



Country : Austria

Organization : GBH

Date : 4th May 2020

1/ What is the current situation of economic activity in the construction/construction material and wood/forestry/furniture sectors?

Most construction sites have been back in operation since April 14th. There is mostly short-time work in the wood sector.

A total of around 2,500 applications for short-time work were submitted by companies in the construction and wood sectors, of which 50,000 workers are affected. This is about 20% of all blue and white colour workers.

2/ What are the specific agreements, measures or regulations that were adopted to fight the COVID-19 situation in our sectors; Related to what topics ?

Is there an exit strategy plan on sectoral level? Are sectoral trade unions involved in the discussions and /or implementation of the exit strategy plan (sectoral level)?

What is short-time work?

One speaks of short-time work if the working time is reduced in a company for a limited time to bridge economic disruptions. To overcome the Corona crisis, the social partners developed a special short-time working model. This makes it possible to reduce working hours to up to zero hours and still remain in an upright employment relationship with almost full wage compensation.

This is supposed to keep as many people as possible in employment and layoffs or friendly solutions can be avoided.

With the Corona short-time working model, non-wage labor costs are also significantly reduced, this is the duty of AMS (Labor market service).

What are the conditions for granting the aid?

- Temporary economic difficulties related to COVID-19 (Corona).

- Lost time: at least 10% and a maximum of 90% of the statutory or collective agreement normal working hours. Downtime is up to within the short-time working period 100% possible, but on average the short-time working period may not be 90% downtime be exceeded.
- COVID-19 social partner agreement on the closer conditions of short-time work, in particular: scope, duration, maintenance of employment, determination of the loss of working hours.

Who pays my wages for short-time work?

Always the employer about the normal wage payment on the due date!

Short-time work for marginally employed people?

Someone works less than the whole amount. Can he conclude a KUA agreement with his employer? Who gets the funding?

The new directive and the social partner agreement make it clear that short-time work for marginally employed is not possible. Will be a reduction in working hours and pay agreed, the employer receives no KUA allowance from the AMS!

How long does the employer receive the allowance?

Initially a maximum of 3 months.

If all conditions are still met, the aid can be increased by a maximum of 3 more months to be extended. The employer has to pay almost nothing, but the workers increase financially better than with a friendly solution and a promise of reinstatement: the net replacement rates at KUA and unemployment are very different.

Short-time work: what does the employee get?

What does the employer pay and what does the AMS pay?

The employer pays the employee a net wage of 80-90% of the net wage before short-time work.

- 90 percent with a gross monthly salary of up to 1,700 euros (incl. allowances and surcharges, but overtime not continuously billed - the basis for this is the last 4 full weeks before short-time work or 13 weeks for irregular wages).
- 85 percent with a gross monthly salary between 1,701 and 2,685 euros
- 80 percent with a gross monthly salary of more than 2,685 euros

The employer receives the support (short-time work allowance, but only up to the maximum assessment basis from 5,370 euros) regardless of whether the working time is reduced by 10% or 90%, the flat rate is due net wages of 80%, 85% or 90%. The extent of the hourly reduction or the

number of hours worked only has an impact on how much funding the employer provides got back from the AMS.

Special features of short-time corona work in the construction industry

Also for employees whose employment relationships are subject to the Construction Workers' Leave and Severance Pay Act (BUAG), short-time corona work can be agreed according to the guidelines below.

Subject area vacation

For workers who are employed in the context of short-term corona work, the period between April 1st and June 30th 2020 no surcharge has to be paid for those days when work is zero hours. Such days are included in the BUAK portal application with the abbreviation "Short-time work - COVID19".

Handling areas, winter holiday allowance, bridging allowance

For all employees for the period of employment between March 16 and May 15, 2020, no surcharge is granted in the areas of severance pay, winter vacation allowance and bridging allowance. As the surcharges generally do not apply here, a separate notification to BUAK is not necessary. The surcharges for these subject areas specified in the surcharge request do not apply automatically.

Note: This regulation applies regardless of whether short-time working has been agreed for all firms which are registered by BUAG. There is no disadvantage for the employee.

Bad weather

If bad weather falls within the period for which the reduction in working hours has been agreed, this has no effect. This is considered the time of reduced working hours and no entitlement is due for bad weather compensation. With regard to bad weather in the period in which work is to be performed, apply the provisions of the Construction Workers' Bad Weather Compensation Act (BSchEG). This means that the employee is entitled to bad weather compensation and BUAK reimburses the employer within the quota limits. These times are considered working hours with regard to short-time work.

Fixed-term contracts:

Can short-time work be agreed with an employee on a fixed-term contract if the time limit ends in the short-time period?

Does the AMS grant short-time work allowance? Yes. However, since neither the social partner agreement on short-time work nor the AMS guideline for short-time work allowance differentiates the obligation to maintain the number of employees during short-time work according to the types of termination, employment relationships that end when the deadline expires must also be filled.

Short-time work and agency work / temporary employment

Temporary workers can also work on a short-time basis if the company works short-term and a separate short-time work agreement is also concluded with the agency (temporary agency worker, i.e. the employer).

This short-time working agreement then only applies to those temporary workers who are employed in short-time employment and are now also supposed to work short-term there.

Important: You are not allowed to work in the canceled working hours from another companies.

3/ What is the current situation of migrant and mobile workers in the construction and wood/forestry/furniture sectors? Is it possible for you to monitor the situation effectively?

The same is true mobile workers. See Point 2.

It is not important where the worker comes from, but where his company is based. It is important that the company is registered in Austria or has a secondary office in the country.

Some foreign workers cannot go to Austria because the borders are closed

4/ What are your ideas / proposals to fight the COVID-19 crisis and its effects

- Related to Health and Safety for specific occupations/work processes and conditions

GBH bought around 8,000 disinfectants and around 10,000 protective masks

- Related to income protection

See Point 2

- Related to an economic relaunch of the construction and wood/forestry/furniture sectors

The number of unemployed was 571,000 in April 2020, which is 210,000 more than in April 2019.

In total, 91,000 applications for short-time work have been approved, which affects 1.25 million jobs.

GBH expects total construction industry sales to decline by 10 to 20%

Together with the ÖGB, the GBH has developed an economic stimulus program. Social policy also plays a major role.

Investments in infrastructure, strengthening procurement procedures, services of general interest (health, education, transport, housing, energy)
Strategic investments in companies

Furthermore, the GBH itself is working on 3 packages to stimulate the economy:

1. Investments in infrastructure, environmental benefits, renovation of houses, construction of flats,
2. Public procurement process: Accelerated procurement through faster approval
 - 2.1. Fostering of procurement by increasing the amount of money from € 100.000 to € 200.000 with direct procurement
 - 2.2. Fostering of procurement by increasing the amount of money from € 1 million to € 2 million with limited procurement
3. Providing incentives to apply for government funding from municipalities, cities and states on a temporary basis.