ADMINISTRATION IN AUSTRIA

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1 The Organisation of Austrian Administration

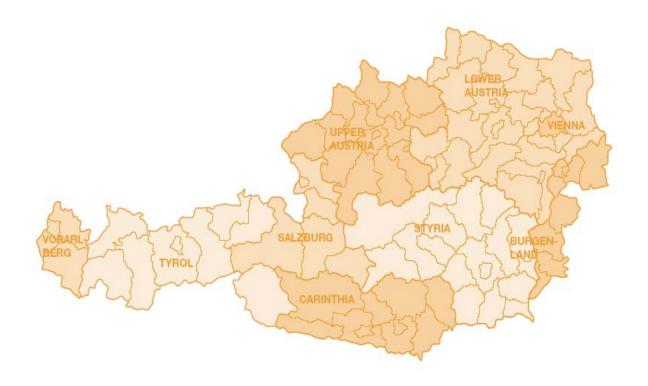
The organisational variety of the Austrian administration is derived from two principles:

- from the constitutional basic principle of the Federation
- and from the principle of local self-administration of Austrian municipalities

These two principles result to an administrative structure consisting of three levels of subdivisions each with corresponding administrative organisations:

- at central government level the Federal Government
- at federal level, the federal state administrations of the nine States of Burgenland, Carinthia, Lower Austria, Upper Austria, Salzburg, Styria, Tyrol, Vorarlberg and Vienna
- and at local self-administration the municipal administrations of 2,358
 Austrian municipalities

All over Austria there is also a network of 99 administrative districts, which are not independent territorial authorities but are rather organisationally integrated in the federal state administration (as district authorities) or within the greater city. As such, Austria can be said to have a four-tiered administrative structure throughout: Federal Government – Federal States – Districts - Municipalities



1.1 The Federal Government

1.1.1 The Department Principle

The Federal government is the largest administrative organisation in Austria. It is under the leadership of the Federal Ministers, who preside as monocratic organs of a particular department. The number of Federal Ministers and consequently of the departments is variable. State Secretaries are appointed for political support and for representation in parliament or at European level.

Other than the Federal Chancellor, who is also supported by his own department, there are currently thirteen Federal Ministers with following departments (see also page 26): Agriculture, Forestry, Environment and Water Management; Defence and Sports; Economy, Family and Youth; Education, Arts and Culture; European and International Affairs; Finance; Health; Interior; Justice; Labour, Social Affairs and Consumer Protection; Transport, Innovation and Technology; Science and Research and Women

and Public Administration (which resides in the Federal Chancellery). Currently there are four State Secretaries active in three ministries.

As a whole, the Federal Ministers make up the Federal Government. The Federal Chancellor is the chairman of the Federal Government. As heads of the Federal Chancellery, he has the same rank as all other Federal Ministers. This clearly demonstrates the prevailing distinct "department principle" of the Federal Administration.

1.1.2 Federal Ministries and subordinate agencies

A Federal Minister's department consists of a Federal Ministry (also called Central Offices), where strategic decisions such as draft bills are prepared, and the subordinate agencies. The latter is a collective name for all kinds of organisational establishments. In this way, finance offices are subordinate agencies just as police inspectorates or even individual schools are.

The size of individual departments varies greatly as a consequence. Traditionally, large departments are the ones concerned with education and security agendas. In particular, the dimensions are as follows:

Staff size of federal departments (2009)

Department	Staff
Federal Chancellery *	1.009
Agriculture, Forestry, Environment and Water Management	2.635
Defence and Sports	23.449
Economy, Family and Youth	2.416
Education, Arts and Culture	43.851
European and International Affairs	1.311
Finance	11.073
Health	377
Interior	30.908
Justice	10.941
Labour, Social Affairs and Consumer Protection	1.576
Science and Research	794
Transport, Innovation and Technologie	891
Others **	1.059
Total	132.290

^{*} The department for Women and Public Administration resides in the Federal Chancellery.

(Number of persons in full-time equivalents)

1.1.3 The structure of a ministry

The Austrian Federal Ministries (including the Federal Chancellery) are subject to standard organisational basic principles. They are divided into divisions, and for the most part have between 50 and 150 employees. The divisions are themselves divided into departments. Depending on the case, several departments can be combined into groups or areas. Subdivision of departments into sections is also possible. Additionally, Secretaries General are established in some areas as are personal offices of Federal Ministers or State Secretaries around the political leadership of a ministry. The actual structure of the organisation and distribution of responsibilities (division of tasks) is laid down by each individual Federal Minister internally. The running of the organisation occurs in all ministries through an electronic file system (ELAK), which has completely replaced the "paper file".

^{**} Here the principal institutions as the Federal President's Office, the Parliamentary Administration, the Constitutional Court, the Administrative Court, the Obudsman Board and the Court of Audit are summed up.

1.1.4 "Disincorporation" from the Federal Government

In the last decades, various legally independent establishments were founded outside of the Federal administration. This occurred through socalled "disincorporation", in which a governmental establishment was converted into a legally independent institution or a company under company law on the basis of a special law. In the course of a disincorporation process, the staff - while maintaining its rights - is also transferred to the disincorporated establishment. Also, financial funds are separated from the government budget. Financing and control relationships with the relevant Federal Ministry continue to exist, of course. The spin-off process began in 1969 with the disincorporation of the government owned Postal Savings Bank and currently includes around 100 companies and institutions following the disincorporation of the postal service, museums and employments offices, banking supervisory authorities, theatres, all universities and many other government establishments.

1.2 Federal State Administration

In contrast to the Federal Administration, the administrative apparatus of the nine Federal States are not organised according to the branch system. The state government as a leadership organ of the state administration basically acts as a committee, although many aspects are still delegated to individual members for decision. There are no separate State Ministers with or without portfolios as administrative assistance, but rather a common State Government Office. Internal affairs of the Office are led by the State Governor as chairman of the State Government (at political level) and the Head of the State Government Office (at administrative level).

Most of the 99 District Administrations are also part of the State Administration. Outside the 15 larger cities, which act as administrative districts, there are 84 District Authorities established as administrative districts throughout Austria, and which play a leading role especially in national administration. District authorities are led by one of the persons nominated as District Governor by the State Government. Furthermore, State Administrations also have subordinate agencies and numerous disincorporations from State administration have taken place. State hospitals especially have been going through a process of legal independence over the last few years.

1.3 Municipalities

From the 2,358 municipalities, only 72 towns have more than 10,000 inhabitants and about 80 % of all municipalities have less then 3,000 inhabitants. Since the size and capacity of a municipality is not considered in task setting, a distinct structure of cooperation has developed amongst Austria's municipalities. As such, many municipal associations are founded especially when concerning high investment and employment opportunities, in order to enable more efficient management. 15 of the largest Austrian cities play a very specific role among the municipalities: they are cities with their own statute. This means that on top of their municipal responsibilities, they also hold the function of administrative district.

The municipal offices are under the leadership of the Mayor, who is elected by the Municipal Council representative organ or directly by the citizens of the municipality. An office leader generally referred to as Municipal Secretary or City Office Director takes care of the administrative leadership (Chief Magistrate in cities with their own statute). Many municipal responsibilities fall under the provision of subsistence and concern the creation of educational, social, environmental and cultural infrastructure.

1.4 Public Administration tasks

The modern administrative state is long past being a simple sovereign state which administers state tasks with commands and force. The Austrian administration is more an administration of services with distinct fields of activity such as in the social, health, education and cultural areas as well as a support administration. The classic differentiation between a sovereign administration and non-sovereign administration is therefore in a context of a material analysis of tasks with continually reduced significance.

1.4.1 Task distribution

In the distribution of administration tasks to territorial authorities, the way in which the state administration acts plays a determining role. This is because the division of competencies of the Austrian constitution only applies to the state administration. Aspects observed in the legal entities outside the state administration are not subject to this strict distribution regime. It is sometimes referred to as the "private sector administration", because the State acts like a private company in this context. All non-state administration affairs can therefore be come under the jurisdiction of territorial authorities, which in practice could lead to double-tracking in the administration of services and support. The distribution of tasks within territorial authorities is something undertaken mainly by Federal Ministry law or by classification by State governments or Municipal Councils.

1.4.2 Indirect and direct administration

A special form of fulfilling tasks within the scope of the State Administration is that efficiency is the main principle of indirect administration. This means that state affairs of the state administration are basically under the jurisdiction of provincial State Administration organs — mainly district authorities; The Federal State District Authority therefore acts for the provincial Federal State as well as the central government. Instructions from the responsible Federal Minister are of course also authoritative in indirect state administration. Exceptions to this principle only exist for certain responsibilities: financial administration affairs, the security police as well as military and foreign affairs are dealt with directly by the (subordinate) state agency.

1.5 Public Administration reform

In the last few years, administrative reform has reinforced activities. Within the central administration, a strategic approach was chosen, which would initially provide for an evaluation of tasks. To this purpose, a group of experts was commissioned with examining existing administrative tasks and to scrutinize them critically (Report by the Task Reform Commission 2001). Consequently, targeted measures to optimise structure and services were proposed, based on objectives of benefiting from potential staff and budget cuts, but at the same time ensuring the quality and efficiency of administrative services.

A reform focus brings increased use of modern technologies to the advantage of citizens as well as of achieving the savings objectives. A special e-government law created the foundation for widespread e-government services. Both citizen-oriented applications such as "finance online" as a communication level for tax issues and the introduction of the

electronic file (ELAK) were prime examples of this. The website www.help.gv.at is a comprehensive portal of the public authorities, offering access to a great number of online-procedures. With the help of the citizencard, these online-procedures can be effected with a high degree of safety. In 2006 and 2007, Austria has been ranked first in EU-wide comparisons of the quality of the E-Government.

In order to optimise the administrative organisation, distinct decentralisation measures were taken. In this way, making the strict regime of budget law more flexible for operatively active organisational units (through the so-called flexi-clause) will facilitate management. Through "disincorporations" from the government administration organisation, legally independent and responsible "companies" are created, whose public services are produced more efficiently.

Starting from 2007 these efforts continued under the key words "Efficiency", "Costumer focus" and "Speed". The new Quality initiative consisted of 40 reform projects, in order to raise the quality of administrative services as well as lead to savings. E-Government-Projects, the establishment of one-stop-shops (e.g. for the life-events birth and registering a company) birth and and reorganisations contribute to the goal that the Austrian Public Administration offers the best possible service to its citizens.

Under the new federal government in December 2008, consolidation of public authorities became more important. A working group of high-ranking members analysed the efficiency of the administration and elaborated a number of projects (with the focus on One-Stop-Shop-Administration, E-Government and reengineering of support processes). The group deals with eleven work packages: pensions, staff, education, science and research, the efficient handling of subsidies, citizen orientation and deregulation, efficiency

of the administration, reform of tasks, budgetary law, health, environment and inftrastructure, and public enterprises.

2 The public Service in Austria

Administration staff – the public service – consists of the persons who are employed by an Austrian territorial authority. Fulfilling government tasks naturally has high social significance. Civil servants have the special requirement to ensure that impartiality, efficiency and abidance to laws count as the main characteristics of the public service in Austria, just as the efficiency of the administration and its freedom from corruption.

2.1 Dimensions of the public service

Quantitatively speaking there are – calculated as full time employees – a total of about 350,000 public servants in Austria. Only 38 % of public servants are employed by the Federation (Federal Service). 62 % are Federal State and Municipal employees (State and Municipal Service).

Public service employees in all territorial authorities

Federal level	133,000
Federal Province level (incl. Vienna)	141,000
Municipalities	74,000
Total	348,000

(rounded values, Federal level: 2008, in full time equivalents; Federal Provinces, municipalities: 2007; not including independent agencies and enterprises)

Around 70,000 teachers of the compulsory education system are also employed by the Federal States (State teacher), whose salaries are not paid by the relevant State but by the Federation.

2.2 Officials and contractual staff

There are two types of public employment: employment under public law as officials based on a government act and basically designates a permanent position, as well as employment under private law (contractual) as contractual employees, based on a service contract and is the similar as that of a private sector employee. In many areas though, there are no great differences between the service regulations for officials and those for contractual employees.

The status of official comes from the historical prototype of a civil servant, but nowadays more than half of all employees are contractual employees.

2.3 Structures of the public service

Detailed information on specific work, training, income and gender specific structures for the whole public service is not possible since a corresponding standard analysis is still in progress. The data provided below on the Federal Administration does provide a certain general idea.

The five ma	jor occupational	aroups in the	e Federal d	civil service (2008)
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Administration	48,000	
Teachers (Federal)	37,600	
Police	29,300	
Military	14,600	
Judges and public Prosecutors	2,500	

Middle Federal Employee gross income according to occupational groups

Judges and public Prosecutors	66,455 €
Teachers (Federal)	49,932 €
Police	45,750 €
Military	36,338 €
Administration	29,938 €

(yearly salary in Euro, income data as median values from 2008, gross yearly income according to Art. 25 Income Tax Act)

Academic – employment (2008)

Federal Administration		Private	sector
Men	Women	Men	Women
39,7 %	60,7 %	24,7 %	29,8 %

Training trainees in the various occupational groups rates very highly in the civil service, just as privileged employment of disabled persons.

2.4 The public employer

The public employers in the formal sense are the territorial authorities. The basis of public employment is formed by special service regulation laws for employment both under public law and private law and govern all relevant conditions in great detail. Both for the government service and the State and Municipal services of each Federal State, there are specific legal foundations that are independent of each other's relevant parliament

government or state legislator. This leads to numerous service regulatory systems in Austria.

Personal responsibility in the government belongs to the individual Federal Ministers. The coordination of staff management and the preparation of service regulation laws and other standards is based in the Federal Chancellery.

2.5 Personnel management and controlling

Post diagrams are the instrumental tools for personnel management in the public service. In this set of figures, which is very effective as a formal part of the yearly official budget, the highest permissible number of employees and individual institutions are assigned through the setting of permanent posts. Both new recruits and reassignments are only possible provided there is a vacant permanent post. Also, the maintenance of budgeted financial staff expenses must be ensured.

The task of personnel controlling consists of the most up-to-date observation of developments resulting in extra costs in the staff sector, in order to gain personnel relevant knowledge and to be able to take targeted measures to steer the staff. Data collected in the course of personnel controlling allow an orientation to international data and form a good basis for staff demand planning.

2.6 Social partnership in the public service

The social partnership that is decisive throughout economic and social levels is moulded in the public service itself. It is based on problem solving in partnership and ranges from yearly salary negotiations to the review of diverse relevant standards.

As trade unions of the public service part of the Austrian Trade Union Federation (ÖGB), the Union of Public Services (GÖD) has 230,000 members (inclunding the public employees and the retired employees of the Federal Administration and of the Administration of the Federal Provinces – not including Vienna) and the Union of Municipal Employees has about 150,000 members (including the independent agencies).

In each organisational area of the administration, there is a fully differentiated system of personnel representation concurrent to the "inservice" employee representation system, which has varied legal information and codetermination rights of personnel representation. The results of personnel representation elections are decisive for the political power relations within the trade unions of the public service.

2.7 Admission into the public service

Staff selection in the public service has two criteria that must be fulfilled: To guarantee objective staff recruitment and ensuring high quality. New recruits therefore usually have to go through public invitation to competitions and take corresponding suitability examinations. Only for special requirements, which can only be provided by a small number of applicants, does a full recruitment interview suffice. The strict education principle traditional in the public service is today – at least for contractual employees – much more flexible.

2.8 Careers and functions in the public service

In Austria, long and life-long careers within the public service are still very common – but leaks to private sector employment are becoming more common. For high leadership functions, not only does a public competition

take place, but a selection recommendation by an independent appraisal commission also forms the basis of the personnel selection. Top official positions in the public administration, such as the lead of a Ministerial Division, are only assigned for a maximum of five years.

In the public service, there is an express requirement to promote the careers of women. Also, international experience is valued when pursuing a career in European and international institutions.

2.9 Personnel development

The public service has established modern personnel development. The following objectives are the focus of this:

- Increasing the qualification level of all employees
- Supporting leadership and motivation
- Supporting personality development
- Improving the communicative company culture
- Promotion of health and well-being on the job

In order to implement these objectives, different measures have been applied. Other than improving and expanding education and further training, new personnel development instruments have been created, such as performance appraisal interview including the MbO, employee attitude survey, mentoring, internal "job exchanges", corporate identity measures up to modern organisation of the workplace.

In the context of Workplace Health Promotion numerous and diversified measures are taken which aim at the preservation of the physical health as well as at the psychosocial aspects of well-being on the job.

2.10 Salaries

There is a great variety of salary systems for employees of different Austrian territorial authorities. Currently, for most of the government service, there is a system with guaranteed advantages combined with job-related bonuses for well-performed functions. Further allowances or so-called "extra-pay" must take special service conditions into consideration. This salary system is based on a widespread analysis of employment in individual positions regarding their valency (job valuation).

2.11 Retirement

The pension system for federal officials with a different concept than that of the general system of retirement was standardised in 2005 in the course of the so-called "pension harmonising", so that for the first time and throughout Austria, the foundation for a standard pension system was created. The reconciliation of the retirement provisions previously under other dimensions to the general regime was carried out only for Federal State and Municipal officials.



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