

Guiding questions for defining the normative content of the issues examined at the eleventh session of the OEWGA '21

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Right to work and access to the labor market

Definition

1. How is the right to work and access to the labor market for older persons defined in the national legislation in your country? If such a definition is not available, how should it be defined considering relevant existing national, regional and international legal frameworks?

For Austria's economy older and experienced workers are of great value. In times when the workforce is progressively ageing, work environments are becoming more and more dynamic and social security systems need to be put on a sustainable footing, it is all the more important to promote the capacity and ability to work of all generations.

In general, specific legal mechanisms apply to workers which are at least 50 years old.

Scope of the right

2. What are the key normative elements of the right to work and access to the labor market for older persons? Please provide references to existing standards on elements such as:

Over the past few years, a solid regulatory framework has been put in place to consistently promote the participation, integration and reintegration of older workers:

- Back in 2000, the scheme of pre-retirement part-time work (*Altersteilzeitgeld*) was introduced, with benefits paid from unemployment insurance funds. Under this scheme, workers can reduce their working hours in the period of up to five years prior to retirement. The resulting lower income is partly compensated for and the reduced working time has no negative impact on later old-age pension benefits. In order to keep workers in employment for longer who would otherwise be eligible for the flexible retirement scheme referred to as "corridor pension" (*Korridorpension*), Austria introduced the option of part-time pension (*Teilpension*) in January 2016 as a special form of pre-retirement part-time work (*Altersteilzeit*).
- To make it easier for workers to get back to work following prolonged sick leave (six weeks or longer) and to strengthen their ability to work with long-lasting effect, a part-time work agreement (including a reintegration plan) can be agreed by such workers with their employers. This type of working time reduction referred to as "reintegration part-time work" (*Wiedereingliederungsteilzeit*) can apply, based on mutual written agreement, for a period of one to six months. During such time, workers are eligible for reintegration benefits from their health insurance providers.

- Older workers, and among them often women, often engage in nursing and care for close relatives at home, alongside their gainful employment. In January 2014, the option to agree full-time or part-time care-leave (*Pflegekarenz* or *Pflegeteilzeit*) with employers for a limited period of time (one to three months) was introduced. Those making use of this option are entitled to (full-time or pro-rated) care leave benefits and have social security coverage (health and pension insurance). In addition, they are protected against termination of employment on grounds of taking care leave. Since January 2020, two weeks of full-time or part-time care leave have been enshrined in law as a legal claim, provided that specific requirements are met. Analogous provisions apply to end-of-life care for close relatives (full-time or part-time family hospice leave - *Familienhospizkarenz* or *Familienhospizteilzeit*).

To supplement the traditional services offered by the Austrian Public Employment Service (AMS), such as upskilling and employment incentives, Austria is pursuing innovative approaches in prevention, awareness-raising and counselling for older workers:

- The “fit2work” programme offers information, counselling and support to individuals and businesses throughout Austria on all matters relating to work and health.
- Within the scope of the investment priority (IP) on active and healthy ageing under Austria’s ESF Employment programme, demographic counselling for businesses is offered in order to encourage and assist implementation of measures to provide a work environment that respects age and ageing.
- In an initiative entitled “*Impulsberatung für Betriebe*”, the Austrian Public Employment Service (AMS) helps businesses cope with the requirements of an ageing workforce and effectively leverage changing age structures (productive ageing, intergenerational working, knowledge management).
- Special counselling and support facilities are available for older persons who have become unemployed, to help with their reintegration into the labour market. Age counsellors provide information and set up contacts with businesses interested in hiring workers aged 50 or over. Workshops address topics such as healthy ageing, advantages and barriers for older persons on the labour market, use of new media, etc.

State obligations

3. What are the measures that should be undertaken by the State to respect, protect and fulfil the right to work and access to the labor market for older persons, regarding the normative elements as provided above?

With a view to providing incentives to work longer, the federal government's strategy is to gradually bring the de facto retirement age closer to the statutory retirement age, at the same time taking precautions to avoid increasing unemployment numbers among older persons. The principle of "rehabilitation and reintegration in the pre-retirement phase" instead of early retirement was stipulated in the law already in 2014 when the reform of invalidity pensions was implemented. A legal entitlement to vocational rehabilitation was introduced in January 2017. The 2016 Social Insurance Amendment Act (Sozialversicherungs-Änderungsgesetz) provided the option of delayed retirement (Pensionsaufschub), creating an incentive for remaining in employment beyond the statutory retirement age. Under this scheme, the employer and employee shares of pension insurance contributions are reduced by half for the duration of the delay (Bonusphase).

Special considerations

4. What special measures and specific considerations should be considered in developing the normative content of the right of older persons to work and access to labour market, such as protection and regularization of older workers in informal sector, equal remuneration for work of equal value particularly for older women as well as recognition of unpaid work often carried out by older women?

Besides raising de facto retirement age, the focus is on enhancing the economic and social living conditions of pensioners and combating poverty among older persons. A major contribution towards this goal was made by raising the equalisation supplement and stepping up smaller pensions as from 2021. Women (and particularly those living alone) are at an above-average risk of old-age poverty and social marginalisation upon retirement. This is mostly due to gaps in their working careers or part-time employment. A broad range of measures has been taken to raise the labour market participation of women, such as: labour market programmes, measures to improve the sharing of family and care work duties among couples, expanding childcare offers and facilities, information campaigns to raise awareness of the detrimental consequences of part-time work and gaps in social security contribution payments (TRAPEZ, see below). However, as old-age poverty cannot be prevented during a person's working life or in old age alone, Austria has also taken action to combat child and youth poverty as an important factor related to poverty in old age. Ensuring equal opportunities as early as possible and fostering social mobility from childhood has been found to increase the opportunities for personal development throughout life and hence also prevent poverty in old age. At federal level, projects are encouraged that provide support and counselling to women and combat female poverty.

As a relatively large share of older persons is cared for at home and primarily by close relatives, mechanisms to compensate for the disadvantages of family carers in terms of pension benefits were implemented in Austria's state pension system. Provided that the care recipients are eligible for level-three long-term care allowance, family carers can apply for free (continued) pension insurance if they had to reduce their working hours or quit their job to provide care. The contributions due are fully covered from public funds. For the periods of time spent providing

unpaid care, insurance periods are counted towards pension eligibility and monetary pension credits are extended. Similar arrangements of free (continued) social security coverage are in place for persons who provide care for a child with disabilities at home.

“Audit berufundfamilie” is a programme set up to help companies develop and implement a family-friendly work environment. Under the initiative, especially older workers can be supported if they need to provide care to older family members.

The Austrian Health Promotion Fund has launched an initiative to support and fund businesses promoting age-friendly working environments and intergenerational age management at work (Betrieblichen Gesundheitsförderung – Gesundheitliche Chancengerechtigkeit am Arbeitsplatz).

5. How should the responsibilities of non-State parties such as private sector be defined in the context of the right to work and access the labour market for older persons?

The Land of Vorarlberg launched the “50+ Job Coaching” (Arbeitsplatzcoaching 50+) initiative and maintained it jointly with the Vorarlberg Public Employment Service from 2017 to 2020. The programme supported job seekers aged 50+ and is set to be continued in the future. Counselling and support under the 50+ Job Coaching initiative is provided for a maximum of 12 months to approximately 200 individuals per year.

In Vienna, adult education centres (Volkshochschulen) offer easy access to education for all age groups. Special courses are available for older workers to prepare them for employment exit and the transition to retirement.

The Land of Tyrol funds specific programmes for older persons, such as “GemNova Aktion 20.000” (terminated in 2019) or a community-level employment programme designed to integrate specifically older persons into the labour market (reintroduced in 2020).

In 2020, Burgenland launched a special programme “Chance 50 plus”, which is tied to the Public Employment Service’s “Come Back” scheme.

Austrian welfare organisations have also taken action to deal with age-related topics, launching a range of measures in this field. The Austrian Red Cross, for instance, assisted the Labour Inspectorate in preparing a manual on safety and health for mobile nursing and care (Mobile Pflege und Betreuung - sicher und gesund). Based on this manual, which helps identify physical and mental stress factors in day-to-day work, the Austrian Red Cross has developed further instruments and toolkits to ensure these aspects are given appropriate attention in practice.

Implementation

6. What are the best practices and main challenges faced by your country in the adoption and implementation of the normative framework on the right to work and access to the labor market for older persons?

A key priority within Austria's labour market policy in the past years has been to promote and ensure the employment of older individuals as well as to combat unemployment among older people.

Government funding earmarked for such efforts continues to be increased. The Austrian Public Employment Service (AMS) puts to work all available funding instruments towards improving opportunities for unemployed persons aged 50 or over. A total of EUR 273 million was spent in 2020 to assist persons of the 50+ age group seeking employment. This equals roughly one quarter of the AMS's funding budget.

Several other special multi-year programmes are designed to promote the employment of older workers and to prevent premature attrition from the workforce:

- A major share of assistance for older individuals stems from the 50+ Employment Initiative (*Beschäftigungsinitiative 50+*). Within the framework of this programme, additional funding has been made available since 2014 to promote the employment of individuals aged 50 or older who have been registered as jobseekers with the AMS for at least three months. This funding is used mainly to finance integration subsidies (*Eingliederungsbeihilfen*¹), combined wage subsidies (*Kombilohnbeihilfe*²) and employment projects, as well as, since 2018, occupational skills building.
- A job offensive, launched in response to COVID-19 and allocated EUR 700 million as of late 2020, is helping more than 100,000 jobseekers acquire or maintain skills. The programme also benefits individuals aged 50 or over. Of the total that has been made available to the AMS until 2022, EUR 485 million is earmarked for skills building, EUR 102 million for counselling and support facilities and the business start-up programme (*Unternehmensgründungsprogramm*), EUR 58 million for allowances to help workers acquire skills (*Qualifizierungsbonus*), and EUR 55 million for employment incentives.
- The new *Sprungbrett* programme initiated by the Austrian federal government has the objective of counteracting the long-term unemployment that has arisen during the COVID-19 crisis. By the end of 2022, a total of EUR 300 million is to be invested in reintegrating 50,000 long-term unemployed persons in the labour market, many of whom are over 50

¹ paid to employers who hire jobseekers aged 50+

² an incentive to jobseekers to accept low-paid or part-time work

years of age and/or have health impairments. The initiative is designed as a three-tier process: counselling and support facilities initially make arrangements for preparation and placement in individual employment situations. At the same time, placement candidates are offered specialised job training and preparation where required. Businesses that then provide an employment opportunity to individuals belonging to the target group receive integration subsidies covering an average of 50% of wage or salary costs (for a maximum of 12 months).