

Household Service Vouchers, Austria

Title of the policy or measure (in English)	Household Service Vouchers (Dienstleistungsscheck)
• Country	Austria
• Sectors	Maintenance and cleaning
• What groups are targeted by the measure	- Workers in the personal and household service sector - Families using personal and household services
• Purpose of measure	Legitimising undeclared work
• Short sentence summarising the measure	The household service vouchers are used by households to pay for personal and household services (i.e. childcare, gardening, cleaning etc.). This scheme aims to curb undeclared work, improve the social protection of workers in the sector and to increase employment opportunities.
Background	
• Background context driving the implementation of the measure	In 2006, only around 10 000 out of more than 150 000 household workers were legally employed. ¹ In order to legitimise work in the sector, household service vouchers were introduced to reduce undeclared work and to improve domestic workers' social protection.
• When was the measure implemented? (including start date and end date/ongoing)	Since 2006 – ongoing
• Names(s) of authorities/bodies/organisations involved	The Insurance Association for Railways and Mining Workers (“Versicherungsanstalt für Eisenbahnen und Bergbau” –VAEB) is responsible for the implementation of the scheme.
• Scope of the measure (a pilot project, nationwide, regional wide)	National
• Type of (policy) measure	Tool If “other”, please specify: Service Voucher
• Key objectives of the measure	The service vouchers legitimise personal and household services, giving people working in households access to accident insurance and voluntary health and pension insurance.
Specific measure	
• Description of how the measure operates in practice	People who perform services like cleaning, shopping, gardening or childcare in other people’s households receive household service vouchers as compensation. The vouchers can be bought by the service user at post offices, tobacco shops or online. When using the household service vouchers for the first time, the employer and employee must register (online, or they fill in a supplementary sheet). After the work has been done, the household employer fills in the household service voucher with social security numbers, names, day(s) of employment for both the employer and worker. The worker receives

	<p>the household service voucher immediately after the work is completed. The household service worker then submits all the vouchers received from the service user to VAEB at the end of the subsequent month via post, in person or online. VAEB then pays the amount of the household service vouchers via bank or postal order.</p> <p>The household service vouchers' nominal value can be individually determined between EUR 1 and EUR 100. For each value, the household pays an additional 2 %, which covers accident insurance for the worker and administrative costs. The wage per hour is agreed between the service user and household worker but has to comply with the minimum wage (which depends on the type of work performed). The household service vouchers are mainly used for short-term contracts and compensation takes into consideration the minor employment threshold income, which is at EUR 438.05 (2018) per month. People earning within this threshold have accident insurance (only) paid by the employer, but can voluntarily contribute to health and pension insurance and are not included in unemployment insurance schemes.</p> <p>Service users can employ as many employees as they want or require while household workers can have more than one employer.ⁱⁱ If services for one employer exceed the monthly minor employment threshold, the household service vouchers cannot be used anymore and a normal employment relation liable to social security payments starts. Everyone who has legal access to the Austrian labour market (as well as asylum seekers who are waiting for a decision on their asylum application) can be employed via this model. If the household service voucher is used for childcare, the costs for the service can be deducted from taxes if the domestic worker has qualification in childcare.</p>
<ul style="list-style-type: none"> • What resources and other relevant organisational aspects are involved? 	<p>The Insurance Association for Railways and Mining Workers (VAEB) is responsible for the administration of all users and workers using the household service vouchers. It does this via the following activities:</p> <ul style="list-style-type: none"> • Operating a call centre for queries regarding household service vouchers • Customer administration • Data transmission to all concerned institutions • Paying workers who submit household service vouchers <p>The administration of the scheme currently requires the employment of 4 full-time employees.</p>
<ul style="list-style-type: none"> • What are the source(s) of funding? 	<p>The service vouchers are funded by the Ministry of Social Affairs.</p>
<p>Evaluation and outcome</p>	
<ul style="list-style-type: none"> • Has the measure achieved its objectives? 	<p>There has been a consistent increase in the use of household service vouchers, resulting in formal job creation in that sector. In addition, the household service voucher scheme has led, to some extent, to the formalisation of previously undeclared work given the increase of users in the service voucher scheme.</p>
<ul style="list-style-type: none"> • Assessment method (including indicators used to measure its impact), and the outputs and outcomes achieved 	<p>Since its introduction in 2006, the number of household service vouchers purchased has increased from 59 820 to 337 328 in 2017, with the budget for the scheme increasing from EUR 872 427 to EUR 10 186 705 across the same period. Alongside this, the numbers of service users of the voucher scheme increased from 2 317 households in 2006 to 13 278 households in 2017 while the number of personal and household service (PHS) workers increased from 2 038 in 2006 to 10 881 workers in 2017.ⁱⁱⁱ</p>

	<p>According to VAEB, the household service vouchers led to a formalisation of 1.55 million working hours from 2006 to 2013, assuming an average hourly cost of EUR 11.^{iv} The introduction of the household service voucher system has therefore contributed to formalising the contractual relation between some households and household service workers.</p>
<ul style="list-style-type: none"> • What are lessons learnt and the key conditions for success? 	<p>While service users reported satisfaction with the household service voucher scheme^v, there are also obstacles to expanding the number of potential users. For example there is a generally high level of tolerance with respect to undeclared work in household services in Austria, since many households are wary and hesitant about becoming ‘employers’, as well as the fact that this type of work is often carried out by foreign nationals who do not have permission to work in the Austrian labour market.^{vi}</p> <p>Moreover, a criticism directed at the scheme concerns the non-subsidised price of the household service voucher, which may make obtaining services in this area via undeclared work financially more attractive to some households.^{vii} Moreover, the measure is designed for short-term employment of one month (but repeated contracts are possible without limitations) and the scheme does not entail entitlement to unemployment benefits or future pension benefits which have led to the criticism that the household service voucher scheme is not attractive for workers.^{viii} In order to increase take-up of household service vouchers, the VAEB is constantly improving the administration of the household service voucher.</p>
<ul style="list-style-type: none"> • Level of transferability (e.g. other countries/groups/sectors) 	<p>Transferability in legal terms should be feasible. Information material as well as a website have been set up to inform the population about the vouchers.</p>
<p>Additional information</p>	<p>[blank]</p>
<ul style="list-style-type: none"> • Contacts 	<p>Beate Lichtenecker, Insurance Association for Railways and Mining Workers E-mail: beate.lichtenecker@vaeb.at</p>
<ul style="list-style-type: none"> • Sources 	<p>Legislation: Dienstleistungsscheckgesetz www.dienstleistungsscheck-online.at</p>
<ul style="list-style-type: none"> • Metadata and key words for online search 	<p>Austria; household service vouchers; personal and household services; PHS; VAEB; social protection of workers; non-subsidised price; minor employment threshold income; Association of Railways and Mining Workers; unemployment insurance; unemployment benefits; short-term employment</p>

ⁱ Federal Ministry of Economy, Family and Youth (Bundesministerium für Wirtschaft, Familie und Jugend, BMWFJ) – formerly BMWA

ⁱⁱ Each employee can earn up to the limit of EUR 438.05 per month (plus holiday pay and pro-rata special payments), otherwise he/she is compulsory insured, and has to pay for health and annuity insurance 14.7 %.

ⁱⁱⁱ Brunner, A. (2018) Dienstleistungs-Scheck The Austrian Service Voucher, Presentation at the 4th Plenary session of the European Platform Tackling Undeclared Work, March 8-9, Brussels

^{iv} European Federation for Services to Individuals (2013): White book on personal and household services in ten EU Member States.

^v Team für Qualitätsentwicklung und Service Management (2007), der Dienstleistungsscheck, Evaluationsbericht. Internet: http://www.forschungsnetzwerk.at/downloadpub/dienstleistungsscheck_evaluierung-final.pdf

^{vi} Ibid.

^{vii} “Quality of jobs and services in the personal and household services sector in Austria”, December 2015. Internet: https://4qualityexample.files.wordpress.com/2014/11/for-quality_report_at_eng_final.pdf

^{viii} European Federation for Services to Individuals (2013): White book on personal and household services in ten EU Member States.