



# ARBEIT & SOZIALES

**HIRING STAFF - GETTING IT RIGHT!**

January 2016

## Introduction

Employers planning to hire staff must be aware of a host of relevant provisions set out in law and in collective agreements. Even a small error may easily have an unwanted and often costly effect.

It is therefore essential to familiarise oneself early on and in detail with the main questions which may arise in the hiring process, so as to avoid unnecessary complications as far as possible.

This booklet summarises the relevant labour law regulations. It offers step-by-step guidance to the process of employment.

Before employing staff, you should ask yourself the following fundamental questions:

- Which provisions on equal treatment must be adhered to when advertising a vacancy?
- When are interview expenses incurred and how can they be avoided?
- What must be taken into account when employing foreign nationals?
- What form of employment is envisaged: as manual worker or salaried employee, seasonal trainee or seasonal employee?
- Is there an apprentice to be trained?
- Which collective agreement is applicable to the employment relation?
- What are the contents of a service note and what is the difference to a contract of employment?
- What are the advantages of a probationary period?
- What needs to be borne in mind when concluding a fixed-term employment contract?
- Which rules apply to registration with a health insurance provider?
- What qualifies as marginal employment?
- Which data must be contained in a payroll account?

Attached you will find the current contribution bases and rates for employees for 2014 and many useful links for employers.

For more details and practical hints as well as sample forms on labour and social law, please visit our website at [wko.at/arbeitundsoziales](http://wko.at/arbeitundsoziales).

# Contents

Introduction.....	2
Contents .....	3
<b>1. Equal treatment in job advertising and hiring .....</b>	<b>6</b>
1.1. General .....	6
1.2. Equal treatment in the context of a specific employment .....	6
1.3. Consequences of violating the equal treatment principle .....	6
1.3.1. Non-discriminatory vacancy announcement .....	6
1.3.2. Non-creation of employment.....	6
1.4. Minimum Pay in Vacancy Announcements.....	7
1.4.1. General .....	7
1.4.2. Definition.....	7
1.4.3. Minimum pay.....	7
1.4.4. Sanctions .....	8
<b>2. Applicant’s interview expenses .....</b>	<b>10</b>
2.1. Definition.....	10
2.2. Invitation to a job interview .....	10
2.3. Exclusion of reimbursement.....	10
2.4. No reimbursement .....	10
<b>3. Employment of foreign nationals .....</b>	<b>11</b>
3.1. General .....	11
3.2. Official authorisation.....	11
3.3. Foreign nationals’ law.....	11
3.4. Exemptions from the Law on the Employment of Foreign Nationals .....	12
3.4.1. EEA nationals .....	12
3.4.2. Family members who are third-country nationals.....	12
<b>4. Workers and employees .....</b>	<b>14</b>
4.1. Salaried employees .....	14
4.2. Manual workers.....	14
4.3. Legal differences.....	14
<b>5. Apprentices .....</b>	<b>16</b>
5.1. General .....	16
5.2. Concluding an apprenticeship contract.....	16
5.3. Registration of apprenticeship contracts.....	16
5.4. Part-time vocational school .....	16
5.5. Entitlements under labour law.....	17
5.6. Continued employment .....	17
<b>6. Seasonal trainees and seasonal employees .....</b>	<b>18</b>
6.1. Seasonal trainees .....	18
6.1.1. Characteristic features.....	18
6.1.2. Remuneration.....	18
6.1.3. Labour law status .....	18
6.1.4. Social insurance .....	18
6.2. Seasonal employees .....	19
6.2.1. Labour law and social insurance status.....	19

<b>7. Collective agreement</b> .....	<b>20</b>
7.1. Term and definition .....	20
7.2. Scope .....	20
7.3. Which collective agreement applies? .....	20
7.4. Multiple membership .....	21
<b>8. Service note or employment contract</b> .....	<b>22</b>
8.1. General .....	22
8.2. Minimum content of a service note .....	22
8.3. Probative force .....	22
8.4. Administrative duties .....	23
<b>9. Probationary period</b> .....	<b>24</b>
9.1. General .....	24
9.2. Length .....	24
9.3. Agreement .....	24
9.4. Apprentices .....	25
9.5. Notice of dissolution .....	25
<b>10. Fixed-term employment</b> .....	<b>26</b>
10.1. Definition .....	26
10.2. Final date .....	26
10.3. Maternity protection .....	26
10.4. Termination .....	26
10.5. Consecutive fixed-term contracts (“chain contracts”) .....	27
<b>11. Registration of employees for health insurance</b> .....	<b>28</b>
11.1. Registration options .....	28
11.1.1. Preliminary minimum registration .....	28
11.1.2. Full registration following minimum registration .....	28
11.2. Form of registration .....	28
11.2.1. Electronic data exchange - ELDA .....	28
11.2.2. Registration per telephone, tax etc. ....	29
11.3. Consequences of non-registration .....	29
<b>12. Marginal employment</b> .....	<b>30</b>
12.1. Definition .....	30
12.2. Labour law status .....	30
12.3. Termination .....	30
12.4. Social insurance .....	30
12.4.1. Accident insurance contribution .....	30
12.4.2. Employer’s levy .....	31
12.4.3. Lump-sum employee contribution .....	31
12.4.4. Registrations .....	31
<b>13. New severance pay scheme</b> .....	<b>32</b>
13.1. General .....	32
13.2. Liability to pay occupational pension contributions - begin and duration .....	32
13.2.1. Begin with first-time employed persons .....	32
13.2.2. Begin upon re-employment within 12 months .....	33
13.3. End of contribution liability .....	33
13.4. Contribution rates and handling of payments .....	33
<b>14. Payroll account</b> .....	<b>35</b>
14.1. General .....	35

14.2. Which data must be recorded in the payroll account? .....	35
<b>15. Subsidies.....</b>	<b>37</b>
15.1. Subsidies for the first employee .....	37
15.1.1. Who is eligible?.....	37
15.1.2. Eligible persons.....	37
15.1.3. Eligibility requirements .....	37
15.1.4. Extent and duration .....	38
15.1.5. How to apply for a subsidy .....	38
15.2. Other grants .....	38
<b>Annex .....</b>	<b>39</b>
1. 2016 social insurance contribution bases and rates.....	39
1.1. Maximum contribution base /employees .....	39
1.2. Maximum contribution base/ freelancers .....	39
1.3. Contribution rates / employees.....	39
1.4. Contribution rates / Freelancers .....	40
1.5. Marginal earnings threshold .....	40
1.6. Levies payable by employers .....	41
1.7. Levies payable by employees .....	41
2. Useful links.....	42

# 1. Equal treatment in job advertising and hiring

## 1.1. General

The Act on Equal Treatment bans discrimination on the grounds of

- gender,
- ethnicity,
- religion,
- general beliefs and attitudes,
- age, and
- sexual orientation.

## 1.2. Equal treatment in the context of a specific employment

Given the above bans on discrimination, no person shall be directly or indirectly discriminated against, inter alia, upon the

- creation of an employment relation, or the
- fixing of the rate of pay.

### Note!

The advertising of jobs, the selection/screening of candidates, and the filling of vacancies, must always be non-discriminatory.

### Example:

A vacancy announcement reading “Seeking male truck driver, maximum 35 years of age, perfect command of German“ is discriminating on multiple reasons.

Apart from the discriminating reference to gender and age, the requirement of having a perfect command of German is ethnically discriminating because it may keep potential job-seekers on the labour market with a mother tongue other than German from applying for the job. Having a perfect command of German is, however, not required for a truck driver.

## 1.3. Consequences of violating the equal treatment principle

### 1.3.1. Non-discriminatory vacancy announcement

A first-time violation of the duty of non-discriminatory vacancy announcement will be sanctioned by the administrative authorities at district level by a warning; for any further violations a fine of up to EUR 360 will be imposed.

### 1.3.2. Non-creation of employment

If employment fails to materialise due to a violation of the principle of equal treatment, the applicant is entitled to compensation for material loss and personal impairment suffered. The compensatory claim amounts to

- a minimum of two monthly remunerations, if the job-seeker would have obtained the job in case of non-discriminatory selection, or
- up to EUR 500,-

- if the employer can prove that the discrimination-induced loss consisted solely in the job application not being considered.

Applicants may enforce such claims within six months after their job application has been rejected.

#### Useful hint!

After a job interview, try and summarise the main contents of the interview in writing, highlighting also the factual arguments for or against a successful application which are easy to prove.

## 1.4. Minimum Pay in Vacancy Announcements

### 1.4.1. General

As of 1 March 2011 vacancy announcements must specify a minimum pay. This obligation applies to

- employers,
- private placement agencies, and
- public employment service agents.

#### Note!

Vacancy announcements for executive positions with strong influence on the corporate management are excluded from this regulation.

### 1.4.2. Definition

The term “vacancy announcement“ covers both internal (bill-board) and external (newspaper, internet) announcements in which a specific job is being advertised.

General information on signboards such as “We are recruiting.....“ or invitations for a general get-together are not considered a vacancy announcement, unless a specific job is being described.

### 1.4.3. Minimum pay

The vacancy announcement must indicate the minimum pay that has been set for the announced job either by collective agreement or any other collective bargaining norm.

The information on the minimum pay must state

- the amount,
- the unit of time as hour/week/month,
- excluding pro-rated holiday and Christmas bonuses,
- including person-dependent allowances which are known at the time the vacancy is announced (e.g. with foremen).

#### Note!

Since 1<sup>st</sup> of August 2013 all companies, which are not subjected to a collective agreement or other collective bargaining norm, must specify a minimum pay.

In the vacancy announcement, the employer may refer to his willingness to pay more than the collective bargaining rate.

### Note!

Employers who fail to pay more than the collective bargaining rate to jobseekers contrary to their announced willingness to do so, run the risk of being confronted with a claim - based on age, sex or any other discriminatory fact - for payment of the difference and compensation for personal impairment suffered.

This obligation to specify a minimum pay in vacancy announcements also applies to part-time jobs and marginal-type employments.

### Useful hint!

Reference to “Wage/salary from.... EUR gross“ with the collectively agreed minimum pay is sufficient.

You are not required to:

- state the applicable collective agreement,
- take additional grading criteria (length of employment with the company, professional experience) into account, unless you are explicitly looking for a person with such professional experience,
- factor in occupational allowances if they vary in amount - which applies also to tips.

### Examples of wordings:

“We are looking for... at EUR ... gross monthly.“

“Pay: EUR ... gross/hour, overpay is possible.“

“For this position we are offering a gross monthly salary based on current market rates of EUR... gross to EUR ... gross, depending on your specific qualifications”.

“... wanted; pay in excess of collective rate starting from EUR... gross.

“Negotiation base: EUR ... gross monthly salary and willingness to overpay“.

### Useful hint!

If an employer hires a candidate with lower qualifications than required in the vacancy announcement, a lower pay may be agreed on to the extent it is covered by the collective agreement, provided this changes the nature of the post filled or at least the task profile.

#### 1.4.4. Sanctions

Candidates cannot deduce any individual claims from a violation of these obligations. However, candidates or the equal treatment ombudsman may report such violation to the district administration authority.

In case of first-time violation, the district administration authorities will issue a caution; for any further violations, an administrative fine of up to EUR 360 is imposed.

## 2. Applicant's interview expenses

### 2.1. Definition

Interview expenses are expenses which a job applicant incurs when applying for a vacancy with an employer. Typically, such expenses would include travel and accommodation costs.

In practical terms, job applicants tend to present a claim for the reimbursement of interview expenses only if the conclusion of an employment contracts fails to materialise.

#### Note!

Whether or not a job applicant is reimbursed by a potential employer for the interview expenses incurred depends on the potential employer's behaviour before the interview.

### 2.2. Invitation to a job interview

The applicable law does not contain explicit provisions on the reimbursement of interview expenses.

However, the Austrian Supreme Court has ruled that potential employers must defray interview costs only if they expressly invited job applicants to present themselves for an interview.

Therefore: Whoever gave instructions for a job interview to be held will have to bear the resultant expenses (e.g. travel costs).

### 2.3. Exclusion of reimbursement

As an employer, you may partly or fully avoid having to reimburse interview costs if you explicitly exclude claims to a reimbursement of expenses in the invitation for the job interview.

#### Useful hint!

In the written invitation to a specific job interview, the employer should clearly state that he will not defray the resultant expenses.

#### Example:

"Please note that we will not be reimbursing you for expenses you might incur in the context of the interview such as travel costs, per diems or per noctems".

### 2.4. No reimbursement

An employer will on no account be liable for the reimbursement of interview expenses if the job applicant presented himself in response to a job announcement (e.g. advertisement in a paper) without having been previously contacted by the potential employer.

## 3. Employment of foreign nationals

### 3.1. General

Employment of foreign nationals in Austria is allowed only if

- they are generally exempted from the Act on the Employment of Foreign Nationals (*Ausländerbeschäftigungsgesetz*),
- an official authorisation of employment has been granted.

#### Note!

The unlawful employment of foreign nationals in Austria carries high fines and is strictly monitored by Finanzpolizei, a dedicated law enforcement unit of the financial administration to combat illicit work.

### 3.2. Official authorisation

The regional PES offices (*AMS, Arbeitsmarktservice*) are responsible for issuing permits to employ foreign nationals.

Depending on the established facts, an authorisation to employ a foreign national may be granted in the following forms:

- Employment permit (*Beschäftigungsbewilligung*),
- Red-White-Red Card, Red-White-Red Card plus, EU-Blue Card,
- EU-placement permit,
- Confirmation of notification (*Anzeigebestätigung*) or
- Settlement certificate (*Niederlassungsnachweis*).

#### Note!

One of the above authorisations must have been granted before a foreign national is employed, even if the envisaged employment is only marginal. Furthermore, the employer must notify the start and the termination of the employment of a foreign national to the regional PES office within three days.

### 3.3. Foreign nationals' law

Foreign nationals staying in Austria are subject to the provisions of the Law on the Employment of Foreign Nationals as well as to the applicable foreign nationals' law.

In order to be lawfully employed in Austria, a valid residence title is required, viz either a

- settlement permit (*Niederlassungsbewilligung*) which is valid for one year, or a
- residence permit (*Aufenthaltserlaubnis*) which is valid for a maximum of 6 months.

Nationals from EEA countries (Belgium, Denmark, Germany, France, Greece, United Kingdom, Ireland, Italy, Luxembourg, the Netherlands, Portugal, Spain, Finland, Iceland, Liechtenstein, Austria, Norway, Sweden), of the new EU Member States (Poland, the Czech Republic, Slovakia, Slovenia, Hungary, Lithuania, Latvia, Estonia, Malta, Cyprus, Romania,

Bulgaria and Croatia) and of Switzerland no longer require a settlement or residence permit.

### 3.4. Exemptions from the Law on the Employment of Foreign Nationals

The Law on the Employment of Foreign Nationals provides for a number of exemptions for different groups of persons.

Foreign nationals who are exempted from the scope of the Law on the Employment of Foreign Nationals may be employed like any Austrian without a need for additional authorisation.

#### Note!

Employers are held to verify the facts giving ground to an exemption and submit evidence thereof, as applicable, in the course of official controls. If an employer wrongly assumes that a foreign national is exempted, this will be considered unlawful employment in violation of the Law on the Employment of Foreign Nationals. The relevant penal provisions then apply.

#### 3.4.1. EEA nationals

In general, all EEA (including all EU) nationals as well as Swiss nationals are exempted from the scope of the Law on the Employment of Foreign Nationals.

Therefore this exception applies to all citizens of Belgium, Bulgaria, Denmark, Germany, Estonia, Finland, France, Greece, United Kingdom, Ireland, Iceland, Italy, Latvia, Lichtenstein, Lithuania, Malta, The Netherlands, Norway, Austria, Poland, Portugal, Romania, Sweden, Switzerland, Slovakia, Slovenia, Spain, Czech Republic, Hungary and Cyprus.

#### Note!

The transition periods to citizens of Croatia apply until 30/6/2020.

#### 3.4.2. Family members who are third-country nationals

Spouses of Austrian citizens, any other EEA citizens or Swiss citizens who are third-country nationals are exempted from the provisions of the Law on the Employment of Foreign Nationals, provided they are staying lawfully in Austria.

#### Example:

The Philippine wife of an Austrian or German man who has a valid residence title in Austria may be employed in Austria without official authorisation, provided her husband has a residence in Austria.

#### Note!

The employer should ask the employee to present a confirmation in accordance with Article 3 (8) of the Act on the Employment of Foreign Nationals. With this confirmation the PES certifies that the family member is exempted from the provisions of the Law on the Employment of Foreign Nationals.

Moreover, children of an Austrian citizen, any other EEA citizen or Swiss citizen who are third-country nationals, under 21 years of age, or who are supported by an Austrian citizen, EEA citizen or Swiss citizen, are exempted from the provisions of the Law on the Employment of Foreign Nationals, provided they have a valid title to stay in Austria.

**Example:**

A 16-year old Philippine child of the wife of an Austrian or German man who has a valid title to stay in Austria, is supported by the latter, and lives in Austria, may be employed as apprentice without an official authorisation being required.

Third country nationals, who are parents or parents-in-law of Austrians or other EEA citizens using their right of free movement are exempted from the provisions of the Law on the Employment of Foreign Nationals.

## 4. Workers and employees

Two employment regimes, for manual workers and for salaried employees, exist.

### 4.1. Salaried employees

The Act on Salaried Employment (*Angestelltengesetz*) defines salaried employment as

- commercial work,
- higher-level, non-commercial work (requiring corresponding previous knowledge) or
- office work (all clerical activities).

#### Note!

Salaried employees are governed by the Act on Salaried Employment. A salaried employee who performs the activities defined may not be employed as a manual worker. In addition, the provisions of the relevant sectoral collective agreement apply.

#### Examples:

Office and clerical staff, purchasing and sales agents, accountants, programmers, payroll accountants, doctors' receptionists, hotel receptionists, store detectives who monitor customers, operate safety installations and conduct test purchases, etc. qualify as salaried employees.

### 4.2. Manual workers

There is no legal provision defining who qualifies as a manual worker. Manual work includes simple manual unskilled work as well as highly qualified manual work that requires several years of training (skilled worker).

#### Note!

Manual workers are subject to the 1859 Industrial Code (*Gewerbeordnung*) and the General Civil Code as well as to the provisions of the applicable sectoral collective agreement.

#### Examples:

Shop assistants in bakeries and butcheries, buffet attendants, waiters, chauffeurs, doormen, assemblymen, warehouse workers, skilled craftsmen, betting office staff who accept betting slips after brief training and disburse computer-calculated winnings, etc. qualify as manual workers.

### 4.3. Legal differences

Differences between manual workers and salaried employees exist with regard to

- notice periods and dates,
- reasons for premature termination,
- duration of continued remuneration during illness
- reasons of inability to work relating to the employee.

**Example (notice periods):****Salaried employees:**

The notice periods are laid down in the Act on Salaried Employment. On the employer side, the termination period ranges from 6 weeks to 5 months, depending on the length of employment with the company; on the employee side it is one month.

**Manual workers:**

The notice periods are laid down in the collective agreements for workers and range from one day (e.g. building trade) to five months (industry), depending on the sector.

## 5. Apprentices

### 5.1. General

Apprentices are persons who receive vocational training from a qualified trainer-employer on the basis an apprenticeship contract in order to learn an apprenticeable trade and may work on the job during training.

First-time apprentice training requires an official notice (*Bescheid*) issued by the apprenticeship training unit which checks whether a company is suitable for training apprentices and whether the employer is entitled to train apprentices.

An apprenticeship contract may only be concluded for training in one of the apprenticeable trades enumerated in the list of apprenticeable trades. The list of apprenticeable trades is annexed to an ordinance. Each apprenticeable trade has its own profile.

### 5.2. Concluding an apprenticeship contract

Apprenticeship contracts must be concluded in writing. The conclusion of an apprenticeship contract with an apprentice who is under age requires the consent of the apprentice's legal representative. On completing 18 years of age, apprentices become of age. With legitimate children, each parent alone may represent an apprentice under age. With illegitimate children, the lawful representative is generally the mother.

As all apprenticeship contracts are concluded for a fixed term, the beginning and the end of apprenticeship must be specified.

### 5.3. Registration of apprenticeship contracts

Apprenticeship contracts must be reported within three weeks after the beginning of the apprenticeship to the competent apprenticeship training unit for registration (recording). The registration must be filed together with 4 copies of the apprenticeship contract.

#### Useful hint!

Use the apprenticeship forms available at the apprenticeship training units, as they comply with the requirements of the Vocational Training Act!

#### Note!

The apprenticeship training unit may decline to register an apprenticeship contract if statutory provisions are violated. The apprenticeship ends automatically when the decision rejecting the apprenticeship becomes final and enforceable.

Once the apprenticeship contract has been recorded, one copy remains with the apprenticeship training unit, one is returned to the employer, one to the apprentice or his/her legal representative, and one is forwarded to the Chamber of Labour.

### 5.4. Part-time vocational school

The employer must enrol an apprentice for (part-time) vocational schooling within two weeks after the commencement of the apprenticeship and de-register him/her if the apprenticeship contract is terminated prematurely. The employer must allow the

apprentice the time that is required to attend school and insist on school attendance. School time qualifies as working time.

## 5.5. Entitlements under labour law

Apprentices are entitled to a compensation that corresponds to the apprenticeable trade and the year of training set out in the collective agreement. They are entitled to 5 weeks of annual leave. Deviating from the provisions governing workers and employees, continued remuneration is governed by the Vocational Training Act (*Berufsausbildungsgesetz*). Apprentices up to 18 years of age are specially protected under the Act on the Employment of Children and Adolescents (*Kinder- und Jugendlichenbeschäftigungsgesetzes*) e.g. as regards working and resting times.

## 5.6. Continued employment

After completion of apprenticeship training, the trainer-employer is under an obligation to retain an apprentice for three months in the company in the apprenticed occupation (period of retention). If the apprentice has spent less than half of the time of apprenticeship with the company, the retention period is shortened to 1.5 months. A fixed-term employment contract may be concluded for the period of continued employment. This should be done at the beginning of apprenticeship training.

### Note!

Some collective agreements stipulate an extended period of retention!

## 6. Seasonal trainees and seasonal employees

### 6.1. Seasonal trainees

Seasonal trainees are pupils or students who undergo a mandatory internship in a company to complement their school-based training. The main focus lies on training.

#### 6.1.1. Characteristic features

Seasonal trainees are primarily allowed to work in a company for the purpose of education and training. They must not be bound to company working hours or to instructions. Seasonal trainees must, however, comply with the company's general rules and occupational safety instructions.

#### 6.1.2. Remuneration

Seasonal trainees are not entitled to a normal remuneration. Whether pocket money is paid out, and in what amount, is subject to discretionary agreement. In practice, the pocket money paid is significantly lower than the lowest remuneration for employed staff.

#### 6.1.3. Labour law status

Seasonal trainees do not qualify as employees under labour law. Labour law provisions such as the Leave Entitlement Act (*Urlaubsgesetz*), the Act on Continued Remuneration During Illness (*Entgeltfortzahlungsgesetz*), the Act on Salaried Employment (*Angestelltengesetz*) or the collective agreement do not apply.

#### Note!

If a collective agreement contains specific provisions on seasonal trainees, these must be adhered to. The collective agreement may e.g. stipulate that seasonal trainees must be treated in the same way as employees. Such seasonal trainees are subject to the statutory and relevant provisions contained in the collective agreement on remuneration, continued remuneration, leave etc. If the collective agreement does not contain any provisions, seasonal trainees qualify as employees if they are integrated into the corporate organisation by being bound to instructions and working time.

#### Example:

The collective agreement for the catering and hotel industry provides that seasonal internships which are mandatory based on school law, give rise to an entitlement to remuneration amounting to the equivalent of the apprenticeship compensation paid. Case law has established that seasonal trainees in the catering and hotel industry may only work on the basis of an employment contract.

#### 6.1.4. Social insurance

Seasonal trainees who are not receiving pocket money need not to be registered for compulsory social insurance. During their traineeship they are covered by accident insurance, without any contributions required by the employer.

If the seasonal trainee receives pocket money, they must be registered for compulsory social insurance. Similar to genuine employment relationships the registration must be made before the start of the traineeship.

If the pocket money exceeds the marginal amount (€ 415.72 per month, 2016), the traineeship is subject to full insurance.

If the pocket money does not exceed the marginal earnings, the seasonal traineeship is considered marginal employment and hence only subjected to accident insurance.

## **6.2. Seasonal employees**

There is a difference to be made between seasonal trainees and seasonal employees. The latter are pupils or students wishing to earn money during their holidays, whilst this work is not required as a mandatory internship by their school or university. Seasonal employees must be employed either under fixed-term or open-ended contracts.

### **6.2.1. Labour law and social insurance status**

Seasonal employees enjoy the same labour law entitlements as other employees of the company. They must always be registered for compulsory insurance with the social insurance provider.

#### **Note!**

Open-ended employment contracts can only be terminated in compliance with the pertaining collective agreement or the law. If seasonal employees perform the work of a salaried employee, it is inexpedient to conclude an open-ended employment contract, given the long periods of notice applying to salaried employees and the few notice dates. It is therefore advisable to conclude a fixed-term contract at the beginning of employment.

#### **Useful hint!**

Employment contracts with seasonal employees should preferably be concluded in writing, fixing a probationary period in the contract, if possible.

## 7. Collective agreement

### 7.1. Term and definition

A collective agreement is an agreement that is concluded between employee and employer associations authorised to engage in collective bargaining. On the employer side, the trade associations and/or groups within the organisation of the economic chambers are authorised to negotiate collective agreements, on the employee side, it is the Austrian Trade Union Federation.

As a complement to the statutory provisions, collective agreements primarily govern the rights and duties arising for employers and employees from an employment relation. Labour law agreements that deviate from the collective agreement are valid only if they are more advantageous for the employee.

### 7.2. Scope

In its territorial and personal scope, a collective agreement is binding on

- all employers who are members of the negotiating employer association or were members at the time the collective agreement was concluded, and
- the employees employed by such employer.

#### Note!

There are still a number of business sectors where no collective agreement has been concluded (e.g. recreational and entertainment industry, etc.)

### 7.3. Which collective agreement applies?

Which collective agreement applies to the employment relation depends on which employer organisation the employer is affiliated to.

#### Note!

It is irrelevant which occupation an employee has been trained in or actually exercises. An accountant working in a hotel is subject to the collective agreement governing employees in the hotel and catering industry.

The granting of a trade licence automatically entails membership in the relevant trade organisation within the organisation of economic chambers. If this trade organisation has concluded a collective agreement, the collective agreement will be applicable across-the-board in the entire sector.

#### Note!

Staff of employers who (illicitly) engage in a trade activity without having obtained the required trade licence are subject to that collective agreement which would be applicable if the trade activity were carried out lawfully.

## 7.4. Multiple membership

An employment relation can only be governed by one collective agreement. If an employer holding multiple memberships in collective agreements has two or more business operations for which different trade licences are required, employees are governed by that collective agreement which is applicable to the business operation in substantive and geographical terms.

**Example:**

X-GmbH operates a plant in Bruck an der Mur and a trading business with outlets in the regional capitals. Staff at the plant are governed by the collective agreement for industry, staff at the trading business by the collective agreement for commerce.

If a business is divided into parts or other organisationally or technically separate units, that collective agreement applies which corresponds to the respective business or unit in substantive or geographical terms.

**Example:**

Y-GmbH operates a car dealership in Linz that is run by a sales manager, and a garage that is run by a workshop manager. The sales staff are governed by the collective agreement for commerce, the mechanics in the garage are subject to the collective agreement for the iron and metal-working trade.

If there is no organisational separation, that collective agreement which corresponds to the sector which is economically most relevant for the business applies.

**Example:**

Mr Z operates a garage with 3 mechanics and an affiliate second-hand car dealership. The sales from the garage business exceed those of the trading business. All staff members, including the sales staff, are subject to the collective agreement for the iron and metal-working trade.

If there is neither organisational separation nor economic prevalence, that collective agreement applies whose scope covers a greater number of staff, regardless of the business set-up.

## 8. Service note or employment contract

### 8.1. General

A service note (*Dienstzettel*) documents the main rights and duties arising from employment in writing. Employers are required by law to issue a service note.

#### Useful hint!

The requirement to issue a service note does not apply to employment relations which, for whatever reason, do not exceed one month. It may also be dispensed with if a written employment contract is handed out which fully reflects all the information covered by the service note.

### 8.2. Minimum content of a service note

A service note must contain the following information:

- Name and address of employer and employee,
- Beginning of employment,
- End of employment (if for a fixed term),
- Term and date of notice,
- Usual (or changing) place of work,
- Grading in a general scheme,
- Assigned function,
- Remuneration at start of employment, pay-out dates,
- Extent of leave,
- Agreed daily or weekly normal working hours,
- Collective agreement, bylaws, minimum wage rate, works agreements etc.,
- Name and address of the employee pension fund.

Information on

- Term and date of notice,
- Usual (or changing) place of work,
- Remuneration at start of employment, pay-out dates,
- Extent of leave, and
- Agreed daily or weekly normal working hours

may also be provided by reference to the law, collective agreements, works agreements or standard travel guidelines.

### 8.3. Probative force

The service note records the terms and conditions of employment agreed orally with a person being hired.

#### Note!

A service note has very limited probative force, since the signature of the employee only attests the receipt of the service note. In case of litigation at a labour tribunal, a staff member can prove that the contents of the service note are inconsistent with what was agreed orally.

**Useful hint!**

It is preferable not to issue a service note, but a proper written contract of employment which is signed by the employer and the employee as a sign of mutual agreement. The contents of a written contract of employment are deemed to have been agreed. An employment contract therefore carries higher probative force.

**Note!**

For the employer, the probative function is essential. With a written contract of employment, he can prove that a probation period, a time limitation, or certain notice dates for salaried employees, have been validly agreed.

**8.4. Administrative duties**

Employees must be informed immediately in writing of any changes in the information recorded in the service note, however no later than one month after they have taken effect. Notification is not required if only general norms (e.g. laws or collective agreements) change.

One copy of the service note is handed out to the employee, one remains with the employer.

Service notes and employment contracts are issued free of charge.

## 9. Probationary period

### 9.1. General

During the probationary period, both the employer and the employee have the right to dissolve the employment contract

- without having to observe any terms or deadlines, and
- without stating reasons.

### 9.2. Length

Pursuant to the General Civil Code or the Act on Salaried Employment (*Angestelltengesetz*), the probationary period for manual workers and salaried employees is limited at one month.

Example:	
Start of employment/ salaried employee	End of probation month
4 April	3 May
1 February	28 February (29 February in leap years)

The probationary period may be shortened, but not extended beyond one month, by collective agreement.

#### Useful hint!

In order to ascertain the valid probationary period for staff to be hired, it is essential to consult the collective agreement for the relevant sector. In particular for manual workers some collective agreements provide for shorter probationary periods of e.g. 14 days.

#### Note!

An extension of the probationary period agreed in the employment contract beyond one month or beyond the (shorter) probationary period set out in the collective agreement is invalid and may, in a worst-case scenario, give rise to an open-ended employment contract!

### 9.3. Agreement

The probationary period must be explicitly agreed. Such agreement may be dispensed with only if the applicable collective agreement provides for a mandatory probationary period.

#### Useful hint!

For evidentiary purposes, you should record the agreement on the probationary period in the employment contract or service note in writing.

#### Note!

Some collective agreements require the agreement on the probationary period to be laid down in writing to have legal effect (e.g. collective agreement for the timber-processing industry).

## 9.4. Apprentices

According to the Vocational Training Act (*Berufsausbildungsgesetz*) the probationary period for apprentices is three months. If an apprentice is in compulsory schooling in the first three months at a prescribed (part-time) vocational school, the first six-weeks of on-the-job training will count as probationary period.

## 9.5. Notice of dissolution

An employee must have knowledge of the dissolution of his/her contract by the employer on the last day of the probationary period at the latest. The contract must therefore be dissolved in good time ahead. For evidentiary reasons, it is advisable to draft the notice of dissolution in writing. For apprentices, there is a statutory requirement for the notice of dissolution to be in writing.

### Note!

It is insufficient to send a written notice of dissolution on the last day of the probationary period. The date of the postmark is irrelevant!

## 9.6. Probationary periods in key sectors

		Laid down by collective agreement	To be agreed
Commerce and trade	Salaried employees	1 month	
	Manual workers	1 month	
Hotel and catering	Salaried employees		1 month
	Manual workers	14 days	14 days for fixed-term contracts
Goods transport	Salaried employees		1 month
	Manual workers	1 month	
Industry/metal sector	Salaried employees		1 month
	Manual workers		1 month
Crafts and trades	Salaried employees		1 month
	Manual workers/ metal sector	4 weeks	

## 10. Fixed-term employment

### 10.1. Definition

Fixed-term employment contracts are concluded for a defined period of time. They end automatically upon expiry of the agreed contractual term, without a special notice of dissolution being required.

### 10.2. Final date

A fixed-term contract is one in which the agreed final date of the contract coincides with a given calendar date.

The final date of an employment contract may be determined in any other objectively ascertainable way that is not amenable to arbitrary influence by the contracting parties (e.g. limitation for the duration of maternity leave of a specific female employee).

#### Note!

For the limitation to be legally effective, the final date must coincide with a given calendar day, if the collective agreement applicable to the contract so requires (e.g. collective agreement for manual workers in the catering industry).

#### Hint!

If the employer does not wish to retain an employee after the final date, he should necessarily inform the employee accordingly before the end of the fixed term.

### 10.3. Maternity protection

Fixed-term employment contracts with pregnant employees are extended by virtue of law to the beginning of the period of prohibited employment if the agreed final date precedes the beginning of the period of prohibited work. This does not apply, however, when the limitation is set out in law or is objectively justified by reasons set forth in the Law on Maternity Protection (*Mutterschutzgesetz*).

### 10.4. Termination

Time limitation categorically precludes a premature termination of an employment contract by the employer or the employee before the final date of employment that was contractually agreed.

With fixed-term contracts, termination at an earlier date is admissible only if a possibility of premature termination was explicitly agreed between employer and employee ("maximum limitation"). The duration and purpose of limitation on the one hand, and the possibility of termination on the other, must however be reasonably proportionate.

**Example:**

An additional possibility of termination may be effectively agreed for a 9-month seasonal employment contract as a waiter.

For a 9-week seasonal employment contract as salaried employee in an industrial enterprise, on the other hand, it is not possible to effectively agree an additional possibility of termination.

**10.5. Consecutive fixed-term contracts (“chain contracts”)**

The consecutive agreement of a fixed-term employment contract immediately following a prior fixed-term employment contract, or after a brief interruption, must be factually justified on special economic or social grounds.

**Note!**

If the employer cannot submit evidence of factually justified reasons, consecutive fixed-term contracts will be considered as “chain contracts” in violation of public policy and treated as permanent, open-ended contracts.

## 11. Registration of employees for health insurance

Registration of all employees before the start of employment is mandatory without exception.

### 11.1. Registration options

There are two options for mandatory registration:

- full registration before the start of employment, or
- two-stage registration with preliminary minimum registration before the start of employment and full registration within seven days after the start of employment.

#### Useful hint!

Full registration before the start of employment reduces red tape and avoids registration forms being completed inconsistently. If, however, an employee fails to take up work, the registration will have to be cancelled.

#### Note!

Preliminary minimum registration invariably requires full registration in a second administrative step.

#### 11.1.1. Preliminary minimum registration

The minimum registration before the start of employment must contain the following data:

- employer's account number,
- name of the person to be hired,
- social insurance number or date of birth of the person to be hired,
- place of start of employment,
- day of start of employment.

#### 11.1.2. Full registration following minimum registration

Full registration is required within seven days after the start of employment and must contain the information not covered in the minimum registration:

- marginal employment yes/no,
- start of employment, remuneration and employee pension fund,
- applicable rules (Act on Salaried Employment, Act on the Continued Payment of Remuneration),
- type of employment (extent of working hours, manual worker, salaried employee).

## 11.2. Form of registration

### 11.2.1. Electronic data exchange - ELDA

Both the preliminary minimum registration and the full registration must be submitted by electronic data exchange via ELDA ([www.elda.at](http://www.elda.at)) in uniform data records prescribed by the Federation of Austrian Social Insurance Institutions.

Two copies of the confirmed full registration will be returned to the employer, one of which must be promptly forwarded to the employee.

**Note!**

Since 1<sup>st</sup> of January 2014 legal persons and incorporated partnerships must submit the registration electronically via ELDA.

**11.2.2. Registration per telephone, tax etc.**

The following exemptions from the duty of registration via ELDA apply if the registration cannot be submitted electronically e.g. because of the

- inexistence of IT equipment,
- failure of data transmission facilities beyond the employer's control,
- registration out of business hours of the tax adviser, or
- registration from a business site without IT equipment.

Preliminary minimum registration may be made in the following sequence:

- by fax (use form "*Mindestangabenmeldung*", 24 hours, fax: 05 78 07 61 only),
- by telephone (24 hours, call: 05 78 07 60 only),
- by post or courier, again the minimum registration must have reached the health insurance provider before the start of employment.

Full registration may then be made in the following sequence:

- by data carrier (floppy disk, magnetic tape, magnetic tape cartridge) in a format allowed by the insurance provider,
- by telefax using the form available from the insurance provider,
- in writing using the form available from the insurance provider.

**11.3. Consequences of non-registration**

If, in the course of an investigation, the inspectors of the federal authorities or the social insurance providers detect persons who have not been registered (preliminary minimum registration or full registration), they are held to notify the district administrative authorities. The impending penalties range from EUR 730 to EUR 2,180 for every non-registered person, and up to EUR 5,000 for repeat offenders.

**Note!**

In addition, the health insurance institution may impose surcharges. If registration was not made before the start of employment and this is detected by an investigating officer, a fine of EUR 500 for each non-registration, and EUR 800 for the investigation, will be imposed. These fines will be lowered or dispensed with only for good cause.

## 12. Marginal employment

### 12.1. Definition

Marginal employment denotes employment for which the remuneration does not exceed the marginal earnings threshold defined in social insurance law.

Marginal employment applies if the agreed and disbursed monthly remuneration does not exceed

- a monthly amount before tax of EUR 415.72 for open-ended contracts (2016) or
- an average daily amount of EUR 31.92 for fixed-term contracts of a duration of less than one calendar month (2016).

### 12.2. Labour law status

In terms of labour law, the differences between standard and marginal employment contracts are minimal. Marginal employment is a form of part-time work.

Marginally employed persons therefore are entitled to

- minimum wage as per collective agreement,
- special bonus payments (Christmas, holiday) as per collective agreement,
- continued payment of remuneration during illness,
- continued payment of remuneration during any other inability to work,
- paid care leave,
- annual holiday leave,
- occupational pension plan (new severance pay scheme).

### 12.3. Termination

Marginal employment contracts of manual workers may be terminated in accordance with the applicable collective agreement for manual workers, and - in the absence of an applicable collective agreement - generally at 14 days' notice.

Termination of marginal employment contracts of salaried employees depends on the extent of weekly working hours:

- The general periods and dates of notice for salaried employees apply if the weekly working time is at least 1/5 of normal working time laid down in law or the collective agreement (i.e. 8 hours per week with a 40-hour work week).
- A 14-day period of notice without a special date of notice applies if the weekly working time is less than 1/5 of the normal working time laid down in law or the collective agreement.

### 12.4. Social insurance

#### 12.4.1. Accident insurance contribution

Employers are required to pay an accident insurance contribution of 1.3 % of the general contribution base for all marginally employed persons.

### 12.4.2. Employer's levy

For all marginally employed persons employers are required to pay an employer's levy if

- more than one marginally employed person is employed, and
- the monthly payroll total (excluding special bonus payments) of all marginally employed persons exceeds the marginal earnings threshold by a factor of 1.5 (for 2016: EUR 415.72 x 1.5 = EUR 623.58).

#### Example:

The employer's levy is not due if 5 marginally employed persons are employed at EUR 110 each per month (EUR 110 x 5 = EUR 550). In this case, only the accident insurance contribution is payable for each marginally employed person.

The employer's levy is a lump-sum contribution to health and pension insurance amounting to 16.4 % of the contribution base. Adding the accident insurance contribution, the total contribution rate is 17.7 %.

The contribution base is the sum of all monthly remunerations paid to marginally employed persons including special bonus payments. The contribution is due at year-end and payable to the health insurance institution by 15 January of the following year.

### 12.4.3. Lump-sum employee contribution

Employees are liable for the payment of an employee contribution to the health insurance institutions if

- they accumulate several marginal employments which in aggregate exceed the marginal earnings level, or
- employment with full insurance coincides with marginal employment.

The lump-sum employee contribution is 13.65 % for salaried employees and 14.2 % for manual workers. Employees are themselves responsible for paying their contributions to the health insurance institutions. The contributions are due once a year at year-end.

### 12.4.4. Registrations

Registration, de-registration or changes of registration follow the same rules and procedures that apply to standard employment contracts.

#### Note!

Marginally employed persons are subject to occupational pension plans (new severance pay scheme) at a contribution rate of 1.53 %.

## 13. New severance pay scheme

### 13.1. General

The new severance pay scheme is governed by the Law on Occupational Pension Schemes for Employed and Self-Employed Staff (*Betriebliches Mitarbeiter- und Selbständigenvorsorgegesetz, BMSVG*) and applies to

- manual workers
- salaried employees
- apprentices
- domestic staff

who started employment after the 31/12/2002.

Since 01/01/2008, the new severance pay scheme has been extended to cover freelancers (*freie Dienstnehmer*) and self-employed persons.

### 13.2. Liability to pay occupational pension contributions - begin and duration

#### 13.2.1. Begin with first-time employed persons

As a general rule, liability to contribute to the occupational pension plan starts with the second month of employment. The first month of employment is not subject to occupational pension contributions. This takes account of the fact that most employment contracts provide for a one-month probationary period during which employment may be terminated at any time.

A contribution liability does not exist if the employment contract expires as scheduled before or at the end of one month.

The exemption from contribution liability for the first month also applies to apprentices; even though the probationary period for apprentices is three months.

#### Note!

The first contribution-free month is not a calendar month, but a clear working month, e.g. if employment began on 07/01 it will last until 06/02. Consequently, if employment started during a calendar month, the remuneration for the second calendar month must be split into a contribution-free and a contribution-liable portion, to reflect the time spread. Employers who consider splitting as too time-consuming and pay occupational pension contributions for the contribution-free portion in an effort to simplify the accounting procedure are not liable for the payment of any additional charges according to the wage tax regulations currently in force.

#### Example 1:

Begin of employment	1 Feb	
End of employment	28 Feb	Termination during the probationary month

No liability to pay occupational pension contributions, as well as no liability to pay any compensation for unspent leave.

**Example 2:**

Begin of employment	7 Jan
End of first month	6 Feb, employment is continued

Remuneration for January is contribution free, remuneration for 1-6 Feb is also contribution free, contribution liability starts on 7 Feb.

**13.2.2. Begin upon re-employment within 12 months**

If a new employment contract is concluded with the same employer within 12 months after the end of an employment contract, the liability to pay occupational pension contributions starts on the first day of that employment if - according to interpretation by the social insurance providers - that employment again lasts for more than one month.

**Example:**

Begin of employment: 12 March, end of employment: 31 May

Contribution liability from 12 April to 31 May

Begin of new employment: 3 July

Contribution liability from 3 July, if this contract lasts longer than until 2 August.

**13.3. End of contribution liability**

As a general rule, contribution liability ends when the entitlement to remuneration under social insurance law ends. Contribution liability is temporarily suspended during unpaid leave or other non-remunerated periods.

Special provisions apply to periods of military or non-military community service, or periods when confinement and sickness benefits are being drawn.

**13.4. Contribution rates and handling of payments**

Without exception, the occupational pension contribution is 1.53%. In general, the assessment base for the calculation of occupational pension contributions is the monthly remuneration including special bonus payments.

Fictitious assessment bases apply to periods of military or non-military community service, and periods when confinement and sickness benefits are being drawn.

The term 'remuneration' is to be understood within the meaning used in social insurance law. The marginal earnings threshold and the maximum contribution base are of no significance, as the contribution liability also exists for marginal earnings and for remuneration received in excess of the maximum contribution base.

**Note!**

All types of remuneration (monetary and in-kind) as well as parts thereof for which a general social insurance liability exists are also subject to occupational pension contributions. However, all forms of remuneration or parts thereof which do not qualify as remuneration under social insurance law e.g. travel costs, travel expense allowances, are contribution free.

Occupational pension contributions are paid together with social insurance contributions to the competent health insurance institution and transmitted by the latter to the Occupational Pension Fund reported by the employer.

**Note!**

The contributions are due and payable by the 15<sup>th</sup> day of the next following calendar month. Late payment within a period of grace of three days will remain without legal sanctions, after which default interest is charged.

## 14. Payroll account

### 14.1. General

Employers must keep a payroll account for every employee.

A new ordinance on payroll accounts enforces a uniform payroll account regime. The uniformity of payroll account contents ensures legal certainty, since it is no longer possible to apply for exemptions, and simplifies the joint audit of wage-dependent levies.

#### Note!

If payroll accounts are kept abroad, they must be brought to Austria within a reasonable deadline at the request of the fiscal authorities.

### 14.2. Which data must be recorded in the payroll account?

The following data must be recorded in the payroll account:

- Name of the employee,
- Place of residence,
- Social insurance number,
- Sole earner/ single parent tax credit and child allowances on sole earner/single parent tax credits as per employee application,
- Name and social insurance number of the partner (spouse) if sole earner tax credit was accounted for,
- Name and insurance number of the (youngest) child if single parent tax credit was accounted for,
- Name and social insurance number of the child/children if the child allowance(s) was/were accounted for,
- Employee's social insurance institution,
- Commuter lump-sum allowance, additional commuter lump-sum allowance ("Pendlereuro") and costs of the transportation of employees between their home and the workplace covered by the employer,
- Municipality entitled to collect levies within the meaning of the municipal tax acts (if an employer runs business establishments in several municipalities: period during which the employee worked at that site, as well as the collection-entitled municipality),
- Municipal tax,
- Assessment base for the employer's contribution and supplement to the employer's contribution,
- Employer's contribution and supplement to the employer's contribution,
- Regular monthly gross pay (in-kind benefits, extra work, overtime, supplements, allowances, etc.),
- Special bonus payments and/or other gross payments
- Social insurance assessment base for regular pay,
- Social insurance assessment base for special bonus payments and/or other payments,
- Social insurance contribution on regular pay (employee's share),
- Social insurance contribution on special bonus payments and/or or other payments (employee's share),
- Service charge for the e-card,
- Assessment base for the occupational pension plan ("new" severance pay scheme),

- Contribution to the occupational pension plan (“new” severance pay scheme),
- Wage tax assessment base, broken down by regular pay and special bonus payments,
- Wage tax on regular pay,
- Wage tax on special bonus payment and/or other payments,
- Contributions to pension funds, social support funds, company group insurances, employee support foundations, employee participation foundations,
- Contributions to foreign pension funds,
- Disbursed (reclaimed) wages e.g. reclaimed holiday bonus in case of unjustified premature resignation or dismissal,
- Trade union dues and works council levy,
- Tax-free allowance as reported for submission to employer,
- Remuneration for assembly jobs abroad for work abroad under the preferential treatment regime,
- Contribution for future provisions, employee participations and stock options granted for free or at concessionary terms,
- Voluntary disaster-relief contributions,
- Remuneration of non-Austrian students (seasonal trainees)
- Per diems, mileage-dependent allowances and lump-sum per noctems (tax-free allowances can be recorded together in the payroll account, also if the exemption from taxation is based on different provisions of the Income Tax Act (*Einkommenssteuergesetz*),
- Refunded relocation costs,
- Wage payment period and pay-out date (e.g. due date according to collective agreement or as agreed in the employment contract; for salaried employees the last day of the current month; day of resignation for interrupted accounting period),
- Months during which the employee is transported from their home to the workplace on the employer’s expenses and months during which the employee is provided with a car for the journey from their home to the workplace by the employer,
- Increased deductible amount for pensionists.

### Useful hint!

It is not necessary to keep a payroll account for employees who are not subject to limited or unlimited tax liability in Austria, provided that the required data are contained in other records the employer maintains.

## 15. Subsidies

### 15.1. Subsidies for the first employee

#### 15.1.1. Who is eligible?

The following persons are eligible for subsidies provided they have been fully insured for more than three months according to the Social Insurance Law (*Sozialversicherungsgesetz*):

- Sole proprietors,
- Managing partners of a partnership,
- Managing directors of incorporated companies (ltd, plc), if they have a controlling interest in the company (generally a stake of more than 25%).

#### Note!

Self-employed persons claiming exemptions under the small-business regime and who are only accident-insured are not eligible.

#### 15.1.2. Eligible persons

The subsidy is paid for all persons who have completed training immediately before and are recorded as job-seekers with the PES or have been reported unemployed with the PES for more than two weeks.

Non-eligible persons include

- employees who are members of the employer's management body,
- apprentices,
- spouses, cohabiting partners, children, stepchildren, adopted children, siblings, grandchildren, brothers and sisters in law of the employer,
- parents, grandparents, stepparents, adoptive parents
- independent contractors, new self-employed,
- freelancers.

#### 15.1.3. Eligibility requirements

If the personal requirements are met, the subsidy is disbursed if

- employment lasts for at least two months, and
- the agreed working time is at least 50% of the normal working hours laid down in the law or the collective agreement.
- the applicant for subsidies did not employ a fully insured person in the last 5 years. Employments with a maximum period of time of 2 months remain unconsidered.

#### Note!

Marginally employed persons are not eligible, as their working time does not reach the required amount of working hours.

However, the fact of having marginally employed staff is not incompatible with subsidies being granted for the first employee working at least 50% of the normal working hours as laid down in the law or the collective agreement.

#### 15.1.4. Extent and duration

The subsidy amounts to 25% of the gross wages/salary (capped at the maximum contribution base defined in the General Social Insurance Law, ASVG) and is paid out 12 times per year. It is awarded for the duration of employment, but limited to one year.

#### 15.1.5 How to apply for a subsidy

Applications for subsidies must be filed with the employer's regional PES office no later than six weeks after the start of employment.

### 15.2. Other grants

The Public Employment Service offers employers a number of other employment grants:

- Reinsertion ("come-back") subsidy:

This is a subsidy on the wage costs if a person recorded as a job-seeker is employed.

- Apprenticeship training subsidy:

This subsidy is granted for training certain apprentices in the form of a contribution to the costs of apprenticeship training.

- Grants for the recruitment of replacements during part-time parental leave:

This grant is designed to promote the employment of persons recorded as job-seekers and is awarded as a subsidy on the wage costs.

- Solidarity premium model:

This grant is designed to promote the replacement of staff who are reducing their normal working hours by a certain extent. The grant may be applied for if a new person is recruited for the extent of the reduced working hours.

You should contact the competent PES office before the start of an employment that is eligible.

#### **Note!**

There is no legal entitlement to subsidies and grants. It is recommended that you request payment commitment in writing.

#### **Useful hint!**

For detailed information on available grants see <http://www.ams.at/sfu/14091.html>

Applications forms can be downloaded from <http://www.ams.at/sfu/14102.html>

## Annex

### 1. 2016 social insurance contribution bases and rates

#### 1.1. Maximum contribution base /employees

Employee	Per calendar day	Per month	Special bonus payments per calendar year
Health insurance	EUR 162,--	EUR 4.860,--	EUR 9.720,--
Accident insurance	EUR 162,--	EUR 4.860,--	EUR 9.720,--
Pension insurance	EUR 162,--	EUR 4.860,--	EUR 9.720,--
Unemployment insurance	EUR 162,--	EUR 4.860,--	EUR 9.720,--
Chamber of Labour levy	EUR 162,--	EUR 4.860,--	EUR 9.720,--
Housing promotion levy	EUR 162,--	EUR 4.860,--	EUR 9.720,--

#### 1.2. Maximum contribution base/ freelancers

Freelancers	Monthly (excluding special bonus payments)	Monthly (including special bonus payments)	Special bonus payments per calendar year
Health insurance	EUR 5.670,--	EUR 4.860,--	EUR 9.720,--
Accident insurance	EUR 5.670,--	EUR 4.860,--	EUR 9.720,--
Pension insurance	EUR 5.670,--	EUR 4.860,--	EUR 9.720,--
Unemployment insurance	EUR 5.670,--	EUR 4.860,--	EUR 9.720,--
Chamber of Labour levy	EUR 5.670,--	EUR 4.860,--	EUR 9.720,--

#### 1.3. Contribution rates / employees

	Manual workers			Salaried employees		
	Employee	Employer	Total	Employee	Employer	Total
Health insurance	3.87 %	3.78 %	7.65 %	3.87 %	3.87 %	7.65 %
Accident insurance		1.30 %	1.30 %		1.30 %	1.30 %
Pension ins.	10.25 %	12.55 %	22.80 %	10.25 %	12.55 %	22.80 %
Unemployment ins.	3.00 %	3.35 %	6.35 %	3.00 %	3.35 %	6.35 %
Housing promotion levy	0.50 %	0.50 %	1.00 %	0.50 %	0.50 %	1.00 %
Chamber of Labour levy	0.50 %		0.50 %	0.50 %		0.50 %
<b>Total</b>	<b>18.12 %</b>	<b>21.48 %</b>	<b>39.60 %</b>	<b>18.12 %</b>	<b>21.48 %</b>	<b>39.60 %</b>
Occupational pension scheme		1.53 %	1.53 %		1.53 %	1.53 %
Night-time work levy		3.40 %	3.40 %			
Bad-weather levy	0.70 %	0.70 %	1.40 %			

**Notes:**

- Unemployment insurance including bankruptcy compensation surcharge 0.45 %
- Unemployment insurance employee contribution with gross remuneration of
 

up to EUR 1.311,--	0 %
over EUR 1.311,-- to EUR 1.430,--	1 %
over EUR 1.430,-- to EUR 1.609,--	2 %
- No unemployment insurance contribution to employees that are over 60 years of age.
- Housing promotion und chamber of labour levies not on special bonus payments
- Default interest for non-payment of contributions 7.88 %

**1.4. Contribution rates / Freelancers**

	Employee	Employer	Total
Health insurance	3.87 %	3.78 %	7.65 %
Accident insurance		1.30 %	1.30 %
Pension insurance	10.25 %	12.55 %	22.80 %
Unemployment insurance	3.00 %	3.35 %	6.35 %
Chamber of Labour levy	0.50 %		0.50 %
<b>Total</b>	<b>17.62 %</b>	<b>20.98 %</b>	<b>38.70 %</b>
Occupational pension scheme		1.53 %	1.53 %

**Notes:**

- Since 01/01/2008 freelancers are members of the Chamber of Labour and covered by unemployment insurance (including bankruptcy compensation surcharge) and occupational pension schemes.
- No unemployment insurance contribution to employees that are over 60 years of age.

**1.5. Marginal earnings threshold**

Daily	EUR 31.92
Monthly	EUR 415.72

Total remunerations	Manual workers		Salaried employees		Freelancers	
	Employer (ER)	Employee (EE)	Employer (ER)	Employee (EE)	Employer (ER)	Employee (EE)
EE < EUR 608.97 ER < EUR 405.98	1.30 %		1.30 %		1.30 %	
EE > EUR 608.97 ER < EUR 405.98	17.70 %		17.70 %		17.70 %	
EE > EUR 608.97 ER > EUR 405.98	17.70 %	13.65 %	17.70 %	14.20 %	17.70 %	13.65 %
EE < EUR 608.97 ER > EUR 405.98	1.30 %	13.65 %	1.30 %	14.20 %	1.30 %	13.65 %

**Notes:**

- 17.70 % from 1.30 % accident insurance and 16.40 % lump-sum employer's contribution
- Employee's total remuneration > EUR 415.72 from several marginal

- employments
- Self-insurance of marginally employed persons for health insurance and pension insurance at a monthly rate of EUR 58.68.

## 1.6. Levies payable by employers

Employer's contribution to the Family Burden Equalisation Fund (FLAG)	4.50 %
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### Notes:

- If the monthly payroll total exceeds EUR 1,460, otherwise lowering of the contribution base by EUR 1,095.
- Not applicable to employees over 60 years of age.

Levy Economic Chamber 2	
Burgenland	0.44 %
Carinthia	0.41 %
Lower Austria	0.40 %
Upper Austria	0.36 %
Salzburg	0.42 %
Styria	0.39 %
Tyrol	0.43 %
Vorarlberg	0.39 %
Vienna	0.40 %

## 1.7. Levies payable by employees

Co-insurance for dependent relatives/ surcharge on health insurance	3.40 %
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### Notes:

- 3.40 % of the contribution base (including special bonus payments) of the insured for the penultimate year (or the current pension).

## 2. Useful links

<p><b>Labour inspectorate</b></p> <p>Forms on reporting duties regarding occupational health and safety.</p>	<p><a href="http://www.arbeitsinspektion.gv.at/AI/Service/Formulare/default.htm">http://www.arbeitsinspektion.gv.at/AI/Service/Formulare/default.htm</a></p>
<p><b>PES</b></p> <p>The Austrian PES offers information for employees and for employers (e.g. grants).</p>	<p><a href="http://www.ams.or.at/sfu.html">http://www.ams.or.at/sfu.html</a></p>
<p><b>Laws requiring posting</b></p> <p>All laws requiring posting at a glance.</p>	<p><a href="http://wko.at/arbeitnehmerschutz">http://wko.at/arbeitnehmerschutz</a></p>
<p><b>Gross-net calculator</b></p> <p>User-friendly calculator to determine the net amount from the gross remuneration/wages.</p>	<p><a href="http://www.cpu-informatik.at/Joomla/index.php/gratis-online-rechner/calcbruttonetto.html">http://www.cpu-informatik.at/Joomla/index.php/gratis-online-rechner/calcbruttonetto.html</a></p>
<p><b>Federal Social Welfare Office (Sozialministeriumservice)</b></p> <p>Information on the employment of disabled employees benefiting from preferential treatment.</p>	<p><a href="http://www.sozialministeriumservice.at/site/UnternehmerInnen">http://www.sozialministeriumservice.at/site/UnternehmerInnen</a></p>
<p><b>Evaluation</b></p> <p>Information, checklists and documents concerning evaluation.</p>	<p><a href="http://www.eval.at/">http://www.eval.at/</a></p>
<p><b>Subsistence minimum table</b></p> <p>Information folder for employers as third-party debtors</p>	<p><a href="http://www.justiz.gv.at/web2013/html/default/2c9484852308c2a60123ec387738064b.de.html">http://www.justiz.gv.at/web2013/html/default/2c9484852308c2a60123ec387738064b.de.html</a></p>

<p><b>Collective agreement data base</b></p> <p>The collective agreement data base contains all collective agreement (master) texts, all wage and salary tables, and relevant information in a sectoral and regional break-down.</p>	<p><a href="http://wko.at/kollektivvertrag">http://wko.at/kollektivvertrag</a></p>
<p><b>Employment of Foreigners</b></p> <p>The common job market as off May 2011</p>	<p><a href="https://www.wko.at/Content.Node/Service/Arbeitsrecht-und-Sozialrecht/Arbeitsrecht/Auslaenderbeschaeftigung/Der_gemeinsame_Arbeitsmarkt_ab_Mai_2011.html">https://www.wko.at/Content.Node/Service/Arbeitsrecht-und-Sozialrecht/Arbeitsrecht/Auslaenderbeschaeftigung/Der_gemeinsame_Arbeitsmarkt_ab_Mai_2011.html</a></p>
<p><b>Federal Legal Information System</b></p> <p>This data base contains federal, province and municipal legislation as well as a case law documentation.</p>	<p><a href="http://www.ris2.bka.gv.at/">http://www.ris2.bka.gv.at/</a></p>
<p><b>Social insurance: Overview of Forms</b></p> <p>A comprehensive and up-to-date compilation of forms of all social insurance institutions.</p>	<p><a href="http://www.sozialversicherung.at/portal27/portal/esvportal/content/contentWindow?contentid=10007.683838&amp;action=2&amp;viewmode=content">http://www.sozialversicherung.at/portal27/portal/esvportal/content/contentWindow?contentid=10007.683838&amp;action=2&amp;viewmode=content</a></p>
<p><b>Sample contracts</b></p> <p>Database with a wealth of useful samples and templates for human resource management.</p>	<p><a href="http://wko.at/vertragsmuster">http://wko.at/vertragsmuster</a></p>
<p><b>Vacancy announcements</b></p> <p>39 questions and answers about the issue of “vacancy announcements” with the indication of minimum pay</p>	<p><a href="https://www.wko.at/Content.Node/Service/Arbeitsrecht-und-Sozialrecht/Arbeitsrecht/Dienstverhaeltnis/Beginn/39FragenundAntwortenzurGestaltungvonStellenausschreibungenmi.pdf">https://www.wko.at/Content.Node/Service/Arbeitsrecht-und-Sozialrecht/Arbeitsrecht/Dienstverhaeltnis/Beginn/39FragenundAntwortenzurGestaltungvonStellenausschreibungenmi.pdf</a></p>

This folder is a product of cooperation of all economic chambers. Should you have any questions, please call:  
 Burgenland phone: 0590 907-2000, Carinthia phone: 0590 904, Lower Austria phone: (02742) 8510,  
 Upper Austria phone: 0590 909, Salzburg phone: (0662) 8888-397, Styria phone: (0316) 601-601,  
 Tyrol phone: 0590 905, Vorarlberg phone: (05522) 305-1122, Vienna phone: (01) 51450-1010  
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