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Quality of jobs and services in the Personal care and Household Services sector in Austria

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1. NATIONAL OR LOCAL REGULATION AND POLICIES

1.1. Policy and legal backgrounds

The philosophy of the Austrian long-term care¹ (LTC) system is to support persons in caring need to lead a self-determined and needs-oriented life and improve the opportunity to choose between different settings of care (formal/informal, institution/home based)².

The role of the Austrian public authorities in the LTC system is divided in several levels of statutory power. The state is federal, with powers shared between federal and nine provincial governments. Federal competencies are implemented uniformly in all provinces (Länder), while provincial competencies are different among themselves. While the federal government is predominantly responsible for designing and providing allowances, each province also takes part in setting allowances levels³.

The Austrian LTC system benefits include: **benefits in cash** (federal cash benefits, respite care benefits, 24-hour care), **benefits in kind** (see below), and **benefits for carers**.⁴

With regard to the benefits in cash, it is allowed to use them, either to purchase formal care services from public or private providers or to reimburse informal care giving⁵. Additionally, provinces are required to provide places in institutions, in day/night care centres and home care services. The social security scheme covers the difference between recipient's income (including care allowance) is not sufficient to cover the costs of care services. There are several kinds of benefits in cash:

- A universal allowance system at the federal level has been introduced in 1993: according to the federal Long Term Care Allowance Act (Bundespflegegeldgesetz, BPGG) all persons in caring need can receive **federal cash benefits**. These benefits are entirely financed from taxes and they are granted to dependent persons on the basis of seven

¹ Long-term care corresponds to a diversity of personal and household services (PSH) for dependent persons. In the present report, PHS are defined as services covering "a broad range of activities that contribute to well-being at home of families and individuals: child care, long term care for the elderly and for persons with disabilities, cleaning, remedial classes, home repairs, gardening, ICT support, etc." Source: European Commission, Staff Working Document on exploiting the employment potential of the personal and household services, SWD (2012) 95 final.

² Riedel M., Kraus M., The long-term care system for elderly in Austria, ENEPRI report n°69, 2010. <http://bit.ly/1M9gtdS>

³ OECD, Austria long-term care, 2011. Full text: <http://bit.ly/1Lco5gC>

⁴ Typology and description have been taken from the OECD report Austria long-term care, 2011.

⁵ Riedel M., Kraus M., Informal care provision in Europe, ENEPRI report n°96, 2011.

categories of need, thus the number of hours of nursing care per month. The minimum-requirement (level 1 benefit) is a monthly 60-hours need of care and an expected duration of the need that exceeds 6 months. The allowance, which varies from EUR 154.20 (level 1) to EUR 1,655.80 (level 7) per month⁶ is provided regardless of income and assets. Dependent persons who are not covered by BPGG (essentially disabled persons and social assistance recipients) can obtain **cash benefits provided by the provinces** (Landespflegegeld).

- **Respite care benefit** is destined to the primary informal carers. It is provided on an annual tax-free basis. Depending on the level, the respite care benefit can reach EUR 1.200 (levels 1 to 3), EUR 1.400 (level 4), EUR 1.600 (level 5), EUR 2.000 (level 6) and EUR 2.200 (level 7).
- **24-hour care**, available for persons that organise 24-hour care. To benefit from this grant additionally to the cash benefit, the dependent person has to be recognised at least level 3. The amount of this grant depends on whom the dependent person has hired: an employee (EUR 550) or an independent worker (EUR 275).

The benefits in kind cover a variety of services which may be bought with the cash benefits. The beneficiary may also opt for them instead if more adapted for their care needs. Among them are:

- **Mobile services:** domiciliary care, home helpers, transitional care family assistance, 24-hour care, meals on wheels, visiting service, and emergency hotlines
- **Outreach services:** therapeutic services and Länder advisory or counselling centres
- **Semi-institutional services:** day centres
- **In-patient/institutional services:** short-term care, transitional care, care during the vacations of the carer, nursing homes/residential homes/senior residences
- **Services for persons with disabilities:** transport service, personal assistance, occupational therapy, and homes.

At last, there are the benefits for carers. They include paid and unpaid leave, working arrangements and pension credits, respite care, training and education.

More recently, the importance of the informal care provision has led the Austrian authorities to set up another significant LTC regulation: the 2007 Home Care Law, which recognises the

⁶ OECD, 2011.

predominance of informal LTC provision in Austria, and therefore aims at creating better regulation of informal care provision. Indeed, most persons in need of care in Austria (about 80%) prefer staying home and receiving informal care from relatives over formal care⁷.

1.2. Structural framework, funding and actors involved

Like many European countries, Austria has a more or less clear distinction between social and health care policies⁸. The competencies in this area lie with two separate Federal ministries: Ministry of Labour, Social Affairs and Consumer Protection, and Ministry of Health. Furthermore, the Austrian social care and the health care systems have fragmented competencies. The fragmentation results from the Austrian federal constitution (Bundes-Verfassungsgesetz, B-VG): the B-VG divides responsibilities among the federal and provincial authorities. Social care services are cross-sectional matters. Provincial legislations mainly govern both the in-patient sector of health and social care (hospitals, nursing homes, residential homes, etc.) and home-based social services. The federal state, although mainly responsible for the development of policies on LTC, has to establish only basic laws in the field. In contrast, the provinces have the authority to establish laws and the responsibility to implement them (Art.12(1) B-VG).

In terms of financing the LTC needs, in general it is up to the individual to finance them using the care allowance as well as private income or assets⁹. Both the institutional care and the home-based care are funded from private means as well as from social assistance. The social assistance providers often intervene to cover the difference, depending on income and care allowance. Social health insurance plays only a marginal role by financing home nursing care.

In terms of expenses for LTC care (cash and benefits in kind), total expenditure in 2005 amounted to EUR 3.664 billion, 77% of which were funded via taxes and 23% via private means¹⁰. There are two major groups of expenses funded via taxes, care allowances (55% of tax funded LTC-expenses in 2005 for federal, 10% for provincial care allowances) and funding for services in kind via social assistance (33%). Both care allowance and social assistance are tax financed.

In 2008, Austria spent about EUR 3.75 billion on LTC care, which represented about 1.3% of

⁷ Riedel M., Kraus M., ENEPRI report n°69, 2010.

⁸ Chypionka T., Kraus M., Kalmar M., Quality assurance policies and indicators for long-term care in the European Union, country report Austria, ENEPRI report n°105, 2012. <http://bit.ly/1GpPt2F>

⁹ Riedel M., Kraus M., 2010.

¹⁰ Riedel M., Kraus M., 2010.

country's GDP¹¹. 60% of the total public expenditure took the form of cash benefits. Funding for needs-tested universal cash benefits in 2009 was composed of federal contributions (EUR 2 billion) and Länder or municipality contributions (EUR 0.36 billion).

As concerns actors involved, home care services are predominantly provided by non-profit organisations, such as Caritas Österreich, Diakonisches Werk Österreich, Österreichisches Hilfswerk, Österreichisches Rotes Kreuz, and Volkshilfe Österreich¹². They include among others home care, home nursing care, mobile therapeutic services, meals on wheels, transport service, home cleaning, laundry services and week-end help. In the province of Vorarlberg local Krankenpflegevereine and in the province of Tyrol Gesundheits- und Sozialsprengel are the main providers of home-based care. In addition to that, there are small providers of care who work in the local area.

The key component of LTC provision in Austria is the care allowance. Introduced in 1993 as mentioned previously, it aimed at providing LTC users with the freedom of choice of care. As regards the benefits in kind, the expenditure (e.g. EUR 1.5 billion in 2010) was funded mostly by local budgets and Länders (social assistance)¹³. The benefits in kind are voluntary and often require income and asset dependent co-payments, in accordance with the care needs. The costs may be different from one Länder to another. To cover them, it is possible to receive a supplement from Social Services. Some Länders also involve the family members by asking them to provide contributions. Estimates show a wide disparity between Länders in terms of the private co-payments share for home care and residential care. Total private contributions for LTC remain unknown though¹⁴.

2. WORK AND EMPLOYMENT QUALITY

2.1. Career and employment security

2.1.1. Employment status

Most estimates agree that in Austria about 80% of dependent persons, particularly elderly persons, are receiving informal care. In most cases care is provided by family members, mostly women. Besides, the cash allowance alone usually is not sufficient to cover the total cost of care if the need is high. This could be interpreted as an indicator that informal - less costly -

¹¹ OECD, Providing and paying for long term care, 2011. <http://bit.ly/1HUBkeR>

¹² Riedel M., Kraus M., 2010.

¹³ OECD, 2011.

¹⁴ OECD, Austria long-term care, in Providing and paying for long term care, 2011. <http://bit.ly/1Lco5gC>

care support is preferred by the Austrian authorities.

On the other hand, the working conditions of workers in the LTC sector are poor: they are not entitled to unemployment, sickness or pension benefits.

For the purpose of reducing informal work and improving the social protection of workers, Austria has introduced the household services vouchers (Dienstleistungsschecks) in 2006¹⁵. The goal has been to enable dependent persons to pay their personal and household services (PSH) in official vouchers as well as to finance social insurance contributions. Before hiring a worker, users have to buy vouchers with a nominal value amounting EUR 5, EUR 10 or any other value. The user and the worker agree together on the wage while respecting a minimum wage set by the Act governing Domestic Help and Domestic Employees (Hausgehilfen-und Hausangestelltengesetz). By using the voucher, users fulfil all social insurance obligations on behalf of the worker. Since 2006, the household services voucher system has increasingly developed. In 2012, 427.709 vouchers were sold for an amount of EUR 4.277.088 which represented an increase of 30.3% compared to 2011 and about 2.870 persons buying vouchers each month. EFSI has noticed that, assuming the cost of an average hourly cost of about EUR 11, the voucher system contributed to the formalisation of 1.55 million working hours since its introduction.

Contractual relation between employer and employee

In Austria, most of the household duties are performed informally.

The introduction of the voucher system has contributed to formalise the contractual relation between employer and employee. However, short term employment contracts are predominant, and provide insecure employment relation.

Existence of a collective agreement

No information gathered at this stage. More data is requested from participants.

Nature of employer

No information gathered at this stage. More data is requested from participants.

¹⁵ EFSI, White book on personal and household services in ten EU Member States, EFSI, 2013.

The recent trends show that formal care is much preferred by persons with their own income, by carers with full-time jobs and by carers with higher education levels¹⁶.

Temporary contracts

No information gathered at this stage. More data is requested from participants.

Regularisation of undeclared work

In 2007, Austria implemented a legal framework to reduce informal immigrant employment in the household care sector. It is nowadays estimated that 80% of 24-hour support service is carried out legally.

However, as in Germany, most of the domestic work is performed informally. Unlike its neighbour though, no significant public schemes exist in Austria to support housework services. According to an ORSEU's analysis¹⁷, the vouchers Dienstleistungsschecks have had a limited success. The reason would lie in their price: while the voucher nominal value amounts EUR 10, the undeclared black market of a domestic worker amounts EUR 7. Consequently the voucher is financially not interesting. Another instrument to support household services is the provision of housework services by welfare organisations. The price for working with disadvantaged persons (disabled, long-term unemployed) is very expensive: the cost for the welfare organisations amounts EUR 25 per hour. If the user accepts it is however covered by significant state funding¹⁸.

Migrant work (figures)

No information gathered at this stage. More data is requested from participants.

¹⁶ Riedel M., Kraus M., ENEPRI research report n°69, 2010

¹⁷ Farvaque N., Developing personal and household services in the EU - A focus on housework activities, Report for the DG Employment, ORSEU, 2013.

¹⁸ Farvaque N., 2013.

2.1.2. Income and wages

Minimum wages

In Austria, minimum wages are set in sector-specific collective agreements. These collective bargaining agreements set minimum wages by job classification for each industry and provide for a minimum wage of EUR 1.200 per month. With regards to occupations where no such collective agreements exist (for domestic workers, janitorial staff and au pairs for instance), wages are regulated by the pertinent law and are generally lower than those covered by collective bargaining.

Median wages

No information gathered at this stage. More data is requested from participants.

2.1.3. Social protection

Access to social protection, retirement

Workers are not entitled to social protection rights and benefits.

2.1.4. Workers' rights

Rights to collective bargaining

No information gathered at this stage. More data is requested from participants.

Non discrimination

No information gathered at this stage. More data is requested from participants.

2.2. Skills development and professionalization

2.2.1. Qualification

No information gathered at this stage. More data is requested from participants.

2.2.2. Training

All carers are entitled to counselling, training and education.

2.2.3. Career development

Transitions into jobs

No information gathered at this stage. More data is requested from participants.

2.2.4. Recruitment and staff shortages

As in most European countries, Austria is subject to a general shortage of staff in the LTC sector. The demand is mainly rising for elderly care workers, home helps and social workers. Career advancement prospects in care for persons with disabilities are very good for qualified workers.

In the long term, it is expected that the shortage of home care workers increases, especially in the group of qualified workers¹⁹.

¹⁹ Eurofound, More and better jobs in home-care services, 2013.

2.3. Health and well-being

2.3.1. Work organisation

No information gathered at this stage. More data is requested from participants.

2.3.2. Risk exposure and health problems

Sick leaves

No information gathered at this stage. More data is requested from participants.

Stress-related work and Harshness of work

Some recent studies showed that a huge majority of informal carers feel that caring represents a heavy burden. The most important stress factors confessed are responsibility, hopelessness and feeling overtaxed²⁰.

2.4. Work/Life balance

Working time and work schedules

Formal care is more used to complement informal care. On average, dependent persons use five hours of home care and nine hours of home nursing per week.

It comes out from the recent trends that at least a third of carers feel unable to quantify their working time²¹: it is particularly difficult to determine when both user and carer live in the same house (24 hour care) or when the user needs more supervision than care.

²⁰ Riedel M., Kraus M., ENEPRI research report n°69, 2010.

²¹ Riedel M., Kraus M., ENEPRI research report n°69, 2010.

3. SERVICE QUALITY

3.1. Availability of services

Austria offers a wide range of services in order to provide dependent persons with an appropriate response to their needs. It is especially possible thanks to both federal and Länders care allowance programmes, which are designed to enable the free choice among different options. One of them is the informal care: this kind of care traditionally plays a very important role in the LTC provision, and it can be financed by care allowances.

However, some regional disparities have emerged between nine Austrian Länders. Indeed, formal care sector is still growing and this has resulted by tangible differences between Länders in terms of availability of services. This is especially the case of services to support informal care-giving, such as counselling and respite care²².

The Article 15a B-VG of agreement for dependent people from 1993²³ states that Länders are required to develop demand and development plans (Bedarfs- und Entwicklungspläne, BEP) for an adequate and comprehensive system of institutional, semi-institutional, and home-based care services with full geographical coverage, observing minimum standards²⁴. Yet, the binding force of this agreement is rather limited as there is no specific penalty in case of non-compliance with the agreement²⁵.

This agreement contains a basic framework, while most details have to be regulated on the provincial level and differ accordingly. Therefore in reality there is a broad variation between and within Länders, regarding availability and quality of services. This regional divergence is found in settings of formal care, institutional and home-based care.

3.2. Affordability

Care allowances help users to obtain affordable LTC. All dependent persons, without age distinction, are covered by the federal and Länders care allowance programmes. Persons not entitled to receive the cash benefit at federal level are entitled to receive the same amount of cash benefit at Länder level. If the dependent person's income does not allow him / her to

²² The Austrian system for long-term care, Peer review "Achieving quality long-term care in residential facilities", 18-19 October 2010.

²³ The text of the agreement, in German, is available at <http://bit.ly/1HAfv59>

²⁴ Riedel M., Kraus M., ENEPRI report n°69, 2010.

²⁵ Riedel M., Kraus M., The Austrian long-term care system, project ANCIEN, report, 2010.

finance his / her care, then Social services can provide complements.

3.3. Comprehensiveness of services

No information gathered at this stage. More data is requested from participants.

3.4. Quality of regulation

No information gathered at this stage. More data is requested from participants.

3.5. Quality of management and organisational level

The Austrian regulatory framework for the quality of LTC services consists of four levels²⁶.

- The first level is composed of two agreements between the federal state and its nine Länders, based on the Austrian Constitutional Act, the LTC-related part.

The first agreement (Annex A of the Article 15 from the B-VG Agreement 1993) defines LTC service regulation as a responsibility of the nine Austrian Länders and specifies the minimum standards for institutional and home-based care: a free choice between the existing services, a comprehensive and integrated range as well as a network of services, availability on Sundays and public holidays and a quality assurance and control by Länders.

The second agreement between the federal state and the nine Länders (2008) regulates public funding for 24-hour care for employed workers living in the users' home or for persons working on a freelance basis. The agreement requires that these workers have to be adequately trained.

- The second level is composed of laws, mainly issued by nine Länders.

The federal authorities have enacted federal laws that regulate the quality assurance aspects, notably: the Federal long-term care allowance Act (Bundespflegegeldgesetz), the Act on care of

²⁶ Presentation taken from:

- Trukeschitz B., Safeguarding good quality in long-term care: the Austrian approach, Eurohealth, volume 7, N°2, 2010.
- Czipionka T., Kraus M., Kalmar M., Quality assurance policies and indicators for long-term care in the European Union, Country report Austria, ENEPRI research report n°105, 2012.

people in private households (Hausbetreuungsgesetz) and the Home resident Act (Heimaufenthaltsgesetz).

Länders have their own laws on social assistance that regulate the provision of LTC services. Although quality assurance of LTC service provision is not always explicitly mentioned, it is however implicit to rules concerning the recognition measures and the supervision of providers, notably: the suitability of equipment and workers, improvement of carers' skills. Some Länders' laws also affect the quality of the process notably: the trustworthiness of service provision and the degree of coordination between different types of providers.

- Levels three and four are composed of ordinances and guidelines.

At these levels, the quality criterion is more specific. For instance: minimum standards with regard to qualification of the workers to perform a specific task, or maximum size of homes. Some Länders give instructions to the care providers to conduct quality management activities.

As a result of this regulatory framework, regulation and methods for quality assurance vary significantly between the nine Länders. If on the one hand the legal framework is easily accessible, on the other hand inspection reports on service quality of care homes or of home care providers are not publicly available²⁷.

²⁷ Trukeschitz B., 2010.

4. CONCLUSION

In terms of the LTC model where about 80% of dependent persons are receiving informal care, Austria may be placed in an intermediate position with regard to the main responsibility for care, in some way closer to the Mediterranean model of high family responsibility than to the Nordic model of high individual responsibility and a more pronounced role for the government in service provision.

The care allowance programme, the key feature of the Austrian LTC system, allows dependent persons to finance the freedom of choice for care. Yet, the accomplishment of this objective seems compromised by infrequent adjustments of the monetary value of the allowance. Indeed, Riedel and Kraus have noticed that the average number of care hours a beneficiary could buy with the allowance dropped considerably since 1997 and that this trend has continued. The authors conclude that this evolution is mostly due to irregular raises of the monetary value of the care allowance in the past²⁸.

The fragmented Austrian LTC system relies on nine different Länders legislations, as well as on several manners to designate, manage and finance the LTC services at municipal level. This heterogeneity makes notably hard the calculation of the real costs of the expenditure for LTC. To handle this problem, some Länders have started to collect structural data to improve comparison. Some other Länders are still in the process of doing so. Along with this evolution, the working group for provision of care (Arbeitskreis für Pflegevorsorge) has started to collect some basic national data on care on a yearly basis, in an effort to make them comparable between for all Länders, with the ultimate goal to improve forward-looking capacity planning and steering.

EFSD observes that the continuous increase, since 2006, of the use of the vouchers has contributed to fulfil the objectives of transparency, availability, accessibility, affordability and administrative processing for users. Yet the users' satisfaction in terms of choice, quality and reliability of the system remains unknown. With regard to workers, further improvements could be envisaged to make the voucher system more attractive for them, as their professional status, career prospects and regular rights and benefits have not yet been reached.

²⁸ Riedel M., Kraus M., ENEPRI report n°69, 2010.

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