



# **Branch survey on working conditions: Hotels and restaurants**

**National report Austria**

**Marion Vogt**

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Forschungs- und Beratungsstelle Arbeitswelt  
Working Life Research Center  
Aspernbrückengasse 4/5, A-1020 Vienna  
Tel: +43 1 21 24 700  
Fax: +43 1 21 24 700-77  
[www.forba.at](http://www.forba.at)  
[office@forba.at](mailto:office@forba.at)



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## **EXECUTIVE SUMMARY**

### **1. Main characteristics of the “hotel and restaurants” sector**

The “hotels and restaurants” sector is characterised by a lot of small businesses, mainly run by families or former employees who have opened their own business. As tourism is a seasonal business in Austria, these companies are mostly dependent on winter and summer seasons. The costs of the time in-between seasons must also be born, which is a particular problem for these small companies. Additionally, the share of own capital is around 10%, which can be seen as rather low. This difficult financial situation not only has its impact on the number of bankruptcies in the sector, but also on specific issues concerning income, social insurance, employment status, personnel turnover and unemployment.

Education level in sector 55 is rather low. Nearly 80% of all employees in the sector are educated only to apprenticeship or compulsory school attendance level. Besides this, lack of time, lack of promotion possibilities and high costs prevent employees from going on to further education, even though even employers find further education and training necessary. At the same time, there are little or no promotion possibilities in the “hotels and restaurants” sector, which results in leaving the sector again.

Another characteristic of sector 55 is that personnel turnover and unemployment are rather high. This can be connected to the fact that tourism is a seasonal business. Employees working in seasonal businesses work extraordinarily long hours within a short period of time. Thus, they need to recover after the season has ended and do this while being unemployed. It must be stressed that unemployment rates reach 30% in-between seasons. Not only seasons, but also bad working conditions and especially long working hours can be regarded as being responsible for the high personnel turnover.

### **2. Regulatory framework**

In Austria there are three levels of regulations concerning working conditions. First of all, there are general laws, which regulate different issues in a broader sense. Sector-level collective agreements specify these issues for each sector. Finally, at company level, company agreements are supposed to include regulations on issues specified in laws or collective agreements and are not supposed to be worse for workers than those of sector-level collective agreements. Company agreements are negotiated between works councils and the management. If there is no works council, companies have the possibility of concluding additional collective agreements with the Chamber of Commerce and the trade union.

Regulations concerning quality of work and employment are rather good in Austria, but according to representatives of workers’ organisations they are not complied with in sector 55. On the one hand it is employers who do not comply with them, but on the other side it is employees who do not try to enforce rules as long as they are working in the company in question.

### 3. Working conditions

People working in “hotels and restaurants” have extraordinary working hours, which include work in the evenings, at night and on Saturdays and Sundays. In this respect it must be pointed out that employees also work split shifts. Thus, they start work in the morning, have a rest period in the afternoon and finish at night. It goes without saying that overtime is a fixed component of sector 55.

As the workers’ representatives in particular conceded in the interviews, in order to save on contributions to social insurance and taxes, employers frequently register employees for a smaller amount than they really pay them. Others stress that this only relates to black sheep among the employers. The consequences for employees are that their sickness, disability or unemployment benefits will be rather low. At the same time, it must be stressed that even official and unofficial wages or salaries together are too low compared to the time employees really work – especially in seasonal businesses. But also in companies run throughout the year, overtime surcharges may not be paid by employers, nor always demanded by employees, at least as long as they are working in the company in question.

Considering income and working hours, it is no surprise that employees are leaving the sector, especially when they get older and plan or actually have a family. Regarding these working hours, it is rather difficult to combine work and family. The fact that employees are leaving the sector results in some specific issues. First of all, sector 55 is characterised by low average age. Most people employed in the “hotels and restaurants” sector are below 35 years of age. Secondly, to bad working conditions and low income mean skilled employees are the ones who move to other sectors. But instead of changing these conditions, owners and managers of companies employ unskilled and semi-skilled workers, which also results in savings on wages or salaries. People who are already disadvantaged on the labour market, such as women, especially single mothers, immigrants and *Saisonniers* (seasonal foreign workers) are more likely to accept bad working conditions, low income and no registration or no full registration for social insurance. The composition of the labour market in sector 55 reflects this fact: there is a high proportion of women and immigrants.

Besides long working hours, employees in the “hotels and restaurants” sector are most exposed to working under time pressure and unbalanced workloads on the one hand and unergonomic working conditions and lifting of heavy things on the other. These factors result in specific kinds of accidents and diseases that characterise this sector: trips, slips and falls due to stress and wet and dirty floors; skin diseases due to cleaning substances, and spinal-column disorders which result from bad posture and unergonomic working conditions. These can be seen as typical for work in hotels and restaurants. What should not be forgotten in this list are psychiatric diseases, which seem to have been diagnosed to this extent only for a little while. The permanent expected (and forced) friendliness on the one hand and the stress on the other hand lead to psychological burdens employees do not seem to be able to cope with.

### 4. Access to social protection

In principle, all employees have access to social protection in Austria, whether it is unemployment benefit, disability pension or payment in case of sickness. The problem lies

within the size of income, as this determines the size of these social benefits. People working in “hotels and restaurants” sector do not earn very much, are paid for illicit work and do not report their tips to social insurance fund, so any benefit they receive will be rather low.

Another problem is caused by the period of time employees work. Blue collar workers must have been working for at least two weeks to qualify for sickness benefit. The last 15 years are relevant in case of disability pension and the last two years are relevant for unemployment benefit. Seasonal workers and especially young people who have not worked long enough can therefore be seen as risk groups. The marginally employed also have the possibility of insuring themselves for sickness benefits and disability pensions.

It is worth mentioning that sector 55 has a special position in unemployment insurance system. People receive twice as much benefit as they pay in unemployment insurance contributions. Thus, unemployment insurance subsidises sector 55 to a considerable degree.

## **5. Strategies, Policies and Instruments to Improve Quality of Work**

OSH prevention is mandatory in Austria. The time spent on prevention must account for at least 1.5 hours for non-office workers per year. 40% of the time is reserved for the safety inspector, 35% for the occupational doctor and 25% for further specialists. For companies with fewer than 50 employees – accounting for the large majority of companies in the “hotels and restaurants” sector – the national occupational health insurance fund, AUVA, offers health and safety specialists free of charge. In addition, companies with more than 10 employees are obliged to appoint health and safety officers according to the total number of people employed. Observance of OSH prevention obligations is checked by the labour inspectorate.

## **6. Good-Practice Examples**

The “hotels and restaurants” sector does not seem to be one with many projects aimed at improving working conditions. Representatives interviewed from all kinds of organizations have a lot of ideas on what needs to be done to improve working conditions. But on the other hand, there are only a few projects in progress at the moment.

## **7. Social Dialogue**

There is a common diagnosis of the situation and problems among representatives of relevant organisations in the “hotels and restaurants” sector. They agree on specific working conditions and developments in the sector. The difference lies with the explanation of those problems and thus in resolving them. To give an example on how the same problem is attributed to different causes, the phenomenon of employees tending to leave the sector is worth mentioning: While the employers’ representatives ascribe this to the difficulty of combining work and family, trade union representatives explain the same fact with reference to bad working conditions and low income.

In addition, the Chamber of Labour emphasises that working atmosphere between representatives of employees and employers has worsened over the last two and a half years. At company level they might still be good, but at the level of social partners they are no longer

so. This might also explain why there are so many ideas, but so few projects being carried out in the “hotel and restaurants” sector.

## 1. INTRODUCTION

The following sector study on working conditions in hotels and restaurants in Austria by large follows the guidelines provided by the coordinator of the national studies and by the European Foundation for the Improvement of Working and Living Conditions. We should note, however, how this study diverges in small ways from the guidelines. Either we have included additional data that is relevant to an understanding of the situation, or we substituted requisite data with alternative source material. Moreover, on a number of occasions we have placed more emphasis on different issues and background information gathered from our interviewees than might be expected. In our view, the information gained in interviews is of particular importance to understand the larger picture and the problem of working conditions in hotels and restaurants in Austria.

The data found in this report is drawn from the principal publicly accessible data collections such as the Labour Force Survey, *Leistungs- und Strukturhebung* as well as *Mikrozensus* (all publications of Statistik Austria). In addition, we used data from the Statistik Austria special evaluation of working conditions from 1994 (published in 1999) and commissioned a special evaluation of 1999 working conditions data according to all sectors and in the hotel and restaurants sector. Additional unpublished data was provided by the national occupational health insurance fund (AUVA) and the blue-collar pension fund (PVA). Generally, data refers to sector 55, if possible to sub-sectors 551 to 555 and as well as to the occupational categories. Reference data refers to all sectors or all occupational categories in Austria.

Of course, the relevant literature was consulted, although unfortunately the last surveys concerning working conditions date back 5 years. Therefore information gathered from interviews was an importance source. Interviews were conducted with representatives from the sector trade union and the Chamber of Labour as well as with representatives of the Chamber of Commerce, the Ministry of Economy and Labour and the health and safety branch (*Arbeitsinspektorat*).



## 2. SECTOR CHARACTERISTICS

### *Name and code of sector/sub-sector*

Sector according to NACE

Name: Hotels and restaurants

Code (max. up to 3 digits): H/55

551 Hotels, boarding houses and conference facilities

552 Camping and other recreational activities etc.

553 Restaurants, cafeterias, snack bars, etc.

554 Bars

555 Canteens, catering

Sector according to national code (if other than NACE)

Name:

Code:

### 2.1. *Economic characteristics of the sector; trends over 10 years*

Table 2.1: Turnover

Turnover (in Mio. Euro)	Sector						National (total)
	551	552	553	554	555	Total sector	
Latest figures (2000)							
Turnover (Erträge und Erlöse)	4,950.7	240.1	4,178.3	249.1	318.4	9,936.6	424,522.9
Figures from 1995	4,584.9	240.4	3,235.6	194.2	184.1	8,439.1	345,999.7

Source: Statistik Austria, Leistungs- und Strukturhebung, Produktion und Dienstleistungen 2000, year 2000.

ÖSTAT: Produzierender Bereich und Dienstleistungsbereich 1995, year 1995.

#### Remarks/discussion:

The turnover of sub-sectors “hotels” and “restaurants” equals more than 92%, in which hotels (50%) have a larger slice than restaurants (42%). The remaining 8% is shared by sub-sectors 552, 554 and 555. From 1995 to 2000 the turnover of the hotel and restaurants sector increased by about 20%. The highest change in absolute terms can be noted in sector 553, restaurants. In relative terms, the turnover of sector “canteens and catering” (72%) increased most within these 5 years. Sector 552 is the only sector where the turnover stayed the same within this period of time.

**Table 2.2: Number of businesses, and change over 10 years, including new businesses**

Number of businesses	Sector						National (total)
	551	552	553	554	555	Total sector	
Latest figures (2000)	13,829	1,679	20,724	1,198	703	38,133	205,462
Figures from 1995	15,648	1,909	19,480	1,154	577	38,768	219,315

Source: Statistik Austria, Leistungs- und Strukturhebung, Produktion und Dienstleistungen 2000, year 2000.  
 ÖSTAT: Produzierender Bereich und Dienstleistungsbereich 1995, year 1995.

Remarks/discussion:

Sector 553 (restaurants), and sector 551 (hotels), record the most businesses. Ninety percent of all businesses in the hotel and restaurants sector belong to either one of these sub-sectors and only 10% are distributed among the remaining three sub-sectors.

The number of businesses in sub-sector “canteens, catering” increased by 22% between 1995 and 2000. It appears that sector 555 is a developing branch in Austria. Sub-sector “restaurants” also increased within this period of time (6.4%). In the other sub-sectors as well as in the overall hotel and restaurants sector a decrease can be noted. Nevertheless, the decrease of the number of businesses in sector 55 was much smaller than the decrease in other economic sectors in Austria.

Interestingly, the turnover increased although the number of businesses decreased. Also, 90% of all businesses are distributed among sub-sectors “hotels” and “restaurants”, where 90% of the total turnover is found.

Table 2.3: Percentage and number of businesses according to business size

Business size (number of employees)*	Sector						National	
	N			%			N	%
	551	552	553	554	555	Total sector		
1-4 empl.	8,605	1,465	14,986	834	500	26,390	135,560	
	62.2	87.25	72.3	69.6	71.1	69.2	65.9	
5-9 empl.	2,667	145	3,860	224	122	7,018	35,748	
	19.3	8.6	18.6	18.7	17.3	18.4	17.4	
10-19 empl.	1,550	44	1,416	112	51	3,172	18,962	
	11.2	2.6	6.8	9.3	7.2	8.3	9.2	
20-49 empl.	796	17	361	24	18	1,216	9,732	
	5.8	1.0	1.7	2.0	2.5	3.2	4.7	
50-99 empl.	155	6	74	3	7	245	2,804	
	1.1	0.3	0.3	0.2	1.0	0.6	1.3	
100-249 empl.	44	1	20	1	2	68	1,723	
	0.3	0.06	0.09	0.08	0.3	0.2	0.8	
250-499 empl.	11	0	1	0	3	15	539	
	0.07		0.005		0.4	0.04	0.2	
500-999 empl.	1	0	7	0	1	9	239	
	0.007		0.03		0.1	0.02	0.1	
1000+	0	0	0	0	0	0	155	
							0.07	

\* if the given categories are not applicable, please use others and specify

Source: Statistik Austria, Leistungs- und Strukturerhebung, Produktion und Dienstleistungen 2000, year 2000.

#### Remarks/discussion:

Except sub-sector 551, 88-95 percent of all businesses have less than 10 employees. This is also true of sub-sector "hotels" if we raise the bar to 20 employees. Thus, it can be said, that the distribution of businesses by size is highly fragmented into small enterprises. Most companies in sector 55 are small family businesses.

Small business size is not an atypical characteristic of sector 55. The business structure in Austria is equivalent to those of the hotel and restaurants sector: 170.000 out of 205.000 businesses (83%) have less than 10 employees.

**Table 2.4: If possible, indicate the concentration in this sector quantitatively, as well as change over 10 years**

Market share/degree of concentration by business size	Sector in %						National (total)
	551	552	553	554	555	Total sector	
Latest figures (2000)							
1-4 employees	15.24	46.17	29.98	33.92	7.10	22.39	8.49
5-9 empl.	17.06	18.08	22.16	27.78	10.74	19.3	6.81
10-19 empl.	20.00	14.71	17.45	23.40	14.26	18.74	7.85
20-49 empl.	23.23	8.75	12.26	9.55	7.22	17.41	11.35
50-99 empl.	10.48	-*	6.52	-	8.01	8.55	8.88
100-249 empl.	7.64	-	4.22	-	-	-	14.27
250-499 empl.	-	0	-	0	-	3.65	8.95
500-999 empl.	-	0	-	0	-	-	8.53
1.000+ empl.	0	0	0	0	0	0	24.88
Figures from 1995							
1-4 employees	20.30	50.98	41.86	45.00	14.14	29.88	8.51
5-9 empl.	18.22	14.76	23.7	26.51	6.63	20.16	7.64
10-19 empl.	20.71	13.4	12.95	20.34	6.27	17.20	8.26
20-49 empl.	19.72	8.13	8.59	-	-	14.47	11.11
50-99 empl.	9.47	-	3.67	-	6.62	6.99	8.84
100-249 empl.	6.05	-	-	0	-	5.01	13.23
250-499 empl.	-	0	2.5	0	-	2.85	10.28
500-999 empl.	-	0	-	0	-	-	8.68
1.000+ empl.	0	0	-	0	0	-	2.45

Source: Statistik Austria, Leistungs- und Strukturerhebung, Produktion und Dienstleistungen 2000, year 2000.  
 ÖSTAT: Produzierender Bereich und Dienstleistungsbereich 1995, year 1995.

**Remarks/discussion:**

\* This sign does not mean zero, but that there is no data supplied in the tables from which we took the data. This is valid for all tables in this report.

Fifty percent of the total turnover in sub-sectors 553 and 554 is made by businesses with 1 to 9 employees. The sub-sector “camping” nearly reaches this same figure with all businesses that have 1 to 4 employees. On the other hand, in sub-sector 551 businesses below 20 employees have 50% of the total turnover. The situation is quite different in sub-sector 555. Companies between 100 and 1000 employees have even more than 50% of the total turnover. However, there are only 6 companies of that size.

Considering the situation 5 years ago, the same concentration was evident. A significant difference today is that the share of small businesses has decreased, so that businesses with more employees have increased their share. In sub-sector 555 this development is only valid for businesses with less than 20 employees. Due to missing data no statement for larger companies can be made.

Comparing sectoral and national data, small businesses account for a large part of the turnover in sector 55, but larger businesses have a bigger share of turnover in all other Austrian sectors.

One interviewee<sup>1</sup> noted that there are two businesses leading the concentration process going on in Austria. The *Österreichische Verkehrsbüro*, a former public company is the biggest Austrian corporate group with holdings of 30 businesses. The other company is *Hotel AG*, which owns eighteen large and well-known hotels in Austria.

**Table 2.5: Number and percentages of closings over the last 10 years**

Remarks/discussion:

There is no data available. Please see table 2.6.

**Table 2.6: Number and percentages of bankruptcies over the last 10 years**

Bankruptcies	Total sector		National (total)
	N	%	N
Latest figures (2001)	260	10.9	2,349
Figures from 1995	142	11.3	1,258

Source: Kreditschutzverband von 1870, 1995 and 2001.

Remarks/discussion:

While the total number of bankruptcies in Austria, as well as in sector 55, nearly doubled between 1995 and 2001, the overall sector share fell slightly by 0.4 percent.

It is worth mentioning that according to interviewees<sup>2</sup> many businesses - especially restaurants – start up and close again after a short period of time. They mentioned that many employees want to set up their own businesses. But as the employees had no business acumen, and no knowledge about accounting and management, thus have to close their business again (also: Baumgartner et al. 2002:65).

The union representative also told us that about 90% of the capital of businesses in sector 55 are investment capital and loan capital. Two reasons are responsible for this fact. First of all, tourism is a seasonal business with high seasonal personnel turnover in capacity utilization, but costs have to be born throughout the year. Secondly, the pressure of modernizing and renovating businesses results in debts (Baumgartner et al. 2002:60). It is not a surprise

<sup>1</sup> Interview with a representative of the sector trade union.

<sup>2</sup> Interview with a representative of the Chamber of Labour and with one of the sector trade union.

therefore that 10% of all bankruptcies in Austria are apportioned to the hotel and restaurants sector.

The representative of the Chamber of Commerce argues that there might be a high number of bankruptcies in sector 55, but the size of liabilities are not large.

**Table 2.7: Number and percentages by business status (public/private)**

Remarks/discussion:

According to the union representative, there are no public companies left in sector 55. If companies are publicly owned, they operate through outsourcing. Many formerly public companies were privatised during the last few years.

**2.2. Labour market issues**

**Table 2.8: Percentage and number of people employed according to gender**

Gender	Total sector		National (total)	
	N (x 1000)	%	N (x 1000)	%
Latest figures (2000)				
Women	148.1	64.8	1,697.4	43.3
Men	80.3	35.2	2,220.3	56.7
Figures from 1990				
Women	105.6	61.5	1,448.1	41.0
Men	66.1	38.5	2,087.8	59.0

Source: Statistik Austria: Mikrozensus Jahresergebnisse 2000, average of year 2000.  
 ÖSTAT: Mikrozensus Jahresergebnisse 1990, average of year 1990.

Remarks/discussion:

Women are disproportionately represented in sector 55. Around 150,000 women work in the hotel and restaurants sector. Compared to 1990, the percentage of female employees only increased by 3.3%, but the number of women working in sector 55 increased by about one third: from 100,000 to 150,000. This can be explained by the fact that the total number of employed people increased between 1990 and 2000.

Compared to national data, the number of employed women in the hotel and restaurants sector is much lower than is generally the case in sector 55. Only 43% of all employees are female, but 65% of all employees in sector 55 are women.

Looking at men, one can say that in Austria nearly 60% of all employed persons, but only 35% in sector 55 are male. In addition, the percentage of men working in sector 55 decreased from 1990 to 2000.

An interesting fact is that employment according to gender differs in winter and summer seasons. Women have the highest employment in July and August and the lowest from December to February. Accordingly, men have the highest employment in winter months (Baumgartner et al. 2002:42).

Table 2.9: Percentage and number of people employed according to age/seniority

Remarks/discussion:

There is no quantitative or qualitative data available on seniority. Although data concerning the age of employees is collected, it is not specified by economic sectors or occupational categories.<sup>3</sup> Nevertheless one survey (Arbeiterkammer, unpublished) provides some information. In 1989, 43% of all employees in sector 55 were below the age of 25. In 1995, this percentage was around 30. Concerning national data, 27% of all employees in 1989 and 20% in 1995 were under 26. On the other hand, only 6.3% of employees above the age of 50 worked in the hotel and restaurants sector in 1989. This figure did not increase much in the next 6 years, as there were only 7% of all people older than 50 in 1995. Again the national data is higher than the ones in sector 55: 12.5% in 1989 and 14% in 1995 were older than 50 years.

Working in the hotel and restaurants sector can be seen as temporary phase in employment for many workers. People rarely enter retirement directly from a job in sector 55.<sup>4</sup> The trade union representative noted that the average age in sector 55 is around 29 years. But he also said that people already start to leave the sector around 27 years of age. At the same time he gives another explanation for the lack of people entering retirement from sector 55: People who are only working in the hotel and restaurants sector for all their lives will not reach the age of 57.

Table 2.10: Percentage and number of "bewilligungspflichtige AusländerInnen"

Bewilligungspflichtige AusländerInnen*	Total sector	
	N	%
Latest figures (2001) Non-EU	42,278	28.1
Figures from 1995 Non-EU	39,096	27.6

Source: Baumgartner et al. (2002), 1995 and 2001.

Remarks/discussion:

\* The data stated in table 2.10 are "bewilligungspflichtige AusländerInnen". These are persons who require a permit to work in Austria. But that number does not include all non-Austrians.

<sup>3</sup> According to email correspondence with Dr. Melitta Fasching from Statistik Austria.

<sup>4</sup> Interview with a representative of the Chamber of Labour.

People from non-EU countries who are married with or have been adopted by Austrians, but have not yet taken Austrian citizenship, do not need work permits. Their status in the labour market is equivalent to that of Austrian citizens. Of course, people who took on Austrian citizenship are also excluded from these figures. Other data is not available.

Nearly 30% of all employees in the hotel and restaurants sector are immigrants who have a working permit. This figure has not changed very much from 1995 to 2001. There is also a seasonal personnel turnover of immigrants who are employed in sector 55. Their employment is higher in winter than in summer seasons and corresponds to male employment (Baumgartner et al. 2002:42).

Even though immigrants with Austrian citizenship are not included in table 2.10, interviewees<sup>5</sup> said that there are many of them working in sector 55. According to the trade union representative, immigrants started work in the sector to receive Austrian citizenship. When they achieved their goal, they continued working as they are entitled to special benefits, like higher income due to seniority.

**Table 2.11: Number and percentage of employees by business size**

business size	Sector						National (total)	
	N			%			N	%
	551	552	553	554	555	Total sector		
Latest figures (2000)	17,420	2,506	31,112	1,811	796	53,644	261,443	
1-4 employees	17.6	49.9	32.0	31.6	15.3	25.3	234,661	11.3
5-9 empl.	17.9	18.7	25.7	24.7	14.0	21.6	250,684	10.1
10-19 empl.	20,433	588	17,851	1,377	578	40,827	250,684	10.8
20-49 empl.	22,118	476	10,019	689	550	33,852	290,389	12.5
50-99 empl.	10,416	-	5,161	-	480	16,645	192,874	8.3
100-249 empl.	10.5	-	5.3	-	9.2	7.8	264,302	11.4
250-499 empl.	6,269	-	2,826	-	-	-	187,311	8.0
500-999 empl.	6.3	0	2.9	0	-	5,413	163,816	7.0
Total N	-	0	-	0	-	-	2,314,474	

<sup>5</sup> Interview with a representative of the Chamber of Labour and with one of the sector trade union.

Table 2.11: Number and percentage of employees by business size

business size	Sector						National (total)	
	N			%			N	%
	551	552	553	554	555	Total sector		
Figures from 1995								
1-4 employees	20,561 21.3	2,704 50.1	31,369 41.7	1,836 42.1	754 22.1	57,224 30.9	288,052	12.4
5-9 empl.	18,222 18.9	840 15.5	19,375 25.8	1,260 28.9	263 7.7	39,960 21.6	252,360	10.8
10-19 empl.	20,638 21.4	727 13.4	10,327 13.7	863 19.8	208 6.1	32,763 17.7	248,357	10.7
20-49 empl.	18,667 19.3	492 9.1	5,665 7.5	-	-	25,268 13.7	273,144	11.7
50-99 empl.	8,918 9.2	-	2,508 3.3	-	279 8.1	12,283 6.6	195,925	8.4
100-249 empl.	5,201 5.4	-	-	0	-	7,942 4.3	252,757	10.8
250-499 empl.	-	0	1,436 1.9	0	-	4,540 2.4	184,762	7.9
500-999 empl.	-	0	-	0	-	-	155,321	6.7
1000+	0	0	-	0	0	-	473,033	20.3
Total N	96,450	5,394	75,082	4,354	3,411	184,691	2,323,711	
* If the given categories are not applicable, please use others and specify								

Source: Statistik Austria, Leistungs- und Strukturerhebung, Produktion und Dienstleistungen 2000, 31.12.2000.  
ÖSTAT: Produzierender Bereich und Dienstleistungsbereich 1995, 31.12.1995.

#### Remarks/discussion:

Table 2.3 shows that there are many businesses in Austria with less than 10 employees. At the same time most employees work in small businesses. Looking at the size of a business where 50 percent of all employees work, the following picture can be drawn: 50 percent of all employees in sub-sector 552 work in small businesses with only 1 – 4 employees. In sub-sector 553 and 554 nearly 57 percent work in businesses with less than 10 employees. The situation in sub-sector 555 is quite different: 50% of all employees work in businesses with less than 50 employees. In sub-sector “hotels” most people (43%) work in businesses whose size ranges from 10 to 49 employees and another 35% work in hotels with less than 10 employees.

Compared to 1995, the most significant fact is that there are no businesses with more than 1000 employees in sector 55 by the year 2000. In addition, the percentage of employees who work in the smallest businesses (1-4 employees) fell in all sub-sectors except 552. This change can be put down to the fact that there was a relative increase of employees in companies with 10 to 19 employees from 1995 to 2000.

**Table 2.12.A: Status of contracts in percentage and number of people employed in the sector**

Employment status/type of contract	Total sector		National (total)	
	N (x 1000)	%	N (x 1000)	%
Latest figures (2000)				
self employed with or without employees	32.6	14.3	400.0	10.2
family workers	11.0	4.8	97.7	2.5
employees	184.8	80.9	3.420.0	87.3
Figures from 1990				
self employed with or without employees	35.1	20.4	360.5	10.2
family workers	11.3	6.6	134.7	3.8
employees	125.3	73.0	3040.7	86.0

Source: Statistik Austria: Mikrozensus Jahresergebnisse 2000, average of year 2000.  
 Statistik Austria: Mikrozensus Jahresergebnisse 1990, average of year 1990.

**Table 2.12.B: Employment status of the employees**

among the employed*	Occupations in hotels and restaurants of different kind		Cooks, kitchen help		National (total)	
	N (x1000)	%	N (x1000)	%	N (x1000)	%
Latest figures (2000)						
Permanent	73.0	82.4	55.2	82.2	2,944	91.9
Fixed term	9.2	10.3	5.3	7.8	136.1	4.3
Apprentice	6.5	7.3	7.5	11.0	120.5	3.8
Figures from 1997						
Permanent	73.5	83.5	54.6	84.9	2,905.5	93.4
Fixed term	12.1	13.7	5.5	8.5	134.1	4.3
Apprentice	2.5	2.8	4.3	6.6	71.4	2.3

Source: Statistik Austria: Arbeitskräfteerhebung 2000/01, March 2001.  
 ÖSTAT: Arbeitskräfteerhebung 1997, March 1997.

Table 2.12.C: Seasonal workers

Seasonal workers	Total sector		National (total)	
	N (x1000)	%	N	%
Latest figures (2001)				
total	19.8	12.5	70.7	2.2
Women	14.9	75.3	32	45.3
Men	4.9	24.7	38.7	54.7
Figures from 1997				
total	23.5	15.5	82.1	2.6
Women	16.1	68.5	34.5	42.0
Men	7.4	31.5	47.6	58.0

Source: Statistik Austria: Arbeitskräfteerhebung 2000/01, March 2001.  
 ÖSTAT: Arbeitskräfteerhebung 1997, March 1997.

Table 2.12.D: People employed by an employment agency

Contracted by an employment agency	Total sector N	%	National (total) N
Latest figures (2001)	645	1.9	33,156
Figures from 1991	40	0.5	8,178

Source: Bundesministerium für Wirtschaft und Arbeit, quoted in: Arbeiterkammer: Wirtschafts- und sozialstatistisches Taschenbuch 2002, 31.July 2001.  
 Bundesministerium für Arbeit und Soziales, quoted in: Arbeiterkammer: Wirtschafts- und sozialstatistisches Taschenbuch 1995, 31.July 1991.

Table 2.12.E: People in marginal employment

	Total sector N	%	Women %
Latest figures (2001)	19,409	12.9	76.6
Figures from 1996	14,617	10.3	75.6

Source: Baumgartner et al. (2002), unpublished.

Table 2.12.F: Number and percentage of people according to occupational status

	Total sector N	%
Blue collar workers	148,403	87.1
White collar workers	21,997	12.9

Source: Hauptverband der Sozialversicherungsträger, quoted in: WKÖ (2002): Bundessparte Tourismus und Freizeitwirtschaft: Tourismus in Zahlen, July 2000.

Remarks/discussion:

\* Occupations according to Berufsgruppensystematik 1971: In Austria occupational categories of people working in hotels and restaurants are combined in 3 categories. “Hotel keepers, restaurant owners and related managerial occupations” (*Hoteliers, Gastwirte und verwandte leitende Berufe*) are the owners of hotels, restaurants and boarding houses and the management staff. “Cooks, kitchen help” (*Köche, Küchengehilfe*) are all people who work in the kitchen. “Occupations in hotels and restaurants of different kind” (*Hotel- und Gaststättenberufe anderer Art*) are jobs, which do not belong to either of the two above-mentioned categories. This includes wait staff, chambermaids, receptionists, porters or governess.

In absolute terms, the number of self employed or family workers has not changed much from 1990 to 2000. Whereas the absolute number of employees has increased by 50%. In relative terms, the percentage of self-employed persons and family workers decreased by one third whereas that of employees increased by 8%. Nevertheless, the percentage of employees in the hotel and restaurants sector is still rather low compared to the average of all sectors in Austria.

The number of employees with a permanent contract or a fixed term contract did not change much between 1997 and 2001. A small decrease can be stated in the number of fixed term contracts. These results are true for “occupations in hotels and restaurants of different kind” as well as for “cooks and kitchen help”. Compared to national data, it can be said that in sector 55 less people work with a permanent contract and more with a fixed term contract – a situation that is true in both 1997 and 2001.

The percentage of apprentices increased in category “occupations in hotels and restaurants of different kind” as well as in category “cooks and kitchen help”. That follows the national trend where an increase can be noted even though the national average is not as high as it is in sector 55.

Twelve and a half percent of all employees in “hotels and restaurants” are seasonal workers<sup>6</sup>. This figure decreased slightly between 1997 and 2001. Even though the decrease was not as significant as that at the national level, the number of seasonal workers as a percentage of all

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<sup>6</sup> This data refer to March. But in March season has already ended. This is the reason why this figure is rather low. According to all interviewees, there are many seasonal workers in Austria.

employees is disproportionately high in sector 55. From a gender perspective, the share of women increased from 68.5 to 75.3 percent within these four years.

In sector 55, a significant change took place with regard to workers who were recruited by an employment agency. Their number increased more than fifteen-fold between 1991 and 2001. Even in relative terms the share of all workers who were recruited by an employment agency increased four-fold.

Marginal employment is of increasing significance: nearly 13% of all employees fall into this category. Three quarters of all marginally employed workers are women. Marginal employment is also determined by seasonal personnel turnovers. Although more women are marginally employed and female employment is highest in summer, the highest level of marginal employment is found in-between seasons (Baumgartner et al. 2002:42). When seasonal workers have left their businesses, marginally employed people fill their positions.

In tourism only 12% of all employees are white-collar workers. Thus, the vast majority of employees are blue-collar workers. White-collar workers are employees who finished a commercial education, like management staff and receptionists. *Maîtres d'hôtel* and chief cooks could also be white-collar workers.<sup>7</sup>

As the trade union representative noted, many single mothers find work in sector 55. Considering the fact that there are long working hours, irregular working hours and that it is a problem to combine family and work, this is quite a surprising fact. But sector 55 is an employment area, where single mothers easily get a job, while perhaps their relatives and friends watch the children. The employer calls when there is much to do and marginal employees only receive a few hours that specific day. The union representative said that some marginal employees are not insured, and thus are moonlighting.

Besides single mothers, more students are employed in the sector today. The representative of the trade union argued that the introduction of student fees is responsible for that development. They work as waiters or waitresses, barmaids or in event catering and not all of them are (fully) registered with the social insurance system.

Another moonlighting group are foreign workers from eastern neighbouring countries. They come with the bus in the evening, work through the night and go back home. The workers who have contact with clients might speak perfect German. Most of them have skills in service or cooking.<sup>8</sup>

According to the union representative, there are too many companies and not enough inspectors to control whether a business relies on moonlighting. As the probability of inspection is low, employers would rather risk not registering employees with the social insurance system. The representative of the Chamber of Commerce argued that the problem with illicit work is not bigger than in other trades.

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<sup>7</sup> Interview with a representative of the sector trade union.

<sup>8</sup> Ibid.

In small businesses there are workers who have visas, but no working permits. This is however very rarely the case with large companies, especially hotels. The reason for this is that these companies have works councils.<sup>9</sup>

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<sup>9</sup> Interview with the union representative.

Table 2.13: Percentage and number of people employed according to educational level

Initial educational level*	Total sector		National (total)	
	N (x 1000)	%	N (x 1000)	%
Latest figures (2000)				
Primary school (0 years)	79.3	34.7	838	21.4
Women	58	73.1	421.2	50.2
Men	21.3	26.9	416.8	49.8
Apprenticeship (3-4 years)	98.4	43.0	1,627.1	41.5
Women	57.9	58.8	542.6	33.3
Men	40.5	41.2	1,084.6	66.6
Technical school (3 years)	20.2	8.8	444.7	11.4
Women	14.3	70.8	263.6	59.3
Men	5.9	29.2	181.1	40.7
Higher professional schools (5 years)	26.8	11.8	633.3	16.2
Women	15.9	59.3	302.1	47.7
Men	10.9	40.7	331.1	52.3
College (2 years)	1.1	0.5	93.3	2.4
Women	0.8	72.2	60.7	65.0
Men	0.3	27.3	33.3	35.0
Scientific education	2.6	1.1	280.7	7.2
Women	1.3	50.0	107.2	38.2
Men	1.4	50.0	173.5	61.8
Figures in 1990				
Primary school (0 years)	68.3	39.8	1004.0	28.5
Women	52.7	77.2	512.4	51.0
Men	15.8	22.8	493.8	49.0
Apprenticeship (3-4 years)	73	42.5	1483.2	42.1
Women	34.8	47.7	424.6	28.6
Men	38.0	52.3	1,058.4	71.4
Technical school (3 years)	17.6	9.7	387.5	11.0
Women	10.6	60.2	236.0	60.9
Men		39.8	150.0	39.1
Higher professional schools (5 years)	12.6	7.4	398.1	11.3
Women	6.8	54.0	171.3	43.0
Men		46.0	227.1	57.0
College (2 years), Scientific education	0.9	0.6	250.1	7.1
Women	0.6	66.6	95.0	38.0
Men	0.3	33.3	154.2	62.0
* If the given categories are not applicable, please use others and specify				

Source: Statistik Austria: Mikrozensus Jahresergebnisse 2000, average of year 2000.

ÖSTAT: Mikrozensus Jahresergebnisse 1990, average of year 1990.

#### Remarks/discussion:

In Austria, the school system is organised quite differently from other countries. Before students can start an apprenticeship or continue on to professional schools, they have to attend primary and secondary school for at least 9 years. If they continue on to professional schools,

they can choose between technical schools or higher professional schools. Technical schools are shorter in time and without a graduation diploma (*Matura*). Students who finish schools with a diploma, such as high schools, have the possibility to attend colleges of a specific profession, polytechnic courses or universities. The lower end of Austrian education system thus includes apprenticeships and students who have completed the 9 years of compulsory school attendance. In the hotel and restaurants sector nearly 80% of all employees belong to either one of these categories. The situation is quite the same in 2000 as it was in 1990, when 82% of all employees completed apprenticeship or compulsory school attendance. Between 1990 and 2000, there has also been a slight raise of 5% of employees who graduated from higher professional schools, colleges or universities.

Compared to national data, in sector 55 there are less people who achieved higher education and more employees who find themselves at the lower end of the educational hierarchy. These statements remain valid in both 1990 and 2000. Thus, the level of education in sector 55 is rather low even though there are more higher educated employees today than 10 years ago.

- Which trend is apparent?

See remarks/discussion.

**Table 2.14: Percentage and number of people employed according to occupational group**

Occupational group*	Total sector	
	N (x 1000)	%
Hotel keepers, restaurant owners and related managerial occupations	37.5	19.3
Occupations in hotels and restaurants of different kind	88.6	45.6
Cooks, kitchen help	68.1	35.0
* If the given categories are not applicable, please use others and specify		

Source: Statistik Austria: Arbeitskräfteerhebung 2000/01, March 2001.

Remarks/discussion:

Table 2.14 shows that only 20% of all people employed are owners or managers of businesses. Cooks and kitchen help represent 35% of the total. Most people belong to the third category: Nearly half of all employees are wait staff, chambermaids, receptionists, porters, governesses, etc.

- What trend is apparent?

Baumgartner et al. determine a decrease in the number of hotelkeepers and restaurant owners. At the same time the number of wait staff and cooks increased (Baumgartner et al. 2002:44, 59). Another survey (Hausberger et al. 1999:32f) confirms “cook” to be an occupation with a promising future. Nearly 100% of the interviewed tourism experts and business owners believe that the profession “cook” will have excellent or good chances of employment in the future.

Table 2.15: Number and percentage of full/part time workers

Initial educational level*	Total sector		National (total)	
	N (x 1000)	%	N (x 1000)	%
Latest figures (2000)				
Full time	127.6	79.4	2,672.8	84.3
Women	76.2	59.7	903.1	33.8
Men	51.4	40.3	1,769.7	66.2
Part time	33.1	20.6	496.7	15.7
Women	29.5	89.1	437.5	88.1
Men	3.6	10.9	59.2	11.9
Figures from 1997				
Full time	169.6	84.4	3,073.7	86.0
Women	93.7	55.3	1,055.7	34.4
Men	75.9	44.7	2,017.9	65.6
Part time	31.4	15.6	498.2	14.0
Women	25.8	82.2	412.1	82.7
Men	5.6	17.8	86.2	17.3
* If the given categories are not applicable, please use others and specify				

Source: Statistik Austria Mikrozensus Jahresergebniss 2000, average of year 2000.  
 ÖSTAT: Mikrozensus Jahresergebnisse 1997, average of year 1997.

#### Remarks/discussion:

The majority of people employed in the hotel and restaurants sector are working full time. Only 20% of all people in sector 55 work part time. With regard to gender, the percentage of men working part time in sector 55 is rather low. Thirty-nine percent of all women employed in sector 55 are part timers, but 90% of all part time workers are women. Compared to national data, the percentage of people working part time in sector 55 is higher than in all sectors. And the percentage of women working full time is higher in sector 55 (59.7%) than in Austria as a whole (33.8%).

The percentage of full time employees was higher in 1997 than in 2000. Thus, in only three years the percentage of people working part time increased by 5%. Interestingly, both the percentages of women working full time and part time increased, whereas those of men decreased. This can be put down to the fact that less men work in the sector today than three years ago.

- What trend is apparent?

See remarks/discussion.

**Table 2.16.A: Number and percentage of unemployed people**

Unemployed people	Total sector		National (total)	
	N (x1000)	%	N (x1000)	%
Unemployed	29.6		203.9	
Women	19.1	64.5	88.6	43.5
Men	10.5	35.5	115.3	56.5
Average unemployment rate	16.5		6.1	
Women		17.1		5.9
Men		15.4		6.2
* survey information: used to work in this sector, but unemployed now....				

Source: AMS Österreich, quoted in: Arbeiterkammer: Wirtschafts- und sozialstatistisches Taschenbuch 2002, year 2001.

**Table 2.16.B: Personnel turnover**

Personnel turnover: Employees according to the start of their current employment relationship	Total sector %	National (total) %
January and February 2001	3.7	2.6
March - December 2000	16.2	9.3
January 1999 – February 2000	13.4	10.1
1996-1998	22.4	16.5
1993-1995	11.2	11.4
1992 or earlier	30.7	48.1
Unknown	2.3	2.1

Source: Statistik Austria: Arbeitskräfteerhebung 2000/01, March 2001.

**Table 2.16.C: Employees looking for a new job**

Employees looking for a new job	Total sector N (x 1000)	National (total) N (x 1000)
Number of employees	198.9	3696.6
Looking for a new job	12	146.2
%	6	4

Source: Statistik Austria: Arbeitskräfteerhebung 2000/01, March 2001.

Table 2.16.D: People having a second job

Second jobs	Total sector		National (total)	
	N (x1000)	%	N (x1000)	%
Having a second job <sup>2</sup>	6.1	3.0	198.8	5.4

Source: Statistik Austria: Arbeitskräfteerhebung 2000/01, March 2001.

#### Remarks/discussion:

On average, 30.000 people in sector 55 are unemployed every year. They are 15% of all unemployed in Austria. As there are more women than men working in the hotel and restaurants sector, more women than men are looking for a job. Sector 55 has the highest unemployment rate of all sectors in Austria. The rate is 16.5% and is much higher (more than 10%) than the national unemployment rate (BMWA 2002b:11). Nevertheless, in 2001 it was lower than any previous year since 1989. The unemployment rate in sector 55 reached its peak in 1997 when it came to 19.4% (Baumgartner 2002:39).

Personnel turnover in sector 55 is much higher than in other sectors. In March 2001, only 30 percent of all employees in sector 55 started their job in or before 1992. In comparison, in other economic sectors this figure hovers around 50%. Twenty percent of all employees in the hotel and restaurants sector started working in their current workplace within the last year. In all Austrian sectors this figure is much lower: Only 12% of all employees started to work for their current employer after February 2000.

This trend is confirmed by the number of people working in sector 55 who are currently employed, but are looking for a new job. Six percent of people working in the hotel and restaurants sector are looking for a new job. In comparison, on average only four percent are job-hunting in all sectors. In addition, sector 55 has the highest percentage of employees looking for new jobs of all sectors. One reason might be that hotels and restaurants are a seasonal business in Austria.

Only 3% of all employees working in sector 55, have a second job usually in the agricultural sector.

#### ▪ Trends/changes

As mentioned above, unemployment rate in sector 55 has always been high. Between 1987 and 2001 it ranged between 16% (1989) and 19.4% (1997). Due to the tourist seasons, unemployment has always been highest in April and November. And, it is much higher in November (around 30%) than in April (around 23%). Thus, unemployment is a structural characteristic of the sector determined by seasons (Baumgartner 2002:39ff).

Personnel turnover has also always been high in sector 55. Even big hotel groups have a personnel turnover of about 60% per year. Small businesses personnel turnover amounts to 45 and 60%, or even higher. In the first quarter of 2001, 75,000 out of 135,000 employees

changed their employer. Another reason for the high personnel turnover is also the negative working atmospheres and working conditions.<sup>10</sup>

### **Other relevant data, remarks or discussion on the labour market of the sector**

It is worth mentioning that the unemployment rate in the hotel and restaurants sector shows strong seasonal fluctuation and ranges between 10 and 30%. The lowest unemployment is in July, August and February and the highest in November and April. Compared to national data, the fluctuations of seasonal unemployment in sector 55 is twice as high as in other sectors (Baumgartner et al. 2002:40f).

Baumgartner et al. looked at the correlation between unemployment and vacancies and found out that it is a negative one. Between 1989 and 2001 vacancies decreased and unemployment increased. Nevertheless, this negative correlation cannot be taken for granted as there had been a positive correlation between unemployment and vacancies between 1983 and 1986 (Baumgartner et al. 2002:43).

In principle, there is a problem with vacancies and matching an unemployed persons with them. But unfortunately the vacancy might be in one part of Austria and the unemployed person lives in another part of Austria. In this respect, the representative of the Ministry gave an example. A person in Styria might be looking for a job, but instead of taking one nearby, he or she moves to tourist centres in Tyrol. The representative of the union provided some figures. In Vienna, there are 33,000 employees, 6,900 unemployed people and only 4,000 vacancies.

A survey carried out in Graz in 1988 (Zilian 1990:62ff) revealed a correlation between vacancies, unemployment and personnel turnover. Employers who have difficulties finding employees often try to fill jobs with very bad working conditions and very low income. On the one hand these are jobs with split shifts, long working hours (6 am to 2 am) or weekend shifts – conditions that are mostly found in companies with seasonal business, but not in cities. On the other hand those employers do not want to pay salaries that go along with a seasonal business. Nevertheless, because of the high unemployment levels in the sector as noted above, many people apply for one job which gives employers the possibility to choose among candidates. At the same time, employees leave the business within the probationary period because of bad working conditions. And some only take these types of jobs for the period in-between seasons. Others are found not to be “the right person for the job” and thus dismissed. This means that sometimes employers try to permanently fill a job for a long period of time and at the same time many people fill that job, but each of them for some months only. Thus, one can say that problems to fill a job have nothing to do with shortage of labour force.

There are two main tourist seasons in Austria, the winter and summer season. One starts in December and lasts until March and the other one starts in May and ends in September. As seasonal employees work long hours, and have few breaks and sometimes no rest days, they use the time in-between seasons to recover and recharge their batteries while they are unemployed. The problem is that the general public pays for this “holiday” and thus takes on

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<sup>10</sup> Interview with the union representative.

the responsibility of seasonal businesses that refuse to assume it (Zilian 1990:69f). The representative of the Ministry of Economy and Labour said that the deficit in payments and benefits concerning unemployment insurance in the hotel and restaurant sector is 2.5 billions ATS (1.8 millions Euros).

Being unemployed, people must go to job interviews to keep their benefits. Either they tell employers that they are waiting for the next season to start or they conceal that fact. In the second case, employers offering non-seasonal jobs risk to employing someone who will leave the business within the next months and to bear those costs. Of course it makes a difference whether the job in question is qualified or unqualified. The latter have a very high personnel turnover. It usually does not matter much whether kitchen help leaves the business or not. Whereas in case of qualified employees employers do not want to lose them in-between seasons (Zilian 1990:70f).

There are more unskilled and semi-skilled employees than less skilled employees in the sector today. Skilled employees are leaving the sector. All interviewed experts, except the employers' representative, said that employees leaving the sector are a big problem and argue that it is caused by bad working conditions and low wages. On the other hand, employers try to save costs by employing unskilled and semi-skilled instead of skilled employees.

Another important topic is the question of "*Saisoniers*" (foreign seasonal workers). *Saisoniers* are supposed to work in Austria only for one season (which can be prolonged for another season), but then they have to leave the country for a number of months before they can re-enter. The government determines the number of *Saisoniers* and the quota is raised each year. In 2001, 6740 *Saisoniers* were approved and this number was raised to 8800 people in 2002.<sup>11</sup> Employers argue that they cannot find enough employees, so that they need *Saisoniers* to be able to run their businesses.<sup>12</sup> According to the Chamber of Labour *Saisoniers* are not required as there are enough people seeking jobs already within Austria. But, again due to bad working conditions, former employees leave the sector.

*Saisoniers* are in a very disadvantaged situation. First of all, they have to leave the country when they are not needed anymore. In addition, they might not be able to collect unpaid wages as the workers may have already left the country. And finally, *Saisoniers* are completely dependent on their employers, as they are restricted to one employer by their working permit. The representative of the Ministry brings in a contrary argument: *Saisoniers* are accorded the chance to establish themselves in Austria.

Another characteristic of the hotel and restaurants sector is that people with little history in the trade, like students, housewives and unemployed people of other sectors penetrate the sector. This can create problems for established wait staff, as some employers do not care about formal training as long as the employee can manage the job. Zilian takes the view that the number of jobs, which do not require formal qualification, will rise in times of recession as employers will do without qualified employees to save on higher wages (Zilian 1990:68).

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<sup>11</sup> Numbers taken from <http://www.oegb.or.at/hgpd>.

<sup>12</sup> The representative of the Ministry confirms that argument, but admits that AMS (National Unemployment Office) tries everything to find vacancies for unemployed people and vice versa: find unemployed people for vacancies.

One interviewee<sup>13</sup> noted that the Chamber of Labour carried out a special study of all employees who were registered with the social insurance system in sector 55 on one particular day. In 1989 that number equalled 223,800 and 250,200 in 1995. Therefore, there are actually more people employed in the hotel and restaurants sector than stated in the tables above. Thus, personnel turnover is very high in sector 55 (Arbeiterkammer, unpublished).

### **Conclusions on the labour market in the sector**

The labour market of the hotel and restaurants sector can be described by two main characteristics. Firstly, tourism in large parts of Austria is determined by seasons. This results in high personnel turnover and a high unemployment rate especially in the period between seasons. But low income and bad working conditions may also be responsible for the former. This leads to the second characteristic, which is that skilled employees tend to leave the sector. This development opens the sector to other groups of employees and other forms of employment status. Today, more employees in sector 55 work part time, are marginally employed, or are employed by an employment agency than in years before. Some employees are not registered with the social insurance system or not registered according to their real income. But specific groups, like students, single mothers and Saisoniers, accept these irregular forms of employment status. Looking at the statistics, more women than men, more immigrants, and more younger workers are found in the sector. Additionally, the level of education is rather low and more blue-collar workers than white-collar workers are employed in sector 55.

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<sup>13</sup> Interview with a representative of the Chamber of Labour.

### 2.3. Background information on the regulatory framework (hard and soft law)

**Table 2.17: Specific directives/regulations relevant to the improvement of quality of work and employment in the sector**

Name of directives/regulation and brief content	Issues addressed
1. Allgemeines Bürgerliches Gesetzbuch (ABGB): Civil Code	1. general definition of working contracts and their content, general regulations of dismissing
2. Allgemeines Sozialversicherungsgesetz (ASVG): social insurance for employees	2. insurance in case of sickness, accidents, pensions (old age, disability, etc.)
3. Gewerbliches Sozialversicherungsgesetz (GSVG): social insurance for employers	3. insurance in case of sickness, accidents, pensions (old age, disability, etc.)
4. Angestelltengesetz (AngG): special laws for white collar workers	4. content of contracts, commission, dismissing
5. Arbeitszeitgesetz (AZG): working time	5. standard and maximum working time, overtime, part time, flexitime, rest periods
6. Urlaubsgesetz (UrlG): holidays	6. holidays
7. ArbeitnehmerInnenschutzgesetz (ASchG): health, safety, prevention	7. working rooms, work places, material and machines, health control, safety officer, safety inspectors, occupational health inspectors
8. Arbeitsinspektoratsgesetz (ArBIG): health and safety branch	8. rights and duties of labour inspectors
9. Mutterschutzgesetz (MSchG): expectant and breast-feeding mothers	9. prohibition of work, prohibition of night and Sunday shifts, prohibition of dismissing, waiting period, part time work
10. Kinder- und Jugendlichenbeschäftigungsgesetz (KJBG): children and young persons	10. working time, rest periods, prohibition of work (Sundays, night), holidays
11. Ausländerbeschäftigungsgesetz (AuslBG): immigrants	11. working permits, allocations, requirements
12. Arbeitskräfteüberlassungsgesetz (AÜG): agency work	12. responsibilities of employers and employees, working contracts
13. Arbeitsverfassungsgesetz (ArbVG): constitutional law of work	13. collective agreements, works council, business agreements
14. sector level collective agreements	14. working time, rest periods, holidays, payment systems, surcharges for night shifts, dismissing, food and living opportunities
15. business agreements	15. social regulations and regulations concerning labour legislation, especially surcharges, working time schedules, working time arrangements,
16. additional collective agreements on business level	16. social regulations and regulations concerning labour legislation
if more information is relevant and easily obtainable please specify below (remarks/discussion)	

Source: Wachter (1996): Sammlung arbeitsrechtlicher Gesetze, Volume 1 to 3.  
15. and 16.: Information stems from the interview with the representative of the trade union.

#### Remarks/discussion:

In Austria, there are three levels of regulations concerning working conditions. First of all, there are general laws, which regulate different issues in a broader sense. Sector level

collective agreements specify these issues for each sector. Finally at business level, business agreements are supposed to include regulations on issues specified in laws or collective agreements and are not supposed to be inferior to those of sector level collective agreements.

Table 2.17 shows general laws and the issues they address. Social insurance is regulated by the *Allgemeines Sozialversicherungsgesetz* (ASVG) for employees and by the *Gewerbliches Sozialversicherungsgesetz* (GSVG) for employers. Then, there are laws concerning working time (AZG), holidays (UrlG) and health and safety regulations (ASchG). Furthermore, the particular situations of specific groups, like young people (KJBG), pregnant and nursing mothers (MSchG), immigrants (AuslBG) and white-collar workers (AngG), are covered by specific laws.

In Austria, safety and health regulations are controlled by the health and safety branch (Arbeitsinspektorat)<sup>14</sup> that is a department of BMWA (*Bundesministerium für Wirtschaft und Arbeit* - Ministry of Economy and Labour) whereas proper registration for the deduction of social security contributions is verified by social security funds.

Business agreements are bargained between works councils and the management. Any regulation concerning labour and social regulations can be part of that agreement, but as stated above their content cannot be below sector level collective agreements. If there is no works council, businesses have the possibility to conclude additional collective agreements with the Chamber of Commerce and the trade union.

- Trends/changes (upcoming regulation)

See table 4.1.

**Table 2.18: Membership of employers organizations in the sector and at the national level**

Remark/discussion:

As membership is mandatory, all employers are member of the Chamber of Commerce. Although the Chamber of Commerce is a body of public authority, it is responsible for negotiating and concluding collective agreements. It is also the organization that represents the interests of employers in Austria. In the case of tourism, it is the *Bundessparte Tourismus und Freizeitwirtschaft*. The *Bundessparte* is subdivided into different *Fachverbände*, including *Fachverband Hotellerie* and *Fachverband Gastronomie* that are responsible for hotels and restaurants in Austria.

- What trend is apparent?

There is no trend as membership is mandatory.

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<sup>14</sup> For further information see table 4.2.

**Table 2.19: Number and percentage of employees who are member of one of the unions in the sector and at the national level**

Number and percentage of employees who are member of a union	N	%
Union 1: Gewerkschaft Hotel, Gastgewerbe und Persönlicher Dienst – HGPS (blue collar workers)	10,500 13,000 <sup>2</sup>	6 <sup>1</sup>
Union 2: Gewerkschaft der Privatangestellten - GPA (white-collar workers) <sup>1</sup>	-	30 <sup>4</sup>
All unions <sup>3</sup>	1,465,164	40 <sup>4</sup>
Chamber of Labour (Kammer für Arbeiter und Angestellte)	All	100

Source: <sup>1</sup>Institut des Science du Travail (2001)

<sup>2</sup>Information stems from the interview with the representative of the trade union

<sup>3</sup><http://www.oegb.or.at/mitglieder>, 31.12.1999

<sup>4</sup>estimated percentages

#### Remark/discussion:

For employees, the body of public authority is the Chamber of Labour whose membership is also mandatory. It represents employees` interests on a more general level, like statements on relevant bills brought before parliament. In Austria, the ÖGB (*Österreichischer Gewerkschaftsbund – Austrian Trade Union Association*) has the responsibility to negotiate and conclude collective agreements. The ÖGB is subdivided into 14 different branch unions. In sector 55, *Gewerkschaft Hotel, Gastgewerbe und Persönlicher Dienst (HGPS)* represents blue-collar workers and *Gewerkschaft für Privatangestellte (GPA)* represents white-collar workers.

According to the Institut des Science du Travail, 6% of all blue-collar workers of the sector are member of the union. The representative of the trade union argued that there are about 13.000 blue-collar workers (10%) who are members of HGPS. This percentage is lower than those of all Austrian Unions. The problem lies within the possibility of organization in specific branches. Hotels and restaurants are rather difficult to organize as personnel turnover is very high, businesses are small and mostly family businesses, and last but not least, tourism is a seasonal business in Austria.

- What trend is apparent?

Personnel turnover, business size and seasons are structural characteristics and insofar organization has always been difficult (Arbeitsgruppe 1987:30f).

**Table 2.20: Number of current collective agreements relevant as background for issues of quality of work & employment**

Number of agreements	Number of employees involved
Sector level: 2 (either one for blue and for white collar workers)	All employees
Business level:	
1. Additional collective agreements for companies: no data available	All employees of the business
2. Agreements on business level: no data available	All employees of the business

Remarks/discussion:

- general

There are two different collective agreements at a sectoral level. One is for white-collar workers and the other is for blue-collar workers. They only differ in procedures of notice given in case of dismissal. White-collar workers can be dismissed by the 15<sup>th</sup> or the last day of each month. Blue-collar workers can be dismissed any time and they have a period of notice that is 14 days.<sup>15</sup>

It is worth mentioning that wages are bargained for blue and for white-collar workers in each province each year.

- Trends/changes

There are no trends or changes.

- Risk groups: which ones and why

Sector level collective agreements are valid for all employees employed in the sector whether they are member of the unions or not. Additional collective agreements for businesses as well as agreements on the company level are only valid for employees of the business in question.

**Table 2.21: Specification of the quality of work & employment issues in these collective agreements**

Level	Regulation/recommendation/other*	Specific issue addressed
Sector level:	regulation	See table 2.17, 14.
Business level:		
Agreements on business level:	regulation	See table 2.17, 15.
Additional collective agreements:	regulation	See table 2.17, 16.
* please specify below (remarks/discussion); if more information is relevant and easily obtainable		

<sup>15</sup> Interview with the union representative.

Remarks/discussion:

- general<sup>16</sup>

In the hotel and restaurants sector the collective agreement addresses issues like working time, rest periods, breaks, payment systems, surcharges, young people, holidays, board and lodging, and dismissal. The most important regulations concern working time, rest periods, overtime and payment systems.

As mentioned above, social partners in each province bargain legal minimum income. Wage increases are part of yearly negotiations. For each occupation, there is a fixed wage or salary.<sup>17</sup>

In Austria, standard working time (NAZ - *Normalarbeitszeit*) is 40 hours a week over 5 days. This is also the case for sector 55. But there are deviations from that regulation, which introduce flexibility. The NAZ can be spread over a longer period of time, so that the average working time per week equals 40 hours. In seasonal businesses this period is the whole season, in other types of businesses it is 13 weeks. This regulation is only valid if there is an agreement between the management and the works council or between the management and the employee.<sup>18</sup> Nevertheless, the weekly standard working time must not exceed 50 hours, the daily standard working time must not exceed 9 hours and the total working time must not exceed 10 hours a day. Overtime is defined by any hour exceeding standard working time of 40 hours a week, a month or a season.

The rest period within a week must amount to a minimum of 36 hours. If this is not the case, employees are entitled to compensation. In case of split shifts, daily working time may be interrupted once, or in seasonal businesses and small businesses, twice. As breaks for food will not result in an additional shift, they are limited to 1 hour.

Part time exists when contractual working time is lower than 40 hours a week. Part time workers have to be paid for at least 4 hours a day.

- Risk groups: which groups and why?

People who work in businesses, which do not have works councils, are more likely to be a part of risk groups as works councils control the enforcement of collective agreements. As the representative of the trade union points out with resignation, the collective agreement in sector 55 is very good, but unfortunately employers do not obey the regulations. *“If only 50% of the regulations were complied with, employees would have 80% less worries and troubles”* (interview with the representative of the trade union, own translation).

At the same time, the union representative said that many employees do not demand payment of surcharges concerning overtime, for example. Only after they have left a business, they ask the trade union for help to demand payment of surcharges.<sup>19</sup>

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<sup>16</sup> Explanations are taken from Prock 1999: 16ff and HGPD: Kollektivvertrag für Arbeiter im Hotel- und Gastgewerbe, Stand 1. August 1992.

<sup>17</sup> Further explanations to payment systems see table 3.17.

<sup>18</sup> Interview with a representative of the sector trade union.

<sup>19</sup> Interview with the representative of the sector trade union.

## 2.4. Changes

### Technological change

Technological changes have taken place in the last few years, but new technologies are not introduced or used by all businesses. Mainly, computers are in use at reception and in the back office for reservations, cashing-up, accounting, and storekeeping. In direct customer service, computer-based ordering systems are available, but they are very expensive, and thus not very common. Concerning kitchens, new machines like stoves, which regulate themselves and beep when cooking time is over, are worth mentioning (Papouschek et al. 1997:158ff).

One interviewee<sup>20</sup> made mention of a business where the whole cooking procedure is based on computers. All data of one meal, like cooking time, ingredients, etc., are available on PC. But this business can be seen as an exceptional example as according to this interviewee new technology is not widely found throughout sector 55.

## 2.5. Overall analysis and conclusion concerning sector characteristics

First of all, it is worth mentioning that comparing 1995 and 2000 a higher total turnover was achieved by a smaller number of businesses in the hotel and restaurants sector. A special mention must be made of sub-sector 555, canteens and catering. The number of businesses and the size of turnover increased remarkably. Interestingly and in contrast to the other sub-sectors, companies with more than 100 employees, of which there are only six, have 50% of the total turnover in sector “canteens and catering”. One can say that sub-sector 555 has only recently developed in Austria and its characteristics differ from the other sub-sectors.

Nevertheless, sector 55 is characterized by small businesses, mainly family businesses. In addition, many former employees open up their own businesses. They may have insufficient capital and a lack of commercial knowledge or management in the hotel and restaurants sector. The consequence is then that many businesses go bankrupt after a short time or their financial situation is precarious. This results in low wages and salaries for employees.

In this context, high personnel turnover and skilled workers who move to other sectors play an important role. As mentioned above (see conclusions on the labour market), bad working conditions and low income cause a structural change concerning employment status and employed groups. People who are already disadvantaged on the labour market, like women, especially single mothers, immigrants and “*Saisoniers*” are more likely to accept bad working conditions, low income and no registration or no full registration for social insurance.

On the other hand, working in the hotel and restaurants sector offers the possibility to earn a high income within a short period of time as tourism is a seasonal business in Austria. The disadvantages are high personnel turnover and high unemployment rates, as burned-out employees have to recover after extraordinarily long working hours. The seasonal nature of tourism does not only have an impact on social insurance systems, but also on the financial

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<sup>20</sup> Ibid.

situation of employers. They have to bear costs throughout the year, but their sales are restricted to seasons.

Regulations concerning quality of work and employment are rather good in Austria, but according to representatives of workers' organizations they are not all enforced. On the one hand it is employers who do not comply with the regulations, but on the other hand it is employees who do not sufficiently attempt to enforce rules as long as they work in the business in question.



### 3. QUALITY OF WORK AND EMPLOYMENT

#### 3.1. Physical working environment

Table 3.1: Ambient conditions

Ambient conditions	Total Sector		National	
	N (x 1000)	%	N (x 1000)	%
Weather conditions	12,2	6,0	881,2	23,8
Hot conditions (indoors)	79,6	39,1	1.048,2	28,3
Cold conditions (indoors)	15,4	7,6	502,1	13,5
Wet or humid conditions (indoors)	15,0	7,4	294,9	8,0
Dust	18,1	8,9	1.027,1	27,7
Dirt, grease, oil	45,1	22,2	810,2	21,8
Solid or liquid harmful or toxic substances	16,3	8,0	550,5	14,8
Vapours, gases, smoke	40,7	20,0	532,2	14,4
Industrial noise (caused by machinery, engines, etc.)	9,4	4,6	769,3	20,7
Office noise (caused by phone calls, conversations, etc.)	13,4	6,6	559,5	15,1
Traffic noise	21,3	10,5	594,1	16,0
Other types of noise	43,2	21,2	619,1	16,7
Vibrations	0,9	0,4	201,6	5,4
Draughts caused by air conditioning systems	25,7	12,6	382,6	10,3
Draughts cause by open windows	41,7	20,5	593,7	16,0
Second-hand smoke	75,9	37,3	527,0	14,2
Inferior air quality (stuffy air, bad smells, etc.)	45,4	22,3	643,5	17,4
Permanent artificial light or exposure to powerful light sources	59,3	29,1	1.033,1	27,9
Permanently closed windows/lack of windows	12,0	5,9	285,7	7,7
Exposure to electro-magnetic fields, radiation (X-rays, UV, etc.)	4,3	2,1	313,0	8,4
Total N	203,5		3.709,2	

Sources: Statistik Austria: Mikrozensus 1999, special survey of working conditions.

### Discussion and conclusion on ambient conditions:

- general

Nearly 40% of all employees in sector 55 complain about hot indoor conditions. Second-hand smoke is also a big problem. Fewer employees, but still a significant 29%, suffer from permanent artificial light or exposure to powerful light sources. In addition, the four most mentioned conditions are: dirt, grease or oil (22%), other types of noise (21%), draughts caused by open windows (20.5%), and vapours, gases and smoke (20%). Especially alarming is the fact that around 75-90% of all people working in hotels and restaurants are confronted with more than one adverse ambient condition and 10% are exposed to at least six such negative ambient conditions (Fasching 1999: appendix).

Compared to national data, hot indoor conditions and second-hand smoke seem to be characteristics for sector 55, whereas weather conditions, dust and industrial noise are rarely found in hotels and restaurants, but are adverse ambient conditions in other sectors.

- Trends/changes

Ambient conditions have not changed much in the last 20 years. Several surveys (Langer 1984:74ff, Papouschek et al. 1997:152) confirm hot indoor conditions, other types of noise, draughts caused by open windows, vapours, gases and smoke to be annoying working conditions. What they do not include is second-hand smoke. A reason might be that until a few years ago, second-hand smoke was not considered a problem in Austria.

Worthy of note is that according to two interviewees<sup>21</sup> the construction of the kitchen already takes vapours and gases into account. The representative of the health and safety branch is of the opinion that presently the construction of kitchens is rather good in Austria. The employers' representative argued that there is still a problem with kitchens in old workplaces.

- Risk groups: which ones and why

Two thirds of all cooks and kitchen help are exposed to hot indoor conditions in kitchens. Interestingly only one third of employees find that fact a problem. The rest seems to adapt to it as a "normal" part of their job. In addition, dirt, grease or oil and vapours, gases and smoke are other conditions this occupational group is confronted with (Fasching 1999: appendix).

Out of all occupations hotelkeepers, restaurant owners and people working in related managerial occupations as well as people working in occupations in hotels and restaurants of different kind are most confronted with second-hand smoke. One third of them experience these conditions as disagreeable (Fasching 1999:appendix).

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<sup>21</sup> Interview with a representative of the health and safety branch and with one of the Ministry of Economy and Labour.

Table 3.2: Occupational burdens

Occupational burdens	Total Sectors		National	
	N (x 1004)	%	N (x 1000)	%
Heavy, unwieldy tools	9.5	4.7	472.9	12.8
Other heavy physical workload	45.1	22.2	1,076.0	29.0
Unergonomic working conditions	51.7	25.4	804.1	21.7
Repetitive manual tasks	24.2	11.9	417.3	11.3
Work requiring good manual dexterity an motor skills	62.5	30.7	1,203.4	32.4
Discomfort caused by working clothes/protective clothing or facilities	7.8	3.8	346.8	9.4
Accident risk/risk of injury	51.9	25.5	1,304.6	35.2
Working under time pressure	121.7	59.8	1,997.3	53.9
Regularly ordered involuntary overtime	38.2	18.8	741.0	20.0
Occupational responsibilities outside working hours	29.1	14.3	658.0	17.7
Monotony of work	15.9	7.8	337.7	9.1
Unbalanced workloads	113.5	55.8	1,507.8	40.7
Regular/extensive VDU work	22.4	11.0	1,129.4	30.5
Work requiring constant concentration (e.g. checks, monitoring, etc.)	34.2	16.8	1,132.5	30.5
Continuous customer contact	106.7	52.4	1,503.0	40.5
Lack of privacy in the workplace	20.4	10.0	317.3	8.6
Lack of personal interaction in the workplace	6.2	3.0	116.5	3.1
Extensive contact with the suffering, the terminally ill, etc.	1.1	0.5	238.9	6.4
Lack of optional short breaks	17.9	8.8	274.8	7.4
Total N	203.5		3,709.2	

Sources: Statistik Austria: Mikrozensus 1999, special survey of working conditions.

#### Discussion and conclusion on ergonomic conditions:

- general

In Austria, ergonomic conditions are recorded together with other occupational burdens. They include additional information, all of which can be seen in table 3.2. Some points will be described later in the report.

Ergonomic conditions are recognised as occupational burdens, but not the most disturbing ones. Nevertheless, they range on places 4, 6 and 7. Employees in sector 55 report work requiring good manual dexterity and motor skills (30.7%), unergonomic working conditions (25.4%) and other heavy physical workload (22.2%) to be burdens in their everyday work.

- Trends/changes

Again, the situation has not changed much in the last 20 years. Especially, unergonomic working conditions and lifting heavy things, which were occupational burdens at that time and are still a problem today (Langer 1984:76ff, Steinhardt 1991:66, Papouschek et al. 1997: 152).

Two interviewees<sup>22</sup> mention that the planning and construction of kitchens considers the work routine and plans equipment accordingly. A result might be that long distances do not need to be covered anymore. But these developments in construction are only valid for newly renovated kitchens.

- Risk groups: which ones and why

Wait staff lift heavy trays all the time, but chambermaids also lift heavy mattresses. No matter if the worker is part of the wait staff, chambermaids, cooks or kitchen help, all of them work with bad posture<sup>23</sup> (Langer 1984:76ff, Steinhardt 1991:66f, Papouschek et al. 1997:152).

**Table 3.3: Safety conditions**

	Sector		National	
	N (x 1000)	%	N (x 1000)	%
Accident risk/risk of injury	51.9	25.5	1,304.6	35.2
Total N	203.5		3,709.2	

Source: Statistik Austria: Mikrozensus 1999, special survey of working conditions.

### Discussion and conclusion on safety conditions

- general

Unfortunately no data are available on topics you stated in table 3.3. For more information see table 3.19 and 3.20. But we can provide some information from table 3.2. One quarter of all employees in “hotels and restaurants” name accident risk and risk of injury an occupational burden. Therefore it is the fifth most mentioned occupational burden. Even though this figure is very high, more employees Austria-wide (35%) find accident risk and risk of injury an occupational burden.

- Trends/changes

According to a survey from the beginning of the 80s, only 4% of all employees felt accident risk and risk of injury was an occupational burden (Langer 1984:73). So the personal perception of people working in hotels and restaurants is six times higher today than 20 years ago.

<sup>22</sup> Interview with a representative of the Ministry of Economy and health and safety branch.

<sup>23</sup> Interview with a representative of the health and safety branch.

- Risk groups: which ones and why

See table 3.19 and 3.20.

**Table 3.4: Number and percentage of employees who have access to specific equipment/technology**

Remarks/discussion:

- general

Unfortunately, no data are available on access to specific equipment and technology. In hotels, receptionists and employees who work in the back office (e.g. accountants, storekeepers) are the only ones who use computers at work. In big restaurants, computers are used – if at all – for storekeeping. Although it is necessary that receptionists have computer knowledge, employers consider it a minor matter and thus devalue that knowledge (Papouschek et al. 1997:158ff). It is worth mentioning that more than 10% find regular VDU work an occupational burden (see table 3.2).

- Trends/changes

Only recently hotels introduced computers for reservation, storekeeping, payments and accounting (Papouschek et al. 1997:158). The sparse use of PCs in gastronomy was already pointed out (see general).

- Risk groups: which ones and why

See general

**General description of the design of the physical environment**

Most people employed in the hotel and restaurants sector are exposed to one factor: unergonomic working conditions due to bad posture. People working in the kitchen, wait staff, but also chambermaids are concerned with this condition. In addition to that, cooks and kitchen help are confronted with hot indoor conditions, dirt, grease and oil as well as vapours, smoke and gases, whereas wait staff as well as chamber maids must lift heavy things most of the time. Second-hand smoke is also a factor that is experienced as annoying not only by wait staff, but also by the owners of the businesses.

### 3.2. Work organization

Table 3.6: Pace of work, work intensity

	Sector		National	
	N (x 1000)	%	N (x 1000)	%
Working under time pressure	121.7	59.8	1,997.3	53.9
Unbalanced workloads	113.5	55.8	1,507.8	40.7
Continuous customer contact	106.7	52.4	1,503.0	40.5
Total N	203.5		3,709.2	

Source: Statistik Austria: Mikrozensus 1999, special survey of working conditions.

#### Remarks/discussion:

- general

Sixty percent of all people employed in hotels and restaurants complain about working under time pressure. This is followed by unbalanced workloads (55.8%) and continuous customer contact (52.4%). The two last-named situations differ the most from national data, even though 40% of Austrian employees find unbalanced workloads and continuous customer contact difficult working conditions.

Working under time pressure, unbalanced workloads and continuous customer contact are the three most mentioned occupational burdens. Together they can be seen as typical characteristics of sector 55. Work in hotels and restaurants is highly time-dependent. Time is an issue when people arrive to eat or check-in and check-out in hotels. Others determine tasks and the employees' task is to respond, to react or just put simply: to work. Some professions who are affected by these time pressures are especially cooks, kitchen help, wait staff, receptionists and chambermaids (Papouschek et al. 1997:152).

Another problem that is pointed out in the literature is lack of replacement of absent or sick colleagues. Prock is of the opinion that businesses are understaffed; which he considers a characteristic of the hotel and restaurants sector. For him, this also results in long working hours, dissatisfaction and decreasing quality of work (Prock 1999:18).

- Trends/changes

As mentioned above the described burdens are characteristics of work in "hotels and restaurants". Interviewees<sup>24</sup> refer to these burdens as conditions that cannot be changed, which are integral parts of every day work in sector 55. Logically this is also true for the past (Langer 1984:77, Steinhardt 1991:66, Knoll 1992:34, Papouschek et al. 1997:151f).

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<sup>24</sup> Interview with a representative of the health and safety branch and the Ministry of Economy and Labour.

- Risk groups: which ones and why

Working under time pressure, unbalanced workloads, and continuous customer contact is frequent with hotelkeepers, restaurant owners and people working in related managerial occupations. But also occupational responsibilities outside working hours and lack of privacy in the workplace are burdens this occupational category is confronted with. People working in occupations in hotels and restaurants of a different kind also name continuous customer contact an occupational burden. Compared to national data, these two occupational groups mentioned these burdens above average (Fasching 1999:29).

Even though Fasching (1999) did not mention all occupational groups, it must be said that all people working in hotels and restaurants are at the mercy of time pressure and unbalanced workloads. People with contact with clients are also confronted by continuous customer contact.

**Table 3.7: Skilled work and ability to learn in and from the job/work**

Remarks/discussion:

- general

There is no quantitative data and nearly no qualitative data available on these topics. But there is minimal information about further education and training in hotels and restaurants.<sup>25</sup> Hausberger et al., for example, report a survey where they interviewed 250 employees in hotels and restaurants. Two third of these employees already participated in courses for further education. Nevertheless, 41% said that lack of time prevents them from continuing. Other reasons of non-participation were lack of demand, lack of interest or high costs. On the other hand, 66% meant that they have a job that does not offer prospects of promotion and thus further education is not relevant to them (Weiermair et al.: in Hausberger et al. 1999:12f).

Papouschek et al. interviewed owners and managers about further education and training. As a result, nearly 90% of them believe that their employees would need training. Therefore 50% offer external courses and another 60% internal courses. Though, 43% of employers expect employees to look after it themselves.

- Trends/changes

Interestingly, further education and training is not mentioned in 10 and 20 year old literature, whereas apprenticeships and school education are targeted by these surveys (Arbeitsgruppe 1984:23f, Bival et al.1995:83f). Further education and training only seem to be a necessity for a short while.

- Risk groups: which ones and why

People who work in small businesses, especially family businesses, seasonal businesses or where personnel turnover is high are less likely to receive further education and training

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<sup>25</sup> According to the Ministry of Economy and Labour examples for further education and training would be among others head cook, dietetic cook, wine expert, certified barkeeper, courses in gastronomy management, brand- and system gastronomy and food and beverage management (BMWA 2000: 28ff).

(Papouschek et al. 1997:168ff). At the same time the representative of employers introduced the argument that there are some occupations, like chambermaids, washers or porters, who just simply do not need further education and training. Therefore, they can be seen as special risk group.

**Table 3.8: Control in and over work**

Remarks/discussion:

- general

There is no quantitative and nearly no qualitative information available on these topics. Steinhardt mentions control over work, but in a negative sense. Wait staff are only checked in the evenings when they cash out with their boss. Nevertheless he points out that they do not have much discretion in their work. The reason lies within clear and strictly structured working tasks. At the same time they are fully responsible for their work. This responsibility increases as they work under time pressure and pressure to do well. On the contrary, chambermaids and most people working in the kitchen are exposed to regular checks by governesses and chief cooks (Steinhardt 1991:68, Langer 1984:83).

In peak periods there is no time for breaks and the workstation cannot be left. In addition there is no time for eating food or using restrooms, and communication among colleagues also suffers. Chambermaids are not concerned by lack of communication as normally two of them clean one room and thus are able to talk with each other while they work (Steinhardt 1991:66f).

- Trends/changes

Checks by superiors, no time for breaks and lack of communication are always present in work in the hotel and restaurants sector. There are no data on trends or changes in this respect.

- Risk groups: which ones and why

See general

**Table 3.9: Relations with colleagues**

**Table 3.10: Relations with the management:**

**Table 3.11: Relations with clients and the public**

Discussion and conclusion on relations with colleagues, the management and on discrimination

- general

Unfortunately we can only partly provide the information you asked for. There is no quantitative data available on the topics you stated in table 3.10 to 3.12.

An interesting fact is that people working in the hotel and restaurants sector must co-operate, but on the other hand they perform their work in isolation. Of course this is not true for all employees. It depends on the department in which they work. Chambermaids and cooks will have little to do with each other, whereas cooks and wait staff need a special form of “team work” to fulfil their tasks. But as Langer points out especially these two occupational groups have many conflicts (Langer 1984:76). Or the other way round: This form of co-operation causes conflicts.

Another characteristic of sector 55 is that work relations are highly structured by hierarchies especially in big companies (Langer 1984:83). In addition to the management level, kitchen and service have many divisions: *maîtres d’hotel*, chief cooks, chef de service, young cooks, chef de rangs, *commis de rangs* and washers. But also chambermaids are subordinate to governesses. Small restaurants, hotels and catering businesses are also structured hierarchically, even though there are not as many levels as in big companies. Employees are confronted with owners of the businesses what makes the situation not always better, and maybe even worse.

Relations among employees are thought to be better in small businesses than in big ones. A logical explanation is that there is the possibility for career in big companies. Thus, there is more competition and therefore more envy and mobbing.<sup>26</sup> The representative of the trade union contributes another argument. According to him, there is no friendship within departments, but across departments. That could confirm the competitive situation. He also points out that manners are getting worse and worse.

For wait staff, division of territories is also important. The areas that are highly frequented, have more turnover and thus more tips can be made from them. This also causes envy and has a negative impact on relations between colleagues and working atmosphere (Steinhardt 1992:63).

It is remarkable that a survey (Zellmann 2001:13) found out that 90% of people answered that good working atmosphere motivates them most. The same survey shows that 81% are motivated by appreciation of guests. Steinhardt provides an explanation for this phenomenon. Because of long working hours and little leisure time, especially wait staff has little contact with other people than their clients. Contact with guests offers the possibility to have social relations. Nevertheless this relation is characterized by servitude. In addition, this contact is limited in time. Steinhardt concludes that social isolation is not diminished, but perpetuated (Steinhardt 1991:67f).

Published literature across time periods refers to sexual harassment of women (e.g. Langer 1984:85, Arbeitsgruppe 1987: 18, Steinhardt 1991:68). It is worth mentioning that not only guests, but also bosses and colleagues harass women sexually. But this also means that the management might not take complaints seriously. The representative of the trade union partly confirms that. He believes that sexual harassment happens all the time. But he is of the opinion that it is not guests, but colleagues and the management. A special risk group are female apprentices, especially when they have to live on the business premises.

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<sup>26</sup> Interview with a representative of the health and safety branch.

Also friendliness is mentioned in all surveys and by some interviewees.<sup>27</sup> Employees who have contact with clients have to be friendly independent of personal feeling. No matter if guests sexually harass women, if they complain about something or if they are simply not in a friendly mood. Friendly behaviour is expected from employees. And tips and turnover, are also dependent on friendliness.

The union representative mentions that all employees are exposed to discrimination either by the way people talk with each other or talk about them when they are not there. A special risk group are Moslems. Their eating behaviours and religious customs for example are not taken seriously.

- Trends/changes

See general

- Risk groups: which ones and why

See general

Neither interviewees nor the literature talks about older employees being discriminated against. The reason can be found in the numbers of workers leaving the sector at a young age.

### **General description of the work organisation**

Work organization can be best characterized by working under time pressure and unbalanced workloads. Sector 55 is determined by these two factors. Additionally, employees have no control over their work, but are controlled by employers or by management. In addition, employees, like wait staff, receptionists, and also owners of businesses find continuous customer contact an occupational burden.

Further education and training seems to be a very interesting factor in sector 55. On the one hand, employers as well as employees are interested in further training, but on the other hand there is no time, no possibility for career and the costs of training is too high.

One of the most important aspects in the hotel and restaurants sector is internal business structure. "For the love of the occupation" is the most desirable qualification employees should possess. This results in high identification with the job, in professional honour and in importance of ones own high qualification. These demands arise from the social structure of especially smaller businesses: they can be seen as families. "*Social relations are not those of offices, but those of a family, sometimes of a big family and a family with many problems*" (Zilian 1990:59, own translation). Families who praise for good work and high motivation and conversely punish people who do things wrong and at the very least are "not the right person for this job". It is worth mentioning that this is not only a behaviour of employers, but also of colleagues. As a workplace has to be seen as a family, it is more important than anything else, including ones own needs. People are asked to make sacrifices easily, e.g. long working hours or working around the clock. If they do not, punishment is the

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<sup>27</sup> Interview with a representative of the Chamber of Commerce and the health and safety branch.

result. This is intensified by the fact that in seasonal workplaces, people often have their accommodation at the same location (Zilian 1990: 59ff).

### 3.3. Working time

Table 3.12: Standard working hours per week according to occupational categories

Standard working hours per week according to occupational categories*	Sector						National	
	Hotel keepers, restaurant owners and related managerial occupations		Occupations in hotels and restaurants of different kind		Cooks and Kitchen help			
	N (x1000)	%	N (x1000)	%	N (x1000)	%	N (x1000)	%
1-11	0.3	0.80	2.7	2.92	1.1	1.56	70.7	1.91
12-24	0.6	1.60	11.3	12.20	6.0	8.53	307.6	8.32
25-35	1.2	3.20	9.1	9.83	6.0	8.53	259.3	7.01
36-40	13.4	35.73	61.2	66.09	49.9	70.98	2,612.7	70.68
41-59	5.9	15.73	6.1	6.59	5.2	7.40	244.7	6.62
60+	16.0	42.67	2.2	2.38	2.6	3.70	201.7	5.46
Number of employees	37.5		92.6		70.3		3,696.6	

Source: Statistik Austria: Arbeitskräfteerhebung 2000/01, March 2001.

Table 3.13.A: Average standard working hours per week

Average standard working hours per week	Sector hours	National hours
Total	37.2	37.3
Women	35.4	34.0
Men	40.8	39.7

Source: Statistik Austria: Mikrozensus Jahresergebnisse 2000, year 2000.

Table 3.13.B: Completed working hours per week on average

Completed working hours per week on average	Sector hours	National hours
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Total	38.8	37.1
Women	35.9	33.0
Men	43.6	40.0

Source: Statistik Austria: Mikrozensus Jahresergebnisse 2000, year 2000.

**Table 3.13.C: Regular weekly overtime per employed person**

Regular weekly overtime per employed person	Sector		National (N x 1000)	
	N (x 1000)	%	N (x 1000)	%
1-2	5.1	3.2	98.9	3.09
3-5	17.1	10.74	385.8	12.05
6-10	18.6	11.68	314.2	9.82
11-15	7.2	4.52	121.2	3.79
More than 15	8.8	5.53	122.9	3.84
None	102.4	64.32	2,157.5	67.41
Number of person employed	159.2		3,200.5	

Source: Statistik Austria: Arbeitskräfteerhebung 2000/01, March 2001.

**Table 3.13.D: Regular weekly overtime per employed person according to occupational categories**

Regular weekly overtime per employed person according to occupational categories	Occupations in hotels and restaurants of different kind		Cooks and kitchen help	
	N (x 1000)	%	N (x 1000)	%
1-2 hours	2.2	2.48	1.9	2.79
3-5 hours	12.0	13.54	5.1	7.49
6-10 hours	10.7	12.08	7.2	10.57
11-15 hours	2.6	2.93	3.2	4.70
More than 15 hours	4.6	5.19	3.5	5.14
None	56.4	63.66	47.1	69.16
Total number of person employed	88.6		68.1	

Source: Statistik Austria: Arbeitskräfteerhebung 2000/01, March 2001.

Table 3.14.A: Non-standard working hours/working patterns: Shift work

	Number of employed persons	Shift work					
		Often		Seasonal		Sometimes	
Sector		N (x1000)	%	N (x1000)	%	N (x1000)	%
Total	159.2	38.5	24.2	3.2	2.0	9.0	5.7
Women	107.4	25.5	23.8	2.4	2.2	6.0	5.6
Men	51.8	13.0	25.1	0.8	1.5	3.0	5.8
<b>National</b>							
Total	3,200.5	527.8	16.5	12.1	0.4	79.7	2.5
Women	1,433.6	209.1	14.6	4.1	0.3	31.2	2.2
Men	1,767.0	318.8	18.0	8.0	0.5	48.4	2.7

Source: Statistik Austria: Arbeitskräfteerhebung 2000/01, March 2001.

Table 3.14.B: Evening-, night- and weekend shifts\*

	Number of employed person	Evening shift 8 pm – 10 pm			Night shift 10 pm – 6 am			Saturday Shift			Sunday Shift		
		%											
	N (x1000)	1	2	3	1	2	3	1	2	3	1	2	3
<b>Sector</b>													
Total	198.9	41.4	3.4	16.3	21.6	1.9	16.0	57.1	4.6	18.8	46.3	4.6	15.0
Women	127	33.0	3.7	17.1	14.0	1.3	15.7	52.8	5.2	19.6	41.3	4.9	15.0
Men	71.9	56.2	2.9	14.7	35.2	2.9	16.5	64.9	3.6	17.4	55.2	3.9	15.0
<b>National</b>													
Total	3696.6	16.3	1.0	17.6	9.9	0.5	10.4	26.5	1.2	22.4	15.5	0.9	12.9
Women	1634	12.8	0.7	14.1	6.6	0.3	7.3	29.8	1.0	18.2	15.6	0.8	10.1
Men	2062.7	19.1	1.2	20.4	12.6	0.8	12.8	23.9	1.3	25.8	15.4	0.9	15.2

Source: Statistik Austria: Arbeitskräfteerhebung 2000/01, March 2001.

1: Often, 2: Seasonal, 3: Sometimes

Remarks/discussion:

\* This statistic is according to LFC with regards to the threshold is 1 hour.

- general

Most cooks and kitchen help and people working in occupations in hotels and restaurants of different kind work between 36 and 40 hours a week. Around 10% of them work more than 36 hours per week. These figures correspond to national weekly working hours. The situation is different for hotelkeepers, restaurant owners and people working in related managerial occupations. More than 40% of them work more than 60 hours a week and another 50% work between 36 and 59 hours a week.

In Austria, Statistik Austria ascertains standard weekly working hours and completed working hours. The former are working hours, which are fixed in law, sector level collective agreements and contracts. The latter are the working hours, which are actually completed in a week. The self-employed are asked to fill in the working hours of the last 4 weeks before the interview. As table 3.13.A and 3.13.B show working hours that are really completed in sector 55 are higher than stated in the contracts. Men especially work more hours a week than are agreed upon in their contracts. Looking at all sectors it can be seen that working hours stated in the contracts and completed working hours correspond with each other.

The majority of employees in sector 55 do not work overtime. Those who do work overtime completed mostly 3 to 10 hours per week. Twenty percent experience overtime as occupational burden. Compared to national data, the situation in sector 55 is quite similar. Looking at categories with more than 6 hours overtime, national and sectoral data differ from each other. The percentage of people working in sector 55 who have more than 6 hours overtime a week is always higher than that of all Austrian sectors. With regard to occupational categories, more people working in occupations in hotels and restaurants (other than cooks and kitchen help) work between 3 to 10 hours overtime. But more cooks and kitchen help work overtime exceeding 10 hours a week.

Looking at all this data one might get the impression that working hours in hotel and restaurants are more or less the same as in all Austrian sectors.<sup>28</sup> But this impression is incorrect. This is also confirmed by literature (Langer 1984:87ff, Steinhardt 1991:64f, Knoll 1992:34, Papouschek et al. 1997:151f) and information provided by interviewees. The explanation for this problematic impression can be found in the time period to which the data applies. It always concerns the month of March. However, March is the last month of the winter season and working hours are already reduced by that time. Thus, we can assume that people working in hotels and restaurants work more hours during the season than is stated in that tables.

The following quotation can shed some light onto the real situation:

*“On average we (washers) work 60 hours and this is still not bad. Waitresses work 70, cooks 75, and checkroom attendants 80 hours. And this is within six days. But on top are waiters. Last weekend they spend 30 hours in the restaurant.”* (interviewee, quoted in: Arbeitsgruppe 1987:9, own translation)

The falsified data preparation also concerns shift work. So the following explanations must be seen under that perspective. There is one common characteristic, if we looking at shift work,

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<sup>28</sup> Exceptions of that impression is extraordinary overtime of cooks and kitchen help.

evening or night work or work on Saturdays and Sundays<sup>29</sup>: If people employed in sector 55 work one of these shifts, they do this often. About 25% of all employees in the hotel and restaurants sector often have to work shift work, no matter the gender of the worker.

About 41% often work evening shifts and about 20% often work night shifts. The percentage of evening or night shifts is much higher for men than for women. The same is true for Saturday or Sunday shifts. Nearly 60% of all employees in sector 55 often work Saturdays and more than 45% often work Sundays. If we add the percentage of people who work sometimes in the evening, night or on weekends, nearly 60% work in the evening, nearly 40% in the night, three quarter on Saturdays and more than 60% on Sundays.

Concerning gender, the percentage of men in the hotel and restaurants sector working shifts is most times higher than that of women. But there are two exceptions. More women reported working 'sometimes' in the evening and on Saturdays.

Compared to national data, more employees in sector 55 are affected by shift work, evening and night shifts and work on Saturdays and Sundays. The only exception is people who work 'sometimes' in the evening: The figure is lower in sector 55 than in Austria. This can be put down to the fact that 20% of men in Austria sometimes work in the evening. Regarding gender, this is also the only exception if data of sector 55 and Austria is compared. Otherwise the percentage of men and that of women who work evenings, nights or weekends is always higher in sector 55 than in Austria.

Another important aspect is that people working in hotels and restaurants often have split shifts. That means that their daily working hours can be interrupted once in seasonal businesses and twice in small family businesses. Employees working split shifts will start in the morning, have a break in the afternoon and finish work at night.

In summary, the hotel and restaurants sector in contrast to other sectors is characterized by long working hours, work in the evening and night, on Saturdays and Sundays and split shifts.

- Trends/changes

There is no change in working time in sector 55. All surveys (Langer 1984:90ff, Arbeitsgruppe 1987:9, Steinhardt 1991:64f, Knoll 1992:35ff, Papouschek et al. 1997:152) report that sector 55 is characterized by long working hours, work in the evening and at night, work on Saturdays and Sundays and split shifts.

- Risk groups: which ones and why

People working in seasonal businesses, family businesses and small businesses are more likely to work extraordinarily long hours. According to gender, men are more likely to work longer and perform other kinds of shift work. Nevertheless, it should be considered that there are more women working in sector 55 than men. Thus, the same number of women is exposed to these working hours.

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<sup>29</sup> Data concerning shift work also refer to month March. So it can be assumed that the figures are much higher than in those tables.

The union representative points out that skilled employees are working between 10 and 12 hours a day, whereas the unskilled work fewer hours. Other risk groups are apprentices and waiters. The former, because there is special working hours for them which are often infringed upon and the latter, because they have to wait until all guests have gone home at night, and likely they started work early. Nevertheless, he emphasizes that all employees should be included in the risk group.

**Table 3.15: Number and percentage of employees who report to have access to working time arrangements**

Remarks/discussion:

- general

There is no data available on access to working time arrangements. But we can give you some qualitative information on working time schedules. The employer has the right to plan working hours. According to sector level collective agreement, he or she must do this one week in advance (Prock 1999:18). Thus, employees do not have access to working time arrangements. If it is possible, their wishes might be considered in businesses with good working atmosphere.

With regard to holidays, it is not a surprise that people can only go on holiday when the season is over and fewer or no guests are expected.

**3.4. Payment system and income**

**Table 3.16.A: Gross monthly income of blue and white-collar workers in Euro in the sector related to national level**

	Total sector			National		
	25%	50%	75%	25%	50%	75%
Percentage of employees earning less than						
Total	897	1,189	1,513	1,228	1,705	2,316
Women	860	1,114	1,396	961	1,342	1,837
Men	1,024	1,328	1,730	1,547	1,981	2,644

Source: Statistik Austria: Statistisches Jahrbuch für die Republik Österreich 1998, conversion from Austrian Schilling to Euro: own calculations.

**Table 3.16.B: Median gross income of blue and white-collar workers in the sector related to national level**

	Total sector	National

50% of employees earn less than ... Euro per month	Blue collar	White collar	Blue collar	White collar
Total	1,050	1,288	1,422	1,751
Women	981	1,230	1,012	1,405
Men	1,186	1,433	1,636	2,348

Source: Hauptverband der österreichischen Sozialversicherungsträger, quoted in: Arbeiterkammer: Wirtschafts- und sozialstatistisches Taschenbuch 2002, year 2000.

### Remarks/discussion:

- general

The income in the hotel and restaurants sector is much lower than the average income in Austria. This is the case for all categories in both tables. Women earn less than men, in sector 55 as well as in Austria. In sector 55, the income of blue-collar workers is less than that of white-collar workers, which also corresponds to the national data. Male white-collar workers earn the highest income and the lowest income is brought home by female blue-collar workers no matter if we are discussing sector 55 or all sectors.

The differences in income between sector 55 and Austria generally are very high. For example, the difference between the quarter of men who earn the most is around Euro 900. The smallest difference is found among women who earn the least.

A recent survey found out that nearly 90% of all employees in hotels and restaurants are not content with their income situation. The authors conclude that the other 10% can be seen as exceptions. Worth mentioning is also the fact that only 20% of wait staff feel that they make enough tips (Zellmann 2001:5).

In Austria, gross incomes are reduced by taxes and social insurance. The amount of reduction depends on the level of income. The employee can either report tips to social insurance or the social insurance fund assumes a certain amount of tips. According to the union representative, it amounts to Euro 53 for year 2002.

- Trends/changes

On the whole, the literature refers to the low income in sector 55, and it can be said that has not changed within the last two decades. (Langer 1984:106ff, Arbeitsgruppe 1987:26, Knoll 1992:42, Papouschek et al. 1997:152f).

- Risk groups: which ones and why

Chambermaids, porters and washers are the ones who can be seen as risk groups with regard to income. These professions do not need vocational training. Therefore they are employed as unskilled or semi-skilled workers who fall at the lower end of the income pyramid. Mostly women and immigrants perform those professions. That also means that the income situation is most precarious for unskilled female immigrants.

Table 3.17: Wage payment and compensation systems

Remarks/discussion:

- general<sup>30</sup>

There are two payment systems in Austria: fixed wages and guaranteed wages. A fixed wage is a fixed amount received per month. A guaranteed wage is a fixed percentage of the turnover (sales). This percentage equals 15.5% in coffeehouses and 10.5% to 15.5% in hotels and restaurants. Guaranteed wages must not be lower than a specified minimum income. Prock points out that these minimum incomes are much lower than fixed wages in other sectors (Prock 1999:37).

Employees who do not have direct contact with guests are mostly on fixed wages. But some of them, those at the top of the hierarchy, like chief cooks, maîtres d'hotel or chefs de rang, can choose between fixed and guaranteed wages.

It is worth mentioning that there is a problem with guaranteed wages. The percentages are put in a tronc. This tronc is split up either at business level or departmental level. Of course, not everybody receives the same amount. In this hierarchical system people on the top receive more money out of the tronc than people at the end of the pyramid. But the problem is that it is not always clear for employees how much turnover was made a month and thus have no ability to verify the size of their income. In addition, employees have no or little idea how much money they will earn month on month (Steinhardt 1992:62f, Prock 1999:39).

Employees get surcharges for overtime, for language competency, for unused rest periods and for night shifts.<sup>31</sup> Surcharges for night shifts and languages are fixed amounts and are different for blue and white-collar workers. Surcharge for hourly overtime equals 50% of the wage paid for an hour and the surcharge for unused rest periods is also a percentage that depends on monthly income.

Furthermore, employees working longer than five years in one business receive surcharges according to seniority. For every five years served, this surcharge is raised. For seasonal employees the sector level collective agreement provides this surcharge. Of course it applies only to seasonal workers who have worked in the same business season on season.

It is a known fact that employees in sector 55 receive tips. Nevertheless the tips differ by great amounts. First of all, there is the question of collection. Some wait staff, especially young ones or temporary workers are not always allowed to settle accounts with customers. So they are dependent on the goodwill of the wait staff with collection. In addition, there are always tables in a restaurant that are highly frequented and thus more tips can be made in that area of the establishment.

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<sup>30</sup> The following explanations refer to the collective agreement (HGPD: Kollektivvertrag für Arbeiter im Hotel- und Gastgewerbe: 13ff).

<sup>31</sup> Night shifts range from 10pm to 6 am. Employees only receive surcharges due to night shift if they are mostly working night shifts.

- Trends/changes

Literature of the last 20 years always refers to these two payment systems established in Austria. What is most striking is that the percentage of guaranteed wages did not change within the last two decades. The problem in having no control over the size of guaranteed wages, was also recognized as a serious problem (Langer 1984:107ff, Arbeitsgruppe 1987:25f, Steinhardt 1991:62f).

- Risk groups: which ones and why

People earning guaranteed wages can be seen as risk group. Although they receive a minimum income, it does not amount to much. Langer's survey from 1984 mentions risk factors for people earning guaranteed wages. He points out that turnover is dependent on weather, day of the week, the number of people taking their holiday in a tourist local, the month, the price level of tourist places and category of hotel or restaurant. Thus, employees may perform the same work, but may earn wages of different amounts (Langer 1984:107f). It can be assumed that these factors are still valid today.

In addition, apprentices, young people or temporary workers depend on tips, because their income is rather low. The reason is found in the top down distribution of tips, and with the risk groups being at the lower end of the hierarchy. Thus, the ones who already earn less also receive fewer tips.

The representative of the trade union mentioned that employees do not claim payment of surcharges due to overtime work. He is of the opinion that employees in sector 55 have a high level of identification with the employer and the business and take on a high portion of responsibility. They are also in a powerless situation. All these characteristics are responsible for not claiming surcharges, which are due to them. Though, when they leave the business and they might want to claim these surcharges, however after four months a claim for payment of surcharges expires.

### **General description and discussion of the design of the wage/payment system and the wages in the sector**

People at the lower end of the business hierarchy can be seen as risk groups. Thus, chambermaids, washers and porters, but also apprentices, commis in kitchen and service are concerned. For the most part, women, very young workers, unskilled workers and immigrants are affected by lower wages.

Important risk factors are guaranteed wages. First of all, there is no control over the size of turnover. Secondly, allocation of working areas plays an important role not only for take home wage, but also for tips. In addition, earnings are dependent on external factors like weather, month or whether the location is attractive to tourists.

### 3.5. Outcomes

**Table 3.18: Occupational accidents according to consequences**

Consequences*	Number of accidents***	
	Sector	National
All accidents	-	118,470
With work interruption**		
Fatal accidents	2	141
Number of permanent injuries**		
Commuting accidents	-	11,116
Fatal commuting accidents	-	66
Occupational accidents	4,707	107,354

\* use national definitions and please specify them at 'Remarks' under this table. Do not include commuting accidents.

Source: Allgemeine Unfallversicherungsanstalt (AUVA), unpublished, year 2001.

Remarks/discussion:

\*\* no data available

\*\*\* there is no data available regarding percentages of employees

In 2001, 4,707 occupational accidents happened in sector 55. That figure represents 4.4% of all occupational accidents in Austria. Two of these were fatal accidents. Nevertheless, the frequency of fatal accidents is much lower in the hotel and restaurants sector than in other sectors in Austria.

**Table 3.19: Professional categories with highest incidence of occupational accidents**

Remarks/discussion:

- general

There is no data available, but we can provide some qualitative information. The risk of accidents is highest for people working in the kitchen. Langer points out that 70% of all accidents happen in the kitchen (Langer 1984:73). Knoll (Knoll 1992:57) confirms this impression in the early 1990s. The representative of the health and safety branch provides the same information with regard to today's situation. Due to sharp and pointed objects in use there and hot materials, accidents are most likely to happen in the kitchen.

As Langer states, 10% of all accidents happen in hotel rooms, staircases, corridors, lifts and restaurants. Thus, chambermaids, governesses and wait staff are affected by those types of accidents.

- Trends/changes

See general

- Risk groups: which ones and why

See general

**Table 3.20: Main causes of accidents**

Five main causes of accidents*	Number of accidents***
	Sector
1. Trips, slips and falls**	1,346
2. Handheld tools	751
3. Sharp, pointed objects	729
4. Machinery in the food-processing industry	419
5. Hazardous substances	321
total 1 to 5	3,566
* use national classification on causes, like 'by falling objects', 'sharp objects', etc; give ranking if possible.	

Source: Allgemeine Unfallversicherungsanstalt (AUVA), unpublished, year 2001.

#### Remarks/discussion:

\*\* One of these persons died. Another fatal accident happened in category “cars, trucks, etc.”.

\*\*\* There is no data available regarding percentages of employees

- general

As table 3.20 shows, 75% of all accidents are caused by five sources of danger: trips, slips and falls, handheld tools, sharp, pointed objects, machinery in the food-processing industry and hazardous substances. Nearly 30% of all accidents in sector 55 are caused by trips, slips and falls. The majority of accidents (causes 2 to 4: 1,899) happen when employees are using working tools or machines. However, hazardous substances also cause nearly 10% of all accidents.

- Trends/changes

According to the representative of the health and safety branch trips, slips and fall are caused by bad shoes, substandard floors and because of extreme time pressure. Nevertheless, the first two conditions have improved today over the situation many years ago.

- Risk groups: which ones and why

This representative also argued that wet and dirty floors in the kitchen cause falls. Thus people working in the kitchen are most affected by occupational accidents. Knoll also notes, in

reference to chambermaids that not only floors, but also stairways might be dirty and cause trips, slips and falls (Knoll 1992:57).

**Table 3.21: Notified occupational diseases**

Five main diseases* and total in sector	Number of diseases**	
	Sector	National
1. Skin diseases	37	454
2. Bronchial asthma caused by bronchial allergy	6	122
3. Impairment of hearing by noise	1	425
Total (1 to 3)	44	1,001
Total (in sector/national)	44	1,219
Women	31	364
Men	13	855
* please use national definitions which you specify at 'remarks' under this table; give ranking if possible.		

Source: Allgemeine Unfallversicherungsanstalt (AUVA), year 2001.

Remarks/discussion:

\*\* There is no data available regarding percentages of employees

- general

Most notified occupational diseases in sector 55 are skin diseases (84%). Only 7 people were diagnosed with other sicknesses, either bronchial asthma or impairment of hearing.

National data also show that these three illnesses are the most frequent ones. Skin diseases are also the most observed occupational diseases in Austria. They are most common among women and thus in sectors where many women work, such as: dry cleaning, laundry, hairdresser, personal hygiene and of course hotels and restaurants (BMWA 2001:35).

In contrast to sector 55, impairment of hearing ranks on place two and bronchial asthma on place 3 in Austria. This can be put down to the fact that impairment of hearing is most common in the metal industry and the building and construction industry.

- Trends/changes

Surveys from the beginning of the 1980s and the 90s (Langer 1984:79, Steinhardt 1991:65f) already report that chambermaids were especially affected by skin diseases and allergies caused by cleaning liquids and disinfectant. Thus, there has not been a change.

- Risk groups: which ones and why

People working with cleaning liquids and disinfectant are especially affected by skin diseases. In the hotel and restaurants sector chambermaids, but also kitchen help (Fasching 1999:35) use these corrosive materials for work. As these are traditional female occupations, women work more with these materials and are thus most affected by skin diseases.

Table 3.22: Morbidity in the sector

Five main types of illness and total in sector*	Sector %		
	Hotel keepers, restaurant owners and related managerial occupations	Occupations in hotels and restaurants of different kind	Cooks, kitchen help
1. Defects of the spinal column	14.8	16.3	17.4
2. Arthrosis, Arthritis	13.2	8.8	12.8
3. Varicose veins	13.8	8.1	9.2
4. Strong headaches	3.0	6.5	7.0
5. Nervous and touchy	8.5	4.8	3.7
Number of people (N x 1.000)	34.8	62.6	54.6
* give ranking if possible			

Source: Fasching (1999): Arbeitsbedingungen in Österreich, Mikrozensus 1994.

#### Remarks/discussion:

\*\* there is no national data available

#### ▪ general

Besides the above noted diseases, people working in the hotel and restaurants sector suffer from defects of the spinal column, arthrosis and arthritis, varicose veins and strong headaches, and can be nervous and touchy. Between 15% and 17% of all occupational groups have defects of the spinal column. Hotelkeepers, restaurant owners and persons working in related managerial occupations or working in occupations of different type suffer more often from arthrosis and arthritis than cooks and kitchen help. The former occupational category more often suffers from varicose veins and nervousness. Whereas people working in the kitchen and in the other occupational categories are more likely to suffer from strong headaches.

#### ▪ Trends/changes

The above data is from 1994. However, also ten years before, varicose veins and defects of the spinal column were well-recognized illnesses in sector 55 (Langer 1984:77f). We can assume that these illnesses are still a problem for people working in the hotel and restaurants sector.

#### ▪ Risk groups: which ones and why

In addition to the above-mentioned occupational categories, specific occupational groups suffer from these illnesses. Kitchen staff, wait staff, and also chambermaids must lift heavy objects all the time, run during busy periods, and at other times stand for long periods without the opportunity to rest. All these working conditions especially influence defects of the spinal column, arthrosis and arthritis, and varicose veins.

The representative of the trade union mentioned that people sometimes begin to receive disability pension when they are not even 40 years old, and he knows of one case where an employee was diagnosed disabled at 27.

**Table 3.23.A: Diagnoses of those who receive disability pensions**

Five main causes and total of disabilities**	Number of people***					
	Sector			National		
	All	Men	Women	All	Men	Women
1. Psychiatric disorders	273	81	192	2,516	1,534	982
2. Disorders of skeleton, muscles and connective tissue	194	65	129	3,584	2,865	719
3. Cancer of breast and urogenital system	46	4	42	379	129	250
4. Endocrinopathies	39	24	15	327	262	65
5. Disorders of the nervous system	31	11	22	413	281	132
Total (1 to 5)	583	185	398	7,219	5,071	2,148
Total (in sector/national)	844	292	552	11,630	8,508	3,122

Source: Pensionsversicherungsanstalt der Arbeiter, unpublished, year 2001.

**Table 3.23.B: Development of disability pension from 1997 to 2001**

Number of people receiving disability pension**	Sector		National
	N	%	N
Year			
1997	698	7.1	9,882
1998	771	7.9	9,726
1999	788	8.1	9,672
2000	818	7.9	10,370
2001	844	7.3	11,627

Source: Pensionsversicherungsanstalt der Arbeiter, unpublished, year 2001.

Remarks/discussion:

\*\* Blue-collar workers only

\*\*\* There is no data available regarding percentages of employees

- general

One of the most interesting aspects of the sector is that most people who receive disability pension are diagnosed with psychiatric disorders. This applies to both men and women in the sector. Actually, one might expect disorders of the skeleton, muscles and connective tissue to

rank first, but it comes after psychiatric disorders. In all other sectors in Austria, however, this is not the case: Disorders of skeleton, muscles and connective tissue are the most often diagnosed disorders.

The other three conditions (cancer of breast and urogenital system, endocrinopathies and disorders of the nervous system) make up only 13% of all diagnosed disorders in the hotel and restaurants sector.

- Trends/changes

Regarding developments within the last 5 years, the number of people newly receiving disability pension has increased. This was not the case historically. Until 1999 the percentage of new cases of disability pension increased and during the following two years it has decreased.

A survey carried out 10 years ago ranks disorders of skeleton, muscles and connective tissue before cardio-vascular diseases. Neurosis and psychosis rank only third (Knoll 1992:14). Thus, the diagnoses for purposes of disability pensions have radically changed within the last 10 years.

- Risk groups: which ones and why

The representative of health and safety branch believes that stress and time pressure might lead to psychiatric disorders. Workers who have contact with clients are also affected by these types of disorders. They have to listen to customer complaints and even at times complaints that actually pertain to the work of colleagues. At the same time, they have to put on a friendly face. To make matters worse, contact with clients is not evenly distributed, but is most intense at lunchtime or in the evening.

**Table 3.24: Sickness absenteeism**

Causes of accidents *	Sector** in days
1. Trips, slips and falls	20,296
2. Sharp, pointed objects	7,084
3. Handheld tools	5,723
4. Machinery in the food-processing industry	4,273
5. Hazardous substances	3,583
Total (1 to 5)	40,959
Total (in sector)***	52,996
* please use national definitions which you specify at 'remarks' under this table. Not work-related sickness may be included	

Source: Allgemeine Unfallversicherungsanstalt (AUVA), unpublished, year 2001.

Remarks/discussion:

\*\* There are no data available on the topics you asked for

\*\*\* National total of sickness absenteeism is 1,704,517 days in year 2001

- general

The most common cause of absenteeism is due to trips, slips and falls which also are the cause of most occupational accidents. Interestingly, sharp objects cause more lost days of work than do handheld tools which rank third, but the latter is second when it comes to causes of accidents. Nearly 80% of all missed working days are covered by the five main causes of accidents.

### **Discussion and conclusion on occupational accidents, diseases, disabilities, absenteeism and costs**

People working in the kitchen have the highest risk of accidents. First of all, they work with sharp pointed objects like knives, what might result into cuts or gashes. On the other hand, they are in danger of being burnt. Washers in kitchens suffer from skin diseases due to cleaning liquids and disinfectants. That is also the case for chambermaids.

It is worth mentioning that especially workers in the kitchen, chambermaids and wait staff might fall down or slip on floors that are dirty and wet. The stress of time pressure raises that possibility.

As all employees are either moving for long periods or standing for long periods, bad postures and unergonomic working conditions result in defects of the spinal column and/or varicose veins.

The most important factor appears however to be psychological working conditions. Especially the recent past there has been a shift in diagnoses for the purposes of disability pensions. Psychiatric diseases are now the most diagnosed conditions. Enormous stress, time pressure and continuous customer contact have to be seen as reasons influencing that shift in diagnoses. Especially the pressure to be friendly in face of complaining guests should be seen as a contributing factor.

### 3.6. Access to social protection<sup>32</sup>

Table 3.25: Number and percentage of workers ensured of income when they are on sickness leave

Workers ensured of income when the are on sickness leave*	Sector		National	
	N	%	N	%
▪ self employed***				
▪ employees**	All	100	All	100
<p>* please indicate under 'remarks/discussion' if certain restrictions apply to this/different types of insurance (e.g. pay starts after x-days absent, different insurances apply for employees and self-employed)</p> <p>** please indicate if certain employee groups are <i>not</i> insured under 'remarks/discussion'</p>				

#### Remarks/discussion:

\*\*\* There is no data available

- general

All employees are entitled to pay in case of sickness, but blue-collar workers must have been worked at least two weeks. People who earn less than 301.54 Euro (2002) (earnings threshold for the marginal employed) a month are excluded from sick pay provisions. Marginal employees can insure themselves and pay the appropriate fee per month.

In Austria, sick employees get paid by employers for a specific period of time. This period depends on duration of work and is different for blue- and white-collar workers. Blue-collar workers receive continued payment between 4 to 10 weeks and white-collar workers between 6 and 12 weeks.

After that, they are entitled to sickness benefits. Sickness benefits equal 50% of gross income and are raised to 60% of gross income from the 43<sup>rd</sup> day on. In case of guaranteed wages, the income of the last three months is used as basis for calculation of benefits (HGPD: Kollektivvertrag: 21).

Payment of wages and sickness benefits are subject to both taxation and social insurance.

The self-employed must take compulsory insurance which does provide benefits in case of inability to work. If they take out additional insurance, they can receive benefits in case of stay at home or in a hospital. Sick self-employed workers have to report their inability to work within 7 days. Payments in case of sickness start the fourth day of sickness and last for maximum 26 weeks. If this maximum is used up within one year, no payments will be made for the next 12 months. Additional insurance can only be adopted once the compulsory insurance has been paid for more than 6 months.

<sup>32</sup> All explanations of social insurance systems are taken from MISSOC (2000) (employees) and <http://www.sva.or.at/sva/home.nsf> (the self-employed).

- Trends/changes

See below

- Risk groups: which ones and why

The self-employed can be considered a risk group if their days of sickness exceed 26 weeks within a year or if they have not paid for additional insurance.

Employees are always entitled to sickness benefits, but the size of benefits is a problem. As seen, people employed in sector 55 have a low income and some of them receive pay on the side. As tips are a necessary part of income, but are not reported to social insurance associations,<sup>33</sup> they are not included in calculation. Thus, sickness benefits are correspondingly rather low.

The representative of the trade union points out that before employers report employees as sick to the insurance business, the employers cancel their registration for insurance, so that they do not have to pay continued payments.

**Table 3.26: Number and percentage of workers ensured of income when they are diagnosed to be disabled for work**

Workers ensured of income when they are diagnosed to be disabled for work*	Sector		National	
	N	%	N	%
<ul style="list-style-type: none"> <li>▪ self employed***</li> <li>▪ employees**</li> </ul>	All	100	All	100
<p>* please indicate under 'remarks/discussion' if certain restrictions apply to this/different types of insurance (e.g. pay starts after x-days absent, different insurances apply for employees and self-employed)</p> <p>** please indicate if certain employee groups are not insured under 'remarks/discussion'</p>				

Remarks/discussion:

\*\*\* There is no data available

- general

In principle, disability pension is granted for all qualifying dependent employees, including family workers. People who earn less than 301.54 Euro (2002) (earnings threshold for the marginally employed) cannot qualify for a disability pension. But these workers can self-insure and thus pay the requisite amount to be covered by disability insurance.

In particular, disability pension is granted in three cases: First, if due to physical or mental condition the earning capacity of employees is reduced by more than 50%. This applies to all white-collar workers and to blue-collar workers who work in occupations they have been trained in and for which they are accredited. Additionally blue-collar workers must have worked for more than half of the previous fifteen years.

<sup>33</sup> Social insurance associations calculate a fixed amount which is rather low as part of income as basis for calculation of the size of social insurance payments.

Secondly, if due to physical or mental condition employees will no longer be able to earn at least half of their previous income when performing **any** activity. This only applies to blue-collar workers who mainly work in occupations other than the occupation for which they are trained and accredited.

Thirdly, if due to physical or mental condition blue- and white-collar workers are no longer able to earn half of the income within the activity they performed for more than half of the previous 15 years. Additionally, the condition must have existed for at least 20 weeks. This is applied to persons who are entitled to early retirement pension (women: age 55+, men: age 60+) on the ground of reduced capacity of work.

In Austria, disability pension starts the month following the contingency, the application, or after the 20 week period.

The amount of benefit depends on former income and duration of insurance. Benefits are calculated according to the average income of the best 15 years of insurance. That amount is multiplied by 1.78% for each insured year, and this result becomes the size of the disability pension. Disability benefits are subject to taxation. On average, taxation brings a reduction of benefits by about one third.

For the self-employed, pension due to inability to work depends on the amount of time that person has paid insurance. If they are younger than 50 years, they must have been insured for 60 months within the last 120 months. For each year older than 50, another 12 months are added to those 60 months. Previously insured time is however irrelevant, if inability to work is caused by an occupational accident or an occupational sickness.

Pension due to inability to work also exists in three cases. All three have in common that the self-employed can no longer work on a regular basis due to sickness, physical or mental. If they can work in another job, the condition will not be considered an inability to work. This is especially valid for self-employers who are younger than 50. Secondly, people older than 50 are considered unable to work, if they cannot perform a job equal to the one they occupied during the previous 60 months. Thirdly, people older than 57 are considered unable to work, if they cannot perform any self-employed job which is equal to the one they had for at least 120 months within the last 180 months.

Pension due to inability to work is at first granted for 2 years and can be prolonged for another 2-year period. If inability to work is permanent, disability pension can be granted for an indefinite period.

- Trends/changes

See below

- Risk groups: which ones and why

The self-employed are a risk group if they are younger than 50 and have not been insured for 60 months.

One can say that the size of income and duration of insurance within the last 15 years are relevant factors in the disability pension one receives. Considering the fact that many employees in sector 55 often change their workplace, are often unemployed, have low

incomes, do not report the size of their tips and are paid under the table, the size of the disability pension will be correspondingly low.

**Table 3.27: Number and percentage of workers ensured of income when they become unemployed**

Workers ensured of income when they become unemployed*	Sector		National	
	N	%	N	%
▪ self employed	0		0	
▪ employees**	all	100	all	100
<p>* please indicate under 'remarks/discussion' if certain restrictions apply to this/different types of insurance (e.g. pay starts after x-days absent, different insurances apply for employees and self-employed)</p> <p>** please indicate if certain employee groups are not insured under 'remarks/discussion'</p>				

Remarks/discussion:

- general

There is no unemployment benefit for the self-employed.

In principle, unemployment benefits are granted to all dependent employees. People who earn less than 301.54 Euro (2002) (earnings threshold for the marginally employed) are not covered by unemployment insurance.

In particular, employees must have worked for at least 52 weeks within the last two years to be entitled to unemployment benefit. Persons below age 25 must have been employed for 28 weeks within the last year.

People receive unemployment benefit from the first day of application except if they initiated the termination of their working contracts themselves. If they quit, they have to wait four weeks to receive benefits. Unemployment benefits are granted for a limited period of time (maximum: 20 weeks) dependent on the duration of insurance and age. This period can be extended if the unemployed worker participates in special training sessions (between 156 to 209 weeks). If the person has not found a job by this time, he or she is eligible for unemployment assistance (*Notstandshilfe*) which can be received for an unlimited period of time.

The size of unemployment benefits is dependent on when a person applies for it. If the unemployed person applies in the first half of the year, the average earnings of the year before the last complete year are the reference for its calculation. If the person applies in the second half of the year, the average earnings of the last complete calendar year are taken into account. The unemployment benefit is set at 55% of previous daily income.

If the person finds a job and becomes unemployed again, the period of employment is relevant to qualify for unemployment benefits again. If it is longer than 28 weeks, calculations for a new entitlement of unemployment benefit are made. If it is shorter than 28 weeks, the former period of unemployment will be considered interrupted and will be continued. If the period of re-employment is shorter than 28 weeks and the former period of unemployment therefore

exceeded, the person will only be eligible for unemployment assistance. Thus, his or her income is significantly less every month.

- Trends/changes

See below

- Risk groups: which ones and why

The period of employment within the last one or two years, the level of income and the length of employment in the case of more than one unemployed period are the most relevant factors when calculating unemployment benefits. The size of the unemployment benefit is also determined by the level of income, unreported tips and under the table pay. Additionally, the length of time a person has worked in the last couple of years or since the last period of unemployment also plays an important role. Thus, seasonal workers or young people whose period of work does not reach the required 28 weeks are excluded from unemployment benefits.

All people who initiate the termination of their job do not receive any benefits for one month.

- Trends/changes in access to sickness benefits, disability pension and unemployment benefits

There have been no changes in access to social benefits for employees in the hotel and restaurants sector. The literature of the last two decades (e.g. Arbeitsgruppe, 1987:26, Steinhardt 1991:62f) reports that the problem concerning the size of benefits was due to low income, illegal earnings and non-reported tips. These facts are more or less confirmed by representatives of the trade union, the Chamber of Labour and the Ministry of Economy and Labour. In addition, some interviewees believe that employees have no awareness of the consequences being not insured according to their income.

### **Discussion and conclusion on ‘access to social protection’**

In principle, all employees have access to social protection in Austria. This may be in the form of unemployment benefits, disability pension or payment in case of sickness.

The problem lies within the level of income as it is determining the size of these social benefits. People working in the hotel and restaurants sector have low incomes, have unreported income and do not report their tips to the social insurance fund, and therefore the size of these benefits will be rather low.

Another problem is caused by the length of employment. Blue-collar workers must have been working for at least two weeks to receive money in case of sickness. The previous fifteen years are relevant in case of disability pensions and the last two years are relevant for unemployment benefits. Therefore seasonal workers and especially young people who have not worked that long can be seen as risk groups. Also the marginally employed have the possibility to insure themselves for benefits in case of sickness and disability pension.

It is worth mentioning that sector 55 has a special position in the unemployment insurance system. People receive twice as many benefits as are paid as unemployment insurance

contributions. Thus, the unemployment insurance system subsidizes sector 55 to a considerable degree (Baumgartner 2002:41).

### 3.7. *Conclusions on Quality of work & employment*

Employees in the hotel and restaurants sector are most exposed to work under time pressure and unbalanced workloads on the one hand and unergonomic working conditions and lifting of heavy things on the other hand. These exposures result in specific kinds of accidents and diseases which characterize this sector: trips, slips and falls due to stress and wet and dirty floors; skin diseases due to cleaning liquids and defects of the spinal column which result from bad posture and unergonomic working conditions. These can be seen as typical conditions for workers in hotels and restaurants. What may not be left out of this list are psychiatric disorders which seem to have reached an alarming level within a short period. The continuous expected (and forced) friendliness on the one hand and stress on the other hand leads to psychological burdens employees do not seem to be able to bear.

These burdens are grave as employees are supposed to work long hours a day and also a significant amount of overtime. Employment in sector 55 is also characterised by evening and night shifts and by work on Saturdays and Sundays.

These specific working conditions are matched with low incomes or low registered incomes. Therefore size of benefits due to sickness, disability or unemployment is rather low for people working in the hotel and restaurants sector.

Considering working conditions and especially working hours, it is no wonder that employees are leaving the sector as they age. Sector 55 is characterised by a very low average age of workers. In addition, it is very difficult to combine family and work. This is also another reason why employees leave the sector: they plan to have or do already have a family.

On the other hand it is difficult to make a career in the hotel and restaurants sector. The only possibility employees have is to open-up their own business. “... *there isn't a cook or waiter who does not dream of their own restaurant or cafe; these dreams can only come true for a small minority*” (Zilian 1990:63, own translation).

At the same time, lack of time, and lack of possibilities for career and the high costs of education prevent employees from upgrading their skills, even though also employers find further education and training necessary.

## 4. STRATEGIES, POLICIES AND INSTRUMENTS TO IMPROVE THE QUALITY OF WORK & EMPLOYMENT

### 4.1. Regulations, collective bargaining and case law

Table 4.1: Specific directives/regulations on the improvement of quality of work and employment in the sector

Remarks/discussion:

Specific directives and regulations concerning the improvement of quality of work and employment in the hotel and restaurants sector were already discussed above (see table 2.17).

Interviewees mentioned some ideas and suggestions for how to improve working conditions. There were also failed ideas that are worth mentioning.

According to the representative of the Ministry, there was the attempt to establish annualised working hours so as to decrease seasonal unemployment. Politicians wanted to prolong the working seasons by recommending to the social partners that they conclude working time arrangements. The concept behind this proposal was to spread standard working time not over 13 weeks or one season, but over the entire year. This attempt failed because of different interests which exist in sector 55. In addition to employers, he argued, seasonal workers also wanted to earn high incomes in a few months and did not care for restrictions on working time. After the season ends, they are able to recover while receiving unemployment benefit. An additional reason for the failure of this recommendation was the heterogeneous combination of seasonal and non-seasonal businesses in the sector.

However, there exists an additional collective agreement that was first concluded in 2001 for the period of one year. In seasonal businesses the work contract can be prolonged by at least two weeks after the season ended. The aim of this extension of period is that employees have to compensate overtime or consume their (rest) holidays. According to the representative of the trade union the advantage for employees is that they are insured for a longer period of time and thus increase their contribution period for social insurance. The original aim of this additional collective agreement was to save on unemployment benefits. In 2002 the unemployment insurance nearly saved 9 millions Euro. Nevertheless, this amount did not come up to expectations of about 51 millions Euro. The trade union representative puts this down to the fact that employers as well as employees prefer to pay respectively get the equivalent amount paid. This additional collective agreement was again concluded in 2002 and in the meantime is unlimited.

The Ministry representative mentioned the example of moving employees between three restaurants. Employees would work in the restaurant which expected more work that day. However, this concept cannot be applied to seasonal businesses.

Another innovation in tourism is that special regions try to prolong their seasons by establishing a special event or advertising the special attractions of the region.<sup>34</sup>

The AMS (*Arbeitsmarktservice* – National Employment Office) established activities within Austria and between EU member countries which have signed employee exchange agreements. There is also an EU market for workers, which employers can peruse. The AMS pays employers two to three days of the costs of on the job training. Cooks, for example, are taught regional specialties within that period. These programs work very well in places where there is positive co-operation between employers and AMS<sup>35</sup>.

The representative of the Chamber of Commerce mentioned that there was the attempt to introduce apprenticeship for chambermaids and washers who are employed as unskilled or semi-skilled workers right now. But according to this representative, the trade union refused this proposal as they feared that qualifications will decrease in sector 55. The union representative on the other hand argued that education of apprentices would be a good idea, but is not practiced by businesses. The representative of the Ministry of Economy and Labour told us about the idea to reduce the education of apprentices from three to two years, whereas basic education should be established in the first year and specialization in the second year.

Representatives of the Chamber of Labour and the Ministry of Economy and Labour recommended that the employers' organization offer special courses for employers regarding management and especially personnel management.

The representative of the trade union is of the opinion that further education and training within businesses is necessary to improve quality of work.

The representative of the health and safety branch also discussed one innovation established by the Chamber of Commerce. Employers and labour inspectors meet regularly and discuss special issues regarding health and safety regulations. In addition, the health and safety branch participates when the Chamber of Commerce or the Chamber of Labour organize a special event.

- Trends/changes (upcoming regulation)

There is one upcoming regulation which is worth mentioning, as employees in sector 55 will especially benefit from it. It is called *Abfertigung Neu*. In Austria, in many sectors workers receive severance pay in the case they are laid off due to redundancy. Until the present time, this claim was dependent on the period of employment in a business. It had to amount to three years. As of January 1, 2003 this period of time will be reduced to one month. Thus, in particular, seasonal workers will benefit from *Abfertigung Neu* with the new regulation.<sup>36</sup> However, employers also stand to gain from *Abfertigung Neu*. Previously, they had to make a large severance payment at the time the employee left the business. Liquidity might therefore have been in danger. The new regulations provides for spreading out payments monthly and

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<sup>34</sup> Interview with a representative of the Ministry of Economy and Labour.

<sup>35</sup> Interview with a representative of the Ministry of Economy and Labour.

<sup>36</sup> Information taken from <http://www.oegb.or.at/hgpd>.

paid to a special fund. This is important for small businesses of which there are many in the hotel and restaurants sector.

**Table 4.2: Number of current collective agreements on issues of quality of work & employment**

Remarks/discussion:

- general

See table 2.20.

**Table 4.3: Specification of the quality of work & employment issues in these collective agreements**

Remarks/discussion:

- general

See table 2.21.

## 4.2. OSH Prevention policies

Table 4.4: Number of safety officers by size of establishment

Regulation: Number of employees	Number of safety officers
Safety officers:	
1-10 employees	0
11-50 employees	1
51-100 employees	2
101-300 employees	3
301-500 employees	4
501-700 employees	5
701-900 employees	6
901-1400 employees	7
Works council:	
1-4 employees	0
5-9 employees	1
10-19 employees	2
20-50 employees	3
51-100 employees	4
101-200 employees	5
for each 100 employees more, one more works council	6,.....
* please indicate under 'remarks/discussion' if certain restrictions apply to this 'self-auditing' ..... It should be emphasized that self-auditing is also applicable when the organization hires a professional organization to perform the audit	

Source: BMWA (1999): Sicherheitsvertrauensperson.  
 Wachter, Gustav (1996): Sammlung arbeitsrechtlicher Gesetze, Band 1, Arbeitsverfassungsgesetz (ArbVG).

### Remarks/discussion:

A business must have a safety officer (*Sicherheitsvertrauensperson*), if more than 10 persons are employed on a regular basis. This safety officer is one of the employees who must have been trained in occupational safety and health. He or she has to inform, advise and support employees and works councils in all questions concerning occupational safety and health. In addition, he or she has to cooperate with safety and occupational health inspectors. Another task is to advise employers on how to guarantee occupational safety and health.

As table 4.4 shows, the number of safety officers depends on the number of employees. To give you the information you requested, we can only name an approximate number and percentage of businesses who have safety officers. The reason is that table 2.3 subdivides company size into businesses with more than 9 employees. Businesses of 10 or fewer

employees do not require safety officers. So the following figures unfortunately include businesses with 10 employees. In sector 55, the number of businesses whose size is bigger than 9 employees is 4,725 (12.4%). The national figure for all sectors is 34,154 or 16.6% of all businesses.

However, the number of businesses which have safety officers is smaller than these figures. Approximately only 10% of all businesses have a safety officer in the hotel and restaurants sector and probably just over 15% of all businesses in Austria.

In contrast to safety officers, works councils are not mandatory. If there is a council, one of its tasks also affects health and safety regulations. Their duty is to supervise enforcement and carrying out of regulations concerning health and safety regulations. In doing so, they have to point out dangers and problem areas to employers and give advice on rectifying the situation.

**Table 4.5: Preventive services on health and safety and services directed at the improvement of the quality of work and employment**

Number of businesses with occupational health service contracts*	:	=..% of businesses in sector
Number of employees receiving prevention services	:all	=100% of businesses in sector (100% is national rate)
Number of occupational health services active in the sector (2000):	:	Name: 56 Technical safety services (safety inspectors) 39 Occupational health services (occupational health inspectors) - Other experts (chemists, ergonomists, and especially occupational psychologists, ...) Total 95
Type (and if available) the number of other services offered to businesses and employees in the sector for the improvement of quality of work & employment Type 1: institution of insurance Type 2: institution of inspection	:	Name: AUVA (Allgemeine Unfallversicherungsanstalt, national occupational health insurance fund) Health and safety branch (Arbeitsinspektorat), part of BMWA (Ministry of Economics and Labour)
Trends in prevention services: Health and safety branch offered 6 additional training classes for safety inspectors Changes by 1st of January 2002: The length of time prevention services must be enlisted was reduced. Occupational psychology services has been included in prevention services. Employers no longer have the duty to report if and which health and safety officers they employ.		

Source: Nachrichtendienst des ÖGB (2002): ArbeitnehmerInnenschutz-Reformgesetz.  
BMWA (2001): Die Tätigkeit der Arbeitsinspektion im Jahr 2000.

### Remarks/discussion:

\* no data and information available

All businesses in Austria must have accident prevention programs. The number of hours accident prevention services have to be carried out depends on the number of employees and types of workplace. The accident prevention period for non-office workplaces is 1.5 hours per employee per year, whereas for office environments it is 1.2 hours per employee per year.

For workplaces with night shifts, half an hour per employee per year has to be added. The total of this accident prevention time must be divided between safety inspectors (40%), occupational health inspectors (35%) and other experts (25%, especially occupational psychologists).

Employers must nominate safety and occupational health inspectors and employ them, or use the help of external inspectors or prevention service centres. The national occupational health insurance fund (AUVA) puts inspectors at employers' disposal for free. However, only businesses which are smaller than 50 employees can qualify for this service.

Safety inspectors give advice on issues concerning the safety and structure of work (e.g. business building, materials for work, place of work, dangers at work), in which prevention of accidents is a main issue. Occupational health inspectors advise employers with regard to preservation and promotion of occupational health. The focus of occupational health lies on improvement of working conditions (e.g. materials for work, rest periods, organization of work), prevention of accidents and reducing occupational burdens. Occupational psychologists tasks are focused on the organization of work and working climate.

**Table 4.6.A: Inspecting and enforcing organizations**

Involved organizations*	Type**
governmental: yes name: Health and safety branch (Arbeitsinspektorat) characteristics: Department of Ministry of Economy and Labour other: none	i/e
* if more information is relevant and easily obtainable please specify ** I= inspecting; e= enforcing; i/e= both; o= other, please specify	

Source: BMWA (2001): Die Tätigkeit der Arbeitsinspektion im Jahr 2000.

**Table 4.6.B: Activities of labour inspectors in sector 55 in 2000**

Activities	Number of Activities
Inspected businesses	4,038
Employees	30,325
Women	17,271
Men	10,610
Young people	2,444

Source: BMWA (2001): Die Tätigkeit der Arbeitsinspektion im Jahr 2000.

Table 4.7: Infringements in sector 55 in 2000

Infringements*	Number of infringements
Total	10,932
Main topics:**	
A. Technical health and safety regulations and hygiene of work - total	8,908
1. Places of work	3,527
2. Prevention services:	1,771
safety inspectors	1,050
occupational health inspectors	719
3. General regulations	1,554
safety officers	136
4. Materials for work	930
5. Electrical installations	927
B. protection regulating the employment of particular groups - total	2,024
1. Working time	836
2. Employment of young people	469
3. Protection of pregnant women and nursing mothers	266
4. Rest periods	141
5. Work of children	4

Source: BMWA (2001): Die Tätigkeit der Arbeitsinspektion im Jahr 2000.

#### Remarks/discussion:

\* The only data which is available in Austria are those on infringement of health and safety regulations. There is no data regarding warnings, claims, penalties, and so on.

\*\* Unfortunately we cannot compare data 5 years back as data preparation changed in 2000.

#### ■ general<sup>37</sup>

It is the duty of employers to enforce health and safety regulations. Labour inspectors supervise and check if employers have complied with their responsibilities. Thus, labour inspectors visit and inspect workplaces, work materials and electrical installations. Concerning accident prevention programs, labour inspectors ensure that safety and occupational health inspectors have been enlisted and if there are safety officers appointed within businesses. They also police working time, employment of children and young persons and protection of

<sup>37</sup> The following explanations are taken from BMWA (2001): Die Tätigkeit der Arbeitsinspektion im Jahre 2000.

pregnant women and nursing mothers. In addition, labour inspectors support and advise employers and employees in all questions concerning health and safety regulations.

In 2000, 4,038 businesses were inspected by labour inspectors in sector 55. These inspections covered more than 30,000 employees. As there are more women working in the hotel and restaurants sector, there were more women covered in inspections than men. The working conditions of nearly 2,500 young people were also inspected.

In case of infringements, labour inspectors give employers advice and a period within which to remedy the shortcoming two times before inspectors are allowed to initiate legal proceedings. The representative of the health and safety branch told us that minor shortcomings are not punished. Nearly 9,000 infringements concerning technical health and safety regulations and hygiene of work were determined in sector 55. "Hotels and restaurants" ranks third, after trade, and the building and construction industry. Most infringements concern the physical structure of workplaces, e.g. buildings, washing rooms, restrooms, light, and doors. Prevention services and general regulations include safety and occupational health inspectors and safety officers. Sector 55 accounted for 15% of all infringements concerning prevention services and nearly 9% concerning safety officers in Austria. There were around 930 total infringements for those categories, work materials and electrical installations.

Of all sectors, sector 55 has the highest number of infringements concerning protections regulating the employment of particular groups. Within that category, working time ranks highest as well as problems arising from rest period infringements. The union representative provided an example: employees of one business wanted labour inspectors to inspect working hours and rest periods. The employer had an official and an unofficial working time schedule and showed the former to the inspector. The labour inspector asked the employees if there was a problem with working hours, and they answered in the negative. They were afraid to admit the truth and had expected the inspector to investigate the predicament him/herself.

More than 56% of total Austrian infringements with regard to employment of young people occurred in "hotels and restaurants". Trade is the only sector where there are more infringements concerning employment of young people. This is also true for protection of pregnant women and nursing mothers. With regard to child workers, 4 infringements out of a total of 14 were in sector 55.

- Trends/changes

Previously, if labour inspectors wanted employers to accompany them when on an inspection, the employers had to accede. Since the first of January 2001, they do not need to do this anymore.

Before January 2001, labour inspectors were not allowed to announce their inspection. Now they can decide themselves whether they will do so.

Another regulation that was changed by January 2001 was that labour inspectors can give employers a chance to remedy the shortcoming a second time rather than only once before inspectors institute legal proceedings.

All these changes favour employers. The representative of the Ministry of Economy and Labour explained that the health and safety branch changed from an inspection into a service

branch, which he saw as positive. He and the representative of the health and safety branch are of the opinion that it is much better to give forewarning of inspections. First, employers who know inspectors are arriving will have time for inspectors as they will not come at an inconvenient time when things are busy. Second, employers can prepare all relevant papers for inspectors. To the question whether this procedure also gives employers the possibility to fake work schedules or instruct their employees with what to say, the representative of the health and safety branch argued that inspectors have enough experience to not be fooled.

- Risk groups: which ones and why

As pointed out above, young people, especially apprentices, children and pregnant and nursing women are special risk groups. Furthermore, even though labour inspectors might know whether papers like working time schedules are fake, they have no ability to force employers to tell the truth.

### 4.3. *Business strategies, examples of good practice*

The health and safety branch started a “kids-project” which has the goal of giving young people an understanding of health and safety regulations. Normally, labour inspectors only give talks in schools, but it happened that they started a pilot study in one tourism school. The school was interested in starting up a certificate course concerning the knowledge of health and safety regulations. For this reason the health and safety branch and the national occupational health insurance fund (AUVA) developed courses to further educate safety officers. This new course will be implemented as additional content within the field of “hotel management” in that school. The health and safety branch reports that other tourism schools are also interested in additional training programs.

At the end of 2001, the Ministry of Economy and Labour started a project which focuses on the “The Future of working life in tourism” (*Die Zukunft der Arbeitswelt im Tourismus*). The goals are to increase the attractiveness of occupations, the length of service by highly qualified workers in the sector, self-esteem and the social abilities of employers as well as employees. A team consisting of politicians, representatives of employers, unions and the Chamber of Labour, experts and representatives of public administration met several times to discuss issues like education and training, labour market and general framework. This team’s task is to work out measures and projects which should be implemented. When this report was written a final report of that project was not available (BMWA 2002a:45).

The Austrian trade union HGPD publishes a booklet every year which recommends hotels and restaurants in Austria. Selection criteria are compliance with working conditions, including labour legislation, appropriate income and social insurance, enforcement of health and safety regulations, and lastly, the presence of qualified employees (HGPD 2002).

#### **4.4. *Concluding remarks and discussion***

The hotel and restaurants sector does not have many projects underway which aim to improve working conditions. As chapter 4.1 showed, interviewed representatives from all active organizations in the sector have many ideas on what needs to be done to improve working conditions. But on the other hand, there are only a few projects in progress. In this context, the project started by the BMWA should be particularly stressed. But even though interviewees are members of organizations which are participating in that program, only one of the interviewees mentioned the project, which causes one to wonder if the project will meet with success.

Considering OSH policy, there are many positive regulations to ensure health and safety in the hotel and restaurants sector. Nevertheless, sector 55 also is witness to many infringements. Therefore enforcement of health and safety regulations and stricter control by labour inspectors needs to be continuing components of a health and safety strategy. However, recent changes in the inspection regime in favour of employers do more to undermine its effectiveness.

## 5. ISSUES AND CHALLENGES

### 5.1. Views of the employers' organizations

The Chamber of Commerce argues that the sector requires more personnel. Businesses are faced with the problem that they cannot find enough workers. People, especially those who have graduated from higher professional schools, leave the sector or move and work abroad. Therefore there is a large need for highly educated employees. Some positions in hotels are not able to be filled due to the shortage of employees. Especially managerial positions are affected by this situation.

Another important fact is that even though there may be many bankruptcies in the sector, what is forgotten is that the level of liabilities is relatively low.

The representative of the Chamber of Commerce is of the opinion that the drain of workers from the sector is caused by long working hours, work on weekends, evenings and at night, which does not allow workers to easily manage work and family life. Therefore people who plan to have family leave the sector. This also explains why there are so many young people working in the hotel and restaurants sector.

### 5.2. Views of the unions

The biggest problem emphasized by the trade union is that the sector level collective agreement is enforced. On the one hand, employers have large incentives to avoid enforcement. But on the other hand employees do not demand their rights. Employees often have a high level of identification with employers and the business due to their taking on a large portion of responsibility, and also as they are subservient and will sacrifice their own needs.

Another issue argued by trade union is the question of '*Saisoniers*'. As there are many unemployed workers looking for jobs in hotels and restaurants, there is no need for *Saisoniers*. In the view of the union, employers seek *Saisoniers* as working conditions and income are so bad that skilled employees no longer want to work in seasonal businesses. Instead of seeking out *Saisoniers*, businesses should improve working conditions, and increase pay to match levels of effort.

### 5.3. Views of the Chamber of Labour

The Chamber of Labour stresses three issues. The first one targets "the temporary character" of the sector. Even though it is accepted that specific groups try to earn additional income in the sector, like students or housewives, the goal should not be that the whole sector has a temporary character. This fact is also responsible for skilled employees leaving the sector.

Therefore there must be changes concerning working conditions and income so that they are acceptable to employees.

Secondly, the Chamber of Labour emphasizes that there is a lack of dialogue. The working atmosphere between representatives of employees and employers has worsened over the last two and a half years. On business level relations might still be good, but on the level of social partners they have been degraded.

Thirdly, stability of the sector is a focus. The Chamber of Labour representative argued that the present situation is such that as soon as there are not enough guests, prices are reduced. This has specific impacts on working conditions and income in the sector. It would be much better to make turnover by high standard than by low cost but high quantity. In addition, it would be worth rethinking the level of access to starting up a business to restrict it somewhat. Trading regulations concerning financial regulations should be changed as bankruptcies are difficult for employees as well as for employers.

#### ***5.4. Overview of points of consensus and dissent***

First of all, it is worth mentioning that all interviewees agreed on specific working conditions and developments in the sector. To provide some examples: Occupational burdens and ambient conditions are an agreed upon fact. All interviewees mention long working hours and difficulties in combining family and work. In addition, all interviewees argue that personnel turnover and unemployment especially in-between seasons are high, and that the sector is characterized by a young workforce and that skilled employees leaving the sector is a serious problem by which they are confronted.

It can be said that there is a common analysis of the situation and problems in the hotel and restaurants sector made by the representatives of the interest groups. The difference lies with the explanation of the reasons for those problems and solutions proposed to resolve them. While the employers' representatives name the difficulty of combining work and family life as reason for employees leaving the sector, trade union representative explains that same problem with reference to substandard working conditions and low incomes. There are two additional aspects to be mentioned. First of all, it has to be said that sector 55 is not a homogenous one. Concerning working conditions, it makes a difference whether we are discussing seasonal businesses, businesses which are open year-round, large hotels in cities, or small restaurants run by families.

Secondly, and even more importantly, representatives of different organizations represent different points of view. As one interviewee put it: "Disagreement is the nature of things" (representative of the trade union). This also explains why there are so many ideas, but only a few projects. Many ideas fail due to the lack of consensus.

## 6. OVERALL DISCUSSION AND CONCLUSIONS

The hotel and restaurants sector is characterized by many small businesses, mainly run by families or former employees who opened their own businesses. As tourism is a seasonal business in Austria, these businesses are mostly dependent on winter and summer seasons. The burden of the period in-between seasons must also be born, which is especially difficult for small businesses. Additionally, the equity share of the owner of the business is around 10%, which can be seen as rather low. The impact of this difficult financial situation is seen not only in the number of bankruptcies in the sector, but also on specific issues concerning income, social insurance, employment status, personnel turnover and unemployment.

As in particular the workers' representatives conceded, employers will, in order to save on contributions to social insurance and taxes, often register employees at a lower income than they really pay them. Others stressed that this only relates to the minority of employers. The consequences for employees are that their benefits in case of sickness, disability or unemployment will be very low. At the same time, it must be stressed that even official and unofficial wages or salaries together are too small compared to the time employees really work – especially in seasonal businesses. But also in businesses run throughout the year, overtime surcharges may not be paid by employers, nor always demanded by employees, at least as long as they work in the business in question.

People working in the hotels and restaurants sector have extraordinary working hours which include work in the evenings, at night and on the weekend. Employees also work split shifts; they start work in the morning, have a rest period in the afternoon and finish at night. It goes without saying that overtime is an established component of sector 55.

Considering income and working hours, it is no surprise that employees leave the sector, especially when they get older and plan to have or do have a family. Regarding these working hours, it is rather difficult to combine work and family. The fact that employees leave the sector results in some specific issues. First of all, sector 55 is characterised by low average age. Most people employed in the hotel and restaurants sector are below 35 years of age. Secondly, due to poor working conditions and low income, skilled employees move on to other sectors. But instead of changing these conditions, owners and managers of businesses employ unskilled and semi-skilled workers what also results in saved expenditures on wages. People who are already disadvantaged on the labour market, like women, especially single mothers, immigrants and *Saisoniers* are more likely to accept bad working conditions, low income and no registration or not full registration in the social insurance system. The composition of the labour market in sector 55 reflects this fact: the share of women and immigrants is high.

In this respect, it is worth mentioning that the level of education in sector 55 is low. Nearly 80% of all employees carried out an apprenticeship or completed compulsory school attendance. In addition, lack of time, lack of possibilities for career and high costs prevent employees from further education, even though employers find further education and training

necessary. At the same time, there are few possibilities for a career in the hotel and restaurants sector, which results in workers leaving the sector.

Another characteristic of sector 55 is that personnel turnover and unemployment are high. This can be connected to the fact that tourism is a seasonal business. Employees working in seasonal businesses work extraordinarily long working hours within a short period of time. Thus, they need to recover after the season has ended and do that while unemployed. It must be stressed that unemployment rates reach 30% in-between seasons. Not only seasons, but also poor working conditions and especially long working hours can be seen as responsible for high personnel turnover.

Besides long working hours, employees in the hotel and restaurants sector are most exposed to work under time pressure and unbalanced workloads on the one hand and unergonomic working conditions and lifting of heavy things on the other hand. These exposures result in specific kinds of accidents and diseases which characterize this sector: trips, slips and falls due to stress and wet and dirty floors; skin diseases due to cleaning solvents and defects of the spinal column which result from poor posture and unergonomic working conditions. These can be seen as typical ailments for workers in the hotel and restaurants sector. What should not be forgotten from this list are psychiatric diseases, which seem to be growing, and especially noticeable recently. The required continual friendliness on the part of wait staff on the one hand and stress on the other hand leads to psychological burdens employees can not bear.

Regarding OSH policies, there are many good regulations to ensure health and safety in the hotel and restaurants sector. Nevertheless, there are many infringements in sector 55. Therefore enforcement of health and safety regulations and control by labour inspectors need to be continually stressed to ensure health and safety of employees. However recent changes of the inspection regime favour employers and have undermined rather than improved its effectiveness.

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Wien



## ***LIST OF INTERVIEWEES***

Stefan Tichy  
Gewerkschaft Hotel, Gastgewerbe, Persönliche Dienste  
Hohenstaufengasse 10  
1013 Wien  
Tel. +43 1 534 44 #520

Mag. Sylvia Sarreschtehdari-Leodolter  
Kammer für Arbeiter und Angestellte Wien  
Prinz-Eugen-Straße 20-22  
1041 Wien  
Tel. +43 1 501 65 #2244

Dr. Thomas Wolf  
Wirtschaftskammer Österreich  
Wiedner Hauptstraße 63  
1040 Wien  
Tel. +43 1 501 05 #3560

Dr. Christian Operschall  
Bundesministerium für Wirtschaft und Arbeit  
Opernring  
1010 Wien  
Tel. +43 1 711 00 #6295

Dipl.-Ing. Walter Hutterer  
Arbeitsinspektorat 5. Aufsichtsbezirk  
Belvederegasse 32  
1040 Wien  
Tel. +43 1 505 17 95 #20