

SOME ASPECTS OF THE AUSTRIAN STATE ADMINISTRATION AND THE AUSTRIAN PUBLIC SERVICE

Abstract

The article gives a short overview of the Austrian public sector, its history, structure and and explains some features of its current situation.

The Austrian public administration and the Austrian public service in the sense of a modern bureaucracy developed in the 18th century. In the middle ages local magistrates on behalf of the feudal rulers existed of course, but there was no central public administration beyond some advisers of the king and the military of course. Tax collecting was not very efficient and as standing armies were very expensive, they were kept rather small and the feudal system, during which the knights and their constituency were called up in the case of a war and levied taxes on a local level, went well into the late middle age.

Key words: *Austria, bureaucracy, public sector, history, current state.*

Аңдатпа

Мақалада австриялық мемлекеттік басқару, оның тарихы, құрылымы мен оның ағымдағы дамуының кейбір ерекшеліктеріне қысқаша шолу жасалған.

18 ғасырда Австриядағы мемлекеттік басқару және мемлекеттік қызмет мәні бойынша дамитын қазіргі бюрократияға ұқсас. Феодалдық басқарушылар атынан жергілікті судьялар институты жұмыс істеген, ешқандай орталықтандырылған мемлекеттік басқару болған емес.

Тірек сөздер: *Австрия, бюрократия, мемлекеттік сектор, тарих, қазіргі мемлекет.*

Аннотация

В статье дается краткий обзор австрийского государственного управления, его истории, структуры и некоторых особенностей его текущего развития.

Государственное управление и государственная служба в Австрии в 18-м столетии представляли собой хорошо развитую современную бюрократию. Существовал институт местных судей от имени феодальных правителей, не было никакого централизованного государственного управления.

Ключевые слова: *Австрия, бюрократия, государственный сектор, история, современное государство.*

First steps toward a modern public administration in the 18th century

With the increase of centralisation of the Austrian empire (which had in the 18th century still the name „Holy Roman Empire of the German Nation“) the then ruling monarch Maria Theresia (1740-1780) introduced a number of reforms that led the foundations of one of the most refined bureaucracies of the pre-World War I time. Aim of the reforms were to create a more centralized administration thereby cutting back the competences of the different still in a way feudal structures of the vast Habsburg empire, that had been on the brink of being dismantled in the war of the “Austrian Succession”.

However the spirit of the administration changed in the 19th century from enlightened modernization during the reign of Maria Theresia to a more clerical and conservative approach, the centralization of the bureaucracy would be one of the cornerstones of the Habsburg empire until its end in 1914.

During her time, the obligation of attending a minimum of three years in school was introduced, the number of central bureaucrats was increased to a sufficient number in order to see the measures and reforms executed. The predecessor of the Diplomatic Academy of Vienna, the Oriental Academy was founded in 1754 to create a nucleus of professional foreign service officers at the consular level.

These public servants nominated by the monarch had their allegiance to the monarch, were very loyal and reliable. Salary was low, but they had recognized their service through titles and decorations and they could expect a small pension. They executed complex orders like the first detailed registering (“cataster”) of all the land in most of the provinces of the empire.

The system was further developed in the 19th century with specialized civil servants for specific branches of public services such as the railroad or the postal services whereas there was the general public servant in the ministries. The local administrations of the municipalities also became bigger of course. The principle of local-self administration of the Austrian municipalities was well guarded by them.

The bureaucracy after World War II

The bureaucratic system of the Austrian (and from 1867 the Austrian-Hungarian) Empire on a much lower scale after 1945 consisted then of a federal, a provincial and local public service. That what had remained the same as before the war were the mentioned three different tiers. Austria has left the monarchy long behind and has become a modern Republic with now nine federal provinces („Bundesländer“) instead of many more at the beginning of the 20th century. Those nine provinces are Vienna (which is both a municipality and province), Lower Austria, Upper Austria, Styria, Carinthia, Tirol, Vorarlberg, Salzburg, and Burgenland. Quite a few of them like Styria or Tyrol had existed already as independent county in the case of Tirol or an independent duchy in the case of Styria in the High Middle Age, well before they became part of the Holy Roman Empire and under Habsburg rule. This is relevant because with this long tradition of autonomy, regular initiatives to cut back on the regional administration or even change the current regional structure were almost impossible to be seen through.

Austria after World War II was occupied for 10 years by the Soviet Union, the United States, France, and the United Kingdom and divided into four parts for a decade. This meant in practice, that the public administration was also divided into four parts and the different approaches of the occupying powers were reflected in the way administration was handled and in the degree of how many small decisions had to be reported to superiors.

In fact the regional administrations did not lose their loyalty to the Republic of Austria, and in 1955, when the post-war occupation was over the territorial integrity of Austria in pre-war size was not put into question and so was the administration. Today about 38 % of the Austrian public service is federal, the remaining 62 % are local public servants or employed by the regions or municipalities (source: „The Organisation of the Austrian Administration“, published by the Federal Ministry for Women and Public Service in the Federal Chancellery Austrian Federal chancellery, Vienna, 2011). In the federal public service, the biggest groups after the central administration are teachers, police, military and public prosecutors.

Key features of the structure of today's Austria's public administration

The federal administration of Austria is organized in the federal chancellery and the federal ministries. The competences of the ministries change slightly after each election or are regrouped differently.

An important aspect of the Austrian public administration is that the regions of Austria (which are having a high degree of autonomy in certain fields, a regional parliament, a governor not appointed by the central government but elected by the regional parliaments itself) had and still have their own civil service with differences in the rank system and the salary schemes. It is interesting to note that albeit they were very attached to their region, usually they would not put their loyalty to the Republic of Austria itself into question.

At the municipal level, Austria counts more than 2000 municipalities with the respective local administration (source: „The Organisation of the Austrian Administration“, published by the Federal Ministry for Women and Public Service in the Federal Chancellery Austrian Federal chancellery, Vienna, 2011). As nearly 80 % of them have less than 3000 inhabitants, a discussion of reducing the number of municipalities started some years ago but had to cope with many municipalities having centuries of history behind them and being very committed to keeping their own municipality. In 2015, the number of municipalities in one of the nine Austrian federal provinces, Styria, are reduced in order to reflect the lower number of inhabitants in many villages. This met in part fierce critique from many of the concerned municipalities, which now are merged.

To take a specific example, the three municipalities Veitsch, Wartberg and Mitterdorf in one of Austria's valleys with heavy industry that suffered cutbacks during the last 30 years were merged into one. To avoid the debate which of the three initial municipalities would keep its name, the regional government decided to baptize the new municipality as „Sankt Barbara“: This is the name of the catholic parish of two of the three villages...

Reform of the salary system

In the federal structures, the Reform Act orientated the salary system more to the functions rather than to the pure time of service. Another major reform of the 90ties was that people hired by the

state were contractual staff and are will remain in this status. Albeit there are no great differences between the service law for civil servants and that for contractual employees, it is still an important shift away from the classical public service for in some aspects there are differences as for example in the pension scheme.

The admission into the public service works usually through application and in some cases through screening examinations.

As far as the Austrian foreign service is concerned, a standardized entrance exam was introduced after World War II to have fair competition for the highly sought after jobs as diplomats. Interestingly it remained the only Austrian ministry with such a standardized general entrance exam.

Agencies and independent institutions with public competences

First with the Postal Savings Bank in 1969, a process to transform parts of the public administration into independent institutions or companies started. The Postal Savings Bank was then in the 90ties changed into a joint stock company. The majority of its shares were later bought by another bank. These “spin-offs” took place usually on the basis of a special law. Some control of the state over those institutions remained with the state usually through a board. In the case of the Diplomatic Academy of Vienna for example, a special law in 1996 took it out of the Austrian Federal Ministry of Foreign Affairs and defined it as an independent institutions offering postgraduate education in the field of international affairs. A board was created, with the secretary general of the foreign ministry as its chairman. The other members of the board include representatives of the federal chancellery, the finance ministry, the University of Vienna, the chamber of commerce, the industry association and the Austrian regions. Today exist more than 100 companies, agencies and institutions, which were some time ago integral part of the Austrian state (source: “The Organisation of the Austrian Administration”, published by the Federal Ministry for Women and Public Service in the Federal Chancellery Austrian Federal chancellery, Vienna, 2011). Their budgets are shown differently and they have a lot more flexibility to act. In addition to that, one of the reasons to take those structures out of the state was as well to reduce the number of civil servants, subsequently replacing them through employees under the normal private law. Depending on which institution, they generate some part of their budget from resources outside through offering services or sponsorship or fees. To take again the Diplomatic Academy of Vienna as an example, now, almost 20 years later the Diplomatic Academy of Vienna is able to generate approximately two thirds of its budget from outside through tuition fees, executive courses, event management and some sponsors. Other like the Austrian Development Agency, continue with full funding by the state, but have still some advantages through their new status.

Social Partnership

The Austrian public service is highly unionized with a big part of the public employees (including the contract staff, which is the standard form of new employment) members of the unions. They are divided into three branches (federal, local, and post and telecommunication) and regular elections are held.

A special feature of the Austrian system (a kind of „system outside the system“) is the social partnership. The social partnership consists in the economic sector of a structured dialogue between the unions (the trade union federation and the chamber of labour) and the employer’s organisation (chamber of commerce and association of the industrialists) and in the public sector of a structured dialogue between the employer, the „state“ and its employees. In the economic sector the body is called the parity commission, a consultative but powerful body that brokers the wage-price agreements. Government ministers would be present, but do not play a substantial role in the negotiations.

In the public sector, it is the concerned minister responsible for the public service on the one side, and the head of the union association on the other side. Of course this kind of negotiations would take place in other countries as well, but not in this structured way. This is more than only a political culture, it has become a very useful tool to avoid strikes both in the public and private sector. It has the positive effect that Austria had fewer strike-minutes lost per worker than any major economy in the public sector.

Future prospects

What are the prospects for the future of the public administration of the Austrian public service? The basic structure (federal, federal province, municipality) will be probably remain untouched.

However, to gain efficiency and avoid oversized administrations, the public employee in a decade will be working more on-line and more multi-tasking. E-government is certainly on the rise, the website help.gv.at provides many on-line applications. Citizens in Austria now turn in their tax applications on line, “speed” and “customer focus” have become key for the support processes of the public administration, the “one-stop-shop” should serve best the business community.

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