



[Login](#)

EMCC

European Monitoring Centre on Change

## Austria: Staff information and consultation on business transfers

[Go to list page](#)

Austria

Phase:

Anticipation

Type: Staff information and consultation on business transfers

Last modified: 16 May, 2019

Native name: **Arbeitsvertragsrechts-Anpassungsgesetz (AVRAG)**

English name: **Employment Law Harmonisation Act (AVRAG)**

### Article

3, 3a

### Description

A business transfer as defined in the Employment Law Harmonisation Act ([AVRAG](#)) refers to the sale or lease of (parts of) the company, transfer of ownership through gift or any other form of change in the ownership, with general continuation of business activities with the previous organisational structure (including the take-over of a considerable number of employees), infrastructure and clientele. It might also be the result of a merger, joint venture or divestment. Operations that only result from the transfer of business functions (for example, splitting off of operational duties without any assets and without the transfer of more than 10% of the staff) do not qualify as 'transfer' according to the terminology of the law.

The new entrepreneur automatically becomes the employer of all staff (including apprentices and executive staff members). This means that all existing employment contracts (including fixed-term and temporary employment contracts) are maintained unchanged unless employees agree to new provisions. Changes deteriorating from the perspective of the employee affected shortly after the transfer may be declared null and void if the employee can prove that he/she was pressured into agreeing to any changes (AVRAG, §3(6)). The seller or the buyer has to inform affected staff or, if such exists, the works council in writing before realising the transfer about (AVRAG, §3a):

- the planned timing of the transfer;
- the reason for the transfer;
- the legal, economic and social consequences of the transfer for the employees;
- planned measures for the employees.

Furthermore, the seller of the company has to inform affected employees on the potential transfer of guarantees for severance payments and/or pension entitlements. The new owner has to inform the employees about changes in applicable collective agreements, changes in work agreements and any refusal to take over occupational pension or dismissal protection.

This information can also be realised through posting information in a suitable location in the company that is easily accessible for the employees (for example, a company notice board).

If there is a works council in the company, it may make recommendations on options to alleviate or avoid potential negative effects for the employees and might cooperate in establishing a social plan for affected employees.

The employees have the right to object to the transfer if:

- the new employer refuses to acknowledge special protection against dismissal as set out in the collective agreement; or
- the new employer refuses to take over the occupational pension fund.

The employees have to raise their objection within one month. If objection is granted, the employment contract with the original employer remains in place.

### Comments

When apprentices are transferred to a new employer, either the former or new employer have to inform the apprenticeship office (*Lehrlingsstelle*) run by the Austrian Federal Economic Chamber ([WKÖ Lehrlingsstellen](#)).

**Cost covered by**

Not applicable

**Involved actors other than national government**

Works council

**Thresholds**

No, applicable in all circumstances

**Sources**

-  [Arbeitsvertragsrechts-Anpassungsgesetz \(AVRAG\) § 3](#)
-  [Arbeitsvertragsrechts-Anpassungsgesetz \(AVRAG\) § 3a](#)
-  [Wirtschaftskammer Österreich \(Austrian Federal Economic Chamber\): Information on business transfers](#)
-  [Arbeiterkammer Wien \(Chamber of Labour Vienna\) \(2015\), Broschüre Betriebsübergang \(DE\)](#)
-  [Ius Laboris \(2009\), Transfers of Undertakings Guide, Brussels](#)

Useful? Interesting? Tell us what you think. 

Eurofound welcomes feedback and updates on this regulation

Your name \*

E-mail \*

More information?

Homepage

Subject

Comment \*




Save

Preview

European Monitoring Centre on Change - EMCC

[About EMCC](#)

**European Restructuring Monitor**

-  [About the European Restructuring Monitor](#)
-  [Restructuring events database](#)
-  [Restructuring support instruments](#)

- › [Restructuring related legislation](#)
- › [Restructuring case studies](#)
- › [ERM publications](#)

[European Jobs Monitor](#)

[Labour market research](#)

[Case studies](#)

[Future of Manufacturing in Europe \(FOME\)](#)

[European Observatory on Quality of Life - EurLIFE](#)

[European Observatory of Working Life - EurWORK](#)

## Quick links

- [Legal information](#)
- [Data protection](#)
- [Environmental policy](#)
- [Cookies](#)
- [Subscriptions](#)
- [Multilingualism](#)
- [Templates for Eurofound reports](#)
- [Eurofound style guide](#)
- [Management Board extranet](#)
- [Map - how to get to Eurofound](#)
- [FAQ](#)
- [Sitemap](#)



## Contact us

Eurofound, Wyattville Road, Loughlinstown, Co. Dublin, D18 KP65, Ireland

Phone: (00) 353 1 2043100

E-Mail: [information@eurofound.europa.eu](mailto:information@eurofound.europa.eu)

Press: [media@eurofound.europa.eu](mailto:media@eurofound.europa.eu)



MEMBER OF THE NETWORK OF EU AGENCIES



EUROFOUND ACHIEVES EMAS REGISTRATION



EUROFOUND IS AN AGENCY OF THE EUROPEAN UNION



[Access to internal documents](#) | [Financial information](#) | [Archives](#) | [Information centre](#) | [RSS feeds](#)

© EUROFOUND 2023

