

# Industrial relations

# Austria: Developments in working life 2017

<u>Developments in working life in Europe:</u> <u>EurWORK annual review 2017</u>

#### **Contents**

| Political context affecting working life aspects          | 1  |
|---|----|
| Developments in industrial relations 2017                 | 4  |
| National social dialogue in 2017 – Scope and Contribution | 5  |
| Collective labour disputes in 2017                        |    |
| Working time 2017   |    |
| Health and well-being at work 2017                        | 11 |
| Employment status 2017                                    | 11 |
| References  | 13 |

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#### Political context affecting working life aspects

For most of 2017, the 'grand coalition' between the Social Democratic Party (SPÖ) and the conservative People's Party (ÖVP), which had been forming the federal government since the last general elections in 2013, remained in office. The partnership between the two parties had been conflictual, and in May 2017, the ÖVP's vice chancellor and federal minister for research, science and economy, Mr Reinhold Mitterlehner, resigned from his functions after internal squabbles. This resulted in the appointment of Mr Sebastian Kurz as the ÖVP's Federal Chairman, the cancellation of the cooperation between the two reigning parties and the call for re-elections.

On 15 October 2017, general federal elections were held. The <u>election saw wins</u> for the ÖVP (winning the vote with 31.5%) and the far-right Freedom Party (FPÖ, coming third with 26.5%), which together arrived at 114 of the 183 parliamentary seats. These two parties started coalition negotiations and presented their agreement on 15 December. The SPÖ, coming in second with a repeat of their election results from 2013 (winning again 26.9% of the vote), will thus belong to the opposition in parliament, together with the liberal NEOS (5.3%) and the Liste PILZ (4.4%) for the next five years. The Green Party saw massive losses and with 3.8% did not make the cut to get into parliament (which lies at 4%), for the first time since 1986. The coalition between the ÖVP and FPÖ is a repeat of the federal government between 2000 and 2006 which was met with heavy international criticism.

Mr Sebastian Kurz of the ÖVP was inaugurated as the federal chancellor with Heinz-Christian Strache of the FPÖ as vice chancellor on 18 December 2017; in total, the ÖVP heads eight federal ministries, the FPÖ six. The fact that both the interior ministry (having competences over the police) and the defence ministry (having competences over the armed forces) lie in the hands of the FPÖ has been met with strong criticism, as well as the fact that many FPÖ politicians have close connections to the right-wing extremist scene.

The inauguration was met with demonstrations against the conservative/far-right government.

#### Social partners reactions following changes in governments

In their election campaigns, protagonists of both the conservative ÖVP and far-right FPÖ have announced to limit the social partners' influence. It thus stands to be seen whether the new power structures will have any impact on Austria's long-established and powerful social partnership. In the right-wing liberal government programme for the next legislative period, the statutory representative bodies for which membership is obligatory (essentially, the Federal Economic Chamber (Wirtschaftskammer Österreich, WKO), the Federal Chamber of Labour (Kammer für Arbeiter und Angestellte, AK) and the Chamber of Agriculture (Landwirtschaftskammer Österreich, LKO)) are asked to present the government with reform programmes showing concrete efficiency gains and financial relief measures for their members until mid-2018, leaving the government with the option to present statutory measures if the planned reforms are not considered sufficient (potentially cutting membership fees, thus reducing the chambers' budgets).

Apart from this, the government programme foresees major changes in the fields of labour and social policy (see below).

Overall, the social partner reactions to the government's programme are two-fold; the <u>WKO</u>, <u>Federation of Austrian Industry (Vereinigung der Österreichischen Industrie, IV</u>) and <u>LKO</u> (all three with quite strong ties to the ÖVP) have generally welcomed the programme, while the <u>AK</u> (further reactions <u>here</u>) and <u>Austrian Trade Union Federation (Österreichischer Gewerkschaftsbund, ÖGB</u>) (short summary see <u>here</u>) have voiced criticism.

In more detail, the individual organisations reacted in the following ways:

The WKO's president Mr Christoph Leitl has welcomed that a focus is being put on a comprehensive debureaucratisation and that the government's programme includes "much needed reliefs for companies and the middle class". The proposed flexibilisation of working hours (allowing for 12h-working days) are also evaluated positively, as this way, especially SMEs would be able to better

react to order peaks; also the envisaged exemptions from holiday and weekend rest shifts e.g. in the tourism sector are welcomed. The shift towards finding decisions at the company level is also welcomed

The IV's general secretary Mr Christoph Neumayer sees important and courageous impulses for both employees and companies and assesses many of the proposed reform measures to have the potential to put Austria back to the top industrial countries world-wide. He especially evaluated the envisaged flexibilisation of working time (allowing for 12-hour working days), tax cuts, improvements in education and measures targeted towards decreasing bureaucratisation as positive.

The LKO shows contentment with the government programme's chapter on the current issues for the agriculture and forestry sector.

The AK sees some positive points in the government's programme (e.g. the planned expansion of social infrastructure (childcare, all-day (instead of half-day) schools, social care), but states that it includes many measures which can increase the pressure on the labour market and on employees. The AK's director Mr Christoph Klein criticises that many items in the programme are still unclear, and that only once they are implemented, one can judge whether and how employees will be affected. The planned flexibilisation of working hours is criticised, and the AK's president Mr Rudi Kaske emphasises that a fair remuneration of overtime, predictability of working hours and time sovereignty are needed. Employees' health and the reconciliation of work and family should have priority when talking about working hours. Further criticism relates to planned cuts in unemployment benefits and the proposed strengthening of the company (works council) level (instead of the collective level).

The ÖGB's president Mr Erich Foglar concludes that the programme includes many aspects which are disadvantageous for employees and which weaken codetermination, including the planned abolition of young workers' councils, the gradation (i.e. cuts) in unemployment benefits, the implementation of 12-hour-working days and the repeal of anti-smoking bans (affecting tourism workers). The government's request for a weakening of the statutory chambers (i.e. reform plans to reduce their budgets) can be considered a farce according to Mr. Foglar.

#### Labour market reforms or major packages of working life regulations

In 2017, several new regulations in the areas of labour market and social policy were put into force:

An update of the previously existing Law against social and wage dumping (Lohn- und Sozialbetrugs-Bekämpfungsgesetz LSD-BG) came into effect on 1 January (for the first time as a stand-alone law), transposing Directive 2014/67 ('Enforcement Directive') (more details see Austria: Updated law against wage and social dumping comes into force). Cross-border administrative prosecutions (on grounds of wage dumping and the like) for employers posting workers to Austria were thus improved and accelerated, in order to facilitate the enforcement of penalties. In the construction sector, a customer liability (including private and public customers) was implemented in order to secure wage entitlements for posted employees. This enables posted workers to claim wage differences not only from their (foreign) employer, but also from their (Austrian) customer.

Also with the beginning of 2017, the term of office for works councils was extended from four to five years, concerning all newly founded works councils from 1 January onwards. Educational leave of works council representatives was extended accordingly by three days to three weeks and three days per term.

Furthermore, the Qualified Employees' Grant (*Fachkräftestipendium*), <u>originally implemented in 2013</u>, was re-installed on 1 January (with a runtime granted until 31 December 2018) after it had been suspended in 2015 and 2016.

On 1 March 2017, a reform of the Childcare Benefit Scheme (Kinderbetreuungsgeld) was implemented for all births from 1 March onwards, introducing a month-long paid paternity leave (family time bonus), an equality bonus (of  $\in$ 1,000, if the leave is divided equally between the partners) and further flexibilising the flat-rate models (substituting the <u>formerly four models</u> by a childcare benefit account with a freely chosen runtime of between 12 and 28 months (15 to 35 months

if both partners are on parental leave). The income dependent variant (80% of the former income for 12 (14) months, with an upper threshold of €2,000 per month) remains in effect.

In mid-2017, two important regulations targeted towards decreasing unemployment in Austria (which has steadily increased since 2011 and only recently improved) came into effect – however, the newly inaugurated government cancelled both of them in early 2018:

On 1 July, an employment initiative for long-term unemployed over the age of 50 (called Aktion 20,000) was implemented as a pilot project in model regions in all nine federal states, to be rolled out over the whole country on 1 January 2018 (with an envisaged runtime until 30 June 2019). The initiative was targeted towards persons who had been out of work for over one year. Via the initiative, 20,000 new (full-time) jobs were to be created by the public or non-profit sector (i.e. in municipalities and communal areas, at the regional and federal levels, in social enterprises, NGOs), with a wide spectrum of professions (including all qualification levels, from administrative jobs e.g. in schools to assistance and companionship of older persons in need of care), to be paid at the level of the respective collective agreements to be applied. The jobs were to be subsidised for a maximum duration of two years with up to 100 per cent (gross pay plus a lump sum of 50 per cent for nonewage costs). The Public Employment Service (Arbeitsmarktservice, AMS) was to coordinate the initiative as a whole, including the recruitment process of eligible persons. In total, €778 million were to be made available for this measure. Long-term unemployment of older people (of which there are currently around 50,000 in the country) was hoped to be cut in half. On 31 December 2017, the newly inaugurated ÖVP/FPÖ coalition government cancelled the programme with immediate effect; only applications made until 31 December are to be processed. At the same time, some 1,500 jobs had been created with the pilot projects, with 1,000 more open positions announced, and long-term unemployment has been decreasing in the model regions.

Also on 1 July, the so-called <u>employment bonus</u> came into force, which is an incentive for employers creating new jobs; they are to be refunded 50 per cent of the non-wage labour costs for a maximum period of three years if they create new jobs. Eligible workers are unemployed persons registered with the AMS, graduates from Austrian educational institutions, persons changing jobs and third-country nationals holding the <u>Red-White-Red Card</u> (for qualified employees), but no new migrants who have not worked in Austria beforehand. Also this measure was cancelled by the new government on 31 December 2017, coming in effect from February 2018 onwards (i.e. applications can be made until 31 January 2018). The government argued that in times of a good economic situation, such a measure is not considered as targeted and adequate.

One further reform was implemented in mid-2017, the Act on Part-time work upon reintegration (Wiedereingliederungsteilzeitgesetz). The Act enables persons having been on sick leave for a longer time period (i.e. at least six weeks) to re-enter the labour market with reduced working hours. A compensation for the hours not worked is granted. The agreement is voluntary and is dependent on the employer's consent.

Three days before the federal parliamentary elections took place, a vote on the equal treatment between blue-collar and white-collar workers was <u>passed on 12 December 2017 in parliament</u>. A harmonisation between the two groups of employees with regard to periods of notice, continued remuneration during sick leave and in the acknowledged reasons for paid absence from work will be achieved.

In December 2017, the newly inaugurated coalition government presented their right-wing liberal government programme for the next legislative period, which foresees major changes in the fields of labour and social policy, among others:

- a daily maximum working time of twelve hours up to five times a week is to be generally allowed (thus allowing for a 60-hour working week), to be negotiated at the company level with the works council (thus putting employees in companies without a works council at a disadvantaged position as they will have to negotiate individually);
- exemptions from the weekend and holiday rest periods (e.g. reducing rest periods in the tourism sector to eight hours) are to be allowed (also to be negotiated at the company level);

- reasonableness criteria for unemployed to take on a job offer are to be tightened (regarding commuting times, occupational protection, income protection);
- cuts in unemployment benefits and social benefits and in access to social welfare are planned;
- a repeal of smoke-free restaurants (which would have come into force in May 2018) is planned (affecting tourism workers);
- the young workers' council, a specific company representation structure for young workers (and apprentices) is to be abolished, instead the age limit for works council candidates is to be reduced to 16 (instead of 18) years.

The envisaged reform measures are to be further elaborated in the course of this legislative period (five years).

#### **Developments in industrial relations 2017**

# Changes affecting the national-level actors and institutions of industrial relations and social dialogue in 2017

#### Representativeness

No major changes occurred in 2017 in the way the representativeness of social partners is regulated or assessed.

#### Actors

The (according to its self-representation) first European Union initiative for one-person enterprises and freelance contractors was founded in October 2017, called <a href="widaflex">widaflex</a> (a subgroup of the vida services union). The union initiative is catering to the over 300,000 OPEs, freelancers, bogus self-employed and small companies with up to four employees. No information on the number of members is available yet. The union initiative is legally a sister union to vida and as such cannot be involved in collective bargaining. The formation of the initiative has sparked criticism by the mandatory employer organisation WKO, which is the legal and mandatory representative for all those OPUs holding a business licence, which would also belong to the target group of vidaflex (e.g. self-employed professional caretakers).

No major legislative or institutional changes occurred among the employer organisations.

#### Institutions

No legislative or institutional changes to the main social dialogue institutions were implemented in 2017.

#### Changes in the social dialogue processes

No major changes in the practice of national-level social dialogue processes occurred in 2017.

## National social dialogue in 2017 – Scope and Contribution

### Main social dialogue topics and outcomes in 2017

| Themes  | Description of issue  | Code(s)-<br>interaction | Type of Interaction  | Code(s)-Outcome  | Outcome  |
|---|---|-------------------------|--|--|--|
| General labour ma   | arket topics  |                         |  |  |  |
| Job creation, reduction of unemployment, active labour market policies, labour market participation of different groups | "Aktion 20,000": employment initiative for long-term unemployed over the age of 50; this was initially found in the SPÖ's party programme (more information see above). | 10                      | The extent to which the social partners were involved in the preparation of the measure is not publicly known. The measure is administered via the AMS (Social partners are represented in the AMS, i.e. the public employment service's governing board). | 1 (legislation was passed<br>by the former<br>government, but taken<br>back on 31 December<br>by the newly<br>inaugurated<br>government) | In July 2017, the project started as a pilot in eleven different model regions in all nine regional states in Austria and it was planned to expand it all over Austria with the beginning of 2018. Some €780 million were budgeted for the measure until mid-2019. Before the measure was cancelled by the new ÖVP/FPÖ government, some 1,500 jobs had been created, with 1,000 more open positions announced (according to information from November 2017). Long-term unemployment has decreased in the model regions as compared to unemployment among the target group overall. |
| Taxation and non-<br>wage related<br>labour costs   | Employment bonus: an incentive for employers creating new jobs; they will be refunded 50 per cent of the non-wage labour costs for a maximum period of three            | 10                      | The involvement of the social partners in the preparation of the measure is not publicly known. Both sides welcomed the government's agreement.  The measure is  | In chronological order: 6, 4, 2  | The measure was especially welcomed by companies. According to the Ministry for Economic Affairs, in the first half year of the measure (July to December 2017), some 12,600 applications for around 64,000 were made. For the   |

| Themes   | Description of issue   | Code(s)-<br>interaction | Type of Interaction   | Code(s)-Outcome | Outcome   |
|--|--|-------------------------|---|-----------------|---|
|  | years if they create new jobs. Eligible workers are unemployed persons registered with the AMS, graduates from Austrian educational institutions, persons changing jobs and third-country nationals holding the Red-White-Red Card (for qualified employees), but no new migrants who have not worked in Austria beforehand. |                         | administered by the AMS (social partners are represented in the AMS' governing board).  |                 | measure, in total, €2 billion were budgeted (for around 30,000 companies). Within the first six months, around €900 million were applied for (i.e. not yet granted). (Source: derstandard.at/2000071308023/Regi erung-stellte-Beschaeftigungsbonus-und-Aktion-20-000-ein) |
| Working life relat   | ed themes  |                         |   |                 |   |
| Wage setting systems, including the setting of minimum wages (but excluding the 'regular' annual debates about the determination of the level of the new minimum wage) | Minimum wage cross-sectoral  | 7                       | See below; the government asked the social partners to negotiate on the implementation of a cross-sectoral minimum wage of €1,500 | 5               | See below; an agreement was reached   |
| Working time regulations   | Working time flexibility (12-hour working day)   | 7                       | See below; the government asked the social partners to negotiate on the issue of  | 7               | According to the social partners themselves, the topic would be further negotiated in the coming  |

| Themes  | Description of issue   | Code(s)-<br>interaction | Type of Interaction  | Code(s)-Outcome  | Outcome   |
|---|--|-------------------------|--|------------------|---|
|   |  |                         | working time flexibility   |                  | weeks and months. The topic is included in the newly elected government's programme (see above).  |
| Health, safety and well-being at work                       | The Act on Part-time work upon reintegration (Wiedereingliederungstei lzeitgesetz) was implemented in July 2017 (see above and below). The Act enables persons having been on sick leave for a longer time period (i.e. at least six weeks) to re-enter the labour market with reduced working hours. A compensation for the hours not worked is granted. The agreement is voluntary and is dependent on the employer's consent. | 6/7, followed by 1/2    | The topic of a reintegration after sick leave was first discussed under the heading 'part-time sick leave' ('Teilkrankenstand') between the social partners (from around 2013-2014 onwards). In autumn 2014, tripartite debates and negotiations followed the initial social partner discussions and negotiations. | 6, followed by 2 | In December 2016, the bill (which was mostly based on the social partner proposals) was passed in parliament, and came into effect in mid-2017. |
| Work-life balance<br>related themes,<br>incl. family leaves | A reform of the childcare benefit scheme was implemented in the first half of 2017 (see above).  | 9                       | As is standard practice in Austria, the social partners provided statements to the draft bill.  Generally, the reform was welcomed by the social partners, however, e.g. the ÖGB stated that the social  | 2                | Legislation was passed, the new regulation is valid for all births from 1 March 2017 onwards.   |

| Themes | <b>Description of issue</b> | Code(s)-<br>interaction | Type of Interaction   | Code(s)-Outcome | Outcome |
|--------|-----------------------------|-------------------------|---|-----------------|---------|
|        |                             |                         | partners were not sufficiently involved in the preparation of the reform. |                 |         |

No major social dialogue debates were held on the following themes: Skills, training and employability, Benefits (unemployment, sickness schemes, minimum income), Pension reforms, Terms and conditions of employment, including different forms of contracts.

#### Note:

Codes for '*Type of interaction*': **1** - Tripartite debate; **2** -Tripartite negotiation; **3** - Formal consultation of both social partners; **4** - Formal consultation of trade unions; **5**- Formal consultation of employers organisations; **6**- Bipartite debate; **7** - Bipartite formal negotiations; **8** - Lobbying from at least one side; **9** - Type of interaction unknown, **10** - No direct involvement, but issue tackled within tripartite setting (e.g. public institutions with tripartite boards').

Codes for 'Outcome as per 1.1. 2018': 1 - Unilateral decision by government; 2 - Legislation passed; 3 - Legislation prepared (in legislative process, not concluded); 4 - Tripartite agreement or joint position reached; 5- Bipartite agreement reached; 6- Joint opinion of social partners reached; 7 - Issue not closed, ongoing exchange; 8 - Issue dropped, no concrete outcome, no further exchange; 9 - Outcome unknown, none of these types.

#### Selected major social dialogue debates

#### Cross-sectoral minimum wage of €1,500 agreed upon by social partners

In January 2017, Austria's federal coalition government asked the social partners to negotiate on the implementation of a cross-sectoral minimum wage of €1,500 (and on working time flexibility, see below), with solutions to be presented until mid-2017. If no social partner agreement was to be presented by then, the government would implement statutory regulations. After months of negotiations, on 30 June, the heads of the four main social partner organisations (ÖGB, AK, WKO and LKO) presented the outcomes in a press conference: A general agreement on the implementation of a minimum wage of €1,500 was agreed upon between the social partners. The new minimum wage, of which 300,000 employees currently earning less would benefit, is to be implemented via sectoral collective agreements by 2020 (in all those sectors where the minimum wage is currently lower). Already in this year's spring collective bargaining rounds, the new minimum wage was implemented in a variety and multitude of sectors; in others, agreements on a gradual implementation by 2020 were made. More information see Austria: Social partners agree on €1,500 monthly minimum wage for all sectors.

#### Working time flexibility - 12 hour working days

Also in January 2017, Austria's federal coalition government asked the social partners to negotiate on working time flexibility (and on a cross-sectoral minimum wage of €1,500, see above), with solutions to be presented to the government by mid-2017. If no social partner agreement was to be presented by this deadline, the government would implement statutory regulations, potentially allowing for 12-hour working days.

However, by mid-2017, no agreement between the social partners on working time could be reached even though the parties had been 'very close' to an agreement. While the employers had preferred an extension of the regular working day to twelve hours, the employees had demanded more free time in exchange. No compromise could be found. However, it was assured that the topic would be further negotiated in the coming weeks and months. Due to the federal coalition government's crisis by the time an agreement should have been presented and de-facto cancellation of the governing parties' cooperation (see above) and the call for new elections to be held on 15 October), the social partners' motivation to reach an agreement on working time flexibility might have been somewhat limited.

As presented above, the newly formed ÖVP/FPÖ government has included the implementation of the maximum daily working time of 12 hours in their government programme.

#### Unilateral government actions – without social dialogue

As mentioned above preceding the table, the social partners' informal involvement in the preparation of newly implemented labour market reforms is unknown (due to the lack of formal involvement). Also, there are overlaps between parliamentarians and social partner functionaries, so via these personnel constellations, social partner influence is always given to a certain degree.

Social partners generally welcomed the implementation of the employment bonus, the labour side welcomed the implementation of the "Aktion 20,000" (see above and Q3 country update). A reform of the childcare benefit scheme (see above and Q1 country update) was also implemented in the first half of 2017, which was generally welcomed by the social partners, however, the ÖGB stated that the social partners were not sufficiently involved in the preparation of the reform. The harmonisation of regulations between blue- and white collar workers in October (see above) was also implemented without prior social partner consultation, which was especially criticised by the employer side. Legislation was passed only three days before general elections were held, by three parties, one of them the Social

Democrats then still holding the chancellor's position. The labour side had demanded the harmonisation for a long time; the employer side was unhappy with the quick implementation and the fact that the social partners were not involved before the decision in parliament (more information see article "Equal treatment for blue- and white-collar employees")

#### Changes affecting the sectoral and company level social dialogue 2017

No changes were implemented in 2017.

#### Innovation in collective bargaining

No genuinely innovative measures were implemented in collective agreements concluded in 2017.

#### Collective labour disputes in 2017

No changes in the regulation of collective disputes were implemented in 2017.

No collective labour disputes of national significance occurred during 2017 (please note: info based on author's knowledge/research as official statistics of industrial action events are not yet available at the time of writing).

In the metal industry sector, negotiations were controversial and an agreement was only found after works council conferences, works meetings and the preventative decision for industrial action. Before strikes could have taken place, however, an agreement was found.

On 12 May, the International Nurses Day, four unions (the private sector unions GPA-djp and vida, as well as the GÖD and younion representing nurses in the public sector) organised a protest march in Vienna, drawing attention to the challenging situation and the difficult working conditions in the sector. Among the unions' demands is the conduct of a federally uniform personnel requirements analysis which should be made mandatory for all health and social care institutions in regards to the number of staff and required qualifications. This way, minimum standards and fair working conditions could be reached. Furthermore, a working time reduction to 35 working hours a week is demanded by the two private sector unions, which could contribute towards the prevention of burn-out, which is highly prevalent among employees in the sector. Negotiations on this have already started in the April 2017, but the employers have argued that they cannot currently negotiate on this as the sector encounters a lack of labour. In the following bargaining round in autumn 2017, the topic was taken up again. At the time of writing (January 2018), no agreement on a new collective agreement and the demanded reduction of working time could be reached after two unsuccessful negotiation rounds in November 2017 and January 2018. A protest march is planned for 24 January 2018, with the possibility of further going measures if no agreement is to be found soon.

#### Working time 2017

No major changes in the regulation of working time were made during 2017. However, the (recurring) topic of a flexibilisation of working time (allowing for 12-hour working days) has been put on the agenda of the social partners and, most recently, on the agenda of the newly elected government (see above), so that movement in this topic can be expected in the course of 2018.

#### Health and well-being at work 2017

#### Physical working environment

No major developments regarding the regulation of physical risks at work could be identified for 2017.

In April, the latest <u>figures on occupational accidents in Austria in 2016</u> (PDF, in German) were presented by the General Accidents Insurance Corporation (AUVA). They indicate an all-time national low record value of 24.59 accidents per 1,000 employees (including commute to and from work). A decline in fatal work accidents was also observed, from 124 in 2015 to 106 in 2016 (also including commute). Nonetheless, by international comparison, Austria has a high share of deadly accidents per capita, ranked eighth with the EU. The most common occupational disease is noise-induced hearing loss; more than 560 cases were recognised as occupational disease in 2016.

#### Psychosocial working environment

In July 2017, the Act on Part-time work upon reintegration (Wiedereingliederungsteilzeitgesetz) was implemented. The Act enables persons having been on sick leave for a longer time period (i.e. at least six weeks) to re-enter the labour market with reduced working hours (a reduction of between a fourth to half of the previous working hours is possible). A compensation for the hours not worked, the so-called re-integration allowance (equivalent to increased sick pay), is granted by the health care insurance. The agreement is voluntary and is dependent on the employer's consent. However, due to cost savings for the employers, it is also attractive from their point of view. The part-time work period can be agreed for a duration of between one and six months; if required, it can be prolonged to nine months.

#### **Employment status 2017**

| Type of contracts                     | Changes made during 2017   |
|---------------------------------------|--|
| 'Standard'<br>employment<br>contracts | A vote on the equal treatment between blue-collar and white-collar workers was <u>passed in parliament on 12 December</u> . A harmonisation between the two groups of employees with regard to periods of notice, continued remuneration during sick leave and in the acknowledged reasons for paid absence from work will be achieved.  |
|                                       | Please note, this harmonisation was agreed upon in 2017, but not yet implemented. The earliest changes will come into force on 1 July 2018.  |
|                                       | See in "political context" – Labour market reforms and 'social dialogue' unilateral decisions.   |
| Self-employed                         | No major changes made during 2017  |
| Fixed term contracts                  | No major changes made during 2017  |
| Temporary agency workers              | No major changes made during 2017  |
| Posted workers                        | An update of the previously existing Law against social and wage dumping (Lohn- und Sozialbetrugs- Bekämpfungsgesetz LSD-BG) came into effect on 1 January (for the first time as a stand-alone law), transposing Directive 2014/67 ("Enforcement Directive") (more details see Austria: Updated law against wage and social dumping comes into force). Cross-border administrative prosecutions (on grounds of wage |

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|                     | dumping and the like) for employers posting workers to Austria were thus improved and accelerated, in order to facilitate the enforcement of penalties. In the construction sector, a customer liability (including private and public customers) was implemented in order to secure wage entitlements for posted employees. This enables posted workers to claim wage differences not only from their (foreign) employer, but also from their (Austrian) customer. |
|---------------------|---|
| Seasonal workers    | No major changes made during 2017   |
| Zero hour contracts | Illegal in Austria  |

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