

Making a Success of Integrating Immigrants into the Labour Market

Barbara Bohaczek

Ministry of Labour, Social Affairs and Consumer Protection

Sonja Pimperl

Federal Employment Service

1. Introduction

The structure of immigrant population in Austria primarily goes back to the 1970s and has its roots in the additional labour demand resulting from the economic growth of those years. The booming economic sectors were construction business and tourism, which is of greatest importance in Austria, but also the textile and clothing industry. The growth in Austria started later than the growth in Germany, which is why few or no workers in Western European countries such as Spain or Italy were available. The entire demand was therefore met by work force from the former Yugoslavia and later, from Turkey. At the time of Austria's accession to the EEA in the year 1994 Austria recorded the highest number of workers from non-EEA countries in the EEA. Even in the year 2000 and before the accession of the Eastern European countries, the percentage of third country immigrants in Austria was still among the highest in Europe.

From the turn of the millennium, the pattern of migrant population has become increasingly diversified in Austria. In addition to the previous countries of origin, namely former Yugoslavia and Turkey, more and more migrants have been arriving from other EU countries, and increasingly from countries outside Europe. The 30 to 34 age group shows the highest percentage of migrants. The younger to medium adult age group is dominated by first-generation migrants, i.e. persons who migrated to Austria themselves. Of the children born in Austria, every fifth child has parents born abroad, i.e. belongs to the second generation of migrants. In Austria, persons who have migrated from abroad, and their descendants, constitute a primarily urban phenomenon. Compared to rural areas, the percentage of migrants living in urban areas is nearly ten times as high. Consequently, Vienna has the by far the highest percentage of migrants from abroad including their children.

2. Overview: Situation of Migrants in Austria

Reason for migrating to Austria

Since 2000 approximately, apart from family reunification and asylum seeking, job seeking in Austria marks the third most common reason for immigration. For that reason, men come to Austria significantly more often than women. Four out of ten migrant job seekers have poor education. While overall, job-related migration has lost in importance over time, **family reunification is currently the predominant motive**, followed by the immigration of children. Women come mostly for family-related reasons, such as "marriage in Austria" and "family reunification", only few women mention job seeking in Austria as a reason for immigration. Women mostly follow the workers already living in Austria. In absolute terms, all other reasons for

immigration – asylum seeking, completing studies or education and corporate relocation to Austria – only affect a very small percentage in comparison.

Job market

Overall, 16% of the work force were born abroad. **More than a third of migrant workers are from former Yugoslavia.** The percentage of persons born abroad is highest among the workforce in the 25 to 44 age group. Some migrant workers have completed higher education; the percentage of university graduates among that group is above the Austrian average. On the other hand, the percentage of persons who only completed compulsory education is also higher among that group. Though migrants from certain regions – particularly from Germany and from Bosnia and Herzegovina – are relatively well integrated into the labour market, migrants overall are less integrated into the labour market than persons without a migration background. Differences in workforce participation by the two sexes are particularly striking among Turkish migrants. That group – and especially the second-generation migrants – is also particularly affected by unemployment. Migrants rather than Austrian born persons are encountered in lower job positions, even if they have otherwise enjoyed the same formal education. Such occupational segregation is associated with more stressful job conditions among migrants (e.g. working in shifts).

Work that fits qualifications

Generally speaking, women are slightly more often overqualified than men. This applies even more strongly to persons with a migration background than to those without. First-generation migrants are slightly more often over-qualified than those of the second generation. The reasons are not only problems with formal recognition of qualification, but often root in the labour market demand itself. Two thirds of the persons with poor knowledge of German think that better German would help them find a job matching their qualification better.

Recognition of educational qualifications

Seven out of ten migrants have completed their formal education in their country of origin. Only 18% of them have filed an application for recognition of their educational qualification that has more or less been successful. 82% have not filed a formal request for recognition of the qualifications attained abroad. In frequent cases, formal recognition of an educational qualification has not been considered as necessary for performing the current job.

Legal aspects

Migrants with citizenship other than that of the European Economic Area or Switzerland need a permit to stay in Austria. EU-8 citizens basically need work permits till May 1st 2011, according to the expiring date of the transitional arrangement in the field of free movement of workers. In fact, the possibilities for new immigrants for labour reasons are very limited. Following the principle “integration before new immigration” the legal framework offers new work and residence permits only for highly qualified immigrants such as top-managers, key workers, scientists and

researchers. These regulations for highly qualified workers are rather generous - they either do not need a work permit at all or will get one under facilitated conditions, if their contract states a certain amount of salary. One of the main targets for the regulation by work permits is to guarantee decent labour conditions **and strict equal treatment for migrant workers**. To avoid wage and social dumping, work permits for new immigrants are issued only to the employer, who has to prove that he fulfils all standards in wage and labour conditions, including social security. Besides this special regulation for new immigrants, new legislation also provides severe sanctions for employers who pay less than minimum standard. Depending on the reason for immigration and the period already spent in the country, the *residence permit* is either limited to a certain period or issued without limitation in time. Unlimited residence permits are connected with free movement on the labour market. **Overall, nine out of ten foreign workers already hold an unlimited permit and can therefore freely choose their employer.**

3. Key Issues for Discussion

How are integration programmes, language courses and tests designed in your country in order to support the labour market integration of immigrants? Are mandatory language courses and tests a good tool for labour market integration in the light of your country experience? Do you have good practice examples in this field?

Since 2003 **permanent residence in Austria** has been linked to **mandatory language courses** comprising 300 hours plus the confirmation of German language skills on A2 level of the CEFRL (*Common European Framework of Reference for Languages*) as part of the **Integration Agreement** (Integrationsvereinbarung). The main purpose of the Integration Agreement is to acquire a certain minimum command of German. The issuance or extension of the residence title (Aufenthaltstitel) requires its holder to fulfil the integration agreement within a period of five years. If someone does not manage to fulfil the Integration Agreement in time, he or she may file an application for an extension of this period with the competent authorities. The integration agreement consists of two modules. One module focuses on teaching reading and writing skills, while the second module imparts a basic knowledge of German. The aim is to enable the students to read simple texts and to make themselves understood in German. The Integration Agreement is fulfilled by

- Successfully attending a German integration course at an accredited institute (financial support of 50% of the costs for those who finish successfully within 2 years, 25% for those who finish within 3 years);
- Presenting a positive leaving certificate issued by an Austrian school;
- Officially recognised language diploma ("A2" level of the Common European Framework of Reference for Languages);
- People with a University degree fulfil the integration agreement automatically;
- Key employees (Schlüsselkraft) or special executives and their families are not subject to the above-mentioned criteria, as their qualifications are regarded as sufficient proof that they fulfil the integration agreement.

Exemptions

- Persons who do not intend to stay in Austria for more than 12 months within 2 years;
- Children up to the age of 9;
- Elderly or ill persons.

Language skills play an essential part in the process of migration. Without sufficient command of the language of the country or the region a person migrates to, chances on the labour market are quite limited and furthermore, there is hardly any possibility to actively take part in society, also in a political sense. Migrants who already do have a basic knowledge of the language certainly have a considerable advantage. In fact, pre-existing language skills as well as historical and cultural links have the greatest influence when it comes to choosing a country of destination, apart from economic considerations and existing social networks. A suitable knowledge of the German language as a prerogative for permanent settlement in Austria is a core element of the National Action Plan on Integration (NAP-Int, see below). **German language skills and professional activity** are seen as the **key elements to successful integration**. Currently Austria is considering implementing compulsory basic knowledge of German (A1) for new immigrants before entering the country, similar to the German system.

Apart from these language courses which are part of the Integration Agreement, **the Austrian Federal Employment Service (AMS)** offers a wide range of qualification courses and all types of other support focussing on labour market integration of migrants, as part of its integration policy strategy. To give a brief overview, in the year 2009 19.500 people with migration background took German language courses as a part of the **AMS Integration Campaign** (costs of over 27 million Euros). In 2010 the budget for these courses was increased by 10% (21.500 participants so far). Another example is the **AMS Skilled Workers Campaign**, which has been especially successful: between January and October 2009, 6.900 non-Austrian nationals have been qualified in special courses, 13,6 % of that with an apprenticeship diploma.

All migrants residing and working legally in Austria are entitled to the same level of support and service by the AMS as Austrian nationals. They are equal in rights on all levels of the process, including financial benefits. The data recording of a migration background is prohibited by the Austrian data protection law, which is why possibilities of precise statistical analysis of this important group is limited. The numbers stated above therefore can only refer to non-Austrian nationals, not to participants with a migration background as such.

The AMS has among its programmes a number of special **co-operations with NGOs**, such as the House of Integration or the Advisory Centre for Immigrants. These co-operations do not only involve **German classes but also a first orientation on the job market** and career choices. Young people who do not have a certificate of secondary education (positive high school degree) can get training in AMS-classes. The AMS offers vocational training in classes as well training for young unemployed searching for an apprenticeship.

Another example for one type of language course as a first step into the direction of labour market integration is the programme **"Mum learns German"** implemented by the City of Vienna. In this programme young mothers of children in kindergarten or compulsory school are offered German classes at the same institution their children visit. They can use the possibility of child care if there are younger siblings. This also has the advantage of them getting to know their

children's teachers or other parents which allows them to test their newly developed German language skills. This type of programme is however only an example for a wide range of offers targeted at labour market integration of immigrants or their children.

However, the most important factor seems to be the **continuation of labour market integration** after the German classes. Experience has shown that German classes become quite obsolete if participants stay at home afterwards - their German skills are gone within a very short period of time, simply because they do not use German at home. This is why German classes, job orientation, counselling and vocational training have to go hand in hand. The focus has to be on this type of combined support.

Another very important factor is the age at which a migrant is learning German. Teaching German to grown-ups who already face the problem of labour market integration is actually rather late and goes far beyond the original tasks of the Federal Employment Service. Many children with foreign-born parents have very limited or no command of German when they start school. This is why the Austrian government last year decided on the **introduction of a compulsory year in kindergarten for all 5-year-old children** – children who are in their last year before compulsory school attendance, now visit kindergarten 20 hours per week, free of charge, during 10 months.

How may the governance system support the labour market integration of immigrants?

In January 2010, the Austrian Government decided upon the **National Action Plan for Integration (NAP-Int)**, a nation-wide coordination of all integration policy measures by federal provinces, municipalities, the social partners and the federal government.

The NAP-Int is the result of a comprehensive process including not only all the Federal Ministries concerned, but also provincial governments, the social partners as well as many non-governmental organisations as representatives of the civil society. Parallel to that, discussions with national and international experts as well as migrant organisations and citizens are part of the process. The **aim of the NAP-Int** is to structure, mainstream and optimize the **successful cooperation of all responsible authorities involved in integration policy measures** and activities in order to achieve their best possible implementation.

The NAP-Int comprises general integration policy guide lines and outlines the challenges, the basic principles and the objectives in the following fields of action:

- Language and Education
- Work and Profession
- Constitutional State and Values
- Health and Social Affairs
- Intercultural Dialogue
- Sports and Spare Time
- Living and Regional Dimension of Integration

The objectives in the field **Work and Profession** are:

- Increase focus on persons with a migration background in the labour market policy objectives of the Federal Employment Service
- Increase support for labour market oriented German language courses and the combination of German language courses with professional training
- Second chance education by modular and extra-occupational qualification
- Increase employment of people with migration background in the public sector (police, justice, education, labour market service etc.)
- Special focus on migrants already living in Austria
- Measures against wage and social dumping must guarantee the Austrian minimum standards considering wages and social security for anyone working legally in Austria.

Is naturalisation a tool for labour market integration or only a certification of successful integration (in the light of your country experience)?

In Austria, naturalisation is usually the **result of successful integration**, certainly not a tool to achieve it. Since 1998, basic German language skills are a condition for the grant of citizenship. Since 2006, it is necessary to fulfil the aforementioned "Integration Agreement" as a first step and then to pass the "citizenship test". Citizenship does require B2-level German language skills, while the "Integration Agreement" only requires A2-level.

It should be mentioned again that, when it comes to inclusion into the social security and welfare system, migrants residing legally in Austria have equal rights as Austrian citizens.

How can integration policies be further developed in the light of the current fiscal consolidation? How are the outcomes and impacts of integration policies evaluated in your country?

The above-mentioned National Action Plan for Integration (NAP-Int) was decided upon in January 2010. Austria is investing large sums in its integration policies due to the obvious importance of the issue and will certainly continue to do so in the future. However difficult the financial situation may be, we believe that we cannot afford the contrary.

Successful integration policy certainly requires the evaluation of integration. Labour market integration policies in Austria are of course subject to constant evaluation where that is possible. We do face certain difficulties however, e.g. the fact that the AMS in registering clients only differs between Austrian nationals and non-nationals. Therefore statistics do not register the migration background (thus the parents' nationality), which is why many people who already are Austrian nationals but who do take part in integration policy activities such as special job-targeted German language courses etc. often are not included into surveys (for example looking at how quickly or not after finishing a certain course they were employed).

This is the reason why the following figures can only refer to non-Austrian nationals: In 2009, **63.570 non-Austrian nationals** – about 14% of all persons who received special AMS support in such programmes – were included in one of the AMS' support programmes. More than **230**

million Euros were spent on **active and activating labour market policy provisions** for this group, which is a budget increase by 26,3 % compared to 2008. The largest part (67,5 %) was spent on qualification schemes.

Evaluation experts meeting in the context of the National Action Plan for Integration (NAP-Int) agree that integration processes should not only be evaluated according to objective criteria; also the subjective assessment by the society and by the migrants must be considered.

4. Summary

The **National Action Plan for Integration (NAP-Int)** comprises the nation-wide coordination of all integration policy activities by federal provinces, municipalities, the social partners and the federal government aiming at the successful cooperation of all responsible authorities involved in integration policy measures and activities in order to achieve their best possible implementation. **German language skills and professional activity** are seen as the **key elements to successful integration**. Permanent residence in Austria is linked to mandatory German language courses on A2 level of the CEFRL as part of the Integration Agreement. Austria is currently discussing the implementation of a compulsory basic knowledge of German (A1) as a prerogative for new immigrants before they enter the country. The **Austrian Federal Employment Service (AMS)** offers a **wide range of qualification courses focussing on labour market integration of migrants**. In 2009, the AMS spent more than **230 million Euros** on active and activating labour market policy provisions such as qualification schemes for non-Austrian nationals.

Sources:

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