ESPN Thematic Report on work-life balance measures for persons of working age with dependent relatives

Austria

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European Social Policy Network (ESPN)

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The European Social Policy Network (ESPN) was established in July 2014 on the initiative of the European Commission to provide high-quality and timely independent information, advice, analysis and expertise on social policy issues in the European Union and neighbouring countries.

The ESPN brings together into a single network the work that used to be carried out by the European Network of Independent Experts on Social Inclusion, the Network for the Analytical Support on the Socio-Economic Impact of Social Protection Reforms (ASISP) and the MISSOC (Mutual Information Systems on Social Protection) secretariat.

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Summary / Highlights

The Austrian long-term care (LTC) regime is de facto characterised by a rather large sector of informal care. As a distinct area of social policy in Austria, LTC is relatively young, with the main elements of the LTC system deriving from legislation adopted in 1993.

The first main element of the LTC regime is "LTC cash benefit" (*Pflegegeld*), which is granted without means testing (against income or assets) and according to seven different levels that correspond to seven different levels of individual care requirements or the health status of the person in need of care.

The second main element is institutional inpatient, ambulatory, semi-outpatient and outpatient (i.e. at-home) care services. Establishing and upgrading these services is the responsibility of the nine federal provinces (*Bundesländer*). Access to formal LTC benefits in kind and to LTC services is, in principle, not free of charge: these are only covered by the federal provinces if the LTC services cannot be financed via a person's own resources. This is done within the context of Social Assistance and the Guaranteed Minimum Income Scheme. At the same time, LTC cash benefits are not sufficient to cover the costs of formal inpatient care. The same applies – especially in cases of extensive need of care – to the costs arising if all support were to be purchased within formal outpatient care. This creates some pressure for people to cover a considerable part of LTC in an informal way, as many of them try to avoid applying for Social Assistance or the Guaranteed Minimum Income (GMI) Scheme, where only a small personal budget remains available for free disposal and where prior realisation of assets is the norm. Furthermore, there are some indications of a partial shortage of formal outpatient care: the situation appears to vary considerably between the different federal provinces (and probably also between municipalities).

Apart from LTC cash benefits and formal LTC services, a number of other instruments are in place to support the relatives of people in need of LTC.

Two different leave schemes allow caring relatives to take some time off from gainful employment or to reduce their working time. For such persons, a specific leave benefit is also available (since 2014). Yet take-up remains rather low, most likely due to the fact that the potentially more important of these two schemes does not come with a legal obligation for the employer to grant the leave.

These leave schemes, as well as the system of LTC cash benefits, do not *in themselves* create a strong disincentive to remain active on the labour market or to re-enter employment. The problem may be more the overall design of the LTC regime, alluded to above, which puts pressure on people to organise care in an informal way. Informal care work is very unequally allocated according to gender: depending on the data source used, between 62% and 74% of those (mainly) responsible for informal care are women. In 2010, about 33% of all women and 23% of all men aged 15–64 who were regularly taking care of friends/relatives were out of the labour force. This is similar to the average for all EU Member States. This means that Austria is neither a good performer nor a bad performer in this respect.

For evidence-based reform, an in-depth and detailed assessment of the Austrian LTC regime is necessary. This is largely lacking at the time of writing, with no detailed information available either on the supply of, or the demand for, institutional LTC on a regional and sub-regional basis. Furthermore, there is a lack of data-driven evidence on problems that relatives face when they try to – or are obliged to – combine gainful employment with LTC for relatives. The same holds true for the overall impact of the LTC regime on poverty and social inclusion.

1 Description of main features of work-life balance measures for working-age people with dependent relatives

1.1 Overall description of the long-term care regime

As a distinct area of social policy in Austria, long-term care (LTC) is quite young: it was only in 1993 that the two major cornerstones of the Austrian long-term care regime were introduced (see OECD 2015: 119ff.).

The first consists of the Federal Long-term Care Allowance Act (*Bundespflegegeldgesetz* – BPGG),[1] which codifies cash benefits for people in need of long-term care. The second, also decided in 1993, is an "agreement according to article 15a of the Austrian Constitutional Act" between the Federal Republic and the federal provinces (*Bundesländer*).[2] According to this agreement, the federal provinces are responsible for establishing and upgrading the decentralised and nationwide delivery of institutional inpatient, ambulatory, semi-outpatient and outpatient (i.e. at-home) care services.

Access to formal LTC benefits in kind and to LTC services is, in principle, not free of charge. Here, means testing applies, where all kinds of personal income, including LTC cash benefits and realisable assets,[3] are taken into account. Only if the LTC services cannot be financed from such resources, are those services – or the residual part of the costs – covered by the federal provinces under Social Assistance and the Guaranteed Minimum Income Scheme.

In fact, the Austrian long-term care system is actually characterised by a rather large sector of informal care. According to data provided by the Ministry of Labour, Social Affairs and Consumer Protection (BMASK),[4] in 2013 some 59% of all persons receiving long-term care cash benefits were looked after by relatives or friends at home, without receiving formal care services; 22% were looked after by their relatives or friends at home and at the same time received formal outpatient care services; 16% lived in nursing homes and related institutions (inpatient care); and about 3% were looked after by privately hired carers at home (so-called "24-hour care at home").

1.2 Description of carer leave schemes

In Austria, there are two leave schemes that are specifically targeted at relatives who provide care for family members in need of LTC: Care Leave (*Pflegekarenz*) and Family Hospice Leave (*Familienhospizkarenz*).

Access to Family Hospice Leave (FHL) is narrower than to Care Leave. FHL was introduced in 2002. It addresses persons who are in dependent gainful employment[5] and have dying relatives or seriously ill children.[6] Within FHL, different options are available for changing working arrangements. Besides full-time temporary unpaid leave, other options include a reduction in working time (i.e. so-called Part-time FHL, coming with a pro-rata reduction in pay) and changes in working-time arrangements (e.g. an early shift

[1] Federal Law Gazette (*Bundesgesetzblatt* - BGBl. Nr. 110/1993; see www.ris.bka.gv.at/GeltendeFassung.wxe?Abfrage=Bundesnormen&Gesetzesnummer=10008859 (retrieved 05.01.2016).

[2] BGBl. Nr. 866/1993; see: www.ris.bka.gv.at/GeltendeFassung.wxe?Abfrage=Bundesnormen&Gesetzesnummer=10001280 (retrieved 05.01.2016).

[3] This applies to owned flats and houses in the first instance.

[4] Unpublished data provided to the author by BMASK.

[5] FHL is also available to unemployed persons registered with the Public Employment Service.

[6] For detailed regulations on Family Hospice Leave, see BMASK (2014).

instead of a late shift, etc.). In the case of dying family members, the maximum duration of FHL is usually three months per case, but it can be extended once for a further three months. In the case of seriously ill children, the usual maximum duration is five months, with an option to extend it up to nine months. Persons caring for dying relatives or seriously ill children are legally entitled to FHL, which means that the employer normally has to accept a claim for FHL if the relevant conditions are met.[7] Persons on FHL continue to be covered by health and old-age insurance, but their wages/salaries are reduced in proportion to the reduction in working time. Furthermore, they have the right to return to their job, and employers can, as a general principle, not dismiss people who are on FHL.[8]

As of 1 January 2014, people in dependent gainful employment[9] may take unpaid Care Leave or else Part-time Care Leave (*Teilzeit-Pflegekarenz*), with a pro-rata reduction in pay). Unlike FHL, the employer has no legal obligation to grant Care Leave or Part-time Care Leave. Care Leave may be given for people to look after close relatives in need of LTC, who have been granted LTC cash benefit (*Pflegegeld*) at Level 3 or above (see section 1.3).[10] Care Leave has the objective of supporting the relatives of people in need of long-term care in a situation where new arrangements for LTC have to be found. For this reason, the maximum duration of Care Leave is generally three months per case. However, should the need for care increase substantially (and a higher level of LTC cash benefit is granted for this purpose), one further Care Leave agreement is possible for the same case. Furthermore, different family members can take Care Leave for the same case (each for a total maximum of six months). Yet, the overall maximum duration of 12 months per case (even if the need for care increases substantially).

1.3 Description of carers' cash benefits

1.3.1 Benefits for carers

Until 2014, only a means-tested cash benefit was available to people on FHL: the so-called "compensation for distress" (*Familienhospizkarenz-Härteausgleich*). It was conditional on the person being on full-time FHL and the weighted monthly per capita income of the household not exceeding EUR 850 (not including family allowance, housing subsidy, long-term care benefit and childcare allowance). At the same time, the compensation could not exceed the level of the earlier earned income.

Relatives on Care Leave – and as of 1 January 2014 also people on FHL – may claim so-called care-leave benefit (*Pflegekarenzgeld*). The rate of care-leave benefits is tied to income and is broadly the same as the rate of unemployment benefit. It amounts to 55% of the daily net income earned during earlier gainful employment; however, it comes with a minimum benefit, set at the level of the lower earnings limit of social insurance (currently EUR 415.72 per month).[11] In 2014, the average daily care-leave benefit amounted to EUR 28.88 (BMASK 2015b) – slightly lower than the average daily unemployment benefit (EUR 29.40 per day) (AMS 2015: 29).

[7] A claim for Family Hospice Leave has to be made in writing. If the employer thinks that the claim is made without good reason, he can lodge an appeal with the Labour and Social Court. Even if the employer lodges an appeal, the Family Hospice Leave can start five days after the claim by the employee, until the Labour and Social Court reaches a decision.

[8] A dismissal may only take place a minimum of four weeks after the end of the Family Hospice Leave or after prior approval by the Labour and Social Court.

[9] Care Leave is also available to unemployed persons registered with the Public Employment Service.

[10] In the case of someone caring for under-age children or close relatives with dementia, long-term care benefit at Level 1 (the lowest level; see section 1.3) is sufficient.

[11] In case of a reduction in working time, the minimum benefit applies on a pro-rata basis. If, for example, working time is reduced by 60%, the minimum benefit is 60% of the full minimum benefit.

The maximum duration of care-leave benefit is generally three months, though it may be prolonged for another three months if the need for care increases substantially (see above on Care Leave). Several family members can apply in succession for care-leave benefit for the same case, but the overall maximum duration per case is 12 months. Caring relatives are covered by health and old-age insurance during Care Leave. They have the right to return to their job after Care Leave and employers may not dismiss jobholders just for being on Care Leave.[12]

No other specific cash benefits are granted directly to family members who look after relatives in need of LTC in Austria.

However, some additional support does exist regarding health and old-age insurance:

- Individuals who care for a close relative who qualifies for LTC cash benefit at Level 3 or above, and who have had to give up their job or reduce the hours worked in order to offer care, are offered preferential terms for self-insurance or continued insurance under the statutory pension system. Both the employer and the employee contributions required for such insurance schemes are paid by the state for an unlimited period of time.
- Individuals who care for a disabled child and who meet the requirements for voluntary pension insurance while caring for the child, may, as of 1 January 2013, opt into voluntary health insurance if they are in need of social protection, are not compulsory members of any social insurance scheme and are not eligible dependants of a compulsory member of any social health insurance scheme.
- Relatives are co-insured under the health insurance system if they care for an insured person who is entitled to LTC cash benefits at Level 3 or higher.

1.3.2 Benefits for dependent persons

The LTC cash benefit was introduced in 1993, and since 2012 it has been within the sole competency of the Federal Republic.[13] It is granted without means testing (against income or assets) and there are seven different categories that correspond to seven different levels of individual care requirements or the health status of the person in need of care. The benefit currently amounts to EUR 157.30 per month at Level 1 (the lowest level of benefits), rising to EUR 1,688.90 at Level 7 (see Table 1).

According to the related legal regulations, these cash benefits are intended to cover “care-related additional expenses”.[14] In other words: the benefit should particularly be used to buy formal care services from public or private providers or to offer reimbursement for informal care giving. However, the purposes to which the LTC cash benefits are actually put by the benefit recipients (i.e. the people in need of LTC, not the caring relatives) are not subject to control.

[12] However, unlike with FHL, no additional special dismissal protection applies.

[13] Previously, the federal provinces also granted this kind of benefit (for specific groups).

[14] See §1 Bundespflegeldgesetz; BGBl. Nr. 110/1993; www.ris.bka.gv.at/GeltendeFassung.wxe?Abfrage=Bundesnormen&Gesetzesnummer=10008859

Table 1: Long-term care cash benefit (*Pflegegeld*)

Care category	Monthly benefit (2016)	Minimum care need in hours	Number of claimants (2014)	Share of care category (%)
Level 1	157.30	65[1]	106,621	23.3
Level 2	290.00	95[2]	129,904	28.4
Level 3	451.80	120	79,584	17.4
Level 4	677.60	160	64,347	14.1
Level 5	920.30	180[3]	47,696	10.4
Level 6	1,285.20	180[4]	19,300	4.2
Level 7	1,688.90	180[5]	9,606	2.1

[1] *Until January 2015: 60 hours.*
[2] *Until January 2015: 85 hours.*
[3] *Plus: exceptional care requirements.*
[4] *Plus: permanent presence of a carer is necessary due to unpredictable care needs.*
[5] *Plus: Serious disability impeding the use of hands and feet. No precise movements are possible.*
Sources: Federal Ministry of Labour, Social Affairs and Consumer Protection; Statistics Austria.

One specific feature of the Austrian LTC regime is the so-called "24-hour care at home", which applies to approximately 3% of all recipients of LTC cash benefit. In such cases, people in need of LTC are looked after by privately hired carers, many of whom originate from the "new" EU Member States (EU-13). Care may be provided under an employment relationship between the carer and the person being cared for (or one of the latter's relatives), or under a contract between these parties and a non-profit provider, or by engaging a self-employed care provider. The state grants financial support for this type of LTC to persons receiving LTC cash benefit at Level 3 or above. Support may total up to EUR 1,100 in the case of care relationships involving employed carers, or up to EUR 550 in the case of care relationships involving self-employed carers. In order to qualify for this kind of support, the net monthly income of persons in need of care must not exceed EUR 2,500.[15] This income threshold is raised by EUR 400 for each dependent relative or by EUR 600 for each dependant with disabilities. Support is not subject to a means test on the assets or property of the person being cared for.

Regarding *income tax*, care-related expenses are to some degree deductible from the taxable base. For people in need of LTC and their spouses, related outlays are fully deductible. If the expenses are covered by other close family members, only outlays of 6–12% of their yearly income (depending on the level of income) are deductible from the taxable base.

1.4 Description of carers' benefits in kind

LTC services and benefits in kind that specifically target caring relatives are, for the most part, organised by the federal provinces and the municipalities. These systems display a substantial degree of regional differentiation, so that it is very difficult to give a brief overview of the related situation for the whole country (but see Fink 2015; OECD 2015: 121ff.). Furthermore, until recently information on the regional availability of services lacked validity, as the federal provinces applied different models of documentation, implying that data in a number of cases were not directly comparable. Some basic

[15] With long-term care benefits, special bonus payments, family allowance, childcare allowance and housing assistance not taken into account.

numbers are now available from the so-called "long-term care database".[16] In 2014, a total of 140,774 clients were cared for by outpatient services (3.2% up on 2013) and 73,840 people (+0.9%) in need of care lived in inpatient facilities that were financially supported by Social Assistance, by the means-tested income scheme or other public funds. Some 8,388 people (+32.2%) claimed benefits of short-term care in inpatient facilities, and semi-inpatient services were provided to 7,335 people (+10.9%). In all, 11,891 people (+4.5%) lived in alternative dwellings and 86,701 people (+6.6%) obtained benefits in kind of case and care management. When using the number of recipients as a proxy for potential demand, coverage rates for different kinds of services can be calculated (see Table 1 in the Annex). Evidently, coverage rates for outpatient and inpatient services differ to a very substantial degree between the federal provinces, which suggests that considerable deficits of specific LTC services are likely in a number of federal provinces.

Respite support, i.e. the provision of a short break from caring duties, is available in most federal provinces to some degree, in the form of short-term inpatient care; but no sound evidence exists as to whether what is on offer is adequate to cover the given demand.[17] Within the different federal provinces, different offers exist concerning training, counselling and psychological support. But again, it is impossible to give a sound overview of this issue within the scope of this report.

However, within a programme organised by BMASK, certified healthcare and nursing professionals visit the homes of recipients of long-term care benefits to inform and counsel all those involved in the specific care situation, in order to assure the quality of home care throughout Austria. These visits concentrate on households with persons who have recently been granted LTC cash benefits. In 2014, around 16,300 such home visits took place – approximately 3.57% of the total number of LTC cash benefit recipients and 30% of LTC cash benefit recipients who were granted the benefit for the first time in 2014. In June 2015, BMASK also started a programme called "relatives' talk" (*Angehörigensgespräch*), with specific subsequent counselling for caring relatives in cases where the home visit indicates that this would be helpful.

Important liaison centres to assist caring relatives and the people they care for include the so-called care hotline (*Pflegetelefon*),[18] the internet-based platform for caring relatives (www.pflegedaheim.at), and the database on therapeutic aids (*Hilfsmittelinfo*), which is an internet-based pool of information on technical aids (www.hilfsmittelinfo.at).

2 Analysis of the effectiveness of work-life balance measures for working-age people with dependent relatives

As already mentioned above, around 60% of all persons receiving LTC cash benefits are looked after by relatives or friends at home, without receiving formal care services. Approximately 20% are looked after by their relatives or friends at home, and at the same time receive formal outpatient care services.

In 2014, roughly 457,000 persons received LTC cash benefit in Austria.[19] These people have to be in need of care equal to at least 65 hours per month in order to qualify for

[16] See www.statistik.at/web_de/statistiken/menschen_und_gesellschaft/soziales/sozialleistungen_auf_landesebene/betreuungs_und_pflegedienste/index.html

[17] But see section 1.1 for some findings on this issue.

[18] See www.sozialministerium.at/site/Soziales/Pflege_und_Betreuung/Pflegegeld/Pflegetelefon

[19] Source: Statistik Austria: www.statistik.at/wcm/idc/idcplg?IdcService=GET_NATIVE_FILE&RevisionSelectionMethod=LatestReleased&dDocName=052518

benefits at the lowest category (Level 1),[20] and more than 180 hours per month for benefits at the three highest categories (Levels 5, 6 and 7) (see Table 1 above).

Unfortunately, no representative data exist for Austria on the question of the role of informal care according to the seven categories of LTC cash benefits. However, results from the home visits mentioned above (section 1.4) point to informal care also playing an important role in cases with a very high need of care (see BMASK 2015a). Of the roughly 16,300 home visits undertaken in 2014, about 20% took place in households with persons receiving LTC cash benefits at Level 5 and above, i.e. concerning cases with a minimum need of 180 hours of care per month.[21] In these three categories (Levels 5, 6 and 7), between 63% and 73% of all people in need of care were looked after by relatives (and friends) only, without formal outpatient services. In the other categories, that figure varies from 87% (Level 1) to 70% (Level 4).

2.1 Assessment of individual measures

2.1.1 Coverage and take-up of leave schemes

Both FHL and Care Leave are only accessible to employees – not to the self-employed or people on so-called freelance contracts (*Freie Dienstnehmer*). Furthermore, for Care Leave, the employment relationship must have existed for at least three months, and the person to be looked after must usually have been granted LTC cash benefit at Level 3 or above.[22] This means that employees who look after relatives who need care for less than 120 hours per month have no access to Care Leave or Part-time Care Leave.

Data on the actual take-up of leave schemes are rather limited. The main source of information is data on people granted care-leave benefit, recently made available via a parliamentary interpellation.[23]

In 2014, about 2,300 persons were granted care-leave benefit; of these, around 60% were on Care Leave or Part-time Care Leave, and 40% were on FHL or Part-time FHL. More detailed data were only made available on people on Care Leave (not on FHL).

In 2014, 1,261 persons who were granted care-leave benefit were on Full-time Care Leave and 122 were on Part-time Care Leave (i.e. 1,383 overall). Women made up 67% of benefit recipients on Full-time Care Leave, and 76% of recipients on Part-time Care Leave. Most of those looked after within Care Leave had LTC cash benefit at below Level 4. About 32% got care-leave benefit at Level 3. In about 32% of cases, relatives had access to care-leave benefit due to the dementia of the person being looked after; in 11.5% of cases they got care-leave benefit because the relative being looked after was a minor child.[24] In 2014, the average duration of Care Leave was about 83 days, and the average daily benefit was EUR 28.88.

Overall, the number of persons granted care-leave benefit due to being on Care Leave or FHL appears to be rather low, given that in Austria a very large part of the people in need of LTC are looked after by relatives in the first instance.

The total of around 2,300 persons with care-leave benefit in 2014 is equal to 4.3% of the number of people granted LTC cash benefits for the first time in 2014 (in total around 53,200 persons). Unfortunately, no valid, representative data are available on who

[20] Until January 2015: 60 hours.

[21] Source: BMASK (2015a).

[22] In the case of someone caring for under-age children or close relatives with dementia, long-term care benefit at Level 1 (the lowest level; see section 1.3) is sufficient.

[23] See: www.parlament.gv.at/PAKT/VHG/XXV/AB/AB_06272/index.shtml

[24] The latter two constellations allow access to care-leave benefit without being granted an LTC cash benefit at Level 3 or above (see section 1.2).

actually looked after those people in need of LTC in the first instance. However, data[25] from the "home visit programme" (see section 1.4) of BMASK indicate that between 63% and 86%[26] of all persons receiving LTC cash benefits for the first year, and not living in an institutional care facility, are looked after solely by relatives (and friends) and do not receive any institutional outpatient services (BMASK 2015a). According to the same data source, about 74% of all *main* informal care persons are women. In the age group 16–65, the figure for informal female carers is even higher (about 80%), clearly indicating a very strong gender-specific imbalance in the provision of informal care in working age, too.[27]

Overall around 60% of main informal carers are aged under 65; women account for a higher share of this age group (66%) than men (47%).[28] Main informal carers are not often aged below 46 (around 11% of all female and 7% of all male informal carers). But over 41% of all female main informal carers are aged 46–60,[29] and about 39% of all male main informal carers are aged 46–65.[30]

So, even when these leave schemes are interpreted as an instrument for supporting the relatives of people in need of long-term care for a limited time and in a situation where new arrangements for LTC have to be found, take-up appears to be rather low.

2.1.2 Employment effects

The leave schemes specifically available in the context of LTC, and the cash benefits intended for people in need of long-term care as well, do not appear *in themselves* to create strong disincentives to gainful employment. As evidence of this:

a) Opportunities for temporary leave or a reduction in working time are only available for quite short periods of time.

b) The wage-replacement rate of care-leave benefit (*Pflegekarenzgeld*) is not very high (generally 55%, the same as unemployment insurance).

c) The main cash benefit in the context of LTC[31] is of a universal character, and thus does *not explicitly* promote a specific LTC arrangement.

The leave schemes, together with the LTC cash benefits, are therefore likely to improve the work-life balance of employed persons with relatives in need of long-term care. The leave schemes provide – for a limited time – some support for people who have to put in place new arrangements for relatives in need of LTC. And the LTC cash benefit – inter alia – can be used to buy formal care services from service providers active in this field.[32]

Still, it is evident that the work-life balance of persons with relatives in need of long-term care depends on a number of additional considerations. These include the existence (or lack) of flexible working arrangements and the accessibility and affordability of formal care services.

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[25] Which may, however, not be representative.

[26] Depending on the level of LTC cash benefits, which is again linked to the hours and intensity of care needed (see section "Benefits for dependent persons").

[27] Data from the LFS ad-hoc module on "Reconciliation of work and family life" (2010) may to some degree underestimate gender-specific imbalances in providing informal care. This is due to the fact that it does not differentiate between "main" and "other" informal carers. According to these data, in Austria in 2010 62% of all persons "regularly taking care of relatives/friends aged 15 or more in need of care" were women.

[28] Overall, some 75% of all main informal carers are women.

[29] 60 is the statutory retirement age for women.

[30] 65 the statutory retirement age for men.

[31] i.e. long-term care cash benefit (*Pflegegeld*); see section 1.3.

[32] Which are, in the Austrian case, often not-for-profit organisations of the so-called "third sector".

International comparative data indicate that Austria is not one of the better performers when it comes to opportunities for employees to adjust their working time to personal needs (OECD 2015: 79). According to the Eurofound European Quality of Life Survey (EQLS) (2012),[33] only about 34% of all women and 44% of all men are able to vary the start and end times of their work. These figures are considerably lower than for Denmark, the Netherlands and Sweden (between 55% and 70%). Furthermore, according to the same source, in Austria very few employees report being able to take a day off at short notice whenever required. The share of women with this opportunity (39%) is lower than in any other EU Member State (the EU average is around 60%); and the figure for men (54%) is also relatively low by international standards (EU average: around 67%).

Still, of the group of people "regularly taking care of relatives/friends aged 15 or more in need of care", a relatively large proportion are employed. According to data from the Labour Force Survey (LFS) ad-hoc module on "Reconciliation of work and family life" (2010),[34] in Austria this applies to around 65% of all women and 74% of all men aged 15–64 who look after relatives/friends in need of care. These numbers are substantially higher than the EU average (women: 57%; men: 69%). This may, however, have to do with the overall rather favourable general labour market situation in Austria, since in some other countries unemployed people are a more important source of informal carers than in Austria. A comparison of the share of informal carers who are out of the labour force and the share of persons who are out of the labour force and who do *not* regularly care for relatives suggests that the data for Austria are overall no better than the EU average. When compared to people not regularly taking care of relatives/friends, the "inactivity rate"[35] in Austria increases by 32.5% for female informal carers aged 25–49, and by 56.8% for male informal carers in this age group (figures for the EU-28: women: 33.9%; men: 25.8%). In the case of informal carers in the age group 50–64, the inactivity rate in Austria increases by 9.6% for women (EU-28: 6.7%) and by 22.9% for men (EU-28: 12.7%).

2.1.3 Overall effects on the well-being of the carer and the person being cared for

For Austria, no recent in-depth assessments exist that analyse the overall effects of the existing LTC regime on the well-being of informal carers and the people being cared for. The whole issue remains largely under-researched, especially when it comes to possible regional variations caused by substantial differentiation in the accessibility of formal care services between federal provinces and/or municipalities.

Results of the survey undertaken in the context of "home visits" (section 1.4) suggest that informal carers in particular face a number of psychological stresses and strains (see BMASK 2015a).[36] The most important psychological burdens reported are "responsibility" (69% of all main informal carers), "fear, anxiety" (56%), "self-denial, restraints" (51%), "time pressure" (26%), "excessive demand, overload" (15%), "sleep disorders" (15%), "isolation" (12%) and "hopelessness" (12%). Around 18% of main informal carers report facing substantial problems in organising their time resources, and 11% say that they face substantial financial burdens. Overall, these data point to psychological stresses being the main challenge faced by informal carers.

[33] See http://www.eurofound.europa.eu/surveys/european-quality-of-life-surveys-eqls/european-quality-of-life-survey-2012

[34] Source: LFS, Eurostat Database, indicator [lfso_10cregcar].

[35] i.e. people out of the labour force.

[36] These data are not representative for all cases of informal care, as they derive only from (a fraction of) cases where LTC cash benefit was newly granted in the previous year.

According to the same source, some 8–14%[37] of informal carers report a lack of readily available respite support (e.g. if they fall ill, etc.). Respite support is in the first instance organised via other informal carers (72%). A combination of formal and informal care applies in around 15% of cases with respite support available; formal care in only 13% (BMASK 2015a: 17).

Within the "home visits" programme, the quality of LTC in the households visited was also assessed, according to the following categories: functionality of the housing situation, body care and hygiene, quality of medical-nursing care, nutrition (including liquid intake), housing situation in terms of hygiene, and activities and participation in social life. The results of the assessment were overwhelmingly positive (BMASK 2015a: 39ff.).

2.2 Assessment of overall package of measures and interactions between measures

Overall, it is evident that the Austrian long-term care system is characterised by a rather large sector of informal care. This applies irrespective of the fact that institutional care services have been substantially expanded over the past two decades (Fink 2015; Österle 2013).

LTC cash benefits and care-leave benefit are – overall – not likely to create *strong* disincentives to gainful employment. Problematic effects are more likely to be caused by a general shortage of formal outpatient care. Coverage rates for outpatient and inpatient formal care services differ very considerably between the federal provinces. The same holds true for the reported numbers of formal care attendants in long-term care, when adjusted for the size of likely demand (according to the proxy of recipients of LTC cash benefits) (Fink 2015: 39). The large variation in coverage rates of formal LTC benefits in kind and LTC services suggests that substantial deficits are likely in a number of federal provinces, forcing relatives to take over LTC duties. However, more comprehensive assessments are largely missing at the time of writing (see Österle 2013; Riedel and Kraus 2010).

One other important point is that LTC cash benefits only cover a fraction of the costs of full-time formal inpatient care. The same applies, especially in cases of extensive need of care, to the costs arising if all support were to be purchased within formal outpatient care (Riedel and Kraus 2010). This creates pressure for people to cover a considerable part of LTC in an informal way (OECD 2015: 120), since many people are reluctant to apply for Social Assistance or the Guaranteed Minimum Income Scheme, where only a small personal budget remains available for free disposal and where assets may get realised.[38]

No detailed assessments are available on the impact of LTC cash benefits and care-leave benefit on the income situation of the households concerned. For this reason, it is somewhat unclear what impact these benefits have on the risk of poverty or social exclusion. Evidently, care-leave benefit improves the income situation of informal carers for some time and to some degree. The likely effect of LTC cash benefits is somewhat ambiguous. They improve the financial situation of people in need of LTC. Still, people with a "bad or very bad" health status and people with "strong impairment due to a disability" show substantially above-average at-risk-of poverty rates (21.5% and 18.5%, respectively).[39] If LTC cash benefits are used to reimburse informal carers, on the one

[37] The share without respite support decreases the greater the need of care, according to the categories of the long-term care cash benefit.

[38] This – inter alia – means that owner-occupied dwellings may be subject to a lien within the land register in favour of the federal province (normally after the person concerned has received Minimum Income and/or Social Assistance for six months).

[39] On average for the total population, the at-risk-of-poverty rate was 14%. Source: EU-SILC 2014; own calculations;

hand that also improves their financial position. But on the other hand, it may create some disincentives to undertake gainful employment, as it is not earmarked, in the sense that it does not have to be used to finance formal care.

2.3 Policy recommendations

One basic precondition for evidence-based policy making in the field of LTC would be a proper and detailed assessment of the Austrian LTC regime. This is largely lacking at the time of writing, and no detailed information is available either on the supply of or on the demand for institutional LTC on a regional and sub-regional basis. Furthermore, there is a lack of data-driven evidence on problems that relatives face when they try to – or have to – combine gainful employment with LTC for relatives. Such assessments would allow for better problem-driven planning and improvement in the area of formal LTC services, thus reducing the pressure to take up LTC and problems within informal LTC.

One more specific and very concrete point is that employees have no legal entitlement to claim Care Leave or Part-time Care Leave from the employer, and this is likely to be one of the causes of the rather limited take-up. Furthermore, the precondition that in order to gain access to Care Leave or Part-time Care Leave, at least Level 3 LTC cash benefits must have been granted appears to be rather arbitrary. The scheme could well be opened up for cases with a lower level of need of care, at least in the form of Part-time Care Leave.

One other issue where Austria appears to be a bad performer from an international comparative point of view is the possibility for employees to adjust their working time to personal needs. Here, a debate is needed on how to improve the situation. However, this issue currently does not appear to be on the political agenda. On the contrary, greater flexibility of working time is currently being discussed in terms of a further liberalisation of employers' interests (e.g. raising the maximum daily hours worked to 12 hours).

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Annex

Table 1: Care Services[1] of the federal provinces 2014; coverage rates according to number of recipients of long-term care cash benefits (*Pflegegeld*)[2]

Federal Province	Number of recipients of long-term care cash benefits	Outpatient Services	Inpatient Services	Semi-Inpatient Services (Day Care)	Short-term inpatient care	Alternative Dwellings	Case and Care management
		Coverage Rates					
Total	454,716[3]	31.0%	16.2%	1.6%	(1.8%)	2.6%	19.1%
Burgenland	18,340	26.5%	11.9%	1.1%	0.7%	0.6%	0.0%
Carinthia	35,142	35.3%	18.7%	0.7%	1.4%	0.3%	5.2%
Lower Austria	90,522	29.8%	13.3%	0.8%	4.4%	0.0%	23.7%
Upper Austria	71,694	28.1%	17.6%	1.9%	2.1%	0.1%	14.0%
Salzburg	25,342	27.6%	16.9%	3.0%	1.8%	0.0%	11.2%
Styria	79,758	28.2%	17.9%	1.0%	n.a.	1.6%	3.1%
Tyrol	31,090	32.7%	20.1%	1.8%	0.9%	0.0%	19.3%
Vorarlberg	16,922	48.2%	13.3%	3.3%	2.7%	0.6%	9.1%
Vienna	85,906	33.3%	15.5%	2.6%	1.3%	11.9%	47.2%

Source: Statistik Austria. Pflegedienstleistungsstatistik; Prepared 11.11.2015 and own calculations. If data are not available for all federal provinces (n.a.), then the "total" refers to the remaining federal provinces (in brackets).

[1] Services of long-term care, if (co-)financed by funds of Social Assistance and Guaranteed Minimum Income (GMI) respectively; services without "help for disabled" (Behindertenhilfe) and "basic maintenance" (Grundversorgung).

[2] The number of recipients of long-term care cash benefits serves as a proxy for people in need of care.

[3] Recipients living abroad not included.