# Austria<sup>1</sup>

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April 2023

N.B. Austria is a federal state.

For comparisons with other countries in this review on leave provision and early childhood education and care services, please see the <u>cross-country tables</u> at the front of the review (also available individually on the <u>Leave Network website</u>). To contact authors of country notes, see the <u>members</u> page on the Leave Network website.

## **1.** Current leave and other employment-related policies to support parents

a. Maternity leave (*Mutterschutz*) (responsibility of Federal Ministry of Social Affairs, Health, Care and Consumer Protection)

Length of leave (before and after birth)

- Sixteen weeks: eight weeks before the birth and eight weeks after the birth.
- It is obligatory to take all the leave.

#### Payment and funding

Maternity benefit (*Wochengeld*): 100 per cent of average net income for the last three months of employment before taking leave for employees, with no upper limit. Freelance workers receive an income-based maternity benefit: self-employed women who work in a trade or agriculture are eligible for 'operational support' (i.e. financial or other support to maintain their business) as a form of maternity benefits. If no operational support is granted, they can claim a flat-rate payment of €61.25 per day. Marginally employed, self-insured women receive a flat-rate payment of €10.35 per day. Eligible, unemployed women are entitled to 180 per cent of previous unemployment benefit (with the latter corresponding to 55 per cent of previous net income). Expectant

<sup>&</sup>lt;sup>1</sup> Please cite as: Schmidt, E.-M. and Schmidt, A.E. (2023) 'Austria country note', in Blum, S., Dobrotić, I., Kaufman, G., Koslowski, A. and Moss, P. (eds.) *International Review of Leave Policies and Research 2023*. Available at: <u>https://www.leavenetwork.org/annual-review-reports/</u>

mothers receiving the childcare benefit are entitled to 100 per cent of the childcare benefit if their Maternity leave starts before the childcare benefit ends.

- Payments are not taxed.
- Funded by multiple sources: 70 per cent by the 'Family Burden Equalisation Fund' (FLAF – *Familienlastenausgleichsfond*) which is financed by contributions from employers (4.5 per cent of each employee's salary bill); by general taxes; and by public health insurance (30 per cent). In 2021, total expenditure on Maternity leave (i.e., maternity pay and the payment for operational support) was €600 million.

#### Flexibility in use

• None.

Regional or local variations in leave policy

• None.

*Eligibility (e.g., related to employment or family circumstances)* 

- All employed women are entitled to 16 weeks of paid Maternity leave, except for short-term employed women and self-employed workers who are eligible for Maternity leave only if they have a voluntary affiliation with the statutory social health insurance (SHI). Unemployed women are only eligible for maternity payment if they have completed three months' continuous employment or have been affiliated to the statutory SHI for 12 months within the last three years.
- Expectant mothers receiving the childcare benefit are entitled to 100 per cent of the childcare benefit if their Maternity leave starts before the childcare benefit ends. If the income-related childcare benefit has already ended and expectant mothers have not started to work again or are still on Parental leave (see 1c for details), they are not entitled to maternity payment.

Variation in leave due to child or family reasons (e.g.,. multiple or premature births; poor health or disability of child or mother; lone parent) or delegation of leave to person other than the mother

- In case of danger to the health of the mother or unborn child, women are eligible to take leave earlier than eight weeks before delivery.
- In the case of premature births, multiple births, or births by Caesarean section, women are eligible for 12 weeks leave after birth (in exceptional cases, 16 weeks).

### b. Paternity leave (*Papamonat / Väterfrühkarenz*) (responsibility of Federal Ministry of Social Affairs, Health, Care and Consumer Protection)

Length of leave (before and after birth)

• One month.

#### Payment and funding

- Fathers who live in the same household as the mother and child are entitled to a 'family-time bonus' (*Familienzeitbonus*) of €23.91 per calendar day. The 'family-time bonus' is automatically compensated for inflation in January every year.
- Payments are not taxed.
- Funded as for Maternity leave.

#### Flexibility in use

• Can be taken within 91 calendar days after the birth of the child.

#### Regional or local variations in leave policy

• None.

*Eligibility (e.g., related to employment or family circumstances)* 

• Employed for at least 182 calendar days before taking leave.

# c. Parental leave (*Elternkarenz*) (responsibility of Federal Ministry of Social Affairs, Health, Care and Consumer Protection and Federal Chancellery/Women, Family, Integration, and Media)

Length of leave (before and after birth)

- Until the child reaches two years of age.
- Leave is a family entitlement.

#### Payment and funding

- A childcare benefit (*Kinderbetreuungsgeld'*) is available to all families who meet the eligibility conditions, whether or not parents take Parental leave.
- For their youngest child, parents can choose between the flexible flat-rate childcare benefit account and the income-related childcare benefit. The flexible account, flat-rate benefit (childcare benefit 'Kinderbetreuungsgeldkonto') enables parents to distribute an overall sum of about €13,085 (if only one parent receives the benefit) or €16,389 (if both parents receive the benefit) over a chosen time span, calculated in days. If only one parent applies for the childcare benefit, he or she might spend the overall sum across a period from 365 days (at a daily amount of  $\leq$  35.85), up to a maximum of 851 days (at a daily amount of €15.38). If both parents receive and share the childcare benefit (respecting a minimum of 20 per cent non-transferable days of all childcare benefit days requested), the money can be used within a timespan between 456 days (at a daily amount of €35.85) and 1,063 days (at a daily amount of €15.38).
- The income-related childcare benefit (*'Einkommensabhängiges Kinderbetreuungsgeld'*) refunds 80 per cent of net income in the previous six months, for 365 days (if only one parent receives the childcare benefit) and up to 426 days after the birth (if both parents share the childcare benefit,

with 61 non-transferable days). The amount of the income-related option ranges up to a maximum of  $\in$ 69,83 per calendar day ( $\in$ 2,100 per month).

- Although calculated in calendar days, the childcare benefit is paid out monthly.
- For the flat-rate childcare benefit account, a parent may additionally earn 60 per cent of the income he or she earned in the calendar year prior to the child's birth, or at least €18,000 per year. For the income-related option, additional earnings may not exceed €7,800 a year.
- In case of employed parents, the length of the childcare benefit does not have to correspond to that of Parental leave. However, health insurance corresponds to receiving the childcare benefit and ends even if the parent might still be on Parental leave.
- If parents share their childcare benefit at a minimum ratio of 40:60 and if each parent has received the benefit for at least 124 days, then each parent is entitled to a '*partnership bonus*' payment of €500. Thus, together they receive a total of €1,000.
- Payments are not taxed.
- From 2023 onwards, the childcare benefit is automatically compensated for inflation in January every year.
- Childcare benefit is funded from the FLAF; see 1a for more details. Total expenditure on this benefit in 2021 was €1.19 billion, including total expenditure on 'partnership bonus'.

#### Flexibility in use

- Parental leave may be taken by one parent only (mother or father) or by both parents on an alternating basis (the whole period can be divided into a maximum of three parts alternating between parents, with each part spanning at least two months).
- The two parents cannot take Parental leave simultaneously, except for one month the first time they alternate leave; during this month both parents can receive the childcare benefit (however, the overall sum of the childcare benefit stays the same); in this case, Parental leave ends one month earlier (i.e., one month before the child's second birthday).
- The parents cannot change their chosen childcare benefit option. Within the flat-rate childcare benefit account, they can change the duration once (which may lead to back payment or repayment demands). If parents choose the income-related option and one parent does not fulfil the employment or income requirements (i.e., was not employed or earnings were not high enough), he or she receives a childcare benefit of €35.85 per calendar day, which corresponds to the daily amount paid in the shortest duration of the childcare benefit account.

#### Regional or local variations in leave policy

• None.

#### *Eligibility (e.g., related to employment or family circumstances)*

• All employed parents are entitled to take Parental leave, regardless of their parental status (i.e., as biological, adoptive, or foster parents), partnership status, or sexual orientation. In addition, only legal residence in Austria is required (not citizenship) in order to obtain leave.

- There is no entitlement to take Parental leave for self-employed parents; however, they can claim both the childcare benefit options under the same conditions as applied to employees.
- All parents with a legal residence in Austria, regardless of their employment status and their citizenship, are entitled to receive the flat-rate childcare benefit account.
- In the case of parents living separately, but sharing custody of the child, both parents are eligible to receive and share the childcare benefit, in the same way as parents living together. There are no specific provisions for single parents.

Variation in leave due to child or family reasons (e.g., multiple or premature births; poor health or disability of child or mother; lone parent; or delegation of leave to person other than parent)

- In the case of multiple births, the amount of the childcare benefit account (not the income-related childcare benefit) is increased by 50 per cent for each additional child.
- In the case of one of the two parents being prevented from using the childcare benefit due to death, a prison sentence, or other extreme circumstances, the available parent may receive the full amount of the flat-rate childcare benefit account (not the income-related childcare benefit) for further 91 days.<sup>2</sup>

Additional note (e.g., employer exclusions or rights to postpone)

• Each parent has the possibility of postponing three months of Parental leave, up until the child's seventh birthday (or school entry).

#### d. Childcare leave or career breaks

- Employees have the possibility of taking between two and 12 months off for private reasons (e.g., further education or family reasons). It is based on labour legislation, a mutual agreement between employer and employee, and is unpaid: it is, therefore, not a statutory entitlement. This leave period is unpaid.
- If leave is taken for educational reasons ('*Bildungskarenz'*), it is possible to receive a further training allowance from unemployment insurance funds (though the employee also must meet the eligibility criteria for unemployment benefit and the employer must recruit a substitute for the duration of the leave).

#### e. Other types of leave and flexible working

• Since January 2019 parents employed in Austria are entitled to an additional *Family Bonus Plus*' (tax credit). Since 2022 this Family Bonus Plus amounts to €2,000 per child, every year until the child's 18th birthday. After the child's

<sup>&</sup>lt;sup>2</sup> Lone parents who do not yet receive alimony may receive the flat-rate childcare benefit account (N.B. not the income-related childcare benefit) extended by a further 91 days. After divorce/separation, custodial parents should receive alimony from their former spouses – if they do not, or the ex-partner does not pay, childcare benefit is extended.

18th birthday, a reduced Family Bonus Plus totalling €650 is granted annually, provided that family allowance is received for this child. The recipient of the family allowance and the person paying support money for the child can claim it. After June 2022, the European Court of Justice ruled that indexing *`Family Bonus Plus'* (increased or decreased according to the price level of the country of the family's residence) was contrary to EU law. EU citizens who work in Austria and whose children live in other EU countries, the EEA region or Switzerland are also entitled to the *`Family Bonus Plus'*.

#### Adoption leave and pay

• For adoptive and foster parents, the same regulations for Parental leave and the childcare benefit apply as for other parents.

#### Time off for the care of dependants<sup>3</sup>

- Two weeks' (average working week) leave per year, per employee to care for sick children under the age of 12, and one week for other dependants/family members needing care, with full earnings replacement. This regulation also applies for adoptive and foster parents of sick children. A leave can be taken for a partner's child only if the child lives in the same household. Accompanying a child under the age of 10 years during an inpatient stay at the hospital is also possible. If a medical certificate is requested by the employer, costs of the certificate need to be borne by the employer.
- If the child's main carer falls sick or becomes unavailable (e.g., grandmother), parents are also entitled to stay at home with their child (based on the respective law *Urlaubsgesetz §16*).
- There are two different types of longer care leave. Firstly, employees have a statutory right to take a maximum of six months' family hospice leave (*Familienhospizkarenz*) for the purpose of nursing terminally ill family members. If the leave is taken for severely ill children, it can be extended to nine months. The leave for care of severely ill children may be renewed twice (i.e. in total up to a maximum of 27 months). Eligibility is the same as for the care allowance (*Pflegekarenzgeld*) described below.
- Secondly, if their employer agrees, employees who have worked with their employer for three preceding months<sup>4</sup> may take long-term care leave (*Pflegekarenz*). This leave allows caregivers to organise (formal) care or provide (informal) care for frail dependants/family members for a duration of three months (initially) per dependent. The minimum duration for this leave is one month. It can be extended from three months to six months (per dependent) if the health status of the dependent person worsens substantially. While in general the employer has to agree to this type of leave, a new regulation was introduced as of 1<sup>st</sup> January 2020 within this model: It foresees a right to a care leave for two weeks with possibility for extension for another two weeks. The right to care leave is granted only in enterprises with more than five employees.

<sup>&</sup>lt;sup>3</sup> See also: <u>www.sozialministeriumservice.at/Finanzielles/</u> <u>Pflegeunterstuetzungen/Pflegekarenz und -teilzeit/Pflegekarenz und -teilzeit.de.html</u> (official information in German)

<sup>&</sup>lt;sup>4</sup> Exceptions to the minimum working time with their employer apply for seasonal workers.

Slightly different regulations apply for public sector employees, but selfemployed persons are not eligible for these care leave models. Employees are entitled to a cash benefit (*Pflegekarenzgeld*) during long-term care leave or family hospice leave to care for sick children or dependants/family members respectively. Eligible family members are relatives within the direct ascending or descending line, including siblings, adoptive parents, stepparents, step-children, partners or registered partners of a parent, and inlaws. It amounts to 55 per cent of net average income per calendar day. The maximum duration for the payment is six months per employee (or 12 months per dependent person, if the leave is shared). Low-income families may claim subsidies for family hospice leave, if the leave causes financial distress (funded from FLAF, see section 1a). Since 2017, care by relatives has also become accounted for under inheritance law in Austria. People who have personally provided unpaid, intensive care for a close relative for at least six months in the three years before the relative's death may receive a financial compensation after the relative's death under this regulation.

#### Specific provision for (breast)feeding

• Mothers are entitled to 'nursing' leave of 45 minutes per day out of 4.5 - 8 working hours. If a mother works eight hours or more, she is entitled to a daily nursing leave of two times 45 minutes (or one break of 90 minutes).

#### Flexible working

- Parents have the legal right to work 'Parental Part-time' (*Elternteilzeit*) until the child's seventh birthday (or school entry) if they live in the same household with this child, if they are working in companies with more than 20 employees, and if they have been continuously employed with their present employer for at least three years. The reduction in working time must amount to at least 20 per cent of their previous working time. It is not possible to work part-time for fewer than 12 hours per week or more than 32 hours per week. Parents working in companies with fewer than 20 employees may enter into an 'agreed Parental part-time' with their employer, up until the child's fourth birthday.
- The regulations also include the right to change working hours within the day (e.g., from morning to afternoon) without reducing the number of working hours, as well as the right to return to full-time employment.
- Parents are protected against dismissal until their child's fourth birthday, starting four months before they start and during the period they work 'Parental part-time' under the entitlement outlined above. During the remaining period of part-time work (i.e. until the child's seventh birthday or school entry) they are protected against dismissal without cause.
- An employee is not allowed to claim '*Parental part-time*' when their partner is on Parental leave.
- Caregivers for frail or sick dependants/family members are entitled to work part-time (family hospice leave) or agree on a part-time arrangement with their employer (long-term care leave). In September 2019 a law was passed which grants employees the right to take a part-time care leave for two weeks from 1 January 2020 onwards, with possibility for extension of another two weeks. For long-term care leave, a minimum working time of ten hours per week is obligatory. Payment during both care leave models is calculated proportionately (and while considering the minimum income

threshold, in alignment with the lower limit of the unemployment benefit scheme).

# 2. Relationship between leave policy and early childhood education and care policy

The maximum period of post-natal Parental leave available in Austria is 24 months. There is an entitlement to ECEC from five years of age, for part-time attendance of kindergarten (20 hours per week). Attendance is obligatory. So, there is a gap of three years between the leave ending and ECEC entitlement beginning, and a gap of 46 months between the end of the income replacement benefit (if that option is chosen) and any ECEC entitlement.

For ECEC attendance levels, see 'relationship between leave and ECEC entitlements' on <u>cross-country comparisons</u> page.

### **3. Changes in policy since April 2022** (including proposals currently under discussion)

The Family Bonus Plus was increased from  $\leq 1,500$  per child a year to  $\leq 2,000$  per child a year.

For births after 31 December 2022, the 'family-time bonus' no longer reduces a later childcare benefit. From 2023 onwards, the childcare benefit and the 'family-time bonus' are automatically compensated for inflation in January every year; the threshold for additional earnings for the flat-rate childcare benefit account has been increased to  $\leq 18,000$  per year; and the period during which a relative can apply for the cash benefit (*Pflegekarenzgeld*) accompanying long-term leave (*Pflegekarenz*) to care for a dependant was extended to two months.

#### 4. Uptake of leave

#### a. Maternity leave

It is obligatory for employees to take Maternity leave and almost all mothers are eligible (see section 1a); the take-up of leave, therefore, corresponds to the number of births.

#### **b.** Paternity leave

Statistics on take-up of 'family time' show an increase in numbers of fathers that claim family time. Currently, in about 8 per cent of all births, fathers receive the 'family time bonus' during their paternity leave<sup>5</sup>.

#### c. Parental leave

Data show that almost all eligible (i.e., formerly employed) mothers – between 93 and 96 per cent – took up Parental leave in the final years of the previous scheme. Since replacing the Parental leave benefit with the new childcare benefit in 2002, there has only been information on parents' uptake of the childcare benefit. As there are no official statistics on the uptake of Parental leave, it is difficult to know how many fathers currently take it. Some studies address this issue, but the percentages vary significantly depending on the population under study.

Regarding the number of women and men taking up the childcare benefit, it is crucial to keep in mind the difference to Parental leave, i.e. both parents who are on leave and parents who are not on leave alike are able to receive a childcare benefit. Further, parents are able to decouple the duration of leave from the duration of receiving the childcare benefit. Thus, they might be on leave up to 24 months but might receive the childcare benefit for a shorter period of time (e.g., 12 months income-related benefit) or a longer period of time (e.g., if receiving the flat-rate childcare benefit account) (see 1.c.).

Recent statistics on the flat-rate childcare benefit, which was chosen by nearly two thirds of all parents, show that 36 per cent of these parents applied for 28 or more months and 25 per cent chose about 24 or more months<sup>6</sup>. On the contrary, 35 per cent of all parents applied for the income-based model paid for 12 to 14 months. Despite access to equal sharing, 89 per cent of the principal recipients of the flat-rate childcare benefit were mothers only. This share is significantly lower in the income-based model, in which fathers also applied for childcare benefit in 30 per cent of all cases. On average, however, fathers claimed about 4.5 per cent of all days taken off for childcare in Austria<sup>7</sup>. Recent evaluations of the reform in 2017 suggest that over the past four years, the share of fathers claiming childcare benefit has even slightly decreased<sup>6</sup>.

<sup>5</sup> Lorenz, T. and Wernhart G. (2022) *Evaluierung des neuen Kinderbetreuungsgeldkontos* und der Familienzeit. Quantitativer Teilbericht, from https://services.phaidra.univie.ac.at/api/object/o:1429695/diss/Content/download. **Rille-Pfeiffer** C. and Kapella Ο. (2022)Evaluierung des neuen Kinderbetreuungsgeldkontos und Familienzeit. Meta-Analyse, from der https://services.phaidra.univie.ac.at/api/object/o:1429698/diss/Content/download. Rechnungshof Österreich (Ed.) (2020): Leistungen dem nach Kinderbetreuungsgeldgesetz. Bericht des Rechnungshofes. Rechnungshof Österreich. Wien (BUND, 2020/24). Online:

https://www.rechnungshof.gv.at/rh/home/home/004.684 Kinderbetreuungsgeld 2.pdf.

#### d. Other employment-related measures

The number of beneficiaries of the cash benefit for people on care leave (*Pflegekarenzgeld*) has been steadily increasing since 2014 when it was introduced. In 2022, 4,143 people used this paid leave model compared to 2,323 in 2014 when the model was introduced. In 2022, 73 percent of beneficiaries were female. In total in 2022, 2,132 people used the long-term care leave model (*Pflegekarenz*); while 139 used the same model working part-time (*Pflegekarenzteilzeit*); and 2,176 used the family hospice leave model<sup>8</sup>. (Double counts are possible, as one person may use both a long-term care leave and a family hospice leave). 227 families received a low-income subsidy for family hospice leave<sup>9</sup>.

A study to evaluate the long-term care leave (*Pflegekarenz*) was published by the Federal Ministry of Labour, Social Affairs, Health and Consumer Protection (under the government in place from 2017 to 2019). The evaluation shows that two thirds of care leavers are women. Caregivers who take a leave have a relatively low income and live in municipalities with a smaller population size. The study presents a detailed analysis of the labour market situation of caregivers before and after using the care leave<sup>10</sup>.

Schmidt, Fuchs, and Rodrigues (2016) report an uptake rate of 2.5 per cent, based on estimates regarding the eligible number of employees<sup>11</sup>, while Nagl-Cupal and colleagues (2018)<sup>12</sup> report a take-up rate of 5 percent among main caregivers. The average duration of the long-term care leave model amounted to 82.6 days in 2014: i.e., slightly below the three months that this model allows for initially<sup>13</sup>. About 70 per cent of employees taking leave from work to care for frail or sick dependants/family members (i.e., long-term care leave or family hospice leave) are women<sup>8</sup>. Reconciliation works only to a limited extent, according to a qualitative study carried out in 2015/2016<sup>14</sup>.

<sup>&</sup>lt;sup>8</sup> Information on 2022 provided by the BMGSPK (Bundesministerium für Gesundheit, Soziales, Pflege und Konsumentenschutz); Data for 2014 from 'Parliamentary inquiry 6489/J on behalf of the Greens respective long-term care leave' Parlament (2015), ('*Anfragebeantwortung der Anfrage Nr. 6489/J der Grünen betreffend Pflegekarenz und Pflegeteilzeit'*) (2015); Information directly provided by the Ministry of Health, Social Affairs, Care and Consumer Protection

<sup>&</sup>lt;sup>9</sup> Data from Statistics Austria.

<sup>&</sup>lt;sup>10</sup> Klotz, J. and Scharf, R. (2020) *Studie zur Vereinbarkeit von Beruf und Pflege bei NutzerInnen von Pflegekarenz/-teilzeit: Integrierte Evaluierung durch Registerforschung und Befragung von NutzerInnen. Sozialpolitische Studienreihe, Band 27.* Vienna: Ministry of Labour, Social Affairs, Health and Consumer Protection.

<sup>&</sup>lt;sup>11</sup> Schmidt, A.E., Fuchs, M. and Rodrigues, R. (2016) *Policy brief: juggling family and work* – *leave from work to care informally for frail or sick family members* – *an international perspective*. Vienna: European Centre for Social Welfare Policy and Research.

<sup>&</sup>lt;sup>12</sup> Nagl-Cupal, M., Kolland, F., Zartler, U., Mayer, H., Bittner, M., Koller, M., Parisot, V. and Stöhr, D. (2018) *Angehörigenpflege in Österreich. Einsicht in die Situation pflegender Angehöriger und in die Entwicklung informeller Pflegenetzwerke*. Wien: BMASGK. <sup>13</sup> Parlament (2015).

<sup>&</sup>lt;sup>14</sup> Sardadvar, K. and Mairhuber, I. (2018) 'Employed family carers in Austria: the interplay of paid and upaid work – beyond 'reconciliation',' *Österreichische Zeitschrift für Soziologie*, Vol.43, 61-72.