

Financing adult learning database

Name of the instrument - Local language	Ausbildungskostenrückerstattung
Name of the instrument - English translation	Training costs refund
Scheme ID	12
Country	 Austria
Reporting year	2020
Type of instrument	Payback clause
Sub-type of instrument	Payback clauses are possible within set limits
Type of entry	Single instrument

Short description	Employers and employees have the possibility of establishing a payback clause within limits set by law. The employer and the employee need to agree and sign a written agreement on the payback clause prior to the training. According to the legal framework, training costs are only eligible for reimbursement by the employee if the training increases the earning power of an employee in the labour market. Firm-specific training is therefore excluded. As compensation for employer-provided/financed training, employees can commit themselves to stay in the company for an agreed period or provide compensation for the incurred training costs. According to the Labour Code, the retention period must not exceed 4 years (8 years in specific cases, e.g. very costly training, such as pilot training). Upon an employee's voluntary termination of the employment contract before the agreed period, the employer may recover (part of) the training costs from the employee. The amount to be repaid decreases over time.
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Level of operation	National
Name of a part of the country	Not applicable
Name of the region (for regional instruments)	Not applicable
Name of the sector (for sectoral instruments)	Not applicable

Relevance	Further instrument
Legal basis	§ 2d AVRAG (Arbeitsvertragsrechts-Anpassungsgesetz) (act on the adaptation of the law of labour contracts)
Objective(s) and target(s)	Not available
Year of implementation	2006
Operation/management	The employer and the employee need to agree and sign a written agreement on the payback clause prior to the training. The costs and duration of the training as well as the repayment obligation of the employee need to be agreed upon (in written form) before training takes place. The amount to be repaid decreases over time in increments. The repayment obligation comes into effect if the employee voluntarily terminates the working contract before the agreed binding period. The repayment is due also when the worker is dismissed for misbehavior. In case of consensual termination, the repayment also applies. Any payback obligation is ruled out during the probationary period. The framework for valid agreements between employers and employees is set by labour laws (national legislation) with labour courts overseeing their application. The Chamber of Commerce provides guidance on the use of the payback clause to employers.
Eligible group(s)	All employers
Group(s) with preferential treatment	No preferential treatment
Education and training eligible	According to the legal framework, training costs are only eligible for reimbursement by the employee if the training increases the earning power of an employee on the labour market. Firm-specific training is therefore excluded.
Source of financing and collection mechanism	Employer funds training, employee provides (partial) repayment of applicable training costs in case of premature departure from the company
Financing formula and allocation mechanisms	The amount to be repaid decreases over time.
Eligible costs	All training costs specified in the agreement (including, for example, travel and accommodation costs). Training costs for firm-specific training cannot be subject to a payback clause.
Volumes of funding	Not applicable
Beneficiaries/take up	Not applicable
Organisation responsible for monitoring/evaluation	Not applicable
Monitoring/evaluation reports available	Not available

Most relevant webpage - in English	Not available
Most relevant webpage - local language	https://www.jusline.at/gesetz/avrag/paragraf/2d
Recent changes	No recent amendment Recent changes in response to COVID-19 No changes
Sources	Republik Österreich (2015) § 2d AVRAG (Arbeitsvertragsrechts-Anpassungsgesetz). Wien. Online: http://www.jusline.at/2d_Ausbildungskostenre%C3%BCckersatz_AVRAG.html https://www.wko.at/Content.Node/Service/Arbeitsrecht-und-Sozialrecht/Ar... https://www.arbeiterkammer.at/beratung/arbeitundrecht/berechnung/Schulu...