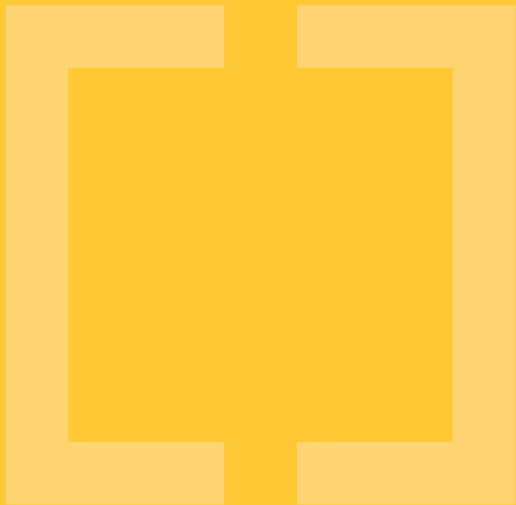


# BUAK IN BRIEF



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# ABOUT BUAK

The Construction Workers Annual Leave and Severance Pay Fund (BUAK) is a public corporation founded in 1946. BUAK is led by employer and employee representatives on an equal footing. The legal bases for its work are the Construction Workers' Holiday and Severance Pay Act [*Bauarbeiter Urlaubs- und Abfertigungsgesetz*] (BUAG) and the Construction Workers' Bad Weather Compensation Act (BSchEG).



## HEAD OFFICE AND REGIONAL OFFICES

BUAK has its head office in Vienna's 5th district, and a regional office in each of Austria's federal state capitals (except St. Pölten).

## EMPLOYEE INFORMATION (ANI)

Four times a year, the employee receives an employee information form, the ANI, on which all entitlements are listed. The ANI form serves only as an "account statement". Applications must always be submitted separately.

# 130.000

employees

# 9.000

companies



**4** employee information forms (ANI)  
each year

**11.700** construction site inspections  
each year

# 13

languages

## 505 MILLION EUROS

in assets managed in the  
Corporate Pension Insurance Fund (BVK)

## 400 consultations

in our offices each month

**500.000** leave payments each year

**400**

posting companies  
registered each month

# LEAVE

Construction workers are often not continuously employed by the same company. The leave provisions in the Act on Construction Workers' Annual Leave and Severance Pay allows them to use the leave they have earned from multiple employers.



## **LEAVE SYSTEM**

All employment periods from various construction companies are added together. The leave entitlement is then calculated on a proportional basis.

## **LEAVE ENTITLEMENT**

The number of leave days is dependent on the number of employment days reported. To receive the full leave entitlement, 52 weeks of employment (= qualifying weeks) are required.

### **Amount**

#### **Up to 1040 accumulated qualifying weeks (25 days of leave entitlement)**

*25 x number of qualifying weeks / 52 = leave entitlement*

For example, 12.2 accumulated qualifying weeks ( $25 \times 12.2 / 52$ ) = 5.9 days.

#### **1040 accumulated qualifying weeks and above (30 days leave entitlement)**

*30 x number of qualifying weeks / 52 = leave entitlement*

## **PAY-OUT OF LEAVE REMUNERATION**

BUAK will only transfer the money to an account declared by means of a bank confirmation. If the company has an escrow account, however, the employee will receive the money as a direct transfer from the company. Leave remuneration is not paid in cash.

### **Secure account**

Account information is only provided to BUAK once (and in case of any changes!), by means of a bank confirmation. The financial institution must confirm that the employee holds an account with it. This form must be submitted to BUAK.



## **AMOUNT**

Leave remuneration consists of 50% continued pay and 50% leave allowance.

## **REVERSAL OF PAYMENT**

If the account information is no longer valid, the bank will transfer the money back to BUAK. In this case, the employee must contact BUAK and provide their new bank transfer information with a bank confirmation.

## **EXPIRY**

If leave days are not used in time, they are lost on 31 March of the third year after they are earned. Due to a one-time exception, however, leave days earned in 2020 will not expire until 30 April 2023.

## **COMPENSATION AND LEAVE COMPENSATION**

If no leave is used during a period of employment, the employee can receive the money either immediately after the end of their employment as leave compensation, or six months after the end of their employment as compensation.

**Applying:** The application for leave compensation must be received by BUAK no later than the first day after the end of employment. An application for simple compensation must be submitted no earlier than 5 months after leaving the construction trade

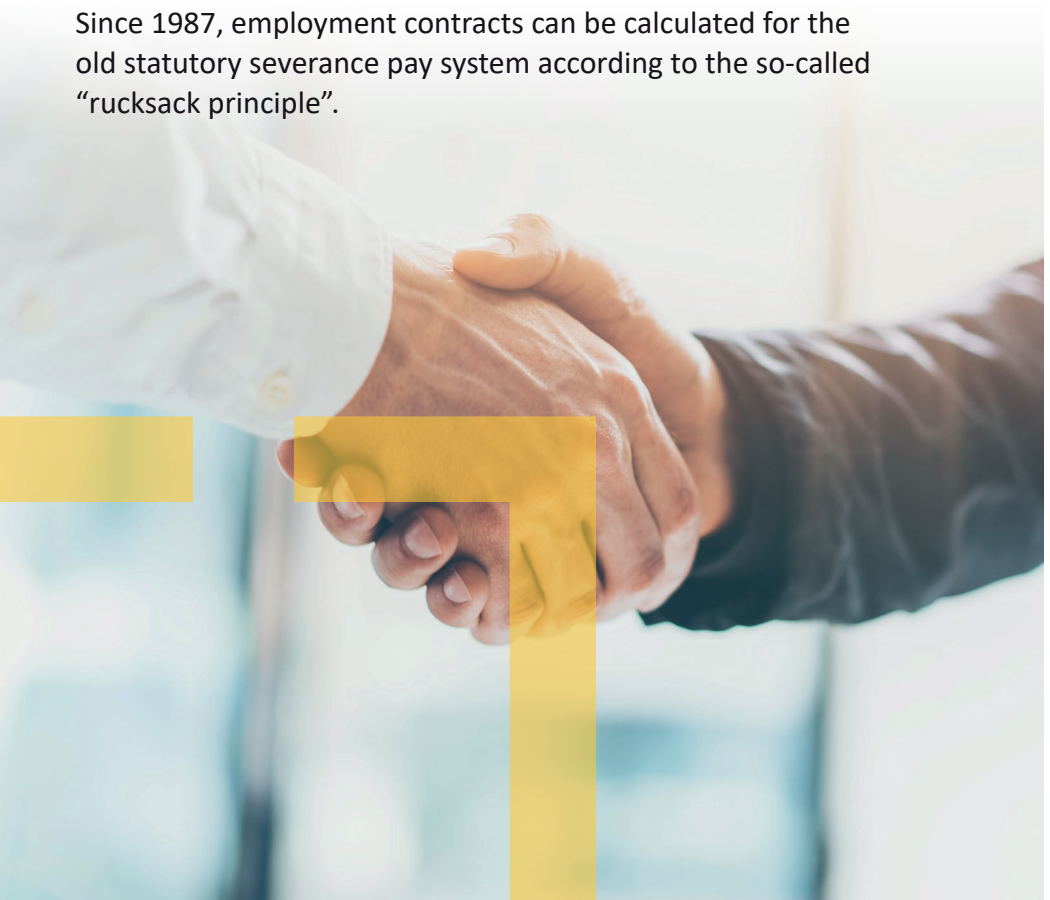
**Note:** In both cases, employees are socially insured while receiving leave compensation or a compensation payment. Unemployment benefits are suspended during this time.





# STATUTORY SEVERANCE PAY

Since 1987, employment contracts can be calculated for the old statutory severance pay system according to the so-called “rucksack principle”.



## SEVERANCE PAY SYSTEM

All employment periods from various construction companies are added together, provided that the reason for the end of the employment relationship is not one that excludes the payment of statutory severance pay (employee quits, early resignation without just cause, dismissal due to fault and mutual resolution). The statutory severance pay entitlement is then calculated on this basis.

## END DATE FOR OLD STATUTORY SEVERANCE PAY SYSTEM

The provisions of the old statutory severance pay system only apply for employees who met the requirements by 31 December 2005 at the latest. The employee information (ANI) form indicates whether the employee is subject to the old statutory severance pay system (*Abfertigung Alt*) or the new system (*Abfertigung Neu*, under the Corporate Employee and Self-Employed Pension Act).

## AMOUNT OF STATUTORY SEVERANCE PAY

<b>Weeks of employment</b>	> 156	> 260	> 520	> 780	> 1.040	> 1.300
<b>Monthly remuneration payments</b>	2	3	4	6	9	12

### **Calculating monthly remuneration**

Gross monthly remuneration equals the monthly wage + 1/12 holiday pay + 1/12 Christmas pay. 6% income tax is deducted.

## TIME OF PAYMENT

The employee can ask to receive their statutory severance pay upon retirement or 12 months after leaving the construction trade.

### **Expiry**

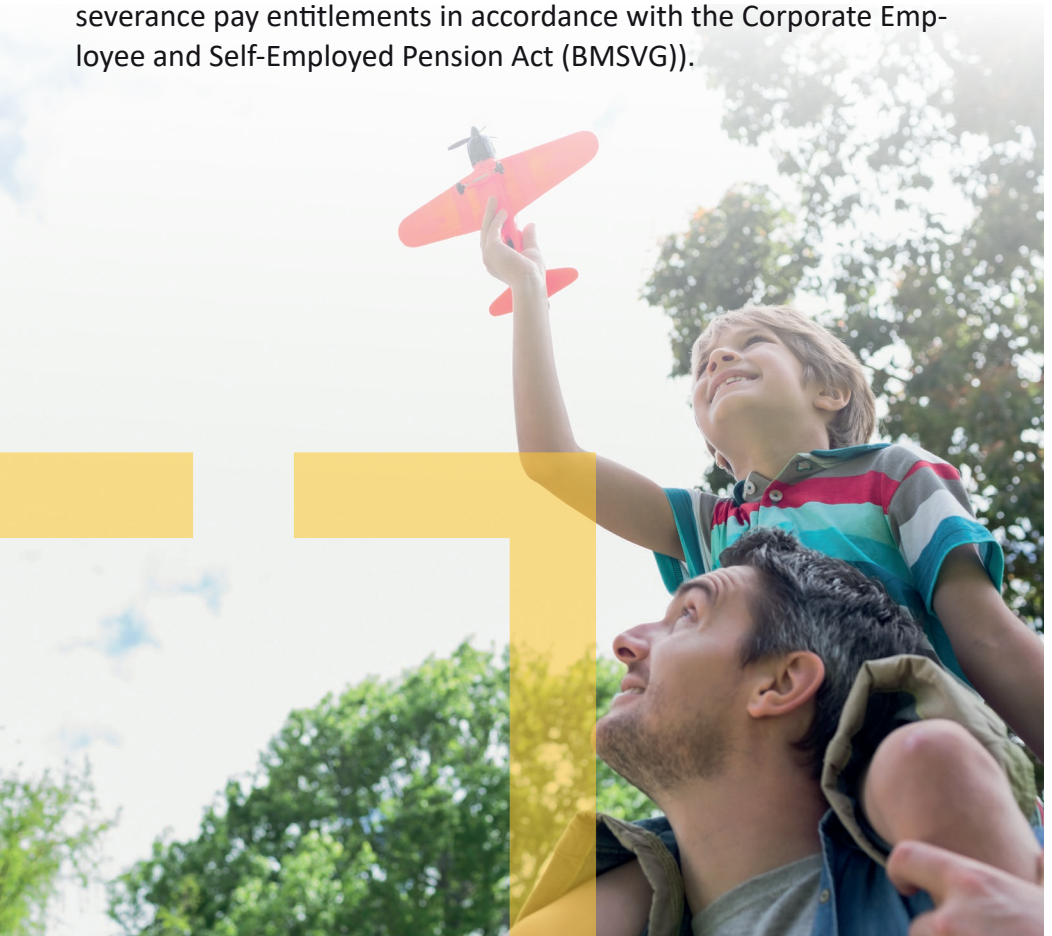
3 years after the due date (the due date is 12 months after leaving the construction trade, except for pensions).

**Example:** An employment contract ends on 15 July 2021. The statutory severance pay can be paid out no earlier than 16 July 2022, and expires on 15 July 2025.



# CORPORATE PENSION INSURANCE FUND

The BUAk Corporate Pension Insurance Fund, incorporated as BUAk Betriebliche Vorsorgekasse GesmbH, manages statutory severance pay entitlements in accordance with the Corporate Employee and Self-Employed Pension Act (BMSVG)).



## **MEMBERSHIP**

All employees working for a construction company are automatically members of the BUAK Corporate Pension Insurance Fund (BVK) if their first employment contract in the construction industry started after 31 December 2002. Workers who have already received 12 monthly remuneration payments according to the old statutory severance pay system are then covered by the new system as well. Employment contracts for employees who did not meet the entitlement requirements for the old statutory severance pay system are also subject to the BMSVG as of 1 January 2003.

### **Amount**

An amount equal to 1.53% of  $((\text{CA wage} + 20\%) \times \text{Hours per week} + 16.67\%) / 5$  per day of employment is credited to the employee's account. The BVK fund invests the contributions paid in by the companies.

## **PAYMENT ENTITLEMENT**

There must be at least three years of contributions on record in order for the statutory severance pay to be paid out. In addition, the employment relationship may not be terminated in a way that excludes the payment of statutory severance pay (employee quits, early resignation without just cause, dismissal due to fault).

## **PAYMENT OPTIONS**

- Transfer to an account
- Transfer to the corporate pension insurance fund of the new company (if not a construction company)
- Further investment in BUAK corporate pension insurance fund
- Transfer to an insurance company for supplementary pension insurance
- Transfer to a pension fund

### **Account information**

Each spring, the employee receives an account statement with their current account balance.

### **Payment**

As soon as the possibility arises to receive statutory severance pay, an application form will automatically be sent to the employee.



# BAD WEATHER

If the weather is so wet, cold, hot or windy that construction work cannot continue, workers have the option to consume bad weather hours.



## CRITERIA

The degree of cold, heat, wind, snow or wet weather is reviewed, together with the resulting effects. If the criteria are met, then bad weather hours can be taken.

## DECISION

The right to allow the use of bad weather hours lies with the employer, after consultation with the works council.

## WAGES

The employee receives 60% of their actual current wages from the company for the hours missed.

### **Cold**



-10°C with wind chill, i.e. including both temperature and wind speed. Example: -1°C with wind at 18.4 km/h (gentle wind) is equivalent to -10°.

### **Precipitation**



Moderate rain for more than 30 minutes or a brief, heavy shower count for one hour of bad weather; if there is heavy rain for more than 30 minutes, the rest of the day is counted as bad weather.

### **Heat**



Hours in which the temperature exceeds +32.5°C in the shade are regarded as bad weather hours..

### **Snow**



The depth of new snow cover is measured at 7 a.m. 5 cm of new snow leads to one hour of bad weather, at least 15 cm leads to two hours, and for 30 cm or more, the entire day is counted as bad weather. The amount of precipitation is measured each hour and/or if it snows for at least 30 minutes, this also counts as an hour of bad weather.

### **Wind**



An average hourly wind speed of at least 30 km/h (brisk breeze, small trees are moving), or a peak wind speed of at least 60 km/h (large trees are moving), count for one hour of bad weather. If there are three such hours in a row, the rest of the day is counted as bad weather.

# WINTER HOLIDAY

To improve annual employment in construction, the winter holiday provisions were defined by our social partners.





## DAYS

If the employee is not working on 24, 25, 26, 31 December, 1 January, and/or on 6 January, then they will receive winter holiday compensation for these days, except if such days are Saturdays or Sundays.

## REQUIREMENTS

The employee must have worked enough weeks (qualifying weeks) in the current calendar year for construction companies that are subject to the winter holiday provisions. The number of accumulated weeks is indicated on the employee information form (ANI).

## AMOUNT

Qualifying weeks	0–13	14–19	20–25	over 26
Compensation	0 %	50 %	75 %	100 %

### Calculation

*The employee receives  $(CA \text{ hourly wage} + 20\%) \times 1.2 / 5$  per day.*

## AUTOMATIC PAY-OUT

If the employee has accumulated enough weeks with construction companies, and if the employee has provided BUAK with secure account information, then the entitlement is paid out automatically.

If the account information has changed and BUAK has not been informed, the money will be deposited to the old account!



# BRIDGING ALLOWANCE

The bridging allowance is intended for employees who are approaching retirement, but can no longer remain at work until their eligible retirement date.



## **REQUIREMENTS**

- is unemployed upon reaching the age of 58,
- is entitled to a retirement pension (old-age, corridor or heavy-labour pension) or to a special retirement pension in accordance with Article X of the Austrian Act on Heavy Work at Night - NSchG, BGBl. No. 354/1981 following receipt of the bridging allowance,
- has acquired at least 520 weeks of employment upon reaching the age of 40 in one or several employment contract(s) subject to BUAG,
- of which at least 30 weeks of employment upon reaching the age of 56 in one or several employment contract(s) subject to BUAG

## **ENTITLEMENT**

The number of accumulated employment weeks for the bridging allowance claim is indicated on the employee information form (ANI).

### **Amount**

The monthly amount is 169.5 times the CA hourly wage. The bridging allowance will subsequently be transferred to the specified account for a maximum of 18 months.

## **APPLYING**

This application must be requested from BUAK. The application must be submitted at least two months in advance.

## **BRIDGING ALLOWANCE SETTLEMENT**

If the bridging allowance is not claimed, despite all the entitlement requirements being met, and the employee continues to work, then the employee is entitled to a settlement payment amounting to 50% of the bridging allowance to which they would otherwise be entitled. The company receives 30%. There is also entitlement to a bridging allowance – provided all requirements are met – in the event of occupational disability before the age of 58.

# POSTING PROCESS

The same provisions should apply for all construction workers employed in Austria.

## TARGET GROUP

Employees who are employed by a construction company not based in Austria, and who are working in Austria, are included in the posting process. These employees normally do not live or work in Austria, but are transferred or “posted” to Austria for construction activities.

The provisions apply from the first day of employment in Austria.

## PAY-OUT OF ENTITLEMENTS

Entitlements can either be consumed in the form of leave days, or paid out as compensation.

### **Entitlements**

Only if the company pays the required contributions to BUAK will the employee earn entitlements.



# PREVENTING WAGE AND SOCIAL DUMPING

All construction workers employed in Austria should earn equal pay for equal work.

## PAYMENT

There are regulations in place with regard to minimum remuneration. Remuneration consists of the following components:

- Basic wage: the Austrian CA wage applies
- Bonus payments
- Supplements and allowances, e.g. overtime supplement, supervision allowance, bank holiday allowance, etc.

## CONSTRUCTION SITE INSPECTIONS

At construction sites, BUAK employees check whether workers are registered with BUAK and whether they are receiving the correct remuneration.

### **Underpay**

All employment periods can be found on the employee information (ANI) form. The amount of the classification in the relevant collective agreement (CA) can also be confirmed by referring to the employee information form.

Entitlements accrue for employment periods that the company reports to BUAK, or that are identified by BUAK through its own inquiries.

The amount of the CA wage affects the amount of the entitlement.



# CONTACT

Your concerns are important to us.

## COSTUMER SERVICE

TEL +43 (0) 579 579 5000  
MAIL kundendienst@buak.at

## CORPORATE PENSION INSURANCE FUND

TEL +43 (0) 579 579 3000  
MAIL buak-bvk@buak.at

## BUAK TRAINING

TEL +43 (0) 579 579 3500  
MAIL buak-schulungen@buak.at

**BUAK contact centre information**

TEL +43 (0) 579 579 0



## Locations and opening hours

### VIENNA

Kliebergasse 1A  
1050 Wien  
betriebsbetreuung@buak.at  
Mo, Di, Do 8.00 – 15.00 Uhr  
Mi 8.00 – 18.00 Uhr  
Fr 8.00 – 12.00 Uhr

### CARINTHIA

Bahnhofstraße 24  
9010 Klagenfurt  
LK@buak.at  
Mo – Do 8.00 – 13.00 Uhr  
Fr 8.00 – 12.00 Uhr

### SALZBURG

Hans-Sachs-Gasse 5  
5020 Salzburg  
LS@buak.at  
Mo – Do 8.00 – 13.00 Uhr  
Fr 8.00 – 12.00 Uhr

### TYROL

Südtirolerplatz 14–16  
6020 Innsbruck  
LT@buak.at  
Mo – Do 8.00 – 15.00 Uhr  
Fr 8.00 – 12.00 Uhr

### BURGENLAND

Wiener Straße 7  
7000 Eisenstadt  
betriebsbetreuung@buak.at  
Mo – Do 8.00 – 13.00 Uhr  
Fr 8.00 – 12.00 Uhr

### UPPER AUSTRIA

Anastasius-Grün-Straße 26–28/1/16  
4020 Linz  
LO@buak.at  
Mo – Do 8.00 – 13.00 Uhr  
Fr 8.00 – 12.00 Uhr

### STYRIA

Mohsgasse 10  
8020 Graz  
LST@buak.at  
Mo – Do 8.00 – 15.00 Uhr  
Fr 8.00 – 12.00 Uhr

### VORARLBERG

Kaiserstraße 27  
6900 Bregenz  
LVuak.at  
Mo – Fr 8.00 – 12.00 Uhr





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