>
<td>0.00044</td>
</tr>
<tr>
<td>2008*”</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>46,555</td>
<td>0.00002</td>
</tr>
<tr>
<td>2009</td>
<td>1,564</td>
<td>0.040</td>
<td>529</td>
<td>1,035</td>
<td>670,389</td>
<td>0.00023</td>
</tr>
<tr>
<td>2010</td>
<td>6,092</td>
<td>0.154</td>
<td>2,336</td>
<td>3,756</td>
<td>7,375,808</td>
<td>0.00249</td>
</tr>
<tr>
<td>2011</td>
<td>5,406</td>
<td>0.136</td>
<td>1,984</td>
<td>3,422</td>
<td>7,388,992</td>
<td>0.00238</td>
</tr>
<tr>
<td>2012</td>
<td>6,315</td>
<td>0.157</td>
<td>2,337</td>
<td>3,978</td>
<td>7,488,723</td>
<td>0.23501</td>
</tr>
<tr>
<td>2013</td>
<td>8,087</td>
<td>0.201</td>
<td>3,092</td>
<td>4,995</td>
<td>8,878,772</td>
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<tr>
<td>2014</td>
<td>6,455</td>
<td>0.160</td>
<td>2,830</td>
<td>3,625</td>
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<tr>
<td>2015</td>
<td>3,261</td>
<td>0.080</td>
<td>1,728</td>
<td>2,165</td>
<td>4,857,260</td>
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</tr>
<tr>
<td>2016</td>
<td>4,715</td>
<td>0.114</td>
<td>2,162</td>
<td>2,553</td>
<td>7,656,647</td>
<td>0.00217</td>
</tr>
<tr>
<td>2017</td>
<td>5,820</td>
<td>0.139</td>
<td>2,638</td>
<td>3,182</td>
<td>10,813,953</td>
<td>0.00293</td>
</tr>
</tbody>
</table>

Source: PES DWH and Statistics Austria; retrieved on 14 Dec 2017 and 15 March 2018; BMASGK’s own calculations.

*) Number of approved beneficiaries who were subsidised under this programme on at least one day in a given year.

**) Till 2008 precursor scheme: under this scheme, wage top-ups were limited to one year for employment relationships entered into between 1 Feb 2006 and 21 Dec 2006. Therefore no new cases were recorded for 2007 and 2008; guidelines allowing further subsidies for wage top-ups entered into force on 1 July 2009.

5.5. Business Start-Up Subsidy (GB)

Aim

Financial assistance is provided during the initial (preparatory) period of self-employment in order to ensure the sustainable success of a business start-up in labour market policy terms. The possibility of granting GB also to people who are not on benefits is primarily designed to make it easier for returners to enter the start-up programme, and to help them with income support during the fledgling business stage.

Target group

Unemployed individuals (irrespective of benefit receipt) who intend to enter self-employment, have a concrete business idea and appropriate qualifications; individuals who want to launch their own business under a labour foundation programme.
Instrument

As part of the business start-up programme for the unemployed (UGP, see section 5.7), the PES provides assistance in the form of a start-up subsidy (Gründungsbeihilfe – GB) during the initial stage of starting a business, i.e. during the first months of actual self-employment. Start-up subsidies are granted retroactively from the first day of the month in which claimants enter self-employment. In order to enhance support to business success, business start-up subsidies are granted for at least two months within the entire nine months of programme duration.

Six Länder organisations – PES Burgenland, PES Carinthia, PES Upper Austria, PES Styria, PES Tyrol (only for female founders) and PES Vorarlberg – may now extend the business start-up subsidy for a period of three months. However, this must not be at the expense of the preparatory stage, i.e. the latter must not be shortened. This rule (in force as of 1 Apr 2017) is limited to two years.

The level of GB corresponds to that of the applicable unemployment benefit/unemployment assistance/subsistence allowance (DLU), including any family supplements. There is also a supplement in the amount of the current contribution (minimum contribution basis) to the social insurance scheme for the self-employed, which at present amounts to €5.90 per day (2017).

Financial resources

Subsidies are financed from UI funds (employers’ and employees’ contributions).

Responsible organisation/entity

Public employment service.

Legal basis

1994 Public Employment Service Act (AMSG): §34 in conjunction with §32 (3) and §35; as well as §12 (5) of the Unemployment Insurance Act (AlVG) in conjunction with §18 (4) as well as (5), (6) and (7) of the AlVG for participants in foundation schemes;


Recent revisions

The federal PES guideline on the 'business start-up programme for the unemployed (UGP)', in force as of 1 Mar 2017, introduced the following amendments:
It is now possible to extend the business start-up subsidy for a period of three months, but this possibility is only available to the Länder organisations of the PES Burgenland, PES Carinthia, PES Upper Austria, PES Styria, PES Tyrol and PES Vorarlberg. This rule (in force as of 1 Apr 2017) is limited to two years.

**Eligibility criteria**

To qualify for start-up subsidies, claimants must be registered with the public employment service and

- enter self-employment during the preparatory phase, i.e. between enrolment in the business start-up programme and before termination of the entire programme of six or (in exceptional cases) nine months;
- submit confirmation by the provider of start-up consultancy that financial assistance is required; and
- provide evidence of participation in a social insurance scheme (for the self-employed or for farmers).

**Unemployment as eligibility condition**

Yes.

**Other transfers of funds**

Other LMP benefits.

**Type of expenditure**

Transfer payments to individuals (periodic cash benefits).

**Duration**

In order to enhance support to business success, business start-up subsidies are granted for at least two months within the entire nine months of programme duration.
### Business start-up subsidy – approved persons *)

<table>
<thead>
<tr>
<th>Year</th>
<th>Persons total (m+w)</th>
<th>Person in % of employment (15-64)</th>
<th>Men</th>
<th>Women</th>
<th>Expenditure €</th>
<th>as % of GDP</th>
</tr>
</thead>
<tbody>
<tr>
<td>2007</td>
<td>4,283</td>
<td>0.111</td>
<td>2,546</td>
<td>1,737</td>
<td>9,011,855</td>
<td>0.0032</td>
</tr>
<tr>
<td>2008</td>
<td>4,476</td>
<td>0.114</td>
<td>2,607</td>
<td>1,869</td>
<td>9,606,384</td>
<td>0.0033</td>
</tr>
<tr>
<td>2009</td>
<td>4,837</td>
<td>0.124</td>
<td>2,917</td>
<td>1,920</td>
<td>11,075,991</td>
<td>0.0038</td>
</tr>
<tr>
<td>2010</td>
<td>5,518</td>
<td>0.140</td>
<td>3,515</td>
<td>2,003</td>
<td>13,125,482</td>
<td>0.0044</td>
</tr>
<tr>
<td>2011</td>
<td>4,862</td>
<td>0.122</td>
<td>2,900</td>
<td>1,962</td>
<td>11,782,055</td>
<td>0.3799</td>
</tr>
<tr>
<td>2012</td>
<td>4,724</td>
<td>0.118</td>
<td>2,766</td>
<td>1,958</td>
<td>11,105,251</td>
<td>0.0035</td>
</tr>
<tr>
<td>2013</td>
<td>5,078</td>
<td>0.126</td>
<td>2,967</td>
<td>2,111</td>
<td>12,001,080</td>
<td>0.0037</td>
</tr>
<tr>
<td>2014</td>
<td>5,183</td>
<td>0.128</td>
<td>3,114</td>
<td>2,069</td>
<td>12,404,975</td>
<td>0.0037</td>
</tr>
<tr>
<td>2015</td>
<td>5,248</td>
<td>0.129</td>
<td>3,094</td>
<td>2,154</td>
<td>12,749,287</td>
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</tr>
<tr>
<td>2016</td>
<td>4,860</td>
<td>0.117</td>
<td>2,861</td>
<td>1,999</td>
<td>12,154,794</td>
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<tr>
<td>2017</td>
<td>4,967</td>
<td>0.119</td>
<td>2,885</td>
<td>2,082</td>
<td>13,981,175</td>
<td>0.0038</td>
</tr>
</tbody>
</table>

*Source: PES DWH and Statistics Austria; retrieved on 14 Dec 2017 and 15 March 2018; BMASGK’s own calculations.*

*) Number of approved beneficiaries who were subsidised under this programme on at least one day in a given year.

### 5.6. Business Start-Up Programme for the Unemployed (UGP)

**Aim**

The programme aims to support unemployed workers in their efforts to enter self-employment. Taking up self-employment can help these workers create permanent jobs which ensure economic survival on the one hand, and increase the number of job openings on the other, as newly established businesses might expand and create jobs filled from the ranks of the unemployed.

**Target group**

Unemployed individuals (irrespective of their entitlement to UI benefits) – as well as job-seekers who are still employed but will lose their job in the foreseeable future – who intend to enter self-employment, have a concrete business idea and appropriate qualifications.

**Instrument**

The business start-up programme for the unemployed Unternehmensgründungsprogramm für Arbeitslose - UGP) includes four stages:
The first stage – the clarification stage – is designed to verify the feasibility of the applicants' business idea and suitability. This stage is used to offer more counselling appointments for women (to clarify women-specific problems, in particular with regard to earning a living income) and special counselling for people from a migrant background. This period of clarification lasts no more than eight weeks. It may be extended to ten weeks for returners to give them more time to resolve issues of childcare.

During the preparatory stage the PES provides assistance in the form of start-up counselling and business-related training. Training targeted at women is funded by a higher allowance (+50%) for course costs. With the beginning of this preparatory stage participants will receive income support either through continuing receipt of UI benefits or through subsistence allowance (DLU).

The next stage is that of implementation. During this stage, when participants have entered self-employment, they receive the start-up subsidy (GB) to help them launch their business.

The last stage is the follow-up stage, which involves a ‘business check-up’ to ensure stabilisation of the newly founded micro business. (Within two years, programme participants may have up to four consultancy appointments). The start-up counselling firm must actively reach out to fledgling entrepreneurs and offer this possibility after four months of start-up. Counselling is provided by external business consultants by commission of the PES.

In exceptional cases another business may be founded within two years if e.g. such a new business is launched in another sector (this also applies to former part-time farmers). Businesses may also be started in other EU Member States or in countries having association agreements with the European Union.

Financial resources

Subsidies are financed from UI funds (employers’ and employees’ contributions).

Responsible organisation/entity

Public employment service.

Legal basis

Public Employment Service Act (AMSG); §34 in conjunction with §32 (3) and §35 of the AMSG; as well as §12 (5) of the Unemployment Insurance Act (AlVG) in conjunction with §18 (4) as well as (5), (6) and (7) of the AlVG for participants in foundation schemes.

Recent revisions

The federal PES guideline, in force as of 1 Mar 2017, introduced the following amendments:

- In order to facilitate participation of older unemployed workers (45plus) in the UGP scheme, the PES Länder offices may grant derogations from eligibility conditions – no mandatory insurance under GSVG or BSVG within the past three years (in exceptional cases two years) – in justified and individual cases (hardship clause).
- Follow-up assistance has been enlarged by 'support in questions of business growth (possible creation of additional jobs and clarification of whether this is eligible for PES funding, e.g. OPB, integration subsidy)'. Moreover the guideline clarifies that follow-up assistance is to be actively offered by the start-up counselling firm to all founders under the programme.
- The maximum level of allowance for course costs concerning skills training conducted under the start-up programme has been increased to €3,500 per founder or €5,250 for women in justified individual cases.

Eligibility criteria

To qualify for participation in the business start-up programme, applicants must meet the following requirements:

- They must be unemployed at the beginning of the preparatory stage (irrespective of benefit receipt).
- They must have the intention of entering self-employment.
- They must have a concrete business idea; have the necessary skills and qualifications for starting a business.
- They must participate in start-up counselling offered by the PES in association with an external start-up counselling firm.
- Participation in the business start-up programme must be the result of a counselling and guidance process of up to eight – for returners of up to ten – weeks and must be subject to a formal agreement between potential entrepreneur and PES counsellor.
- They must provide evidence of participation in a social insurance scheme (for the self-employed or for farmers).

Participation is denied to applicants subject to ongoing attachment or foreclosure proceedings and ongoing debt settlement procedures (out-of-court settlement, forced composition with creditors, payment plan or skimming-off procedure).

Unemployment as eligibility condition

Yes; exception: employees who will lose their job in the foreseeable future. They, too, may ask for an appointment with a PES counsellor to clarify the situation (clarification stage) and
see whether they meet the requirements for self-employment. But once preparations start for self-employment they will have to be registered as unemployed (see 'target group').

**Other transfers of funds**

Other LMP benefits.

**Type of expenditure**

Transfer payments to individuals (periodic cash benefits).

**Duration**

The business start-up programme usually covers a period of six to nine months (maximum).

Participants in business start-up programme (approved persons*)

<table>
<thead>
<tr>
<th>Year</th>
<th>Persons total (m+w)</th>
<th>Persons in % of employment (15-64)</th>
<th>Men</th>
<th>Women</th>
<th>Expenditure €</th>
<th>as % of GDP</th>
</tr>
</thead>
<tbody>
<tr>
<td>2007</td>
<td>6,319</td>
<td>0.164</td>
<td>3,696</td>
<td>2,623</td>
<td>4,631,385</td>
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</tr>
<tr>
<td>2008</td>
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<td>3,767</td>
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<tr>
<td>2009</td>
<td>7,273</td>
<td>0.186</td>
<td>4,441</td>
<td>2,832</td>
<td>5,787,697</td>
<td>0.0020</td>
</tr>
<tr>
<td>2010</td>
<td>8,024</td>
<td>0.203</td>
<td>4,974</td>
<td>3,050</td>
<td>5,992,376</td>
<td>0.0020</td>
</tr>
<tr>
<td>2011</td>
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<td>0.177</td>
<td>4,061</td>
<td>2,970</td>
<td>5,014,124</td>
<td>0.0016</td>
</tr>
<tr>
<td>2012</td>
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<td>0.184</td>
<td>4,196</td>
<td>3,180</td>
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</tr>
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<td>2013</td>
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<td>0.197</td>
<td>4,580</td>
<td>3,347</td>
<td>5,006,367</td>
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<td>2014</td>
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<td>0.203</td>
<td>4,751</td>
<td>3,435</td>
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<td>2015</td>
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<td>4,587</td>
<td>3,326</td>
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<td>2016</td>
<td>7,543</td>
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<td>4,328</td>
<td>3,215</td>
<td>5,508,827</td>
<td>0.0016</td>
</tr>
<tr>
<td>2017</td>
<td>7,751</td>
<td>0.185</td>
<td>4,373</td>
<td>3,378</td>
<td>5,538,501</td>
<td>0.0015</td>
</tr>
</tbody>
</table>

Source: PES DWH; Statistics Austria; retrieved on 14 Dec 2017 and 15 March 2018; BMASGK’s own calculations.

*) Number of approved beneficiaries who were subsidised under this programme on at least one day in a given year.

### 5.7. Subsidies to One-Person Businesses (OPB)

**Aim**

This programme is aimed at reducing job shortages by creating additional jobs.
**Target group**

Registered job-seekers who have just completed their training or have been registered with the PES for at least two weeks.

**Instrument**

Subsidies are available to one-person businesses provided the prospective employers of such businesses are subject to health, work accident and pension insurance under social insurance legislation for the self-employed (GSVG, in place for more than three months prior to the beginning of subsidisation) and are first-time employers of workers who establish a fully insurance-covered employment relationship in their business which comprises at least 50% of the weekly hours stipulated by law or defined by collective agreements and lasts more than two months. Civil law partnerships (Ges.b.R.) are not eligible for funding.

Subsidy rates amount to 25% of gross wages (excluding prorated special bonus payments, employers’ contributions to social insurance, overtime, supplements, etc.), but to no more than the ceiling on insurable earnings as defined by the General Social Insurance Act (ASVG) based on full-time employment.

Originally deemed to be a temporary instrument during the past labour market and economic crisis, the OPB policy scheme is of unlimited duration as of 2014.

**Financial resources**

Subsidies are financed from UI funds (employers’ and employees’ contributions).

**Responsible organisation/entity**

Public employment service.

**Legal basis**

§34 of the Public Employment Service Act (AMSG);


**Recent revisions**

Under the federal PES guideline, in force since 20 Mar 2017, only minor adjustments (no major revisions) were introduced.
Eligibility criteria

Subsidies are only available for the first worker recruited by the OPB for a fully insurance-covered employment relationship.

Unemployment as eligibility condition

Yes.

Other transfers of funds

Other LMP benefits.

Type of expenditure

Transfer payments to individuals (periodic cash benefits).

Duration

The subsidy is granted for the duration of one year. If employment relationships are terminated earlier, subsidy payment is limited to the actual duration of the employment relationship.

Subsidies to one-person businesses – approved persons

<table>
<thead>
<tr>
<th>Year</th>
<th>Persons total (m+w)</th>
<th>Persons in % of employment (15-64)</th>
<th>Men</th>
<th>Women</th>
<th>Expenditure</th>
<th>as % of GDP</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>€</td>
<td></td>
</tr>
<tr>
<td>2009 *)</td>
<td>100</td>
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<td>49</td>
<td>51</td>
<td>50,097</td>
<td>0.00002</td>
</tr>
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<td>682</td>
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<td>2,193,962</td>
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<td>2013</td>
<td>790</td>
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<td>426</td>
<td>364</td>
<td>2,869,809</td>
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<td>323</td>
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<tr>
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<td>237</td>
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<tr>
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<td>583</td>
<td>0.01</td>
<td>349</td>
<td>234</td>
<td>2,722,593</td>
<td>0.00074</td>
</tr>
</tbody>
</table>

Source: PES DWH and Statistics Austria; retrieved on 14 Dec 2017 and 15 March 2018; BMASGK’s own calculations.

*) Subsidies to OPBs have been available since 1 Sept 2009.

**) Number of approved beneficiaries who were subsidised under this programme on at least one day in a given year.
5.8. Microcredit Programme

Aim

The programme is intended to encourage people to establish, continue to operate, expand and take over very small independent businesses in Austria, no matter in which sector; improve the financial situation of micro businesses in Austria; and provide direct support to this target group.

The microcredit programme constitutes a supplement to existing labour market policies which promote entry into self-employment and, as a consequence, the creation and retention of additional jobs.

Target group

Unemployed persons, persons at risk of unemployment, persons in non-standard employment relationships, groups that are disadvantaged in the job market as well as persons (liable to fall) below the poverty line.

Instrument

After an exemption period of six months, the microcredit must be repaid in equal monthly instalments within no more than five years as of the date of the loan agreement. It is repaid to the credit institution at a favourable interest rate, this rate being fixed at one level for the entire term agreed. The maximum amount of the credit is €12,500 per person.

Financial resources

BMASGK cooperates with Erste Bank, which provides the full range of credit financing together with "österreichische Sparkassen". The non-payment risk is borne by Erste Bank via the EU Programme for Employment and Social Innovation (EaSI) of the European Investment Fund.

Responsible organisation/entity

BMASGK/ÖSB/Erste Bank and österreichische Sparkassen

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13 These include e.g. beneficiary disabled persons as defined by the BEinstG and/or OFG or the Länder’s disability legislation; people with physical, psychological or mental impairment (must be confirmed by a medical report) or people nearing the end or after the end of their parental, care or training leave
Legal basis

BMASGK bears the costs for acquisition, support and consulting services within the framework of a service contract issued in accordance with the Federal Procurement Act.

Recent revisions

- 

Eligibility criteria

Provided they are members of the defined target groups, the following persons (aged 18 years and up) are eligible for the programme:

- They must have registered their usual residence in Austria for six months or more, they must be Austrian or EEA/EU or Swiss citizens or hold a residence title that permits self-employment in Austria;
- They must not be subject to ongoing attachment, foreclosure or insolvency proceedings;
- They must pursue a business idea which, according to its nature and scope, is subject to compulsory insurance under the social insurance legislation for the self-employed or for farmers\(^\text{14}\);
- They must pursue this business idea as a main-line occupation\(^\text{15}\) and implement it by launching a new business, or by continuing or taking over an existing business; and
- Access to the conventional loan market must be non-existent, difficult or limited, with own funds being insignificant in relation to the amount of loan required;
- They must have sufficient professional and commercial knowledge, be able to provide a viable business concept or a detailed project description as well as sufficient personal guarantees to ensure compliance with the contractual obligations entered into and successful operations of the business to be set up.

In addition, the following application requirements must be met:

- Before a loan application is processed, proof of the financial reliability of the applicant must be submitted (self-disclosure for private individuals of Kreditschutzverband (KSV 1870)) and a successful so-called "quick check" must be provided.

\(^{14}\) The following activities are not eligible for funding: economic activities below the marginal earnings threshold as defined by social insurance legislation and free-lance activities such as those of lawyers, doctors, notaries, civil engineers, etc., as well as activities covered by social insurance under social insurance legislation for free-lancers.

\(^{15}\) Additional income under an employment relationship is only permitted for up to 20 weekly hours max.
▪ The loan application is processed via the electronic application platform provided at www.dermikrokredit.at.
▪ After the application has been completed, the applicants personally present their project to the AWS at a hearing.
▪ Following a decision by the bank, the microcredit is approved and paid out.

**Unemployment as eligibility condition**

No.

**Other transfers of funds**

No.

**Type of expenditure**

A microcredit is disbursed in full, i.e. usually the requested total amount is immediately made available once the application is granted.

**Duration**

No more than five years.

### 5.9. Further Training Allowance

**Aim**

The allowance aims to create jobs for the unemployed and improve workers’ qualifications.

**Target group**

Workers who wish to undergo further training and who have agreed with their employer to take up paid or unpaid training leave.

Unemployed workers replacing these workers during their 'training leave'.

**Instrument**

Further training allowance (Weiterbildungsgeld) may be granted by the public employment service to employees if these employees have agreed on a training leave with their employer. This further training allowance is available to all employees, paid for up to one year within four years irrespective of the claimants’ age and amounts to the level of unemployment benefits (the minimum level being the daily rate paid under the childcare allowance scheme: €14.53). Such leave periods may be distributed over a longer period of time, with each leave period lasting two months or more. Workers may apply for another education or training
leave once the reference period of four years has elapsed (beginning with take-up of the first part of the previous leave). Practical training under this leave scheme may not be provided by the employer granting such leave. Exception: training cannot be provided by any other company.

Education/training leave is also possible for workers under fixed-term contracts in seasonal enterprises. In such a case the worker must have been employed with the same employer for six months within the past four years based on wages above the marginal earnings threshold. Immediately before taking leave, the worker must have worked in this seasonal job for an uninterrupted period of three months.

If training leave is used to study at a university, those taking leave must provide proof of their achievements, i.e. supporting documents concerning a minimum of eight ECTS credits or other suitable credentials (e.g. certificate confirming that they are expected to complete their diploma thesis and meet thesis evaluation criteria).

Further training allowance and the allowance paid for part-time training leave will be mutually creditable for up to one year within a reference period of four years. For this purpose, two months of part-time training allowance correspond to one month of further training allowance.

**Financial resources**

Subsidies are financed from UI funds (employers’ and employees’ contributions) and Länder funds. Since autumn 2008 the Austrian Länder have gradually increased their contribution to training expenses to up to 50% for the period of leave taken, while employers contribute the other 50%.

**Responsible organisation/entity**

Public employment service.

**Legal basis**

§26 of the 1977 Unemployment Insurance Act (AlVG);

§11 and §12 of the Act Governing Adjustments to Employment Contracts Law (AVRAG).

**Recent revisions**

Federal Law Gazette I no. 138/2013, in force since 1 Jan 2014, provides clarification for parents on maternity/paternity leave who have agreed on training/education leave. The rule applies to all individuals who, owing to the birth of their child before 1 Jan 2017, are on (ma-
ternity/paternity) parental leave and are to enter education/training leave within six months of parental leave.

Federal Law Gazette I no. 67/2013, in force since 1 Jan 2014, provides clarification on entitlements to unemployment benefit/unemployment assistance: there is no such entitlement while workers draw further training allowance, part-time training allowance as well as skilled workers’ grants.

**Eligibility criteria**

To qualify for this leave, workers must have been in an employment relationship for half a year or more based on wages above the marginal earnings threshold.

Other requirements for claiming the allowance include sufficient accrual of entitlements and twenty or more weekly hours of verifiable participation in a continued education or training scheme or similar weekly education periods (such as those spent in university courses). If workers have care duties for children under seven years of age and cannot rely on longer-term care options, they will have to spend at least sixteen weekly hours in continued education or training. If claimants have to pass entry or aptitude tests to enter a training programme, further training allowance may also be granted for the time needed to prepare for such tests.

Workers under fixed-term contracts in seasonal enterprises must have been employed with the same employer for six months within the past four years and provide evidence of three months of uninterrupted employment in this seasonal job based on wages above the marginal earnings threshold to qualify for this allowance.

Without recruitment of a replacement worker (paid training leave): uninterrupted employment relationship of four years and a corresponding agreement with the employer. Training leave may be agreed to last between two months and one year. It is possible to take leave in several blocks (see instrument).

With recruitment of a replacement worker (unpaid leave): employer must provide proof of recruitment of a substitute who has been in receipt of either unemployment benefit or unemployment assistance prior to recruitment and who is now paid in excess of the marginal earnings threshold. Unpaid leave must be agreed for a period of six months (minimum) to one year (maximum).

**Unemployment as eligibility condition**

No. However, except for the employment relationship underlying this leave arrangement, the claimant may not engage in any other gainful activity yielding an income in excess of the marginal earnings threshold.
Other transfers of funds

Grants by the employer.

Type of expenditure

Transfer payments to workers on leave (periodic cash benefits, reduction of social security contributions).

Duration

Where eligibility criteria are met, further training allowance may be paid (also to workers under fixed-term contracts in seasonal enterprises) for two months to up to one year (maximum) within four years. Workers may apply for another education/training leave once the reference period of four years has elapsed (beginning with take-up of the first part of the previous leave).

Claimants of further training allowance – annual average stock

<table>
<thead>
<tr>
<th>Year</th>
<th>Claimants total (m+w)</th>
<th>Claimants in % of employment (15-64)</th>
<th>Men</th>
<th>Women</th>
<th>Expenditure €</th>
<th>as % of GDP</th>
</tr>
</thead>
<tbody>
<tr>
<td>2007</td>
<td>1,109</td>
<td>0.03</td>
<td>415</td>
<td>694</td>
<td>10,166,257</td>
<td>0.004</td>
</tr>
<tr>
<td>2008</td>
<td>1,635</td>
<td>0.04</td>
<td>658</td>
<td>977</td>
<td>21,897,950</td>
<td>0.007</td>
</tr>
<tr>
<td>2009</td>
<td>4,987</td>
<td>0.13</td>
<td>2,918</td>
<td>2,069</td>
<td>74,738,396</td>
<td>0.026</td>
</tr>
<tr>
<td>2010</td>
<td>6,439</td>
<td>0.16</td>
<td>3,213</td>
<td>3,226</td>
<td>108,080,031</td>
<td>0.037</td>
</tr>
<tr>
<td>2011</td>
<td>6,771</td>
<td>0.17</td>
<td>2,792</td>
<td>3,978</td>
<td>109,778,916</td>
<td>0.035</td>
</tr>
<tr>
<td>2012</td>
<td>8,069</td>
<td>0.20</td>
<td>3,216</td>
<td>4,854</td>
<td>131,798,154</td>
<td>0.041</td>
</tr>
<tr>
<td>2013</td>
<td>9,312</td>
<td>0.23</td>
<td>3,709</td>
<td>5,603</td>
<td>157,038,274</td>
<td>0.048</td>
</tr>
<tr>
<td>2014</td>
<td>8,611</td>
<td>0.21</td>
<td>3,604</td>
<td>5,007</td>
<td>149,945,674</td>
<td>0.045</td>
</tr>
<tr>
<td>2015</td>
<td>8,925</td>
<td>0.22</td>
<td>3,674</td>
<td>5,251</td>
<td>156,413,318</td>
<td>0.045</td>
</tr>
<tr>
<td>2016</td>
<td>9,065</td>
<td>0.21</td>
<td>3,628</td>
<td>5,437</td>
<td>165,288,565</td>
<td>0.047</td>
</tr>
<tr>
<td>2017</td>
<td>9,613</td>
<td>0.23</td>
<td>3,792</td>
<td>5,821</td>
<td>179,126,621</td>
<td>0.049</td>
</tr>
</tbody>
</table>

Source: PES DWH; Statistics Austria; retrieved on 14 Dec 2017 and 6 April 2018; budgetary spending by BMASGK/Division VI/A/6; BMASGK’s own calculations.

5.10. Part-Time Training Allowance

Aim

The allowance aims to improve the skills level of employees.
Target group

Employees who wish to undergo further training and who have agreed with their employer on reducing their working hours for training leave.

Instrument

Part-time training leave is intended to raise the employees' willingness to enter further training and make up for the wage reductions associated with such training. Further training during an ongoing insurance-covered employment relationship must involve ten or more weekly hours of training. Working time must be reduced by a minimum of 25%, while the maximum reduction may not exceed half of the working hours normally worked by the claimant.

Minimum duration of part-time training leave is four months (up to two years may be agreed between employee and employer) based on six or more months of uninterrupted employment. Part-time training leave may also be applied in parts distributed over a reference period of four years beginning with take-up of the first part of the scheme.

The part-time training allowance amounts to €0.79 per day for every full working hour by which the normal weekly working time is reduced (e.g. if working time is reduced by ten hours, workers are entitled to reimbursements of €7.90 a day). Fractions of a working hour will not be reimbursed, i.e. in calendar months with 30 days, workers who reduce their working hours by 50% of normal working hours (from 40 to 20 hours) will be paid €474 a month in part-time training allowance, or workers who reduce their working hours by 25% (ten hours) will be paid €237 a month (2017). If part-time training leave is used to study at a university, those taking leave must provide proof of their achievements after one semester (4 ECTS credits). A once-only switch from training leave to part-time training leave is possible if the maximum reference period is not exhausted. The same applies to changeover from part-time training leave to full-time training leave. The conversion ratio for changeover from full-time training leave to part-time training leave is 1:2.

Financial resources

Subsidies are financed from UI funds (employers’ and employees’ contributions).

Responsible organisation/entity

Public employment service.

Legal basis

§§21(1) and 26a of the 1977 Unemployment Insurance Act (AlVG);

§§11(3a) and 11a of the Act Governing Adjustments to Employment Contracts Law (AVRAG).
Recent revisions

Federal Law Gazette I no. 67/2013, in force since 1 Jan 2014, provides clarification on entitlements to unemployment benefit/unemployment assistance: there is no such entitlement while workers draw further training allowance, part-time training allowance as well as skilled workers’ grants.

Eligibility criteria

There must be a written agreement between employee and employer defining the beginning and length of leave as well as the distribution of working hours. In companies having a works council, the latter must be included in negotiations on part-time leave if the employee so requests. The employer must provide a written statement on the number of employees in UI-covered employment working in the company on the first day of the month preceding the request for part-time training allowance as well as on the number of employees in UI-covered employment with whom agreements on part-time training leave have been concluded, and whose agreements have already begun or will begin at the time the part-time training leave agreement underlying the request for part-time training allowance takes effect. If companies with up to 50 employees have more than four employees on part-time training leave, or companies with more than 50 employees have more than 8% of their workforce on part-time training leave, they will be eligible for part-time training allowance only with the approval of the PES’s Regional Advisory Board.

Unemployment as eligibility condition

No.

Other transfers of funds

-

Type of expenditure

Cash benefit for reduced working hours in the form of part-time training allowance.

Duration

Part-time training leave may last up to two years.
### Claimants of part-time training leave

<table>
<thead>
<tr>
<th>Year</th>
<th>Claimants total (m+w)</th>
<th>Claimants in % of employment (15-64)</th>
<th>Men</th>
<th>Women</th>
<th>Expenditure</th>
<th>€</th>
<th>as % of GDP</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>494</td>
<td>0.012</td>
<td>237</td>
<td>257</td>
<td>1,837,769</td>
<td></td>
<td>0.0006</td>
</tr>
<tr>
<td>2014</td>
<td>2,555</td>
<td>0.062</td>
<td>1,186</td>
<td>1,369</td>
<td>13,648,531</td>
<td></td>
<td>0.0041</td>
</tr>
<tr>
<td>2015</td>
<td>3,437</td>
<td>0.083</td>
<td>1,549</td>
<td>1,888</td>
<td>19,468,883</td>
<td></td>
<td>0.0057</td>
</tr>
<tr>
<td>2016</td>
<td>3,458</td>
<td>0.082</td>
<td>1,537</td>
<td>1,921</td>
<td>20,372,168</td>
<td></td>
<td>0.0058</td>
</tr>
<tr>
<td>2017</td>
<td>3,498</td>
<td>0.084</td>
<td>1,507</td>
<td>1,991</td>
<td>20,463,199</td>
<td></td>
<td>0.0055</td>
</tr>
</tbody>
</table>

*Source: PES DWH; Statistics Austria; retrieved on 14 Dec 2017 and 6 April 2018; budgetary spending by BMASGK/Division VI/A/6; BMASGK’s own calculations.*

Note: the data for 2013 refer to the period from 1 July to 31 Dec 2013.

### 5.11. Solidarity Bonus Model

**Aim**

Reducing normal working hours for several employees in a company, and providing financial assistance to the employer in the form of a solidarity bonus to make this model largely cost-neutral, is the two-pronged approach designed to help convert the working time thus gained into a new job for an unemployed worker. The solidarity bonus model thus seeks to encourage (re-)integration into the labour market as well as maintenance of employment relationships.

**Target group**

Employed workers who are prepared to reduce their working time and unemployed workers who become employed through this reduction in working time.

**Instrument**

Grants under the solidarity bonus scheme will be granted whenever one or several workers reduce their normal working hours by up to 50% and a new substitute worker is recruited by the employer from among unemployment benefit or assistance claimants. The substitute worker must be recruited/employed for the number of weekly hours gained by this reduction. Marginal part-time employment relationships are not eligible for funding. Under this scheme substitute workers may only be recruited from among job-seekers who have not been employed with the applicant company within the past two years. Also an apprentice migrating from a supra-company to a company-based apprenticeship is deemed to be a substitute.
The grant paid to the employer covers 100% of the wage compensation awarded by the employer, up to 50% (maximum) of pay lost under this scheme and the entire additional social insurance expenditure (i.e. employer’s and employee’s contributions to social insurance). Employers receiving such grants hand them down to their employees (i.e. to those who reduce their working hours under the scheme) in the form of wage compensation and non-withholding of employees' social insurance contributions; any social insurance contributions to be paid by employers beyond this still need to be paid by them.

In special cases, e.g. shift work with varying working hours per month and thus also varying pay, the reference wage used for calculating the grant will be the average insured gross pay in the last three months prior to reduction of normal working hours up to the ceiling on insurable earnings under the General Social Insurance Act (ASVG).

The public employment service has limited annual funds for awarding grants under the solidarity bonus scheme. Once they are exhausted, no more grants can be awarded even if the eligibility criteria are met.

Financial resources

Subsidies are financed from UI funds (employers’ and employees’ contributions).

Responsible organisation/entity

Public employment service.

Legal basis

§37a of the 1994 Public Employment Service Act (AMSG); special rules for grants awarded under the solidarity bonus scheme as well as §13 of the Act Governing Adjustments to Employment Contracts Law (AVRAG);


Recent revisions

The federal PES guideline, in force since 20 Mar 2017, introduced the following amendments:

So far, any wage increases which occurred during the funding period (based on collective agreements or other arrangements) have not been considered in determining the amount of aid. This has now been changed in that 5% are added to the gross pay relevant for quantifying the grant. This approach is intended to cover the wage increases occurring within two years both at the general level (collective agreements) as well as at the individual level (periodic wage hikes, etc.).
Eligibility criteria

The reduction of normal working hours must be set forth in a collective agreement or a company-level agreement or in similar provisions of federal or Länder legislation. Agreement concluded between employer and employee on the reduction of normal working hours and the new gross wage to be paid including wage compensation. The new gross pay includes both the prorated wage portion of previous normal working hours and wage compensation amounting to half of the pay lost (solidarity bonus). The employer needs to pay social insurance contributions based on the contribution base applicable prior to the reduction of normal working hours. The employer must hire one or several replacement workers from among unemployment benefit or unemployment assistance claimants. These previously unemployed workers may not be placed in marginal part-time jobs and must not have worked for the applicant company within the past two years. Substitute workers may also be taken over from supra-company apprenticeship training schemes into an in-house apprenticeship. The working time gained through the reduction of normal working hours of ‘solidarity workers’ must be fully covered by the replacement worker(s). The employer is obliged to calculate any entitlement to severance pay on the basis of the pay applicable prior to the reduction of normal working hours. This also applies to normal working hours being reduced for a period of two or more years. Requests for grants under the solidarity bonus scheme must be submitted to the public employment service before commencement of the substitute worker’s (workers’) employment relationship(s).

Unemployment as eligibility condition

Yes.

Other transfers of funds

None.

Type of expenditure

Transfer payments to employers (periodic cash benefits).

Duration

The grant is awarded for the duration of the solidarity bonus scheme for up to two years. This period may be extended to three years if the recruited replacement worker is long-term unemployed, aged 45plus or disabled.
Solidarity bonus claimants – approved persons\(^1\)

<table>
<thead>
<tr>
<th>Year</th>
<th>Persons total (m+w)</th>
<th>Persons in % of employment (15-64)</th>
<th>Expenditure</th>
<th>as % of GDP</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td>€</td>
<td></td>
</tr>
<tr>
<td>2007</td>
<td>73</td>
<td>0.00189</td>
<td>507,577</td>
<td>0.00018</td>
</tr>
<tr>
<td>2008</td>
<td>152</td>
<td>0.00387</td>
<td>431,553</td>
<td>0.00015</td>
</tr>
<tr>
<td>2009</td>
<td>39</td>
<td>0.00100</td>
<td>778,957</td>
<td>0.00027</td>
</tr>
<tr>
<td>2010</td>
<td>221</td>
<td>0.00560</td>
<td>610,239</td>
<td>0.00021</td>
</tr>
<tr>
<td>2011</td>
<td>81</td>
<td>0.00203</td>
<td>832,912</td>
<td>0.00027</td>
</tr>
<tr>
<td>2012</td>
<td>231</td>
<td>0.00576</td>
<td>802,218</td>
<td>0.00025</td>
</tr>
<tr>
<td>2013</td>
<td>398</td>
<td>0.00988</td>
<td>1,221,639</td>
<td>0.00038</td>
</tr>
<tr>
<td>2014</td>
<td>661</td>
<td>0.01638</td>
<td>2,260,182</td>
<td>0.00068</td>
</tr>
<tr>
<td>2015</td>
<td>236</td>
<td>0.00580</td>
<td>4,251,833</td>
<td>0.00123</td>
</tr>
<tr>
<td>2016</td>
<td>400</td>
<td>0.00966</td>
<td>3,695,615</td>
<td>0.00105</td>
</tr>
<tr>
<td>2017</td>
<td>583</td>
<td>0.01393</td>
<td>2,347,529</td>
<td>0.00064</td>
</tr>
</tbody>
</table>

Source: PES DWH and Statistics Austria; retrieved on 14 Dec 2017 and 15 March 2018; BMASGK’s own calculations.

\(^1\) Number of approved beneficiaries who were subsidised under this programme on at least one day in a given year.

Note: The difference between stock and expenses in a given year is due to the special payment modalities of the scheme; i.e. payments continue in the subsequent year.

6. **SPECIAL GROUPS OF WORKERS**

6.1. **Older Workers**

6.1.1. **Part-Time Scheme for Older Workers**

**Aim**

This scheme is aimed at safeguarding and maintaining employment of older workers until retirement.

**Target group**

The part-time allowance for older workers (Altersteilzeitgeld) can be paid to men over the age of 58 and women over the age of 53 (see also eligibility criteria) if they migrate to this scheme.

Older workers who reduce their working time receive a compensation amounting to at least 50% of their income loss, defined as the difference between the original salary (up to the maximum contribution base) and the salary corresponding to the reduced working time.
Moreover, social insurance contributions continue to be based on the contribution base applicable prior to the reduction of normal working hours. The part-time allowance for older workers compensates for some of the additional costs incurred by the employer, i.e. 90% of such costs if working hours are reduced on a continuing basis and 50% if the reduced working hours are consumed in one single period of leave. Agreements on one single period of leave require the recruitment of an unemployed worker or unemployed apprentice prior to the beginning of leave and for the whole period of leave to substitute the employee on leave.

If working hours are reduced on a continuing basis, older workers may work under this part-time scheme until statutory retirement age (women 60 years, men 65 years). Part-timers whose working hours total less than 80% (but at least 60%) of normal working hours may also enter this scheme.

**Financial resources**

Subsidies are financed from UI funds (employers’ and employees’ contributions).

**Responsible organisation/entity**

Public employment service.

**Legal basis**

§§27, 28 and 82 of the 1977 Unemployment Insurance Act (AlVG).

**Recent revisions**

With the Second Stability Act, which entered into force on 1 Jan 2013, the part-time scheme for older workers has been revised as follows:

In order to help increase the de facto retirement age, part-time work of older employees based on a continuing reduction of working hours may now be used not only until the earliest possible date for retirement but up until statutory retirement age (60 years for women and 65 years for men), provided the scheme does not last longer than five years. This ‘gradual withdrawal’ from the labour market enables older workers to remain economically active for a longer period of time. If workers have agreed on one single period of leave, they may use the part-time scheme for older workers only as long as they are not eligible for old-age pension benefits. Moreover, their employers must recruit a previously unemployed substitute or train an additional apprentice. Should revisions of pension law result in later cut-off dates for retirement, existing agreements on part-time work for older workers may be extended.
Eligibility criteria

Any worker who agrees to enter the part-time scheme for older workers must have accrued at least 780 weeks (15 years) in UI-covered employment within the last 25 years prior to switching to part-time work.

Workers enrolled in the scheme must have worked for the company three months or more and must reach statutory retirement age no later than seven years after migration to the part-time scheme. Workers reducing their working hours on a continuing basis may remain in the scheme until statutory retirement age. Based on a contractual agreement, the worker’s normal working time defined by law or collective agreement must be reduced to between 40% and 60% of normal working hours. A corresponding agreement is also permissible if the number of normal hours worked had already dropped by up to 40% below normal working time as defined by law or collective agreement prior to change-over to the part-time scheme for older workers.

In addition, there must be an arrangement by collective agreement, company-level agreement or individual contract under which

- the worker in question is guaranteed wage compensation of 50% of the difference between the pay due before reduction and the pay due after reduction of working hours up to the maximum contribution base defined by the General Social Insurance Act (ASVG);
- contributions continue to be paid into the social insurance system on behalf of the worker in question at the rate paid prior to entry into part-time work;
- the worker in question is guaranteed that any future entitlement to severance pay will be calculated on the basis of hours worked prior to the reduction of normal working time.

Unemployment as eligibility condition

No.

Other transfers of funds

None.

Type of expenditure

Transfer payments to employers.
Duration

Where eligibility criteria are met, the part-time allowance for older workers who have chosen a lengthy blocked period of leave can be paid for up to five years until these workers qualify for statutory pension benefits. If older workers are entitled to corridor pension benefits, the allowance may be paid for yet another year.

If older workers choose to reduce working hours on a continuing basis (for up to five years), they too may work under this part-time scheme until reaching statutory retirement age (women 60 years, men 65 years).

Claimants of part-time allowance for older workers (company) – annual average stock

<table>
<thead>
<tr>
<th>Year</th>
<th>Claimants total (m+w)</th>
<th>Claimants in % of employment (15-64)</th>
<th>Men</th>
<th>Women</th>
<th>Expenditure £</th>
<th>as % of GDP</th>
</tr>
</thead>
<tbody>
<tr>
<td>2007</td>
<td>27,784</td>
<td>0.71</td>
<td>14,992</td>
<td>12,791</td>
<td>411,277,252</td>
<td>0.145</td>
</tr>
<tr>
<td>2008</td>
<td>23,424</td>
<td>0.59</td>
<td>12,321</td>
<td>11,103</td>
<td>358,326,747</td>
<td>0.122</td>
</tr>
<tr>
<td>2009</td>
<td>19,103</td>
<td>0.48</td>
<td>9,327</td>
<td>9,776</td>
<td>289,673,600</td>
<td>0.101</td>
</tr>
<tr>
<td>2010</td>
<td>17,700</td>
<td>0.44</td>
<td>7,843</td>
<td>9,857</td>
<td>255,085,954</td>
<td>0.086</td>
</tr>
<tr>
<td>2011</td>
<td>17,252</td>
<td>0.43</td>
<td>6,899</td>
<td>10,353</td>
<td>227,892,650</td>
<td>0.073</td>
</tr>
<tr>
<td>2012</td>
<td>17,334</td>
<td>0.42</td>
<td>6,538</td>
<td>10,796</td>
<td>207,178,853</td>
<td>0.065</td>
</tr>
<tr>
<td>2013</td>
<td>17,530</td>
<td>0.43</td>
<td>6,448</td>
<td>11,082</td>
<td>204,056,864</td>
<td>0.063</td>
</tr>
<tr>
<td>2014</td>
<td>18,214</td>
<td>0.44</td>
<td>7,048</td>
<td>11,166</td>
<td>213,952,047</td>
<td>0.064</td>
</tr>
<tr>
<td>2015</td>
<td>22,087</td>
<td>0.53</td>
<td>9,301</td>
<td>12,786</td>
<td>268,916,008</td>
<td>0.078</td>
</tr>
<tr>
<td>2016</td>
<td>27,712</td>
<td>0.66</td>
<td>11,837</td>
<td>15,875</td>
<td>349,212,132</td>
<td>0.099</td>
</tr>
<tr>
<td>2017</td>
<td>33,623</td>
<td>0.80</td>
<td>13,933</td>
<td>19,690</td>
<td>432,562,119</td>
<td>0.117</td>
</tr>
</tbody>
</table>

Source: PES DWH; Statistics Austria; retrieved on 14 Dec 2017 and 6 April 2018; budgetary figures provided by BMASGK/Division VI/A/6; BMASGK’s own calculations.

6.1.2. fit2work

Aim

The key objective of fit2work is to maintain and improve workers’ employability and ability to work over the long term as well as to prevent their premature retirement due to illness. The introduction of low-threshold advice offerings focusing on secondary prevention measures is intended to ensure early intervention to

- reduce invalidity or prevent health-induced unemployment early on,
- help workers return to work following lengthy sick leaves, and
- maintain their ability to work through preventive measures.
Target group

The services offered by fit2work are available to

- economically active workers,
- unemployed workers, and
- employers and representatives of employees.

Instrument

As of 2013 fit2work runs a nationwide network of counselling centres in all Länder and offers free advice, information and assistance on occupational health. In 2016, a total of 14,769 persons and 106 companies relied on this scheme.

Financial resources

Based on the actual use of these services, funding is provided by the BMASGK from its labour market policy budget (60.6%), by the social insurance institutions (34.2%) and the Social Affairs Ministry Service at a ratio of (5.2%), all ratios being from 2016.

Responsible organisation/entity

Austria-wide coordination of these services is ensured by the staff unit of the Social Affairs Ministry Service and regional coordination by the Länder offices (funding units) of the Social Affairs Ministry Service. Actual counselling is provided by contracted entities in the relevant Länder based on uniform standards and with due regard to regional requirements.

In order to control implementation and guide measures, a special steering group has been established at the BMASGK composed of one member of each of the following entities: BMASGK (chair), BMF, BMDW, social pension insurance, work accident insurance (AUVA), health insurance institution, Federation of Austrian Social Insurance Institutions (advisory function) and PES. In addition, and to ensure involvement and representation of relevant stakeholders, an advisory board has been established composed of representatives of the social partners, Labour Inspectorates and the Austrian umbrella organisation for rehabilitation (ÖAR). They are to be informed and heard on the above issues.

Legal basis


Unemployment as eligibility condition

No.
Other transfers of funds

- 

Type of expenditure

- 

6.2. People with Physical, Psychological and Mental Disabilities

The Social Affairs Ministry Service offers an interlinked pool of support measures for people with disabilities and other disadvantaged groups aimed at integrating them into the labour market: the Employment Assistance Network (Netzwerk Berufliche Assistenz – NEBA, umbrella organisation). Employment assistance includes the Youth Coaching, Production School, Training Assistance, Job Assistance and Job Coaching programmes. In addition, people with disabilities are assisted by skills training and employment projects to get accustomed to job situations in the free-market economy. A wide range of funding options for tailor-made individual measures and larger projects is used to provide individual support and assistance to people with disabilities. This service must meet these workers’ needs to ensure self-determined, self-organised and equal participation in the labour market.

6.2.1. Job Assistance for People with Disabilities and Other Assistance Measures of the Social Affairs Ministry Service

Aim

Measures aim to facilitate vocational integration of people with disabilities through counselling and assistance.

Target group

People with disabilities and young people with disabilities as defined by the special guideline on ‘vocational integration’ or young people with special educational needs or social/emotional disadvantages.

Instrument

Job Assistance (Arbeitsassistenz) includes counselling, guidance and support for people with disabilities and their employers to make it easier for these workers to gain and retain jobs. The Job Assistance programme is intended to help people with disabilities to enter employment or to protect them against job loss, and to inform them about vocational integration policies and measures. The range of assistance services is available both to the workers with disabilities within this programme are people with disabilities as defined in the Disability Employment Act (BEinstG).
disabilities and to their employers. They include dedicated assistance for successful job inclusion of workers with disabilities on the one hand, and dedicated assistance for the employers’ successful search for suitable workers with disabilities on the other. More specifically, the Job Assistance programme is used to identify the talents and interests of participants and provide job-search and job-application support, as well as maintain contacts with employers, talk to prospective superiors and intervene in crisis situations where required. The programme is a voluntary service generally accessible to people with disabilities. It is provided free of charge and may also be used anonymously.

**Financial resources**

Funding is provided from government budget resources and the Compensatory Levy Fund (Ausgleichstaxfonds).

**Responsible organisation/entity**

Social Affairs Ministry Service.

**Legal basis**


**Eligibility criteria**

People with disabilities (minimum degree of disability must be 30%, plus they cannot land or keep a job without these assistance measures) who are economically active or available to the labour market. Young people with disabilities as defined by the special guideline on ‘vocational integration’ or young people with special educational needs or social/emotional disadvantages.

**Unemployment as eligibility condition**

No.

**Other transfers of funds**

Funds from the Länder and the employment service.

**Type of expenditure**

Transfer payments to service providers.
Duration

Usually one year (may be extended subject to a case-by-case assessment and in consultation with the Social Affairs Ministry Service).

Job Assistance – participation and expenses/disbursements in each year

<table>
<thead>
<tr>
<th>Year</th>
<th>Participants total (M+F)</th>
<th>Participants in % of employment (15-64)</th>
<th>Men</th>
<th>Women</th>
<th>Expenditure *) as % of GDP</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>12,845</td>
<td>0.32</td>
<td>6,863</td>
<td>5,982</td>
<td>19,792,000</td>
</tr>
<tr>
<td>2014</td>
<td>13,342</td>
<td>0.33</td>
<td>7,260</td>
<td>6,082</td>
<td>17,116,000</td>
</tr>
<tr>
<td>2015</td>
<td>13,491</td>
<td>0.33</td>
<td>7,381</td>
<td>6,110</td>
<td>21,835,000</td>
</tr>
<tr>
<td>2016</td>
<td>13,996</td>
<td>0.34</td>
<td>7,588</td>
<td>6,408</td>
<td>24,676,000</td>
</tr>
<tr>
<td>2017</td>
<td>14,818</td>
<td>0.35</td>
<td>7,724</td>
<td>7,094</td>
<td>28,086,000</td>
</tr>
</tbody>
</table>

Sources: BMASGK regarding participation – statistics reports; regarding expenses: SAP, EAZ, DWH retrieved on 30 April 2018.

*) The lower level of disbursements in 2014 is due to budgetary requirements for liquidity of the Compensatory Levy Fund and preparations for migration of IT system applications to capture and disburse funds.

**) Participation in 2016 corresponds to npb data as included in the annual report of the coordination office.

6.2.2. Job Coaching (Social Affairs Ministry Service)

Aim

Owing to a lack of individual support services, people with disabilities have greater difficulties accessing and retaining employment despite adequate training and skills. The Job Coaching scheme is used to provide to workers with disabilities guidance and individual assistance with the learning of work skills on the job.

Target group

People with disabilities and young people with disabilities as defined by the special guideline on ‘vocational integration’ or young people with special educational needs or social/emotional disadvantages.

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17 People with disabilities within this programme are people with disabilities as defined in the Disability Employment Act (BEinstG).
**Instrument**

Job Coaching is a means of ensuring sustainable vocational integration through personal assistance for workers with disabilities. This form of support aims to foster vocational skills and social competences, thus enabling workers with disabilities to become independent in handling work pressures and meeting workplace requirements. At the same time it will raise awareness for the disability-related needs of these workers and for managing disability in the workplace.

**Financial resources**

Funding is provided from government budget resources and the Compensatory Levy Fund (Ausgleichstaxfonds).

**Responsible organisation/entity**

Social Affairs Ministry Service.

**Legal basis**


**Eligibility criteria**

People with disabilities (minimum degree of disability: 50%) who are economically active or available to the labour market; and young people with disabilities as defined by the special guideline on ‘vocational integration’; or young people with special educational needs or social/emotional disadvantages.

**Unemployment as eligibility condition**

No.

**Other transfers of funds**

None.

**Type of expenditure**

Transfer payments to service providers.
Usually six months (may be extended in special cases subject to a case-by-case assessment and in consultation with the Social Affairs Ministry Service).

**Duration**

Usually six months. This period may be extended in special cases subject to a case-by-case assessment and in consultation with the Social Affairs Ministry Service.

**6.2.3. Personal Assistance in the Workplace (Social Affairs Ministry Service)**

**Aim**

Owing to a lack of individual support services, people with disabilities\(^\text{18}\) have greater difficulties accessing and retaining employment despite adequate training and skills. Personal Assistance in the Workplace (Persönliche Assistenz am Arbeitsplatz) is to enable people with severe functional impairment to participate in working life. This service is tailored to these workers’ needs to ensure self-determined, self-organised and equal participation in the labour market. Workers relying on such personal assistance receive the kind of one-on-one support needed for doing the job or completing vocational training.

**Target group**

People with disabilities of working age who: are graded in care categories 5, 6 or 7; have the requisite vocational and personal aptitude for the present or intended job; are in an ongoing social insurance-covered employment relationship or could enter such a relationship; are working independently; can enrol in a university course or other vocational training course and complete such courses within the legally defined period of time (including the additional period that is permissible by law for continued entitlement to government study grants).

**Instrument**

Personal Assistance in the Workplace is intended to enhance inclusion in the open labour market or facilitate successful training for people with disabilities who, owing to their disabilities, need personal assistance to ensure self-determination and autonomy in work, education or training. Personal Assistance in the Workplace is provided whenever functional impairments cannot be remedied by technical equipment and aids.

**Financial resources**

Funding is provided from government budget resources and the Compensatory Levy Fund (Ausgleichstaxfonds).

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\(^{18}\) *People with disabilities within this programme are people with disabilities as defined in the Disability Employment Act (BEinstG).*
Responsible organisation/entity

Social Affairs Ministry Service.

Legal basis


Eligibility criteria

People with disabilities (minimum degree of disability: 50%) who are economically active or available to the labour market; and young people with special educational needs or social/emotional disadvantages (until age 24), and who are graded in care categories 5, 6 or 7.

Unemployment as eligibility condition

No.

Other transfers of funds

None.

Type of expenditure

Transfer payments to service providers.

Duration

Of unlimited duration.

6.2.4. Technical and Other Workplace Support, as well as Support to Retain and Create Jobs and Training Places, Provided by the Social Affairs Ministry Service

Aim

The programme aims to facilitate the vocational integration of people with disabilities through special or adapted workplaces and equipment.
Target group

People with disabilities\(^{19}\), young people with special educational needs and young people who are socially and emotionally disadvantaged.

Instrument

To make up for disability-related reductions in work capacity or to optimise capacity, the Social Affairs Ministry Service funds structural, technical and ergonomic measures of adaptation. Employers may receive grants for disability equipment and/or adaptation of workplaces (aids).

Financial resources

Funding is provided from government budget resources and the Compensatory Levy Fund (Ausgleichstaxfonds).

Responsible organisation/entity

Social Affairs Ministry Service.

Legal basis

§6 of the 1969 Disability Employment Act (BEinstG) as currently amended; last amended in Federal Law Gazette I no. 7/2011; special guideline on ‘vocational integration’ of 1 Jan 2011; guideline on ‘individual support for the vocational integration of people with disabilities’ of 1 July 2012.

Eligibility criteria

People with disabilities (minimum degree of disability: 50%) who are economically active; and young people with special educational needs or social/emotional disadvantages (until age 24).

Unemployment as eligibility condition

No.

Other transfers of funds

None.

---

\(^{19}\) People with disabilities within this programme are people with disabilities as defined in the Disability Employment Act (BEinstG).
Type of expenditure

Transfer payments to employers.

6.2.5. Wage Subsidies by Social Affairs Ministry Service

Aim

People with disabilities\(^{20}\) may be supported by wage subsidies, in particular for the purpose of retaining their jobs (PES subsidies are also available to people with health issues for the purpose of gaining jobs – see also Chapter 3, section 6.3 on page 215).

Target group

People with disabilities, young people with special educational needs and young people who are socially and emotionally disadvantaged.

Instrument

Wage subsidies can be awarded in the form of pay subsidies or subsidies to safeguard jobs.

Financial resources

Funding is provided from government budget resources and the Compensatory Levy Fund (Ausgleichstaxfonds).

Responsible organisation/entity

Social Affairs Ministry Service.

Legal basis

§6 of the 1969 Disability Employment Act (BEinstG) as currently amended; last amended in Federal Law Gazette I no. 7/2011; special guideline on ‘vocational integration’ of 1 Jan 2011; guideline on ‘individual support for the vocational integration of people with disabilities’ of 1 July 2012.

Eligibility criteria

People with disabilities (minimum degree of disability: 50%) who are economically active or available to the labour market; and young people with special educational needs or social/emotional disadvantages (until age 24).

\(^{20}\) People with disabilities within this programme are people with disabilities as defined in the Disability Employment Act (BEinstG).
Unemployment as eligibility condition

No.

Other transfers of funds

None.

Type of expenditure

Transfer payments to employers.

Duration

Varies according to type of subsidy.

6.2.6. Assistance Provided by the Social Affairs Ministry Service to Enter or Perform a Job or Training

Aim

The programme aims to facilitate job integration of people with disabilities.

Target group

People with disabilities, young people with special educational needs and young people who are socially and emotionally disadvantaged.

Instrument

Funding of orientation and mobility training to facilitate take-up or performance of a job, as well as funding greater mobility necessary for blind or severely visually impaired people when entering employment (i.e. fully funded guide dogs for the blind). Subsidies to the costs incurred or coverage of additional costs related to seeking, entering or performing a job.

Financial resources

Funding is provided from government budget resources and the Compensatory Levy Fund (Ausgleichstaxfonds).

Responsible organisation/entity

Social Affairs Ministry Service.

21 People with disabilities within this programme are people with disabilities as defined in the Disability Employment Act (BEinstG).
Legal basis

§6 of the 1969 Disability Employment Act (BEinstG) as currently amended; last amended in Federal Law Gazette I no. 7/2011; special guideline on ‘vocational integration’ of 1 Jan 2011; guideline on ‘individual support for the vocational integration of people with disabilities’ of 1 July 2012.

Eligibility criteria

People with disabilities (minimum degree of disability: 50%) who are economically active; and young people with special educational needs or social/emotional disadvantages (until age 24).

Unemployment as eligibility condition

No.

Other transfers of funds

None.

Type of expenditure

Transfer payments to applicant.

6.2.7. Support Provided by the Social Affairs Ministry Service to Ensure Self-Employment

Aim

The programme aims to facilitate job integration of people with disabilities\(^\text{22}\).

Target group

People with disabilities, young people with special educational needs and young people who are socially and emotionally disadvantaged.

Instrument

People with disabilities may be awarded grants totalling up to 50% of the costs incurred, but no more than 100 times the compensatory levy, to cover the verifiable costs incurred in starting self-employment.

\(^{22}\) People with disabilities within this programme are people with disabilities as defined in the Disability Employment Act (BEinstG).
As of 2011 people with disabilities who are self-employed in micro businesses are eligible for flat-rate grants for additional costs related to their disability. The rates of these benefits always correspond to the current rate of the compensatory levy.

Financial resources

Funding is provided from government budget resources and the Compensatory Levy Fund (Ausgleichstaxfonds).

Responsible organisation/entity

Social Affairs Ministry Service.

Legal basis

§6 of the 1969 Disability Employment Act (BEinstG) as currently amended; last amended in Federal Law Gazette I no. 7/2011; special guideline on ‘vocational integration’ of 1 Jan 2011; guideline on ‘individual support for the vocational integration of people with disabilities’ of 1 July 2012.

Eligibility criteria

People with disabilities (minimum degree of disability: 50%) who are economically active; young people with special educational needs or social/emotional disadvantages (until age 24).

Unemployment as eligibility condition

No.

Other transfers of funds

None.

Type of expenditure

Transfer payments to applicant.

Duration

The subsidy may be awarded for up to six months.
6.2.8. **Skills Training Projects Offered by the Social Affairs Ministry Service to People with Disabilities**

**Aim**

Projects aim to facilitate vocational integration of people with disabilities.

**Target group**

People with disabilities, young people with special educational needs and young people who are socially and emotionally disadvantaged.

**Instrument**

Vocational skills training is offered in companies to help facilitate social and vocational integration of people with disabilities.

**Financial resources**

Funding is provided from government budget resources and the Compensatory Levy Fund (Ausgleichstaxfonds).

**Responsible organisation/entity**

Social Affairs Ministry Service.

**Legal basis**


**Eligibility criteria**

People with disabilities (minimum degree of disability: 50%) who are unemployed or available to the labour market.

**Unemployment as eligibility condition**

No.

**Other transfers of funds**

Unemployment benefits, other benefits.
**Type of expenditure**

Transfer payments to individuals (periodic cash benefits, one-off lump sum payments), transfer payments to employers (periodic cash benefits, one-off lump sum payments).

**Duration**

Usually one year (in justified exceptional cases up to three years).

### 6.3. PES Labour Market Policies for Persons with Health-Related Employment Handicaps

In assisting jobless people with health-related employment handicaps, the public employment service bases its approach not only on legal definitions of disability as set forth in the Disability Employment Act (BEinstG), the Victims Welfare Act (OpferFG) and/or Länder disability legislation (i.e. the so-called ‘beneficiary disabled’), but it also takes into account physical, psychological or mental impairment provided that this is supported by medical assessment and results in major placement difficulties or limited job opportunities for those concerned (i.e. for persons with other health-related employment handicaps). People with health issues are assisted by specially trained REHA counsellors of the PES.

In accordance with the tenet ‘rehabilitation takes priority over retirement’, workers born in 1964 or younger are assigned to fixed-term medical or occupational rehabilitation programmes rather than to fixed-term occupational or invalidity pension schemes. Assessment of whether medical and/or occupational measures of rehabilitation are expedient and reasonable is made by the social pension insurance institution. If persons entitled to placement in their former occupation (Berufsschutz) are found to be reasonably suited for occupational rehabilitation measures, the PES will be in charge of ensuring skills training in a new occupation (see also description of retraining benefits in Chapter 2, item 5.3.1 on page 84 and in Chapter 3, item 3.4.1 on page 108).

These unemployed workers will undergo medical assessment at ‘health competence centres’ (Kompetenzzentren Gesundheit) to ascertain their capacity or incapacity to work. Assessment is carried out at the request of the public employment service. It results in a medical report and a performance score which are binding on both entities, i.e. the employment service and the social pension insurance institution. In 2015, around 7,500 individuals were assessed of whom only 25% were found to be incapable of work.

Major providers of targeted skills training for people in need of retraining for health reasons are the vocational training and rehabilitation centres (Berufliche Bildungs- und Rehabilitationszentren – BBRZ) which now are to be found in almost all Länder (save Vorarlberg). After medical rehabilitation, BBRZs develop individual vocational rehabilitation plans and identify
the need for retraining or further education/training. Skills training in certain job segments are available directly by these providers in modular form. In addition, BBRZs have developed special programmes: ‘tailor-made job-related training’ (MAAB) and ‘practical vocational skills training’ (BPQ). Job-related training provides familiarisation directly in the enterprise which bears the costs of training, while the PES provides income support. In 2016, around 8,800 persons in total were trained in the various BBRZ locations after in-house assessments and in agreement with their needs.

Other equally important standard programmes, in particular for people distant from employment with psychologically induced employment handicaps, are the so-called ‘work-training centres’ (Arbeitstrainingszentren) where hands-on experiences of how to work and learn help develop work attitudes (perseverance, punctuality), address psychological and social problems, develop realistic self-assessments and equally realistic future perspectives. This enables participants to enter the mainstream labour market or upskilling programmes afterwards. In 2016, some 2,800 persons were funded in work training centres throughout Austria.

The ‘perspectives plan’ (Perspektivenplan) is an external counselling programme offered at the PES’s request to individuals found to be capable of work by medical assessment. It seeks to develop new and realistic career perspectives. For this purpose, it focuses on the clients’ resources and scope for compensation, on possible job areas and suggestions for concrete steps of occupational integration. In 2016, perspectives plans were drawn up for 2,430 persons.

Basically, people with health-related employment handicaps may use the entire gamut of PES services. Assistance offered by the PES includes training and career information tailored to the clients’ needs, as well as comprehensive counselling with due regard to individual problems. Tailor-made skills training or employment subsidies and support measures are then used to place these clients in jobs on the primary labour market, in transition jobs or employment projects (for more details see Chapter 3, section 5.1 on page 166). Skills training measures are given priority in order to ensure sustainable job integration.

As of 1 July 2017, the Action 20,000 ran in model regions of all Länder and was designed to create 20,000 additional jobs for workers aged 50 plus in local communities, community-based areas, social enterprises and non-profit organisations. It was discontinued on 31 Dec 2017 an will now be evaluated for its effectiveness.

PES clients with special problems are offered supplementary support measures in external counselling and guidance centres. Whenever the public employment service uses extra support measures, e.g. Job Assistance (for more details see Chapter 3, item 6.2.1 on page 203), it cooperates with the competent Social Affairs Ministry Service.
Financial resources

Funding is provided from active LMP budget resources.

Responsible organisation/entity

Public employment service; planning is part of the entire organisation’s definition of goals and priorities and incorporated into annual work programming.

Legal basis

1994 Public Employment Service Act (AMSG); 1968 Labour Market Promotion Act (AMFG);

§6 of the 1969 Disability Employment Act (BEinstG) as currently amended; last amended in Federal Law Gazette I no. 7/2011;

6.4. Labour Market Policies for Women

The employment situation for women continues to differ greatly from that of men. The factors that disadvantage women include:

▪ The concentration of employment in a few sectors and occupations (continuing segmentation of the labour market);
▪ One-sided range of career choices;
▪ Lower level of suitable training (particularly of older women);
▪ Significantly lower incomes of women, deployment in jobs beneath their level of qualifications, fewer opportunities for advancement;
▪ Employers’ prejudices regarding the employment of women in non-traditional job areas;
▪ Career breaks due to the traditionally assigned responsibilities for housekeeping and (child)care, problems in returning to the job market;
▪ Shortages of childcare facilities outside the family (there is a nationwide lack of childcare places).

Active LMP interventions targeted at women include the following priorities:

50% of funding budget for women

▪ One of the PES target defined by the Federal Minister stipulates that women are to benefit from 50% of active labour market policy spending.
▪ Since 2016, this requirement has been added to the annual labour market policy targets of the PES.
▪ In 2016, roughly €562m in active labour market policy funds were spent on women, out of which 60% were spent on skills training measures.
Improve access to the labour market

- Offer tailor-made information and counselling services for women and support their job integration;
- Offer initial and special training programmes within basic skills training;
- Provide assistance under the Austria-wide ‘support returners’ programme (Wiedereinstieg unterstützen) to women returning to the labour market after family-related career breaks. Some of the programmes combine assistance to women returners with options for childcare; in addition, women are offered a special PES course entitled ‘returners with a future’ (Wiedereinstieg mit Zukunft). The programme goes beyond career guidance and addresses the specific framework and difficult situation of the target group, the priority contents being: possibilities of reconciling of work and family life, analysis of the client’s potential and skills, etc. Roughly 4,500 women enrol in these programmes every year.
- Support job take-up through grants for childcare (childcare subsidies);
- Provide specially trained counsellors for returners catering to the needs of this target groups; in addition, counselling meetings address the issue of part-time and its impact on lifetime earnings;
  - Provide special counselling services, German language courses, intensive training to women for being recognised as skilled workers accompanied by language courses (special German terminology) for women from a migrant background;
  - Expand the jobs available to women by active outreach to employers, canvassing qualified (part-time) positions, ensuring equal treatment when positions are filled;
  - Encourage the employment of women in private-sector companies and non-profit organisations (integration subsidies, subsidies to apprenticeships for girls and women in occupations with a low percentage of women);
  - Offer information and counselling on the path to self-employment (business start-up programme);
  - Provide targeted guidance and support in cooperation with counselling centres for (young) women to help women enter the labour market.

Improve career prospects

- Tailor-made career guidance and skills training measures for women who either lack training or have qualifications that are no longer marketable.
- The ‘systematic development of competences’ programme (Kompetenz mit System) offers women the opportunity to enhance their skills through modular training; modular forms of training are of particular use to women who cannot enrol in uninterrupted training courses or have frequent spells of unemployment. Training modules enable them to continue skills development and complete apprenticeships. There is a wide choice of apprenticed trades from different sectors (including retail sales, IT technology, hotel and catering assistant and bricklaying). As of 2012 this programme is available
throughout Austria, with new apprenticed trades being added on an ongoing basis. In 2015, roughly 800 women participated nationwide.

- Vocational training and advanced training measures for unemployed women in new and promising occupations which are in demand ('new skills') as well as in crafts and engineering (FiT programme – see also Chapter 3, section 4.4 on page 136);
- Women seeking jobs are offered intensive and individual advice by Vocational Centres for Women (Frauenberufszentren) where a comprehensive package of counselling and other services is available to women interested in upskilling. After a pilot phase (2010-2012), these vocational centres are now available throughout Austria. In 2016, almost 12,500 women were assisted by Vocational Centres for Women nationwide.
- Skills counselling to employers and promotion of continuing vocational training for employed women within the PES’s kick-off programme (Impulsprogramm).
- Advice to employers on gender mainstreaming and equal pay issues (kick-off counselling to employers).

Expand the range of career opportunities

- Tailor-made counselling services for young women (printed material on careers, motivation to choose non-traditional careers);
- Opportunity for school classes to visit one of Austria’s Vocational Information Centres (BIZ); Crafts and engineering workshops are organised to make girls familiar with non-traditional occupations and help them test their dexterity in crafts and engineering at various workstations;
- Age- and gender-appropriate information material helps women and girls choose their careers or embark on new or revised career paths;
- Numerous internet tools provide information on the labour market, job trends and career choices, e.g. the FiT salary calculator may be used to compare income in traditionally female dominated occupations with income in crafts and engineering.

The tools and resources of active labour market policy are used to increase labour force participation and improve the job opportunities available to women and girls.

Financial resources

Funding is provided from active LMP budget resources.

Responsible organisation/entity

Public employment service; planning is part of the entire organisation’s definition of goals and priorities and incorporated into annual work programming. The Länder organisations and regional PES offices are responsible for the implementation and organisation of labour market policies for women.
Legal basis

§31(3) of the Public Employment Service Act (1994) and PES guidelines.

6.5. Labour Market Policies for Migrants as well as for People Eligible for Asylum or for Subsidiary Protection Status

The labour market situation of migrants is characterised by frequent moves between employment and unemployment. While they land jobs much more rapidly than workers without migrant background, they also return to unemployment much faster than their non-migration peers. In addition their unemployment ratio (based on registered unemployed) is comparatively high. Therefore, labour market policies focus on measures that are likely to result in sustainable integration into the job market. LMP interventions targeted at migrants include the following priorities:

Improve access to the labour market

- ‘Mentoring for migrants’ is a joint initiative of the Austrian Integration Fund (Österreichischer Integrationsfonds – ÖIF), the Austrian Economic Chamber (WKO) and the PES. It is aimed at helping mentees (migrants) with integration into the Austrian labour market. To this end, business provides mentors accompanying and assisting mentees. The tasks of mentors is not the same as that of the employment service, which continues to perform the function of placing mentees in jobs, choosing courses for them and giving advice.

- Return-to-learn programmes: skills acquired elsewhere by migrants can be used for the labour market by building upon existing qualifications and offering, where required, LMP measures to develop these skills. If necessary, a supportive and targeted set of measures is provided, such as career guidance for non-native speakers of German, special courses to improve their opportunities to access higher-skills segments of the labour market, and job and application assistance programmes.

- Language support: as almost two thirds of migrants have no more than compulsory schooling (or even less) as their educational attainment level, the focus is also on the acquisition of basic skills and on German language courses. The latter should help migrants improve not only their German language skills but also their German conversation skills.

- The supra-company training scheme (see also Chapter 3, section 4.9 on page 149) offers all young people who want to enter apprenticeships but fail to find company-based training slots the opportunity to enrol in training provided by a training workshop or in cooperation with a company.

- Advice to employers on diversity management (kick-off counselling). Employers are assisted in the development of their diversity strategy.

- Since 2015, Production Schools have been implemented by the Social Affairs Ministry Service all over Austria. This is a low-threshold programme for young people in prepara-
tion of apprenticeships. Disadvantaged young people can be integrated into vocational training or the labour market through individual assistance and support. For more details see Chapter 3, section 4.13 on page 158.

Service centres for the recognition and assessment of qualifications obtained abroad

- In Jan 2013 four service centres were established, namely in Vienna, Linz, Graz and Innsbruck. They offer comprehensive and low-threshold advice to individuals who have acquired formal qualifications abroad and now have questions concerning the recognition and use of their skills in jobs.
- The service centres cooperate closely with PES offices to make it easier for migrants to find work commensurate with their qualifications and to make good use of the skills they have acquired.
- The centres communicate any diplomas and certificates of their clients to the relevant recognition advisory centres (ENIC-NARIC, school certificates at the Federal Ministry of Education, Science and Research/BMBWF). Since in most cases formal recognition is only necessary for regulated trades or professions (in particular for healthcare professionals), assessment by the advisory centres provides supplementary information for PES case workers and potential employers.
- Skilled workers may have their credentials declared equivalent with apprenticeships completed in Austria.
- In 2016, approx. 8,300 clients sought advice; more than half of them were women and roughly half of them had completed university programmes. The BMASGK provided around €1.9m for the project in 2016.

Improve career prospects

- Youth Coaching (see also Chapter 3, section 4.16 on page 162) is part of a comprehensive strategy, which aims to prevent the dropout of young people from the education/training system at the transition from compulsory school to continuing (vocational) training and/or the labour market. Where required, counselling and assistance services are made available to pupils on an individual basis (pupils from a migrant background account for more than 50% of Youth Coaching participants). The programme is to ensure nationwide cross-cutting advice, guidance and support from the end of compulsory schooling until sustainable integration into continuing training or education.
- Under the ‘women in crafts and engineering’ (FiT) programme, the employment service supports migrants by enhancing its cooperation with entities specialised in assistance and advice to migrants.
- Information and counselling services in association with migrant counselling centres focusing on support to women and girls.
- In addition, special counselling is offered to migrants with high education potential to prevent them from entering employment which is not commensurate with their skills.
- Purchase of interpreting services;
Initial information events, brochures and folders in the migrant’s mother languages.

The ‘systematic development of competences’ (KmS) programme offers migrants the opportunity to use periods of unemployment to enhance their skills and complete apprenticeships in certain trades through modular training. Modular forms of upskilling are of particular use to persons who cannot enrol in uninterrupted training courses or have frequent spells of unemployment. In Vienna a special retail training programme is offered to migrants within the KmS scheme.

**Diversity management within the PES**

- PES staff members are trained in diversity management and intercultural competences.
- Diversity management is part of the PES’s HR policy. The number of PES employees with knowledge in at least one of the major languages of migrant groups (Serbian/Croatian/Bosnian, Turkish, Polish, Romanian, Hungarian) has risen in recent years.
- The PES office for young people has its own diversity officer.

Individuals eligible for asylum or for subsidiary protection status enjoy unlimited access to the Austrian labour market. Consequently, they may also use the whole range of PES services and support measures and have the same status as Austrian PES clients throughout the entire assistance process. Rapid labour force entry constitutes a key factor for the integration of recognised refugees.

Therefore, new targeted active labour market programmes are being developed and existing policies enhanced in order to support the rapid labour market integration of this target group. In 2016, a total of 32,564 recognised refugees was supported by PES measures, i.e. up 50% on 2015. During the same period, 9,699 members of this target group were placed in employment.

Asylum-seekers have limited access to the labour market. As of 1 Jan 2018, however, the active LMP programmes of the compulsory ‘year of integration’ are available (see next page).

**Targeted programmes for refugees under active labour market policies:**

**Competence checks**

Competence checks are LMP measures aimed at identifying the skills, competences and job experiences acquired elsewhere by recognised refugees listed in the employment service’s unemployment register. They support needs-based (return-to-learn) training programmes and subsequent placement; for these instruments and activities to be effective it is of utmost importance to determine the status quo of the persons concerned. Moreover, supplementary advice is available within these competence checks, e.g. on questions such as recognition of skills acquired abroad and the Austrian system of training and education. Since Sept 2015, the PES has conducted comprehensive competence checks for registered clients eligible for asylum or for subsidiary protection status. Based on the model developed
by the Vienna PES, competence checks are now implemented nationwide. In 2016, a total of 7,032 recognised refugees already participated in the PES's competence checks.

**German language courses and vocation-related skills training**

Language support is one of the key approaches to overcome existing barriers to labour market integration. Therefore, the PES increases the number of places for German language courses to meet the demand for such courses by the growing target group of recognised refugees. The PES itself offers German language courses primarily from level A2 and in combination with vocational training programmes.

Counselling on the recognition of competences, skills training plans and placement support programmes are also expanded on an ongoing basis. In order to improve the chances of labour market entry, the focus is on vocation-related skills training.

**Compulsory year of integration**

With the introduction of the compulsory year of integration (Verpflichtendes Integrationsjahr – VIJ), an additional structured programme of assistance and support has been created within the PES, which is available as of 1 Sep 2017 to individuals eligible for asylum or subsidiary protection status and capable of work and as of 1 Jan 2018 to asylum-seekers. The 'compulsory year of integration' programme is of modular design. As a rule, it lasts one year and aims to achieve sustainable job take-ups. It comprises competence clearing, German language courses (A2 and up), information and assistance concerning the recognition of skills and certificates, value and guidance courses in cooperation with the Austrian Integration Fund (Österreichischer Integrationsfonds – ÖIF), career guidance and job application training and up to 12 months of work training with providers of alternative civilian services in order to improve their prospects for labour market integration.

The measures taken are documented in an integration card. Individual modules of the year of integration can – if for instance language skills or skills have already been obtained – be skipped and participants may take up jobs commensurate with their qualifications at any time. Within the compulsory year of integration, the focus is also on keeping periods of non-activity as short as possible.

**JUST integration inplacement foundation**

The JUST integration inplacement foundation supports and assists young adults (18-30 years of age) by job-related training programmes, case management and coaching till they take the extraordinary final apprenticeship examination, the focus being on the target group of recognised refugees. This JUST scheme aims at vocational upskilling/skills training on the basis of existing previous job experience to facilitate subsequent inclusion into the labour market. It was introduced throughout Austria in September 2016, with training slots for almost 900 participants – see also Chapter 3, section 4.12 on page 156.
Business start-up programme
Competence checks are also designed to identify options for launching a business. If suited, recognised refugees may obtain start-up counselling from a consultancy firm cooperating with the PES. It is also possible for them to acquire the necessary skills, with the costs of consultancy and further training being borne by the PES. Moreover, under certain conditions, financial support is provided for the duration of programme participation. To enable refugees qualifying for asylum to finance the capital investments and equipment necessary for starting their own business, they may also take recourse to the microcredit programme in terms of supplementary assistance on their route to self-employment. With 'step2business', Vienna offers an additional counselling programme targeted at recognised refugees.

Supra-regional placement in apprenticeships
Another Vienna-based pilot project (WKO, BMDW, BMASGK and PES) involves supra-regional placement in apprenticeships to offer career perspectives to recognised young refugees in occupations and regions suffering from shortages of apprentices. The skills and interests of these young people are identified before placement to ensure optimal matching with available training slots. The young refugees will be appropriately prepared for the requirements of an apprenticeship and given comprehensive assistance after placement. A special coach will be available locally to ensure permanent contact and help them with questions relating to their job and their private life. These coaches also counsel employers on apprenticeships involving young refugees.

Youth College Vienna
The Youth College (Jugendcollege) co-financed by the PES offers 1,000 training places to young migrants, primarily young people seeking asylum or eligible for asylum who are no longer of compulsory school age. The PES may include recognised refugees who are suited for this programme. It uses a modular system to prepare adolescents and young adults (15-21 years) for their entry into continuing school-based education or vocational training.

Responsible organisation/entity
Public employment service concerning active labour market policies; planning is part of the entire organisation’s definition of goals and priorities and incorporated into annual work programming. The Länder organisations and regional PES offices are responsible for the implementation and organisation of labour market policies for migrants; the Social Affairs Ministry Service for Youth Coaching; the Austrian Economic Chamber (WKO) and the Federal Ministry for Digital and Economic Affairs (BMDW) for supra-regional placement in apprenticeships of those eligible for asylum and subsidiary protection status.
Legal basis

§25(1) item 9 of the Public Employment Service Act (1994) and PES guidelines. §6 of the 1969 Disability Employment Act (BEinstG) as currently amended; last amended in Federal Law Gazette I no. 7/2011;

Decree of the Federal Ministry of Labour, Social Affairs and Consumer Protection, 44.101/0077-IV/A/6/2011; special guideline on 'vocational integration' of 1 Jan 2011; guideline on 'Youth Coaching' of 1 Jan 2012.


Recent revisions

Federal Law Gazette I no.75/2017 (Labour Market Integration Act including legislation on 'year of integration') forms the basis for comprehensive support to ensure labour market integration of persons eligible for asylum or subsidiary protection status as well as of asylum-seekers very likely to be granted asylum.

7. JOB BROKERING

7.1. Counselling and Support for Workers and Employers by the PES

Aim

The key objective is to seek the most complete, economically sensible and sustainable matching of labour supply and demand.

Target group

Workers (unemployed persons; employees, persons who are at risk of losing their job, or are no longer able to practice their occupation on account of health issues, or who seek to enhance their skills; apprenticeship-seekers; secondary school students about to choose a career; groups disadvantaged in the labour market such as people with disabilities, older workers (45plus), returners, single parents, migrants, etc.); as well as employers.

Instrument

The public employment service offers information on job openings, training options, measures and subsidies, work-related legislative framework and the labour market. Counsel-
ling of clients is intended to help solve problems related to job-search activities. Once coun-
sellor and client have jointly identified possible solutions, they agree on suitable approaches and
document them in a (back-to-work) action plan. Where needed, these approaches can be
supplemented by support measures such as career guidance, vocational training or special
training, and reintegration measures or measures to safeguard jobs. Adequate assistance
in specific situations (e.g. lack of childcare or health issues, etc.) requires close and effective
cooperation with other entities.

The public employment service assists employers in filling vacancies and adjusting workers’
skills to requirements. Important steps towards filling positions are to draw up job profiles
and agree with the parties involved on the form of cooperation and on the feedback provid-
ed by the employer. The PES may offer special services to employers including job exchange
or pre-screening of candidates. Key Account Management is a special service used by the
PES for larger companies operating across several regions or beyond and having branch off-
cices in several Austrian Länder (federal states). This provides the opportunity to tap new
client segments and cater to clients’ supra-regional needs.

All the above services for both groups of clients are rendered through various channels (per-
sonal assistance in the regional PES offices, over a hotline called ServiceLine, or via the inter-
et). Service delivery will be further expanded for both groups of clients. This applies in par-
ticular to online services, which are to be upgraded towards a client-friendly e-government
portal solution (with electronic PES services and accounts). The majority of clients is assisted
via the internet as of 2016.

Financial resources

Benefits are financed from UI funds (employers’ and employees’ contributions).

If counselling and support is provided by an external institution, the services are financed by
PES funds; occasionally co-financing by Länder and communities and other funding agencies
(see also Chapter 3, section 8.1 on page 228).

Responsible organisation/entity

Public employment service.

Legal basis

§§32 and 34 of the 1994 Public Employment Service Act (AMSG);

Labour Market Promotion Act (AMFG) as amended by the 2002 Economic Stimulus Act
(KBG).
Unemployment as eligibility condition

No.

Other transfers of funds

None.

Type of Expenditure

Transfer payments to service providers if counselling and support is provided by an external institution (providers of labour market-related counselling and support, see Chapter 3, section 8.1 on page 228).

Counselling and support for workers – annual average stock*)

<table>
<thead>
<tr>
<th>Year</th>
<th>Persons total (m+w)</th>
<th>Persons in % of employment (15-64)</th>
<th>Men</th>
<th>Women</th>
<th>Expenditure € as % of GDP</th>
</tr>
</thead>
<tbody>
<tr>
<td>2007</td>
<td>203,248</td>
<td>5.18</td>
<td>113,961</td>
<td>89,287</td>
<td>128,396,221 0.0452</td>
</tr>
<tr>
<td>2008</td>
<td>193,836</td>
<td>4.85</td>
<td>108,621</td>
<td>85,215</td>
<td>138,344,837 0.0471</td>
</tr>
<tr>
<td>2009</td>
<td>235,498</td>
<td>5.91</td>
<td>139,328</td>
<td>96,170</td>
<td>153,565,779 0.0533</td>
</tr>
<tr>
<td>2010</td>
<td>226,330</td>
<td>5.63</td>
<td>131,261</td>
<td>95,069</td>
<td>163,070,278 0.0551</td>
</tr>
<tr>
<td>2011</td>
<td>224,319</td>
<td>5.54</td>
<td>126,645</td>
<td>97,674</td>
<td>169,290,491 0.0546</td>
</tr>
<tr>
<td>2012</td>
<td>235,803</td>
<td>5.77</td>
<td>134,412</td>
<td>101,392</td>
<td>175,053,176 0.0549</td>
</tr>
<tr>
<td>2013</td>
<td>256,825</td>
<td>6.26</td>
<td>148,139</td>
<td>108,686</td>
<td>179,717,863 0.0555</td>
</tr>
<tr>
<td>2014</td>
<td>284,042</td>
<td>6.91</td>
<td>163,797</td>
<td>120,245</td>
<td>191,791,001 0.0576</td>
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<tr>
<td>2015</td>
<td>324,925</td>
<td>7.83</td>
<td>188,582</td>
<td>136,343</td>
<td>201,874,595 0.0586</td>
</tr>
<tr>
<td>2016</td>
<td>328,935</td>
<td>7.94</td>
<td>188,451</td>
<td>140,484</td>
<td>218,231,974 0.0618</td>
</tr>
<tr>
<td>2017</td>
<td>313,945</td>
<td>7.50</td>
<td>178,362</td>
<td>135,583</td>
<td>222,344,691 0.0602</td>
</tr>
</tbody>
</table>

Source: PES DWH pst-bpl, retrieved on 16 Jan 2018 and in March 2018; BMASGK's own calculations.

*) refers to average stock of valid (back-to-work) action plans in a given year for people registered as unemployed.
8. OTHER MEASURES

8.1. Providers of Labour Market-Related Counselling and Support (BBE)

Aim

Providers of labour market-related counselling and support (Arbeitsmarktbezogene Beratungs- und Betreuungseinrichtungen - BBE) provide services which supplement the PES’s counselling and placement activities, serve to reduce employment handicaps or problems of specific groups and help with accessing vocational training and further training.

Target group

Job-seekers; employed job-seekers at risk of losing their job; unemployed apprenticeship-seekers; secondary school students about to choose a career; various disadvantaged groups (long-term or chronically unemployed people, unemployed apprenticeship-seekers, people with disabilities, foreign workers, members of ethnic minorities, returners, single parents, etc.); individuals faced with complex problems making job integration more difficult: e.g. debts, housing problems, inclusion following release from prison, migration problems, substance abuse, physical, sensory and learning impairment (Job Assistance, Training Assistance), gender-specific discrimination (women and girls), semi-skilled and unskilled workers or workers on leave with only compulsory or lower levels of educational attainment; persons with multiple placement handicaps, assistance to young people under the Training Guarantee till 25.

At the same time, the time limitation for target groups registered with the PES to attend PES skills training programmes (e.g. ‘Aufstieg’, ‘New Skills’, FiT, ‘systematic development of competences’ as well as training programmes defined by the PES) was extended till 31 Dec 2016. Support/coaching during participation in the programme was also possible till this date unless this kind of assistance was provided by the training entity.

Instrument

The public employment service provides information on career options, training pathways, measures and grants, legislative framework and the labour market. Clients are offered counselling to help them solve problems related to job-search activities. The PES will refer people with complex problems and integration difficulties to external providers only if it cannot provide the necessary quality level for these services in-house. Unless provided by the training entity, support/coaching during programme participation was available until 31 Dec 2016.
The level of funding varies according to the maximum amount of staff costs and overheads incurred for this purpose.

**Financial resources**

The services are financed from PES funds. If external providers negotiate funding with the competent agencies in due time, they may also receive funds from the Länder and local governments.

**Responsible organisation/entity**

Public employment service.

**Legal basis**

§34 of the Public Employment Service Act (AMSG) in conjunction with §32 (3) and §34 (5);  
§8b of the Vocational Training Act (BAG);  
§§2-7 of the Labour Market Promotion Act (AMFG);  

**Recent revisions**

The federal PES guideline, in force since 1 Sep 2017, introduced the following key changes:

- In the federal guideline on the 'core process of assistance to workers' (KP1), the section on 'target groups' now includes references to new rules for target groups and to contents of counselling and assistance services for persons with multiple placement handicaps. In addition, the federal guideline KP1 now includes rules on educational guidance supplemented by references to the option of using this kind of guidance for paving the way towards and providing support under the 'Training Guarantee till 25' programme.
- Sozialwirtschaft Österreich (SWÖ)/Verband für Sozial- und Gesundheitsunternehmen, a registered non-profit organisation representing the interests of the Austrian private social and health sector, has been entered as a recognised umbrella association. Clarification is also provided in respect of expenses on membership dues: they are only eligible for financial support if actually incurred.

**Eligibility criteria**

Funding is processed on the basis of the provider’s application, which should include the following:

- An appropriate counselling and support plan;
A list of counselling capacities;
- Cost and funding calculation; and
- Proof of an embedded quality management system.

**Unemployment as eligibility condition**

No.

**Other transfers of funds**

None.

**Type of Expenditure**

Transfer payments to providers of labour market-related counselling and support.

**Duration**

Funding is usually provided for one year. The agreement underlying funding may be concluded for a period of up to three years. Arrangements covering more than one year are subject to longer-term PES planning and several years of previous cooperation between the external provider and the employment service.

**Providers of labour market-related counselling and support – approved persons*)**

<table>
<thead>
<tr>
<th>Year</th>
<th>Persons total (m+w)</th>
<th>Persons in % of employment (15-64)</th>
<th>Men</th>
<th>Women</th>
<th>Expenditure €</th>
<th>as % of GDP</th>
</tr>
</thead>
<tbody>
<tr>
<td>2007</td>
<td>38,159</td>
<td>0.99</td>
<td>15,611</td>
<td>22,548</td>
<td>41,558,893</td>
<td>0.0146</td>
</tr>
<tr>
<td>2008</td>
<td>41,374</td>
<td>1.05</td>
<td>17,077</td>
<td>24,298</td>
<td>41,890,227</td>
<td>0.0143</td>
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<tr>
<td>2009</td>
<td>60,249</td>
<td>1.54</td>
<td>28,371</td>
<td>31,879</td>
<td>47,920,026</td>
<td>0.0166</td>
</tr>
<tr>
<td>2010</td>
<td>59,976</td>
<td>1.51</td>
<td>28,035</td>
<td>31,942</td>
<td>46,913,658</td>
<td>0.0159</td>
</tr>
<tr>
<td>2011</td>
<td>54,797</td>
<td>1.37</td>
<td>25,555</td>
<td>29,242</td>
<td>50,115,216</td>
<td>0.0162</td>
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<tr>
<td>2012</td>
<td>62,812</td>
<td>1.56</td>
<td>28,853</td>
<td>33,957</td>
<td>52,186,955</td>
<td>0.0164</td>
</tr>
<tr>
<td>2013</td>
<td>86,112</td>
<td>2.13</td>
<td>40,788</td>
<td>45,326</td>
<td>59,059,047</td>
<td>0.0182</td>
</tr>
<tr>
<td>2014</td>
<td>96,652</td>
<td>2.40</td>
<td>46,236</td>
<td>50,418</td>
<td>74,810,942</td>
<td>0.0225</td>
</tr>
<tr>
<td>2015</td>
<td>106,778</td>
<td>2.63</td>
<td>53,862</td>
<td>52,916</td>
<td>70,276,550</td>
<td>0.0204</td>
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<tr>
<td>2016</td>
<td>125,115</td>
<td>3.02</td>
<td>63,781</td>
<td>61,335</td>
<td>84,121,722</td>
<td>0.0238</td>
</tr>
<tr>
<td>2017</td>
<td>140,007</td>
<td>3.35</td>
<td>71,790</td>
<td>68,218</td>
<td>98,347,628</td>
<td>0.0266</td>
</tr>
</tbody>
</table>

*Source: PES DWH and Statistics Austria; retrieved on 14 Dec 2017 and 15 March 2018; BMASGK’s own calculations.*

*) Number of approved beneficiaries who were subsidised under this programme on at least one day in a given year.
8.2. Labour Foundations (AST) according to §18 (5) of the ALVG/UB for Foundation Programmes

Aim

Participation in measures (career guidance, skills training, active job search, practical training in the form of internships) of a labour foundation (AST) is designed to contribute to the vocational reorientation and upskilling of unemployed people and to facilitate their reintegration into the labour market. A key feature or objective of a foundation is targeted, market-driven training of participants. Another main feature of an AST is the involvement of affected companies and/or regional labour market actors to gear the training of unemployed people as much as possible to the requirements of the company and the regional labour market.

Target group

Registered unemployed whose jobs have become redundant because of restructuring policies or economic difficulties, with special attention being paid to older job-seekers; young job-seekers.

Instrument

Labour foundation programmes have been introduced by the social partners to support the necessary structural changes and related adjustments through appropriate labour market policies.

Two main types of labour foundations are available: ‘outplacement’ and ‘inplacement’ foundations, though elements of the two categories can be combined. A labour foundation (outplacement-type foundation) is a targeted skills enhancement programme carried out in cooperation with the employer concerned in the early stage of redundancy or pending redundancy for a larger group of workers made redundant by staff cuts. ‘Inplacement’ foundations, on the other hand, are used to address special manpower shortages. They offer upskilling programmes to unemployed workers followed by job entry once the programme is completed, while they also offer appropriately trained workers to meet employers’ special skills bottlenecks. The programme aims to carefully develop and implement tailor-made (re-)integration pathways within a comprehensive range of assistance measures.

Outplacement foundations are labour foundations launched at the initiative of one or several enterprises affected by major staff cuts or by staff cuts that are of significance to an enterprise:

- Company foundation: labour foundation launched by one or several affiliated undertaking(s) affected by major staff cuts;
Insolvency foundation: labour foundation launched by a territorial authority or other suitable legal entity in the event of insolvency of an enterprise;

Sectoral foundation: labour foundation launched by statutory employer organisation to cushion the effects of economic difficulties in a specific sector affected by major staff cuts;

Regional foundation: labour foundation launched at the initiative of several companies of a specific region, all of them affected by major staff cuts. The regional foundation programme offers small and medium enterprises access to the foundation toolkit.

An inplacement foundation is a special programme of a foundation provided by one or several enterprises in a region or sector affected by major manpower shortages. This supra-company approach also enables SMEs to access inplacement foundation programmes.

Another option are target group foundations. These are labour foundations launched by collective bargaining entities of employers and employees (Austrian Economic Chamber – WKO – and Austrian Trade Union Federation – ÖGB) to address exceptional economic difficulties of specific LMP target groups (in particular by offering training to young job-seekers). In principle, both inplacement and outplacement foundations are appropriate for this purpose (see also Chapter 3, section 4.12 on page 156).

Participants in labour foundation programmes may extend unemployment benefit receipt to 156 weeks. If training takes longer or foundation programme participants are 50plus years old, UB for foundation programmes may be claimed for up to 209 weeks where needed. If the above participants cannot complete the foundation programmes within this period, they may continue and complete them in accordance with §12 (5) of the AlVG until their relevant benefit entitlements (outstanding at the time of entry into the programmes) are exhausted. This means that the mandate for providing foundation training under §12 (5) is to be limited to the period of benefit entitlements still outstanding. The maximum individual duration of participation (e.g. normal entitlement 30 weeks plus maximum period of extension by 156 or 209 weeks) may not be exceeded.

Under outplacement foundations, funding is available for the costs of career guidance, training and continued training provided by external providers, active job-search and allowance for course-related additional costs. Under inplacement and target group foundations, only the cost of training and continued training by external providers is eligible for financial support. Under company foundations, financial support is restricted to funding the costs of allowances for course-related additional costs.

Foundations eligible for funding and funding level

- insolvency foundation: up to 60%,
- regional foundation: up to 35%,
- sectoral foundation: up to 35%,
- target group foundation: up to 35%, and
- inplacement foundation: up to 35%

of the costs eligible for funding.

Financial support of €60 (minimum) per month is granted from the first month of a foundation programme to cover training-related additional expenses.

Persons aged 50 and over who participate in a foundation scheme need not necessarily work at full capacity within this scheme. Their standard full working hours may be replaced by intensive assistance rendered by the foundation entity with the objective of terminating unemployment. Intensive assistance includes, inter alia, individual coaching, reduction of weekly hours that would otherwise make up full working capacity, extended duration of the training and further training and active job search modules, extended duration of benefit entitlement under §18 (5) item 2 of the AlVG and purely practical training.

Workers with reduced earning capacity (50% and more) may also reduce the number of weekly hours that would otherwise make up full working capacity.

**Financial resources**

Funds are provided by the employment service through the unemployment insurance scheme (UB for foundation programmes made available from activated passive funds) and for some of the provider-related costs of the programme through the active LMP budget (mixed funding model).

**Responsible organisation/entity**

BMASGK, public employment service.

**Legal basis**

§34 of the 1994 Public Employment Service Act; §35 (DLU subsistence allowance or DLU to secure minimum income benefits);

Ordinance of the Federal Minister of Finance on a general framework for awarding subsidies from federal funds (ARR 2014);

1977 Unemployment Insurance Act (AlVG); §18 (6)-(9) (recognition of labour foundation measures) in conjunction with §18 (5) (legal consequence of extended receipt of unemployment benefits); §12 (5) (continuing receipt of unemployment assistance);

Recent revisions

- The federal PES guideline, in force since 1 Jan 2017, introduced the following key changes:
  - Since under §18 (6) item c of the AlVG it is now possible for persons aged 50 and over to replace standard working capacity with intensive assistance by the foundation training provider, the term 'intensive assistance' has been defined in greater detail in the federal guideline under the headings 'project fundamentals', 'modules of the programme', 'practical training (work experience)' and 'outplacement'.
  - In addition the item 'modules of the programme' now stipulates that workers with reduced earning capacity of 50% and more may work fewer hours than previously done.

Eligibility criteria

A basic precondition for participation in outplacement foundations is that the participants nominated by the company in question cannot be placed in other jobs (subject to applicable suitability criteria), or that their placement is unlikely without upskilling, and that they meet the entitlement conditions for unemployment benefits (UB). Unemployed people (UB claimants, UA claimants, unemployed people not receiving a benefit) can participate in an inplacement foundation if one of the following LMP eligibility criteria is met:

There is no current manpower requirement at a (another) recruiting enterprise that can only be met by the unemployed person in question, or the skills enhancement and the job promised by the inplacement foundation are expected to provide a sustainable solution to the participant’s employment problems.

Participation is conditional on developing a jointly agreed training plan (involving future employer, foundation programme provider and future programme participant) which describes the intended upskilling measures and the duration of practical training. This training plan must be signed by all the parties involved and approved by the employment service.

Unemployment as eligibility condition

Yes.

Other transfers of funds

None.
Type of expenditure

Transfer payments to individuals (periodic cash benefits, reduced social insurance contributions), transfer payments to service providers.

Duration

Since participants may enrol in longer-term programmes of up to three (participants aged 50 plus up to four) years, training courses of several years are possible.

Beneficiaries of labour foundations/UB for foundation programmes – annual average stock

<table>
<thead>
<tr>
<th>Year</th>
<th>Beneficiaries total (m+w)</th>
<th>Beneficiaries in % of employment (15-64)</th>
<th>Men</th>
<th>Women</th>
<th>Expenditure €</th>
<th>as % of GDP</th>
</tr>
</thead>
<tbody>
<tr>
<td>2007</td>
<td>4,660</td>
<td>0.119</td>
<td>2,270</td>
<td>2,391</td>
<td>69,046,733</td>
<td>0.024</td>
</tr>
<tr>
<td>2008</td>
<td>4,912</td>
<td>0.123</td>
<td>2,280</td>
<td>2,631</td>
<td>70,713,291</td>
<td>0.024</td>
</tr>
<tr>
<td>2009</td>
<td>7,677</td>
<td>0.193</td>
<td>4,036</td>
<td>3,641</td>
<td>113,826,034</td>
<td>0.040</td>
</tr>
<tr>
<td>2010</td>
<td>9,292</td>
<td>0.231</td>
<td>5,029</td>
<td>4,263</td>
<td>158,492,163</td>
<td>0.054</td>
</tr>
<tr>
<td>2011</td>
<td>6,869</td>
<td>0.169</td>
<td>3,530</td>
<td>3,339</td>
<td>117,873,261</td>
<td>0.038</td>
</tr>
<tr>
<td>2012</td>
<td>5,424</td>
<td>0.133</td>
<td>2,632</td>
<td>2,792</td>
<td>92,144,832</td>
<td>0.029</td>
</tr>
<tr>
<td>2013</td>
<td>4,950</td>
<td>0.121</td>
<td>2,169</td>
<td>2,780</td>
<td>80,877,451</td>
<td>0.025</td>
</tr>
<tr>
<td>2014</td>
<td>5,578</td>
<td>0.136</td>
<td>2,272</td>
<td>3,305</td>
<td>93,589,836</td>
<td>0.028</td>
</tr>
<tr>
<td>2015</td>
<td>5,138</td>
<td>0.124</td>
<td>2,240</td>
<td>2,898</td>
<td>91,058,265</td>
<td>0.026</td>
</tr>
<tr>
<td>2016</td>
<td>4,990</td>
<td>0.118</td>
<td>2,168</td>
<td>2,822</td>
<td>91,198,101</td>
<td>0.026</td>
</tr>
<tr>
<td>2017</td>
<td>4,523</td>
<td>0.108</td>
<td>1,934</td>
<td>2,589</td>
<td>85,875,073</td>
<td>0.023</td>
</tr>
</tbody>
</table>

Source: PES DWH; Statistics Austria; retrieved on 14 Dec 2017 and 6 April 2018; budgetary spending by BMASGK/Division VI/A/6; BMASGK’s own calculations.

8.3. Wage Compensation from Insolvency Contingency Fund (IGE)

Aim

Compensation should prevent financial losses for workers in the case of an employer becoming insolvent.

Target group

Workers may apply for wage compensation to cover their outstanding claims (wages, salaries, overtime pay, severance pay) if their employer is insolvent. It also includes a default guarantee for social insurance contributions that are not recoverable in insolvency proceedings if such contributions have been deducted from the employees’ pay but have not been remitted by the employer to the social insurance scheme.
**Instrument**

Employees may apply for IEG to cover their outstanding claims; the legal basis is the Act on Wage Compensation from the Insolvency Contingency Fund (IESG).

**Financial resources**

Compensation is financed from employers' contributions.

**Responsible organisation/entity**

- Federal Ministry of Labour, Social Affairs, Health and Consumer Protection (BMASGK) as the competent supervisory authority;
- Insolvency Contingency Fund Service Company (IEF Service GmbH) through its nine regional offices.

**Legal basis**

1977 Act on Wage Compensation from the Insolvency Contingency Fund (IESG) and Act on the Insolvency Contingency Fund Service Company (IEFG). The IESG primarily defines the requirements to be met and the extent of compensation granted, as well as funding rules, while the IEFG sets out the organisational structure of the private limited company (IEF-Service GmbH) which administers the fund.

**Recent revisions**

Under the Federal Act published in Federal Law Gazette I no. 154/2017, expenses incurred by authorised apprenticeship training providers for accommodating their apprentices in boarding homes while the latter attend vocational school are now covered by IEF funds (as of 1 Jan 2018).

Federal Law Gazette I no. 12/2017, in force as of 1 Aug 2017, makes adjustments to the rules governing pay and entitlements under time credits not consumed prior to insolvency. The previous flat-rate limit for entitlements arising from extra work (compensated for either by time in lieu or by different organisation of normal working hours) as well as for compensation time credits accrued with no extra hours worked has been replaced by a special limit. This limit (per working hour to be compensated for) has been fixed at one fourth of the daily assessment ceiling for social insurance contributions. Moreover, there is no time limit on compensation for time credits. By removing the misleading restriction of 'ongoing' pay in the related provision, lawmakers have clarified that the provision also covers extraordinary or one-off entitlements such as expense allowances and pay for time credits (which should have been compensated for by time in lieu), all kinds of time credits and time premiums not accrued by extra work (e.g. anniversary bonuses due in the form of time in lieu, entitlements
arising from models adopted under collective agreements such as 'leisure time options', particularly difficult working conditions compensated for by time premiums, etc.).

Eligibility criteria

(Former) employees may request compensation for outstanding claims if their (former) employers are insolvent.

Unemployment as eligibility condition

No.

Other transfers of funds

Protection of non-transferred employees’ contributions to social health and pension insurance schemes.

Funding of youth employment through grants and premiums paid by the Apprenticeship Offices of the economic and agricultural chambers from the Insolvency Contingency Fund.

Type of expenditure

Transfer payments to individuals totalling the net claims in question.

Duration

Where and when required, this kind of wage compensation is paid from six months before till three months after actual insolvency.
IEG money granted

<table>
<thead>
<tr>
<th>Year</th>
<th>Money granted(^{\dagger})</th>
<th>Expenditure</th>
<th>as % of GDP</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>€</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2007</td>
<td>43,315</td>
<td>207,910,367</td>
<td>0.073</td>
</tr>
<tr>
<td>2008</td>
<td>40,704</td>
<td>207,929,513</td>
<td>0.071</td>
</tr>
<tr>
<td>2009</td>
<td>51,606</td>
<td>277,471,236</td>
<td>0.096</td>
</tr>
<tr>
<td>2010</td>
<td>48,745</td>
<td>257,678,725</td>
<td>0.087</td>
</tr>
<tr>
<td>2011</td>
<td>40,336</td>
<td>207,841,185</td>
<td>0.067</td>
</tr>
<tr>
<td>2012</td>
<td>39,891</td>
<td>189,791,733</td>
<td>0.060</td>
</tr>
<tr>
<td>2013</td>
<td>59,361</td>
<td>298,732,409</td>
<td>0.092</td>
</tr>
<tr>
<td>2014</td>
<td>45,467</td>
<td>235,920,559</td>
<td>0.071</td>
</tr>
<tr>
<td>2015</td>
<td>36,858</td>
<td>175,329,538</td>
<td>0.051</td>
</tr>
<tr>
<td>2016</td>
<td>39,454</td>
<td>202,533,509</td>
<td>0.057</td>
</tr>
<tr>
<td>2017</td>
<td>37,245</td>
<td>159,178,412</td>
<td>0.043</td>
</tr>
</tbody>
</table>

Source: BMASGK/Division VI/B/1; Statistics Austria; BMASGK’s own calculations.

\(^{\dagger}\) Refers to the number of payments made in a given year; there may be several disbursements per employee.

### 8.4. Service Employment Cheque

#### Aim

The Service Employment Cheque (Dienstleistungsscheck – DLS) provides pay for fixed-term marginal employment (duration: 1 day minimum to 1 month maximum), under which simple household-type jobs are performed in private households, such as cleaning, minding infants and schoolchildren, buying groceries and other essentials of daily living, simple gardening, etc.

#### Target group

Persons with free access to the labour market:

- Austrian citizens;
- Nationals of EU Member States (except Croatians who do not hold a confirmation of free movement);
- Nationals of Switzerland, Liechtenstein, Iceland and Norway;
- Holders of a settlement certificate, exemption certificate, unrestricted settlement permit, Red-White-Red Card plus, ‘permanent residence – EU’ or ‘permanent residence – EC’, a residence card for family members of EEA citizens, a permanent residence card, a free movement certificate, a residence title for family members or a permanent residence title for family members, a residence entitlement plus, a confirmation under §3 (8)
of the AuslBG or a work permit (restricted to a specific Land) for persons of valid asylum status (persons eligible for asylum and subsidiary protection status) as well as persons who were admitted to asylum procedures at least three months ago.

Employers must verify the workers' entitlement to work in Austria; workers obtain the appropriate confirmation from the PES or the competent district authority.

**Instrument**

The Service Employment Cheques are obtainable from the competence centre of the insurance institution for railway and mining workers (VAEB) via DLS-Online: *Dienstleistungsscheck - Online*, from newsagents and post offices. Private households may buy Service Employment Cheques of €5 or €10, thus paying for the said services. The service providers must submit the cheques no later than in the following month to the regional health insurance fund (Gebietskrankenkasse) or the VAEB (either personally or by mail) or via DLS-Online, whereupon the VAEB will transfer the amount in question to the a current account or by way of postal order.

The DLS costs €5.10 for a cheque in the amount of €5 and €10.10 for a cheque in the amount of €10. Service Employment Cheques may also be created electronically (both at newsagents and at post offices). If the cheque is generated electronically at a newsagent or post office its value may be determined individually, with €100 per cheque being the upper limit. The purchase price includes work accident insurance (1.3%) and administrative costs (0.7%).

The internet portal DLS-Online enables employers and the employees paid and working under DLSs to process all their activities arising from the cheque. Employers may use DLS-Online to order, buy/pay the cheques and communicate them to their employees by electronic means. Employees, in turn, may cash the Service Employment Cheques electronically.

The wage is freely agreed, the bottom line being the minimum wage rate for domestic employees. The wage paid by an individual employer must not exceed the monthly marginal earnings threshold plus annual leave payments as well as prorated special bonus payments (2017: €583.15).

Earning DLS wages up to the marginal earnings threshold, workers may opt into voluntary social health and pension insurance pursuant to §19a of the ASVG. The Service Employment Cheque is intended to be a legal and attractive alternative to 'illegal work' and offers social

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23 The following activities do not come under the Service Employment Cheque Act: activities that require a longer period of training (e.g. nursing of the old and sick, but not simple care services), so-called 'mixed activities' (working in a household as well as in a company) or 'three-way relationships' (activities in private households of persons employed by associations such as Volkshilfe or Hilfswerk, i.e. activities of major providers are not part of this scheme, a scheme tailored to individuals).
security protection (work accident insurance as well as the option of taking out social health and pension insurance). Income under Service Employment Cheques is income from employment resulting in compulsory tax assessment if the annual income threshold of €12,000 is exceeded (any income below this level is exempt from personal income/wage tax).\textsuperscript{24}

The brochures on Service Employment Cheques were translated into several languages in 2014 and published on the web. In addition to German and English versions, the BMASGK websites offers versions in Polish, Slovakian and Hungarian.

**Unemployment as eligibility condition**

No.

**Responsible organisation/entity**


**Legal basis**


**Recent revisions**

New rules for asylum-seekers since 1 Apr 2017: under the ordinance of the Federal Minister of Labour, Social Affairs and Consumer Protection published in Federal Law Gazette II no. 89/2017, the ordinance on the employment of foreign nationals (Ausländerbeschäftigungsverordnung) has been revised. As of 1 Apr 2017, asylum-seekers who were admitted to asylum procedures at least three months ago may also provide typical household services in private households (e.g. gardening, child minding) paid by Service Employment Cheques without requiring any special permit. Evidence for admission to asylum procedure is provided by the residence entitlement card (white card).

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\textsuperscript{24} In practice, taxation usually applies if income is earned under the Service Employment Cheque in addition to other income, e.g. pension benefits or income earned from other economic activities.
CHAPTER 4 – PROGRAMMES OF THE EUROPEAN SOCIAL FUND (ESF), THE EUROPEAN GLOBALISATION ADJUSTMENT FUND (EGF), THE EUROPEAN TERRITORIAL COOPERATION (ETC) AND THE EUROPEAN UNION STRATEGY FOR THE DANUBE REGION (EUSDR)

1. EUROPEAN SOCIAL FUND – STRUCTURAL FUND PERIOD 2014-2020

The ESF will continue to contribute to Austrian labour market policy in the new structural fund period. ESF financial allocations of roughly €442m are available to Austria in the structural fund period 2014-2020 and will be used under the ‘Employment Austria 2014-2020’ programme. By mid-2017, the European Commission already provided roughly €23.4m to carry out the relevant projects. The funds will be used to support the following priority measures:

**Gender equality in the labour market**

The ESF provides supplementary funding in conformity with the nationally funded programmes and measures adopted or proposed by the Federal Government under the National Action Plan for Gender Equality in the Labour Market. Projects co-funded by the ESF focus on e.g. structural and organisational changes within enterprises (especially within SMEs), and on counselling services for women who are interested in being trained in the STEM disciplines (science, technology, engineering, and mathematics), or on women ready to accept managerial positions or to change from part-time to full-time work. The underlying objective is to increase the equality of women and men in the labour market.

**Active and healthy ageing**

Austria has introduced a nationally funded range of measures to achieve the aim of raising the employment rate of older people. With the help of the ESF, existing programmes are to be expanded and supplemented in order to better align jobs with people's life cycles through improved working conditions within companies. Appropriate counselling services for employers and employees are to be provided to maintain the health of workers in the long term, with special emphasis being placed on programmes for older workers.

As specified in the programme, ESF appropriations have been made available to the ‘fit2work’ initiative for the purpose of raising the employment rate of older people. This objective is supported by information, counselling and assistance programmes on occupational health. This is supplemented by 'demography counselling' for employers, initiated by the BMASGK, to promote age(ing)-appropriate and salubrious conditions at the workplace.
Active inclusion and enhancement of employability

This priority focuses on fighting poverty through promoting the inclusion of groups marginalised in the labour market. The policies to be implemented are targeted at groups further from the labour market with low working capacity and employability as well as at groups with no or insufficient employment integration (primarily claimants of means-tested minimum income benefits); at disadvantaged young people, young people with health issues or disabilities who are not in education, employment or training; as well as at Romani people. Specific measures to support integration are offered to these target groups. In addition, this priority is also aimed at employees who, though integrated into the labour market, are at risk of falling below the poverty line or live in poverty. Individual support programmes are developed and implemented for these ‘working poor’ to provide a solid basis for labour market integration and help them to eke out a living from employment income in the medium term. The majority of these measures is not implemented at the federal but at the Länder level.

- Roma empowerment focus in the ESF – its employment aspects are addressed by the BMASGK/Labour Market Department

In 2011, the European Council adopted the EU framework for national strategies regarding the integration of the Roma and Romnija by 2020. The national contact point to manage, monitor and report the implementation of the national Roma integration strategy was established at the Austrian Constitutional Service of the Federal Chancellor's Office.

The Roma strategy aims to improve the social and economic situation of the Roma, in particular in the area of education, employment, health and housing. For this purpose, a Roma empowerment focus has been introduced and funded by the European Social Fund (ESF). The overarching aim of this priority focus is active inclusion and improvement of employability; appropriate measures include activation and stabilisation of Roma through counselling, (skills) training, anti-discrimination policies as well as dissemination (i.e. of results). The projects run for 3.5 years each, with budget totalling around €4m (50% national funds, 50% ESF funds).

Under this priority focus, nine projects are implemented out of which six in Vienna and one each in Linz, Graz and Salzbug. Their contents revolve around appreciation, competences and information on the labour market, empowerment for the labour market, skills training, social and vocational integration of Roma/Romnija as well as counselling. The projects were launched at the beginning of 2016 and are scheduled to run till mid-2019. In 2018, there will be another call for proposals for the second half of the seven-year funding period as set out in the programme (official programme duration 2014-2020).
Decrease and prevent early school leaving and promote equality of access to quality early education and quality primary and secondary education

The objective of this priority area is to reduce the number of education and training drop-outs and encourage the integration of specific groups of young people into training programmes following on compulsory education; these groups include young people with disabilities, impairments or learning difficulties, young people from migrant backgrounds and backgrounds furthest from education who are at risk of dropping out from school/training or of failing school/training. A number of measures are implemented by the Federal Ministry of Education to achieve this objective, e.g. innovative measures (‘model projects’) to enhance language skills (and thus reduce the disadvantages of pupils from migrant backgrounds) or social work at schools. The BMASGK supports ‘employment assistance’ programmes (Youth Coaching, fit for training [AusbildungsFit], Training Assistance, Job Assistance for young people and Job Coaching) to facilitate the vocational integration of people with disabilities.

Promote equality of access to lifelong learning, increase the knowledge as well as the skills and competences of the labour force

The focus of inclusion measures under this priority area is on reaching groups disadvantaged in education through innovative and low-threshold approaches and on helping them to participate in skills enhancement programmes. Alongside direct funding of this target group, the policies also involve greater professionalism and quality assurance to improve the support framework for these approaches.

This objective is implemented by the Federal Ministry of Education through provider-neutral education counselling programmes, the further development and extension of education programmes (basic education) and the professionalisation/training of basic education trainers.

Burgenland

In recent years the Burgenland has developed well due to, inter alia, EU funding. This successful path is to be continued. While ESF funding of the Burgenland was provided under a separate operational programme in previous periods, it has now been integrated in the form of a separate priority area into the new funding programme 2014-2020 to be implemented throughout Austria. In fact, the Burgenland still shows a number of structural weaknesses. Therefore, it has been classed as a 'region in transition' by the European Commission. ESF financial allocations are to help the Burgenland to

- raise the employment rate;
move towards an innovative, R&D- and ecology-based economy through training (enhancing) the skills of target groups, entrepreneurs, key and specialised workers in particular in knowledge-intensive and innovation-prone sectors;

- strengthen social cohesion in the Burgenland and combat poverty and social exclusion, in particular among women, through the vocational and social inclusion of people with disabilities as well as of groups further from and disadvantaged in the labour market;

- reduce the number of early school leavers in the long-term and raise the level of education in all sub-regions of the Land through investment in education, skills and lifelong learning.

2. EUROPEAN GLOBALISATION ADJUSTMENT FUND (EGF)

The European Globalisation Adjustment Fund (EGF) has been established to counteract the negative effects of globalisation and the economic crisis on the European labour market. EU Member States may apply for financial support from the EGF for active labour market policies designed to reintegrate affected workers into the labour market. The EGF supports training and further training measures, job-search grants, mobility grants or job-search assistance. At the beginning of the new funding period 2014-2020 a new EGF Regulation (Regulation (EU) No 1309/2013 of 17 Dec 2013) was adopted, which defines both the scope of EGF application and the criteria for EGF intervention for the coming years.

EGF money may be requested if many workers lose their jobs as a result of globalisation or of a global economic and financial crisis. There must be some verifiable connection between redundancies and the effects of globalisation/crisis as well as a concrete event which triggered lay-offs. One of the following three scenarios must apply to qualify for support:

- **Scenario A**: at least 500 workers made redundant, over a reference period of four months, in a single enterprise (including its suppliers and downstream producers).

- **Scenario B**: at least 500 workers made redundant, over a reference period of nine months, particularly in several SMEs, all operating in the same economic sector defined at NACE Revision 2 division level and located in one Land or two contiguous Länder or in two regions in two contiguous Länder.

- **Scenario C**: an application may be considered admissible even if the criteria laid down in the first two scenarios are not entirely met, when the redundancies have a serious impact on employment and the local, regional or national economy.

A financial contribution from the EGF may be made for active labour market measures that form part of a ‘coordinated package of personalised services’ (Article 7 of EGF Regulation). This package may include e.g. job-search assistance, occupational guidance or training programmes. In particular disadvantaged, older and young unemployed persons are to benefit from the programmes offered. The EGF provides EU-wide funding of €150m on an annual basis, with the individual Member States having no automatic entitlement to these funds.
The EGF finances up to 60% of the costs of the integrated packages for a period of 24 months. In the past EGF period (2007-2013), the BMASGK funded six projects in total co-financed by the EGF: automobile foundation Styria, steel foundation Lower Austria/Styria, ATS&S, transport workers in Lower and Upper Austria, Austria Tabak and social services Styria. The co-financed amount totalled €16.9m and was used to support nearly 1,200 redundant workers with measures.

**EGF website of the BMASGK**

**EGF website of the European Commission**

### 3. EUROPEAN TERRITORIAL COOPERATION (ETC) AND THE EUROPEAN UNION STRATEGY FOR THE DANUBE REGION (EUSDR)

Also known as INTERREG, the European Territorial Cooperation (ETC) programme is an objective in itself within the 2014-2020 programming period of the structural funds. This objective is financed by the European Regional Development Fund (ERDF). The ETC seeks to support cross-border cooperation through common local and regional initiatives and transnational and interregional cooperation programmes.

Alongside its central authority for the European Social Fund (ESF), the Labour Market Department of the BMASGK has a tradition of involvement in the ETC by participating in the relevant monitoring committees and co-funding schemes. Numerous projects of relevance to labour market policy, e.g. exchange of LMP know-how or counselling on labour law in border regions, could be implemented. During the period under report, the BMASGK was also represented in the monitoring committees of the programmes of Austria/Czech Republic (administered by Lower Austrian state government), Austria/Slovakia (administered by Slovak regional ministry), Austria/Hungary (administered by Burgenland state government) and Austria-Slovenia (administered by Slovenian regional ministry).

Of particular relevance to labour market policy is also the DANUBE TRANSNATIONAL programme. Under this programme, technical assistance for implementing the priority area 'investing in people and skills' of the macro-regional European Union Strategy for the Danube Region (EUSDR) will be financed during the period 2017-2019.

This European Union Strategy for the Danube Region (EUSDR) is one of the macro-regional strategies of European Union (others relate to the Baltic Sea, Ionian/Adriatic Sea, Alpine region) and was adopted by the European Council in 2011. 14 countries cooperate within this Strategy for the Danube region, of which nine are Member States of the European Union (including Austria), three are candidate countries and two neighbourhood countries. Organi-
sational cooperation is ensured by around 14 national coordinators, work contents are organised within the framework of priority areas managed by 12 Priority Area Coordinators (PACs). The Federal Ministry of Labour, Social Affairs, Health and Consumer Protection is the PAC for 'investing in people and skills' within the Danube Strategy.

Overcoming economic, social and welfare disparities is the actual challenge in this macro-region. As the coordinator of the 'investing in people and skills' priority area, the BMASGK cooperates closely with the Federal Ministry of Education and the relevant ministries of the Republic of Moldova, a cooperation arrangement that can be considered exemplary. Although the joint financial management of resources provided by the European Regional Development Fund (ERDF) on behalf of the Austrian partners and of the resources provided by the European Neighbourhood Instrument (ENI) on behalf of the partners from the Republic of Moldova poses a number of administrative challenges for the partners, cooperation could be raised to a new level of intensity and quality.

The tasks of Priority Area Coordinators include the organisation of meetings of the Steering Group (twice a year, 28 members), of annual stakeholder conferences (including civil society and NGOs), provision of support to proposals submitted for the programmes, networking and initiation of funding.
CHAPTER 5 – INFORMATION AND RESEARCH

1. RESEARCH

In order to plan and implement labour market and employment policies efficiently, they need to be based on sound scientific evidence. Labour market, vocational and skills research is indispensable for analysing current developments and providing the necessary background information for the development of labour market and employment policy measures. Great importance is attributed to the scientific evaluation and monitoring of the LMP instruments used.

The Federal Ministry of Labour, Social Affairs, Health and Consumer Protection has commissioned in the past years and also in the present year a number of research projects to evaluate LMP instruments and programmes (ex ante, while running, ex post).

The PES’s federal and Länder organisations are entrusted by legislation with the task of ensuring appropriate labour market monitoring, compilation of statistics, background and development work, and empirical research on (individual) fields, e.g. labour market, employment, skills development and work environment. The findings thus obtained form the basis for devising and implementing labour market policy.

In order to guarantee that research activities remain pragmatic and user-oriented, many research projects are guided and monitored by so-called ‘project advisory boards’ (Projektbeiräte). Their members include representatives of the Ministry and stakeholder groups, but also experts from the relevant field of research.

Research activities focus on key issues of labour market and employment policy including social policy aspects. In addition to providing direct insights, research is also intended to maintain or generate awareness of, and sensitivity towards, social problems.

The following priority areas are included:

- Development and implementation of planning indicators and coefficients for further developing the public employment service as well as for controlling and improving PES efficiency (labour market policy monitoring);
- Empirically oriented fundamental research on the labour market and related aspects of the education landscape;
- Analyses of labour supply and demand, working hours, migration, income;
- Studies on the labour market situation of particular population or problem groups (e.g. long-term unemployed, youth, returners, disabled people, older workers, foreign workers, migrants);
Special projects for developing, implementing and continuously adapting internet databases, the focus being on vocational information, further training and job profiles/job finding;

- Annual short- and medium-term labour market forecasts and various studies mainly presenting labour market trends in statistical form;

- Research and documentation on international projects and LMP instruments (best practice models);

- Women in the labour market (gender-specific social situation/inequality, funding schemes);

- Vocational and skills research to provide the groundwork and information on occupations and skills developments (print media, CD-ROMs, direct internet access at Research network of the PES Austria).

Considerable progress has been made in recent years in recording and documenting labour market trends. The ways and means of compiling, editing and presenting data on complex labour market processes have been expanded and defined. The detailed development and ongoing maintenance of a labour market policy monitoring system exemplifies this approach. Both the Federal Ministry of Labour, Social Affairs, Health and Consumer Protection and the public employment service are working on indicators and coefficients suited to help implement the LMP targets set and to better identify shortcomings in performance indicators so as to be able to address or remedy problems by modifying the instruments and programmes used. Thus, indicators and coefficients serve to define and describe the relevant aspect of PES performance and output within the framework of legal requirements and budgetary resources. In fact, they provide precisely quantified measurements, but are no value judgements that would ignore the limited possibilities of the PES to influence the national economy (employment effect).

2. PUBLICATIONS

Comprehensive documentation of completed and current research projects of the Federal Ministry of Labour, Social Affairs, Health and Consumer Protection (BMASGK) is contained in the research records of the Federal Ministry of Education, Science and Research (BMBWF). These records, entitled 'research funding and research contracts' (Forschungsförderungen und Forschungsaufträge), are produced every year and compile the related facts and figures for all federal agencies. The BMASGK has its own internet-based brochure service. Publications from varying research fields may be ordered free of charge via the BMASGK’s website (Broschürenservice des BMASGK).

The BMASGK also offers current labour market data on its website (aktuelle Arbeitsmarktdaten). Moreover, many studies commissioned by the BMASGK and published within
its series of social policy studies can be found at the ministry's homepage in the studies section (German only): *Studien*

Two other annual brochures are published by the BMASGK (Department VI – Labour Market Policy):

A documentation on ‘active labour market policy in Austria’ describing the instruments, measures, programmes and policies included in Austria’s labour market policy toolkit. As from the devolution of the public employment service from federal administration, it described the individual tools of active labour market policy, documented the gradual reforms from 1994 until 2013, provided empirical data on the instruments, measures, programmes and policies, listed all evaluations available in the literature and/or briefly summarised the most important studies. As from 2014 this documentation is followed up on an annual basis. These brochures are available in German from the Ministry’s website at: *Dokumentation aktive Arbeitsmarktpolitik in Österreich 1994 bis 2013* (documentation of active labour market policies in Austria 1994-2013) and the current *Dokumentation aktive Arbeitsmarktpolitik in Österreich 2014 bis 2017* (documentation of active labour market policies in Austria 2014-2017) - German only.

Youth and Work in Austria: this brochure provides an overview of the Austrian education system’s basic policy orientation and approaches used to prepare young people for the demands of working life, and of the current labour market and employment policies for young people in Austria. It is available in German and English at website of the BMASGK at: *Broschüre Jugend und Arbeit in Österreich 2016/2017* and *Youth and Work in Austria 2016/2017*.

The *Evaluierungsdatenbank* provides a password-protected database of the BMASGK for evaluating and monitoring LMP instruments, measures, programmes and policies. Currently it includes more than 3,700 reports, studies, surveys and working papers dating from 1995 to 2018, 1,300 of which relate to Austrian labour market policy and roughly 2,400 to EU Member States and OECD countries. They have been keyworded to ensure effective searches both in a database search feature and in a full text search feature. The database holds both German and English texts.

Every year Department IV – Care and Disability – publishes a report on long-term care provision in Austria (*Österreichischer Pflegevorsorgebericht*), which according to Article 15a of the Federal Constitutional Act (B-VG) between the Federal Government and the Länder is compiled in the form of an annual report on long-term care.

The issue of residential care for the elderly is addressed by a three-volume information brochure on old people’s homes and nursing homes in Austria (Altenheime und Pflegeheime in Österreich, the 11th edition appeared in autumn 2016). Published every two years, the bro-
BIR Reporting Year 2016/2017, Labour Market Policy – Institutions, Procedures, Measures

chure provides an all-Austrian overview and customer-friendly summary of the residential care services for elderly people offered by public, denominational and private providers. Roughly 900 homes are currently included in this brochure.

This and other data collections (‘Social Austria’ [Österreich Sozial] with more than 3,900 providers and ‘Social Services’ [Soziale Dienste] with more than 1,000 providers) form part of the BMASGK’s service website Infoservice.

Moreover, Department IV – Care and Disability – provides a handbook on fully accessible (barrier-free) housing entitled 'Barriere: Frei!' written in association with ‘design for all’, the centre for fully accessible environments. The handbook was last revised and reissued in 2011.

Following the European Year of People with Disabilities in 2003, the Federal Government published its report on the situation of people with disabilities in Austria (most recent version dates from 2016 Bericht der Bundesregierung über die Lage von Menschen mit Behinderungen in Österreich). It includes an overview of disability policy developments of the past five years classified by living situations and subject matters.

On 24 July 2012, the Austrian Council of Ministers adopted the National Action Plan on Disability 2012-2020 (Nationale Aktionsplan Behinderung 2012 - 2020). The Action Plan was devised by the BMASGK in association with all the other federal ministries. Based on a participatory process, it was also discussed with the Länder, social partners and civil society, including stakeholder organisations of people with disabilities. It represents the Federal Government’s strategy for the implementation of the UN Disability Rights Convention in Austria and includes eight priority areas with a total of 250 policy measures to be implemented by all federal ministries by 2020. The report has been published in German and English, and in an easy-to-read version.

Under policy measure 237 of the National Action Plan on Disability 2012-2020, a science award called ‘inclusion by natural sciences and technology’ (WINTEC) was introduced in 2015 to enhance awareness and foster inclusion. It honours projects which contribute to reducing barriers and strengthening the idea of inclusion. In addition to the award ceremony and the financial award, a publication on the award-winning WINTEC project is compiled to present the project appropriately. The brochure is available in German from the ministry’s brochure service in both digital and printed form. For the brochure see WINTEC 2016.

On 5 Oct 2010, the Austrian Council of Ministers adopted the first state report on the UN Disability Rights Convention, which was compiled under the aegis of the BMASGK. The first state report on the UN Convention was published in 2011 in German and English and communicated to the United Nations. Other reports followed in subsequent years. Like most
publications of Department IV, this report is available in an easy-to-read version – UNO-Behindertenrechts-Konvention, Erster Staatenbericht Österreichs-Leicht-Lesen-Version.

The Department also publishes a series called EINBLICK (insight) providing background information and data on the cross-cutting issue of disability. This series is subdivided into eight single issues addressing the different areas of life of people with disabilities. It provides practical and easy-to-understand guidance on competent authorities and eligibility criteria for benefits. The seventh complete series was issued in 2015, with details being updated on an ongoing basis. The series is obtainable from the BMASGK’s brochure service at the following link: Broschürenservice des BMASGK.

With its own research network – AMS-Forschungsnetzwerk – the Austrian public employment service (labour market research and vocational information unit) provides a comprehensive internet platform to present labour market, vocational, educational and skills research activities and enhance their use. Its main features are research (e.g. full-text library) and practical knowledge transfer (e.g. news, tips, event calendar, method manuals, etc.).

Alongside detailed online-archives on research publications by Austria’s PES (AMS info, AMS report, etc.), the e-library of the PES research network contains a great variety of other expert publications of national or international origin reflecting the current state of affairs in labour market, vocational, skills and social research. All the publications collected in the e-library are available as full-text documents in pdf format and can be retrieved through both the ‘bibliographical search engine’ and the ‘full-text search engine’ by various criteria. The editorial team of the PES research network is adding new entries to the e-library on an ongoing basis.

In cooperation with Austria’s social partners, the public employment service has established a Standing Committee on New Skills to help employers, employees and job-seekers prepare for new labour market trends as early as possible and in a targeted way.

AMS Vision Rundschau is another publication by the public employment service which addresses different labour market and skills trends to provide practical support for the PES’s focus on occupations and the labour market.

3. STATISTICS

The BMASGK provides to the general public several internet-accessible databases free of charge:

The ELIS information system (Informationssystem ELIS) includes a number of invariable tables on the labour market and the economy, PES labour market support, LMP revenue and expenditure, LMP indicators (unemployment insurance, current account balance of the PES, current social insurance figures) as well as international comparative figures.
The BALI information system (Informationssystem BALI) allows to combine the data published by the Federation of Austrian Social Insurance Institutions (Hauptverband der Sozialversicherungsträger) on employment with the data of the public employment service on unemployment. In addition to retrievals on employment and unemployment, BALI offers related information on labour supply and rates of unemployment (national definition) broken down by gender, age and sectors. Bali also provides data on self-employment, on employment and unemployment of foreign workers and on participation in PES training schemes.

Statistics on temporary work agencies – Statistik der Arbeitskräfteüberlassung and on private placement services – Statistik der privaten Arbeitsvermittlung – are available from the website of the BMASGK.

In accordance with its mandate under law, the public employment service monitors the labour market on an ongoing basis and compiles periodic labour market statistics. The findings thus obtained form the basis for devising and implementing labour market policy.

IT upgrades also included the introduction of a detailed Management Information System (MIS) for the employment service. This is a specially developed Data Warehouse (DWH) used by PES and BMASGK staff to retrieve up-to-date data rapidly with the help of integrated analysis tools. The necessary information is collected and edited according to topics in so-called ‘data cubes’. A source for statistics, the DWH system also offers pre-fab ‘standard reports’ (see also Chapter 1, section 2.9 on page 24). A great variety of differential information (by sector, region, persons) is available in the ‘standard report’ format on the PES homepage Arbeitsmarktservice.

Linking the internal PES data on periods of registered unemployment, benefit claims and active LMPs with the insurance data made available by the Federation of Austrian Social Insurance Institutions enables staff to monitor the entire labour market. The so-called ‘career monitoring’ feature (Erwerbskarrierenmonitoring) provides the kind of data needed to give detailed information on movements within the Austrian labour market. For instance, flows from unemployment into employment can be evaluated by various characteristics of the employer and employee concerned.
ANNEX

1. ABBREVIATIONS

ABGB  Austrian Civil Code
ALG   Unemployment Benefit (UI)
AIVG  Unemployment Insurance Act
AMFG  Labour Market Promotion Act
AMS   Public Employment Service (PES)
AMSG  Public Employment Service Act
AngG  White-Collar Workers’ Act
AMZ   Centre of occupational medicine
ArblG 1993 Labour Inspectorate Act
ArbVG  Industrial Relations Act
ARG   Rest Periods Act
ASchG Health and Safety at Work Act
AST   Labour foundations
ASV   Ordinance on the Safety of Lifts
AuslBG Act Governing the Employment of Foreign Nationals
AÜG   Temporary Employment Act
AVRAG Act Governing Adjustments to Employment Contracts Law
AZG   Working Time Act
BAG   Vocational Training Act
BauKG Construction Work Coordination Act
BauV  Ordinance for the Protection of Construction Workers
BBRZ  Vocational training and rehabilitation centres
BHZ   Maximum quota numbers
BHZV  Federal ordinance governing maximum quota numbers
BFI   Vocational training institutes
BEinstG Disability Employment Act
BIZ   Vocational Information Centres
BMASGK Federal Ministry of Labour, Social Affairs, Health and Consumer Protection
BMF   Federal Ministry of Finance
BMVG  Employee Income Provision Act
BMDW  Federal Ministry for Digital and Economic Affairs
BPG   Occupational Pension Act
DLU   Subsistence allowance
DNHG  Employees’ Liability Act
DWH   Data Warehouse
EB    Integration subsidy
<table>
<thead>
<tr>
<th>Acronym</th>
<th>Description</th>
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<tr>
<td>EQUAL</td>
<td>Community Initiative combating discrimination and inequalities in connection with the labour market</td>
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<td>EMRK</td>
<td>European Convention on Human Rights</td>
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<td>EPU</td>
<td>Subsidies to One-Person Businesses</td>
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<td>FKS</td>
<td>Skilled workers' grant</td>
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<td>GBP</td>
<td>Non-profit employment projects</td>
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<td>GewO</td>
<td>Trade Act</td>
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<td>GleichbG</td>
<td>Equal Treatment Act</td>
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<td>GM</td>
<td>Gender mainstreaming</td>
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<td>HAG</td>
<td>Home Work Act</td>
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<td>IFA</td>
<td>Institutes of labour market development</td>
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<td>KEBÖ</td>
<td>Conference on adult education in Austria</td>
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<td>KEST</td>
<td>Withholding tax on investment income</td>
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<td>KJBG</td>
<td>Child and Youth Employment Act</td>
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<td>KOOO</td>
<td>Coordination Point for Territorial Employment Pacts</td>
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<td>LFI</td>
<td>Rural institutes for advanced training</td>
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<td>MIS</td>
<td>Management Information System</td>
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<td>MSchG</td>
<td>Maternity Protection Act</td>
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<td>MV-funds</td>
<td>Employee income provision funds</td>
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<td>NSchG</td>
<td>Heavy Night-Work Act</td>
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<td>ÖGB</td>
<td>Austrian Trade Union Federation</td>
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<tr>
<td>R &amp; D</td>
<td>Think, research and development</td>
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<td>SAMIS</td>
<td>Statistical labour market information system</td>
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<td>SFV</td>
<td>Ordinance on safety professionals</td>
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<td>SMS</td>
<td>Social Affairs Ministry Service</td>
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<td>SÖBs</td>
<td>Socio-economic enterprises</td>
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<tr>
<td>TEPGEM-</td>
<td>Gender mainstreaming platform of Austrian employment pacts</td>
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<tr>
<td>UGP</td>
<td>Business start-up programme</td>
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<tr>
<td>VGÜ</td>
<td>Ordinance on health monitoring</td>
</tr>
<tr>
<td>WIFI</td>
<td>Institutes for business development (adult education centres run by the Austrian Economic Chamber)</td>
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<tr>
<td>WIFO</td>
<td>Austrian Institute for Economic Research</td>
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2. RELEVANT INTERNET ADDRESSES

Public Employment Service Austria

PES

PES research network

PES research network

Federal Ministry of Labour, Social Affairs, Health and Consumer Protection

Ministry of Social Affairs

Social Affairs Ministry Service

Social Affairs Ministry Service

BMASGK brochure service

BMASGK brochure service

BMASGK evaluation database

BMASGK evaluation database

ELIS information system of the BMASGK

ELIS

BALI information system

BALI

Statistical data of temporary work agencies and private employment agencies

Statistical data of temporary work agencies private employment agencies

European Social Fund

ESF

European Globalisation Adjustment Fund

EGF

Health and safety at work

Health and safety at work

European Agency for Safety and Health at Work

European Agency for Safety and Health at Work

Labour Inspectorate

Labour Inspectorate

Flexicurity

Flexicurity

European Employment Strategy

European Employment Strategy

European Employment Service (EURES)

EURES

Directorate General for Employment, Social Affairs and Inclusion

GD for Employment Social Affairs and Inclusion
Directorate-General for Neighbourhood and Enlargement Negotiations

GD for Neighbourhood and Enlargement

Lisbon Strategy for Growth and Jobs

Lisbon Strategy

The New Social Agenda

Social Agenda