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POLICYBRIEF

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The Simultaneity of Self-Employment and Dependency of Live-in Carers in Austria: A Labour Relations Paradox

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SUMMARY

Austria's long-term live-in care sector relies heavily on migrant carers from Central and Eastern Europe who are formally self-employed but structurally dependent on intermediary care agencies. While self-employment offers flexibility, carers face major disadvantages such as a lack of social protection, no collective bargaining, and reliance on agencies for work, contracts, and conflict resolution. The dual role of agencies—supportive but at the same time where carers are dependent on them— and the self-employed status of the live-in carers create imbalances, leaving carers without collective interest representation. Their working conditions, shaped by 24-hour availability in private homes also create risks of potential exploitation and precarity, requiring new future pathways of better regulatory frameworks that fit the needs of the live-in carers.

INTRODUCTION & CONTEXT

Austria's long-term care (LTC) system is comprised of various forms of care including residential care, hourly home care, and live-in care, where carers live in the household of the person in need. In 2024, nearly 57,000 live-in carers (Wirtschaftskammer Österreich, 2025) supported about 5% of all individuals with formally recognised LTC needs (Rechnungshof Österreich, 2020). These are individuals with a monthly minimum of 65 hours of care needed. In Austria, almost all live-in carers are migrants, typically from Romania, Slovakia, Hungary, Croatia, Slovenia, Bulgaria, or Serbia (in cases of dual citizenship). They usually work in a circular way, where they remain and work in Austria for a minimum of two weeks, followed by the same number of weeks in their home country. Thus, the live-in care sector for LTC relies primarily on a circular form of temporary foreign workforce.

Live-in carers are formally self-employed and represented by the Austrian Chamber of Commerce (WKO). Most carers have contracts with care agencies that connect them with families seeking care. These agencies often provide draft contracts, suggest service prices, assist with administrative tasks, mediate in case of conflicts between the family and the live-in carer, and sometimes organise transport between Austria and the carers' home countries. As a result, while formally self-employed, live-in carers are also dependent on agencies. Here, we concentrate on this case of (in)dependence that foreign live-in carers experience in Austria.¹

ANALYSIS & DISCUSSION

1. Foreign live-in carers experience (in)dependence at the formal, i.e., contractual, and regulatory levels.

Following the regularization of live-in care in Austria in 2007, live-in carers are almost always self-employed. Live-in care (*Personenbetreuung*) is a free trade. While those exercising live-in care need a trading license for this specific trade, there is no requirement for a qualification certificate. Indeed, some live-in carers reportedly prefer this form of employment due to perceived flexibility in work and relative independence when it comes to starting and/or leaving a job.

However, significant drawbacks have also been reported in our interviews and reported by previous research, particularly concerning the lack of or insufficient social benefits, and the absence of labour protections, which are otherwise available to those in worker status in Austria. For instance, self-employment means that sick pay is only available after longer periods of sickness, compared to employment. Such issues become particularly apparent in cases of accidents, illness or private needs that the live-in carer needs to address, which becomes even more complicated considering that their habitual place of residence is outside of Austria.

Self-employment also means that live-in carers need to keep track of their status as entrepreneurs in Austria even though their business and chances of finding clients are largely dependent on the agencies. Thus, while live-in carers incur the risks and responsibilities of being self-employed, but

¹ As part of the JUSTMIG project, we have conducted 13 semi-structured interviews with care workers who have experiences as live-in carers in Austria and 2 stakeholders in the sector from which we draw for the elaborations we present in this policy brief.

not necessarily the advantages, for instance as expressed in the following way by one of our interviewees:

"I would say that I have none of the advantages of self-employment, but the disadvantages of self-employment such as social security and so on... I also have all the disadvantages of being employed, because of an employment arrangement [with the agency] although I am not employed [formally]" (Care worker interview no.1)

2. Self-employment means that there is no collective bargaining mechanism or social dialogue compared to employees.

Live-in carers are members of the Chamber of Commerce (WKO), where their interests are represented in the same group as the agencies that connect live-in carers to clients. From a perspective of interest representation and bargaining, this can be viewed as problematic because many agencies are better versed in regulations, language and social dialogue in Austria. Agencies are used by live-in carers to find individuals looking for live-in care, to receive support regarding contract negotiations and to communicate with care recipients as well as for help with obtaining the correct business license required as part of their self-employed status. Indeed, for most of our interviewees getting clients is the major reason for relying on agency contracts despite their self-employment status:

"An advantage for me is that when my client dies or something ... I always get a new offer, that I don't have to take care of new clients, whether I find one or not, and so on. That's the big advantage." (Care worker interview no.13)

From a bargaining perspective, agencies often provide standard contracts live-in carers can utilize when entering a contract with care recipients, including pay rates. Live-in carers encounter difficulties regarding working conditions (e.g., negotiated, and actual needs of care recipients, accommodation, food, travel). Overall, this means that live-in carers do not have formal channels of representing their interests vis-à-vis agencies who have better competencies in the regulations, language, and social dialogue institutions in Austria.

While some of the interviewees in our sample had good experiences with the agencies and were happy that their wages, working conditions, and other needs were managed by agencies, some felt that due to language difficulties, difficulties in navigating the Austrian system (e.g., labour law, welfare state) and the need to connect with those seeking carers, individual live-in carers were dependent on agencies. While this dependency can be experienced negatively, particularly concerning the wages negotiated, live-in carers also report on positive experiences with support by a 'mentor' from an agency and personal friendships with supporting staff at agencies. However, it should be noted that such positive experiences vary widely depending on the agency and the mentor that the caregiver is assigned to and lack systematic labour market protection. Therefore, in an otherwise industrial relations question, live-in carers often turn to their agency to resolve the issue.

Regarding collective action and other forms of representation of interest, live-in carers in Austria have organizations where they organize themselves outside of trade unions. One such prominent example in our case is the IG24 - *Initiative für Gerechtigkeit in der Personenbetreuung in Österreich* (Initiative for justice in live-in care in Austria), which is a self-organized association to represent the interests of live-in carers and is organized primarily by live-in carers from CEE countries. While this organization advocates for the improvement of working conditions of live-in care workers and participates as an actor in national and transnational debates, they are neither a recognized

collective bargaining organization nor, arguably, can cover the interests of live-in carers in Austria systematically, which would be needed for a sustainable and equitable social dialogue in the sector.

3. Live-in carers are vulnerable due to isolated working conditions and the fact that their workplace is also their residence even though they are self-employed.

Due to the domestic nature, the shared home and the 24-hour call duty of live-in carers, working conditions very much depend on the experience of personal relationships which are central to their work (e.g., with the care recipient, and with other informal carers of the recipient). This seems to be in stark contrast to the typical perception of working conditions of self-employed individuals, even in more precarious and non-standard forms of employment. Importantly, live-in carers rely on their clients for basic needs such as food and accommodation, and as reported by some interviewees, in cases of work in remote or countryside areas, for transportation.

Furthermore, some live-in carers also reported a certain level of lack of privacy due to their de facto work and living situation being together, and some forms of verbal abuse from the client or client's family. In such cases, live-in carers can contact their agency, other groups and institutions in Austria, or quit their place of work and current residence. Very few interviewees in our sample reported that they have considered and used any other form of formal channel of complaint or sought advice from a labour market institution other than contacting their agency.

Since care needs can demand the availability of live-in carers at short notice, some live-in carers also reported difficulty in choosing time for their breaks or being able to take their contractually defined breaks due to the demands or, sometimes, the needs of the client. This stands strongly in juxtaposition to how self-employed individuals are understood to have work hours and work time independence, which is one of the key defining aspects of such a labour market status. Therefore, such stark dependence on the client is paradoxical when considering the seemingly independent way in which entrepreneurs are viewed and regulated in law.

POLICY RECOMMENDATIONS

1. Re-assessing the Employment Status of Live-in Carers to Ensure Labor and Social Protections

In the current model of LTC, live-in carers are usually under the status of self-employed, which often leads to a lack of labour protections, including minimum wage guarantees, regulated working hours, and social contributions. Reassessing this situation is needed to reflect the actual working conditions, which can cover key social and labour rights to live-in carers.

2. Establishing Independent Representation and Collective Bargaining Mechanisms

Live-in carers currently lack independent representation, as they are grouped with agencies within the Chamber of Commerce. Creating separate representative bodies or integrating carers into existing labour unions can facilitate collective bargaining, ensuring their interests are adequately represented.

3. Enhance Oversight and Accountability of Care Agencies

Agencies play a pivotal role in connecting carers with clients and, importantly, they seem to be a key contact point for live-in carers in case of need for assistance. Therefore, implementing stricter regulations and monitoring mechanisms can ensure agencies uphold fair labour standards and do not exploit carers' dependence on them.

4. Improve Access to Social Security and Health Benefits

The self-employed status of the live-in carers often hinders their access to social security benefits, such as sickness pay and health insurance, which is further complicated by their foreign status and sometimes lack of residence in Austria. Policy reforms should aim to provide equitable access to these benefits, recognizing the essential services that foreign live-in carers provide.

5. Develop Alternative Care Models to Reduce Overreliance on Live-In Carers

Austria's LTC system heavily depends on live-in carers, a model that may not be sustainable in the long term. Investing in alternative care options, such as community-based care services and professional care homes (public and private), can diversify care provision and reduce pressure on live-in carers.

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