

The Austrian Pull Effect

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Austria has its very special pull effect concerning work-related migration in Central- and Eastern Europe. Day by day ten thousands of commuters make their daily drive to Austria from the neighbouring countries in order to assure a safer living for themselves and their family members back home. Besides the commuters, even more people do actually work abroad with the same motivation, who either have to migrate for a shorter, or a longer period, but do not travel home on a daily basis. According to the newest Austrian official statistics, 18% of all employees in Austria have migration background. And on top of this, the number of those for example who migrated to Austria in 2012 compared to those in 2011 shows still an unstoppable increase with 12.6%. Considering the fact from the perspective, that with its low unemployment rate, financial stability and social welfare system Austria as a country of destination offers relatively high wages paid not only 12 but even 14 times a year, the inhabitants of other states might ask themselves, what's Austria's secret? My paper doesn't of course reveal the secret itself completely, but shows clear evidence of the significance of Austria as a country of destination on the European labor market, while at the same time it collects and analyzes all recent data based on the work-related migration into Austria, and gives a clear overview of the importance of the presence of the employees with foreign citizenship on the Austrian labour market.

Keywords: migration, Austria, trends

All the way to Austria

Austria is one of the key migration-aimed target countries within the European Union. Its strength and importance is proven on different fields of economy. In 2004 Austria has already opened its labor market for some specific professions, but the big breakthrough came in 2011, as globally the EU labor market become open. Based on the findings of the Austrian Integration Fond statistics at the beginning of 2013, 18% of the people living in Austria within a working age had a migration background. This means that 1.147 thousand people in Austria aged between 15 and 64 have migration background, which is a remarkable figure. Results also show that about 447.5 thousand people have migrated to Austria from a country of origin of EU/EWR states or Switzerland, whereas almost 700 thousand people have originated from other countries. The same statistics show that 24% of the migrants living in Austria today are living in

Austria since their early childhood and were moving there with their parents already, and about 19% of the migrants have chosen Austria due to work-related issues.

Most of the migrants working in Austria have found their jobs in the following segments: trade, construction and tourism, out of which cleaning works and workforce leasing were the leading areas. The fact that only 17.5% of all Austrian employees are working in shifts, compared to the migrants working in Austria, out of whom 25% do it, underlines the importance of the difference in wages paid in Austria compared to some other Central- and Eastern European countries. The migrants are much more likely to accept jobs which actually seem to be underpaid for Austrian inhabitants and who are not willing to fill in some positions, or work in shifts. Concerning the unemployment figures the statistics show that independently from the level of qualification, the citizens of other nations are much more affected than Austrian inhabitants, as in 2012 for example only 6.5% of Austrians were unemployed, whereas 9.7% of the migrants living in Austria had no job.

Changes of the foreign population of Austria

The total number of people with migration background living in Austria was 1.518 thousand on the 1st of January 2013, which gives 18% of the total Austrian population. The biggest group of migrants are the Germans, with almost 230 thousand people, followed by Turkish people with slightly above 185 thousand persons and on rank three we can find migrants from Serbia. The biggest part of the migrants is living in the province of Vienna, with a figure of almost 40%.

Considering the international migration movements in Austria in 2012 based on the nationality of the migrants we can see that there is a growth of the migrants choosing to migrate to Austria instead of those deciding to leave it with almost 44 thousand persons. Out of the states where we have clear statistics it is to see that Hungarians have even overtaken the Germans in 2012, as almost 400 persons more have migrated to Austria from Hungary, than Germans. Table 1 shows the international migration movements in Austria in 2012 based on nationalities.

Table 1. The International migration movements in Austria based on nationality in 2012

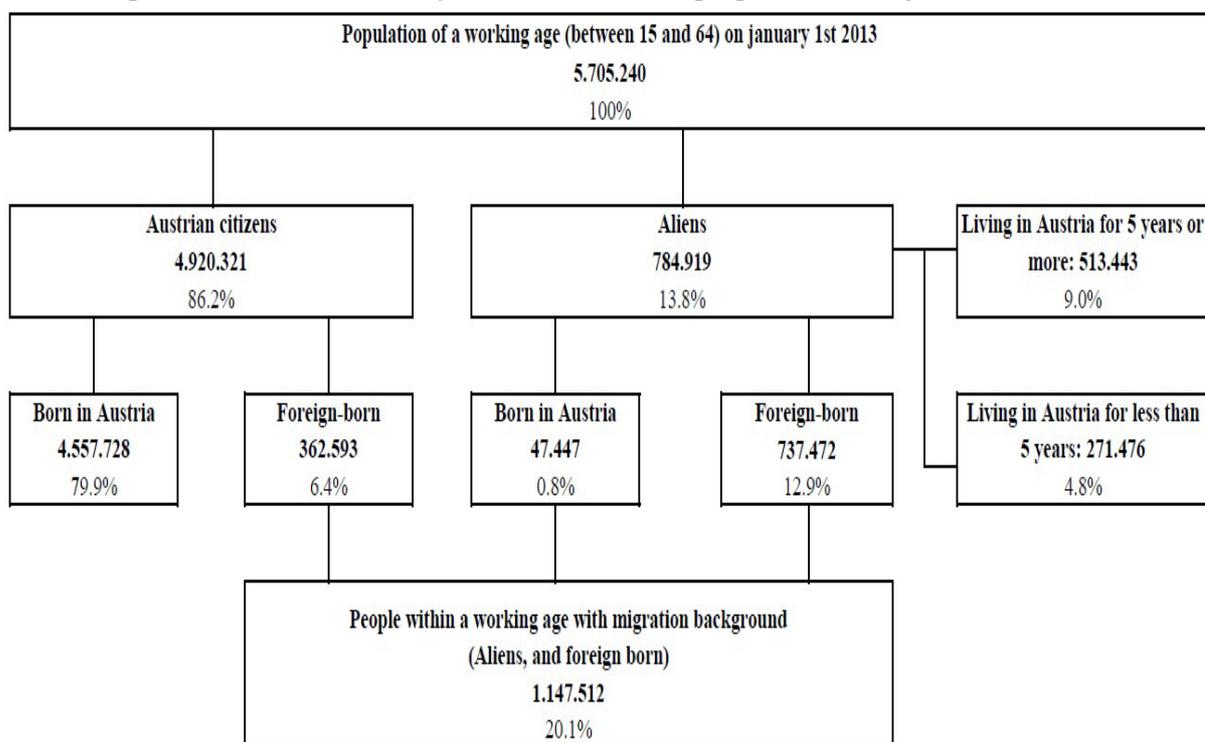
<i>International migration movements in Austria based on nationality in 2012</i>	<i>MIGRATION</i>		
	<i>to</i>	<i>from</i>	<i>sum</i>
	<i>AUSTRIA</i>		
Germany	17 774	11 545	6 229
Hungary	13 066	6 457	6 609
Italy	3 095	1 605	1 490
Switzerland	645	477	168
Slovakia	5 957	3 538	2 419
Bulgarien	3 631	2 137	1 494
Poland	7 105	3 686	3 419
Romania	13 362	8 004	5 358
other EU/EWR states	12 543	8 009	4 534
Ex-Jugoslavia (w/o Slovenia)	15 480	10 530	4 950
Turkei	4 088	3 151	937
Other 3rd states	28 859	15 255	13 604
Austria	14 753	22 167	-7 414
TOTAL:	140 358	96 561	43 797

Source: migration&integration 2013/14, ÖIFb

The foreign population of a working age in Austria

Aliens in Austria are all people who have no Austrian citizenship. Still analyzing the findings of the Austrian Integration Fond – which are based on the facts of STATISTIK AUSTRIA – on January the 1st 2013 almost 785 thousand people were aliens, who represent almost 14% of the complete population within the working age of 15-64. It seems that Austria has not only a part time pull effect concerning migration, as 9% of aliens in a working age are living for more than five years in Austria already. At the same time more than 1.100 thousand people were living in Austria who were born in another country. This group gives 19.3% of the total population with same age restrictions. People within a working age with a foreign origin are all of those, who have another nationality, than Austrian and also those who were born in a foreign country, but who were Austrian citizens. This group gives in total 20% of the population with a working age. And finally, people within a working age with migration background are all those, whose parents were born in a foreign country, independent from their citizenship. To this group belonged in 2012 1.154 thousand people in Austria. The groups and the combination of the Austrian population within the working age of 15-64 is shown in figure 1.

Figure 1. The Austrian Population of a working age on January 1st 2013.



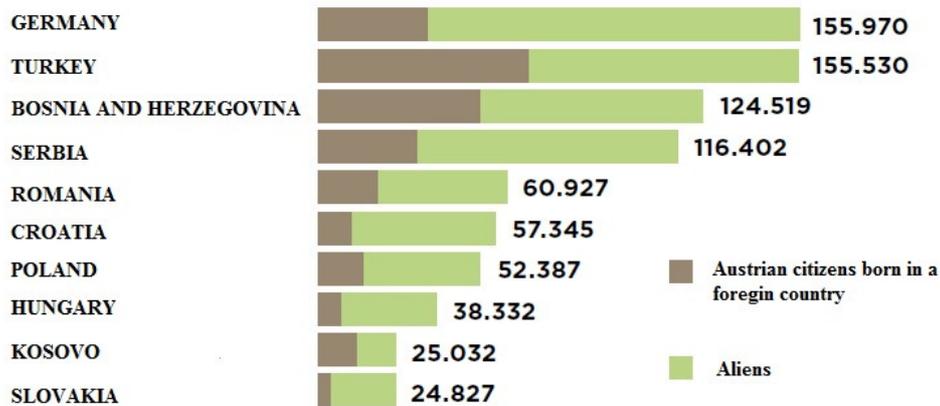
Source: migration&integration 2013/14, ÖIFa

Nationalities revealed

As declared earlier based on the ÖIF statements, at the beginning of 2013 1.147 thousand people were living in Austria within a working age range and with foreign origin. The leading country of origin for the migrants is Germany, with almost 156 thousand people who lived in Austria by that date, followed by Turkish migrants, with almost the same number of people affected.

The underprivileged CEE countries, like Romania, Hungary, and Slovakia for example are also key countries of origin, but not that much like Germany and Turkey. Taken into consideration that Germans and Austrians speak a common language, it is no wonder, why the German migrants lead the stats. Also to understand is, that until the complete opening of the labour market in 2011 some nations were with some exceptions almost locked out of the country of destination's employment pool, therefore the active presence of e.g. Hungarian, Romanian and Serbian migrants has to be determined as an important factor, and continuous development of their share of the total migrant population is most likely to happen. Figure 2 shows the population of foreign-born people in total, and also separated into two parts based on citizenship and country of origin (country where the migrant was born).

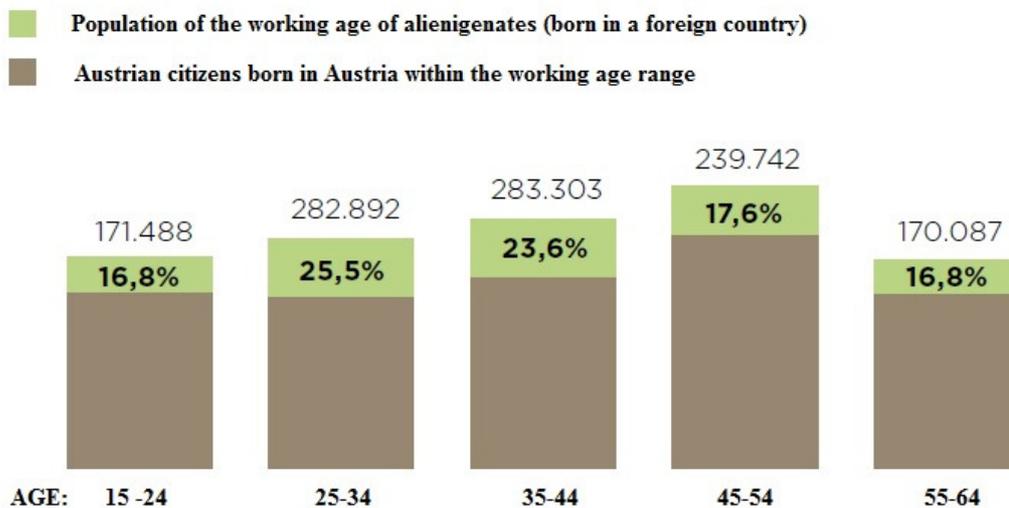
Figure 2. Population of foreign-born people in a working age based on citizenship and country of origin



Source: migration&integration 2013/14, ÖIFa

Also interesting is the presence of foreign-born people in Austria based on their age groups. Based on the figures we can see a clear dominance of the younger aged groups of foreign-born people, as more than 42% of them are aged between 15 and 34 years, whereas considering everyone who is part of the pool, we can see that almost 66% of all people are in the age range between 15 and 44. Figure 3 shows this in 5 age groups.

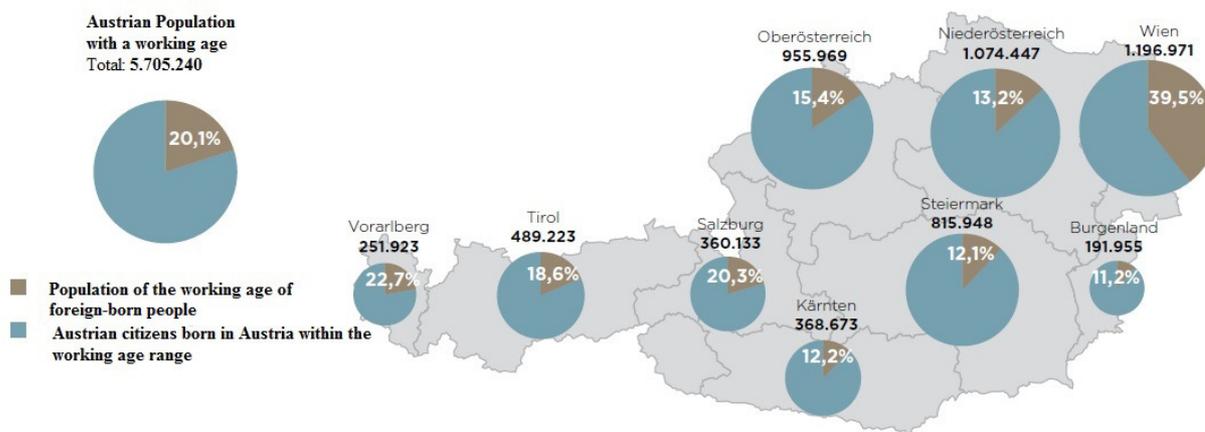
Figure 3. Population of foreign-born people in a working age based on age groups



Source: migration&integration 2013/14, ÖIFa

Analyzing the population of foreign-born people based on their stay in Austrian provinces we can see, that out of the 5.705 thousand Austrians who were in a working age on the 01.01.2013, 20.1% are foreign-born. Most of them – 39.5% – do live in the province of Vienna, almost 473 thousand people. The second biggest province with a stats of 22.7% is Vorarlberg, with 20,3% is Salzburg on third place, shortly followed by the important tourism target province Tirol, with 18.6%. On fifth rank with 15.4% is Upper Austria. Figure 4 shows the segmentation based on provinces.

Figure 4. Population of foreign-born people in a working age in the provinces



Source: migration&integration 2013/14, ÖIfa

Employment and unemployment

In December 2012 3.471 thousand people were employed in Austria, which is 0.6% less, than in the previous month, but 0.6% more than in the same month last year (Hauptverband, 2015). After 2014's peak in September with slightly more than 613 thousand foreigners employed, in December 2014 almost 585 thousand persons employed were foreigners, out of whom 91.705 people were Germans, 67.783 Hungarians and 67.576 came from the former Yugoslavia. Table two shows the employment statistics of Austria based on all employees and foreign employees on a province level. The three main foreign nationalities are also shown.

Table 2. Employment statistics of December 2014 in Austria

Figure/province	Total Austria	Vienna	Lower Austria	Burgenland	Upper Austria
All people employed (p)	3 471 707	786 759	568 585	94 199	612 931
Foreigners employed (p)	584 967	183 767	78 425	18 503	75 269
Share (%)	16,85	23,36	13,79	19,64	12,28
German	91 705	19 932	6 955	873	12 976
Hungarian	67 783	11 991	11 787	11 813	6 336
former Jugoslavia	67 576	29 846	7 773	781	7 384

Figure/province	Steiermark	Kärnten	Salzburg	Tirol	Vorarlberg
All people employed (p)	473 125	197 479	251 177	330 060	157 392
Foreigners employed (p)	51 727	21 526	51 418	68 383	35 949
Share (%)	10,93	10,90	20,47	20,72	22,84
German	5 781	3 663	12 830	17 653	11 042
Hungarian	7 050	1 788	6 369	8 355	2 294
former Jugoslavia	2 746	1 858	7 241	6 391	3 556

Source: Hauptverband, 2015.

The great majority of the foreign employees were working in the manufacturing industry and on the fields of trade, followed by building constructions and tourism. Upon considering the importance of foreign employees on the Austrian labor market we also have to investigate the consistence of the work done by them. The ÖIF itself reveals the fact that migrants quite often take jobs which are unlikely taken by Austrian employees, which leads to harder and less optimal work factors. Also that there is a huge difference in the willingness between the two groups to accept working in shifts or relays, as 25% of the foreign employees are actually employed in such forms, whereas Austrian employees are less likely willing to accept jobs with such conditions, as it is only in 17.5% the case in their employment.

Concerning the unemployment statistics it seems that the total unemployment was 7%. 6.5% unemployment ratio had the Austrian employees and 9.7% the foreigner employees, which is 50% higher.

Conclusion

Based on the facts and figures indicated in my paper it is clear that foreigners play an important role on the Austrian labor market and are also a valuable part of the population itself. The Austrian pull effect based on the Austrian social security and welfare, the relatively low unemployment figures and high salaries is working good. Many people choose Austria for their migration purposes, year by year there is a net growth in the number of people migrating to Austria vs.

leaving the country. Recent researches also show that Austria is in the focus of migrants, and this process will most likely be continued in the near future. Another interesting question is what this will cause in the country of origin's economy itself.

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