

PART 4. FLOWS AND THE EU

Austria



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Austria¹

1. Introduction

Austria became a member of the European Union from the beginning of 1995. From the beginning of 1994 it had been a member of the European Economic Area that today comprises the 15 member countries of the EU, Iceland, Liechtenstein and Norway. From the beginning of 2003, Switzerland will for all practical purposes be a member of the club. In this report, this grouping will be called “EEA+CH” and will appear in many tables. In the tables it will usually not include Austria. When Austria is included, this will be stated explicitly. All other countries will be grouped under the heading “third countries” (Table 1).

Table 1. The population at the census of 15 May 2001, and the migration between the beginning of 1996 and the end of 2000 by citizenship, Austria.				
	Austria	EEA+CH	Third countries	Total
Census, May 2001	7,333,764	117,432	614,269	8,065,465
Immigration, 1996-2000	67,206	61,740	249,817	378,763
Emigration, 1996-2000	92,656	37,521	197,659	327,836
Net migration, 1996-2000	-25,450	24,219	52,158	50,927
Data source: Statistik Austria, migration statistics.				

Compulsory schooling in Austria is nine years. In this report, distinctions will be made between persons who have completed only compulsory schooling or less, people who have acquired a vocational degree either by enrolling in the so-called dual training system of apprenticeship or by going to school for either one or two years more than the compulsory requirement. The third level to be distinguished comprises persons with a secondary school degree that is awarded after either 12 or 13 years and provides an entitlement to enter university. The fourth level is made up of graduates of universities or similar post-secondary institutions that will be grouped together under the heading “tertiary” education. It must be clear that this grouping includes professions that require post-secondary training but not a university degree such as teachers for the compulsory school levels, but it does not, for instance, include trained nurses, since this is not (yet) a post-secondary profession in Austria.

The analysis in this report is considers the working age population and the labour force. The working age population comprises all persons between 15 and less than 65 years of age. The labour force is made up of all persons of working age *who worked*

¹ This paper is based on the report prepared by August Gächter, IHS, Wien, Austria, for CNR-IRPPS for the project *The Brain Drain – Emigration Flow for Qualified Scientists*.

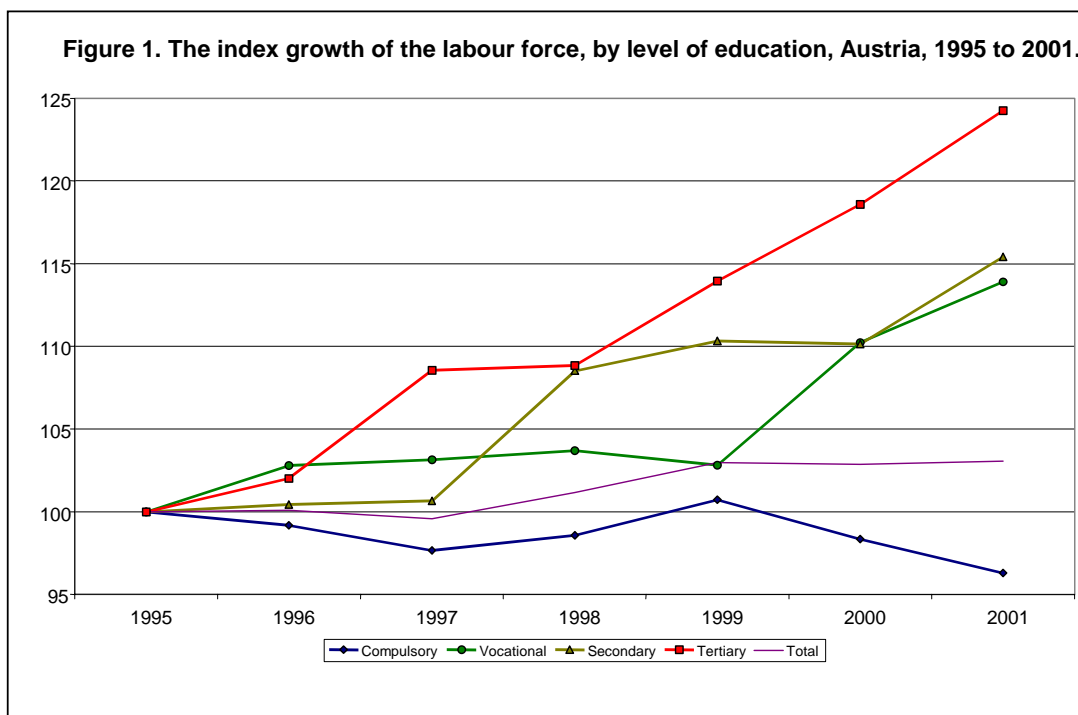
for at least one hour during the week preceding the survey or who were actively looking for work.

2. The Labour Force with Tertiary Education and Its Growth

According to the labour force survey (LFS), the labour force with completed tertiary education increased every year since 1995. By March 2001, it was nearly one quarter larger – an increase by 53,000 persons – than it had been in March 1995. Over the period, the tertiary educated labour force grew from 6.2% to 7.5% of the total (Table 2, Figure 1).

	Compulsory	Vocational	Secondary	Tertiary	Total
1995	2,332,039	578,747	390,095	218,764	3,519,645
1996	2,312,887	594,947	391,838	223,163	3,522,835
1997	2,277,586	596,911	392,647	237,461	3,504,605
1998	2,298,764	600,066	423,371	238,117	3,560,318
1999	2,349,004	595,007	430,395	249,281	3,623,687
2000	2,293,475	637,964	429,626	259,413	3,620,478
2001	2,245,962	659,187	450,229	271,830	3,627,208

Data source: Labour Force Survey.



The labour force, with tertiary level education, grew far in excess of the overall labour force. In fact, the lower the educational level, the less the labour force grew. Between 1995 and 2001, the secondary level labour force grew by only about 15%, the vocationally trained or educated labour force by about 13%, and the labour force with only compulsory schooling or less declined by about 4%. If we take a closer look at

this growth, we can see the growth of the tertiary educated labour force was fairly steady over the period. Its size exhibited an upward trend, perhaps even a small tendency for the growth to accelerate. The same is not true for the other educational levels. The labour force with secondary education showed next to no growth between 1995 and 1997, and again between 1998 and 2000. The vocationally qualified labour force stagnated between 1996 and 1999 and then suddenly grew very quickly the next two years. The labour force with only compulsory education or less apparently declined until 1997, then rose until 1999, and declined since then, although such a pattern would be difficult to reconcile with the pattern of the business cycle. This uncertainty about developments over time is a pervasive feature of the Labour Force Survey.

The female labour force with tertiary educational qualifications grew by about 47% between 1995 and 2001 (males:%) while the female labour force with secondary education only grew by 25% (males:7%), with vocational qualifications only 15% (males: 12%), and the less qualified seems to have declined slightly. The total female labour force grew by about 7%, that of males by less than 1% (Table 3).

	Compulsory	Vocational	Secondary	Tertiary	Total
1995	891,462	316,879	176,460	70,572	1,455,373
1996	875,804	326,616	182,951	74,240	1,459,611
1997	877,762	332,928	184,795	76,935	1,472,420
1998	884,094	336,942	199,516	77,591	1,498,143
1999	908,751	335,366	206,837	88,939	1,539,893
2000	871,823	356,742	211,891	95,535	1,535,991
2001	863,662	365,005	220,878	103,525	1,553,070

Data source: Labour Force Survey.

Looked at by citizenship, the labour force of Austrian citizens stagnated between 1995 and 1998, then increased by about 4% until 2000, and resumed stagnation thereafter. The labour force with the citizenship of an EEA country or of Switzerland, between 1995 and 2001, appears to have been stable at a level of approximately 50,000, if one is willing to gloss over the peaks (1998) and troughs (2001) as merely technical rather than reflecting reality. The labour force of third country citizens, although much larger, went through similar ups and downs (around a level of about 250,000) that conform badly to the business cycle (Table 4).

	Austria	EEA + CH	Third countries	Total
1995	3,211,964	51,179	256,502	3,519,645
1996	3,225,277	50,940	246,618	3,522,835
1997	3,190,268	52,106	262,231	3,504,605
1998	3,215,027	57,804	287,487	3,560,318
1999	3,322,492	50,208	250,987	3,623,687
2000	3,344,791	48,683	227,004	3,620,478
2001	3,342,368	42,496	242,344	3,627,208
With imputations:				
2000	3,280,631	61,027	278,817	3,620,475
2001	3,267,962	63,773	295,470	3,627,205

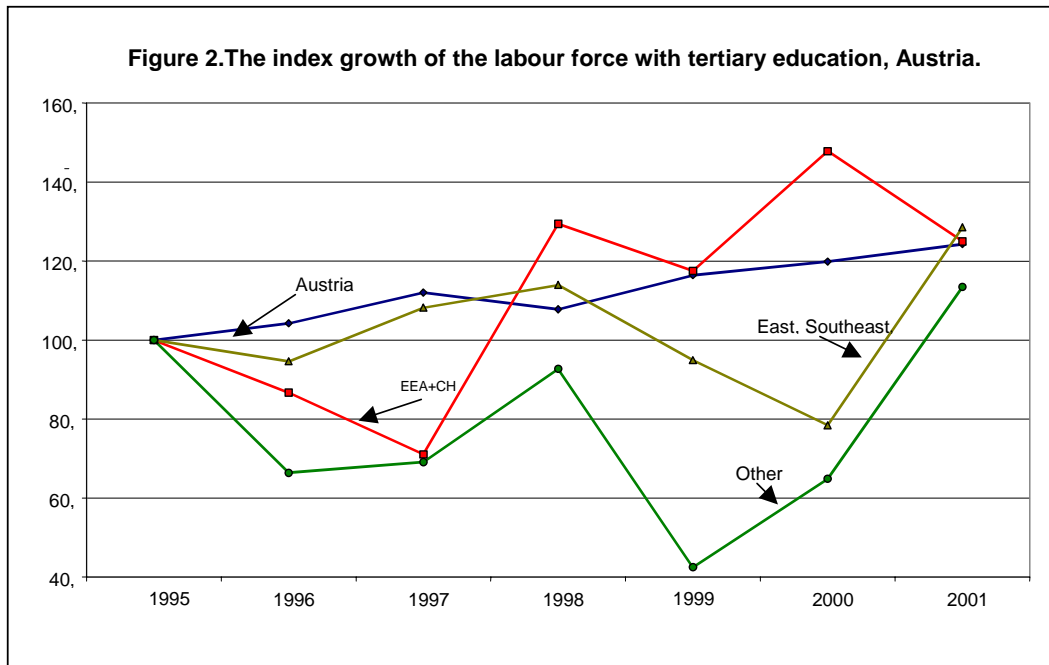
Data source: Labour Force Survey.

The implausible swings are less evident if the LFS estimates with imputations are used. In this series missing data were imputed on the basis of respondents' other answers. This series, however, is only available from 2000, and this is one reason why it will not be used in the remainder of this report. (The other reason is that while its results may be more plausible in this particular instance this is not generally the case. In terms of validity of the data there is no gain from using the one or the other series). The imputations leave the total labour force unchanged, but they reduce the labour force with Austrian citizenship in favour of the other two groups. The EEA country and Swiss citizens thus number 25% more in 2000 and 50% more in 2001 than in the uncorrected series to stand at over 60,000, and the third country citizen labour force is each time enlarged by about 22% to stand at 280,000 and 295,000, respectively.

The focus of this report is the labour force with tertiary education and so it is worthwhile taking a better look at this segment. There seems to have been a fairly strong and undisputable upward tendency of the labour force with tertiary education and Austrian citizenship. It went from 193,000 in March 1995 to 240,000 in March 2001, an increase of 24%. Similar increases of the labour force with tertiary education were recorded for other citizenships: EEA countries and Switzerland 25%, third countries 23%. This similarity was accidental to the 2001 LFS and should not be over interpreted. In all other years, there were large differences. In 2000, for example, the tertiary labour force of Austrian citizenship was 20% larger than in 1995, that of EEA and Swiss citizenship was 48% larger, and that of third country citizenship was 27% smaller. If we looked at 1999 or any other year, the picture drawn by the LFS would be very different again. As a result, except for the growth of the labour force with Austrian citizenship, it is not possible to draw any conclusions about how the labour force with tertiary education may have changed between 1995 and 2001 (Table 5, Figure 2).

	Austria	European Economic Area, Switzerland, unidentified	Eastern and South-Eastern Europe, Turkey	Other	Total
1995	193,126	12,317	8,198	5,123	218,764
1996	201,331	10,676	7,755	3,401	223,163
1997	216,297	8,751	8,872	3,541	237,461
1998	208,082	15,944	9,341	4,750	238,117
1999	224,846	14,478	7,780	2,177	249,281
2000	231,450	18,209	6,430	3,324	259,413
2001	240,083	15,395	10,540	5,812	271,830

Data source: Labour Force Survey.



One tentative way of overcoming the limitations of the data may be to look at period averages instead of single years. We can, for instance, compare the averages for the 1995 to 1997 period with those for the 1999 to 2001 period (which also helps to avoid the particularly untrustworthy 1998 data). By this reckoning the tertiary educated labour force increased from 6.4% to 7.2% of the total, or by about 33,700 persons. About 85% of this increase was made up of Austrian citizens, the other 15% by other EEA country citizens plus Switzerland. There was no contribution from third-country citizens. This means that the labour force with tertiary education increased by 14 % the Austrian citizens, by about 52% among the citizens of EEA countries and Switzerland, and by about 15% overall (Table 6).

Table 6. The labour force by citizenship and educational level, averages for the periods 1995 to 1997 and 1999 to 2001, and the differences between the two periods, Austria.					
	Compulsory	Vocational	Secondary	Tertiary	Total
1995-1997					
Austria	2,083,298	554,894	367,393	203,585	3,209,170
EEA+CH, unidentified	19,329	12,316	9,182	10,581	51,408
Third country	204,876	22,992	14,952	12,297	255,117
Total	2,307,504	590,202	391,527	226,463	3,515,695
1999-2001					
Austria	2,093,186	597,611	413,626	232,126	3,336,550
EEA+CH, unidentified	16,811	7,561	6,730	16,027	47,129
Third country	186,150	25,547	16,394	12,021	240,112
Total	2,296,147	630,719	436,750	260,175	3,623,791
Growth – value					
Austria	9,888	42,717	46,234	28,542	127,381
EEA+CH, unidentified	-2,518	-4,755	-2,452	5,446	-4,279
Third country	-18,727	2,555	1,442	-276	-15,005
Total	-11,357	40,518	45,223	33,712	108,096
Growth - percent					
Austria	0.5	7.7	12.6	14.0	4.0
EEA+CH, unidentified	-13.0	-38.6	-26.7	51.5	-8.3
Third country	-9.1	11.1	9.6	-2.2	-5.9
Total	-0.5	6.9	11.6	14.9	3.1
Data source: Labour Force Survey.					

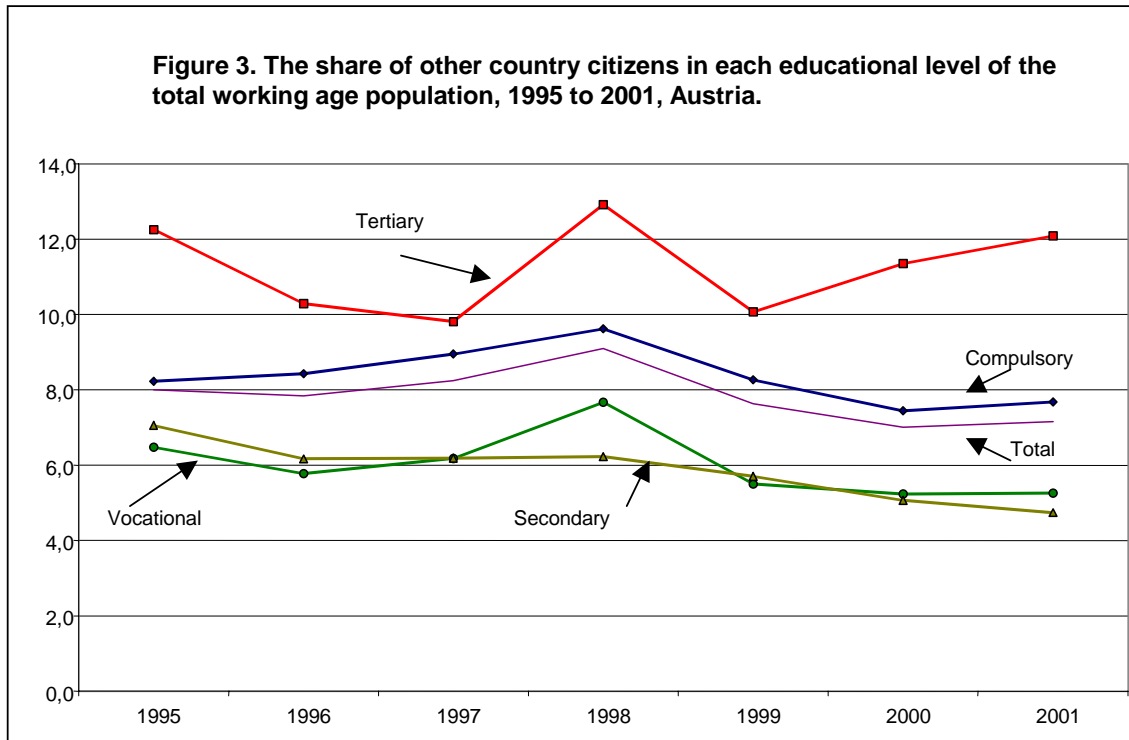
Citizens of EEA countries and Switzerland contributed out of proportion to the growth of the labour force with tertiary education. Their share in 1995 to 1997 was only 4.7%, but their share in the subsequent growth was more than 16%. Austrian citizens had a baseline share of 90% and contributed 85% of the growth. Third country citizens had an original share of 5.4% and made no contribution to growth.

Two thirds of the growth of the labour force with tertiary education and Austrian citizenship was made up by women, while in the case of EEA country and Swiss citizenship the growth was split half-and-half between women and men. Overall, three quarters of the expansion of the labour force with tertiary education was provided by women.

2.1 Shares of Persons without Austrian Citizenship in the Working Age Population and in the Labour Force.

According to the LFS, citizens of other countries than Austria have been making up between 7% and 9% of the working age population. Broken down by educational achievements, they appear to be making up 10% to 12% of the working age population with a tertiary degree, 5% to 7% of the working age population with either a secondary or a vocational degree, and between 7.5% and 9.5% of the working age population with compulsory schooling or less. Thus the share of other country citizens

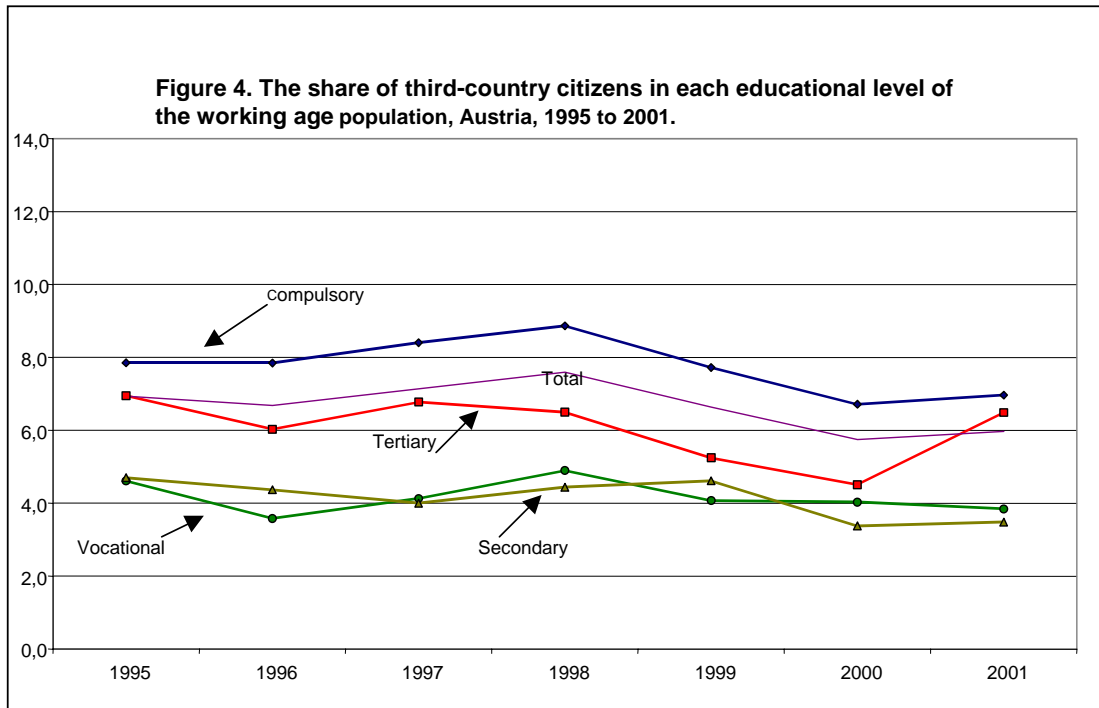
in the working age population with tertiary degrees seems to be somewhat larger than at other educational levels (Figure 3).



One would be ill advised to draw other than very tentative conclusions on the trends over time. The 1998 data, for instance, exhibit an upward spike for three of the four educational levels. Its relation to reality is doubtful. If anything, one might see a tendency for the share of other-country nationals to decline at all levels except tertiary.

The next figure shows only the share of third-country citizens in each educational level of the working age population. For easy comparison, the figure was scaled the same as the previous one, running from 0% to 14%. The image is very different in some ways and very similar in others. The biggest difference is in the share of tertiary level working age population. Third-country nationals make up only about 6% thereof in comparison to the about 11% all other-country nationals together make up. On the other hand, third-country citizens form about 8% of the working age population with only compulsory education or less, and this is almost the total share made up by all other-country citizens. As before, the shares in the working age population with secondary or with vocational degrees are almost identical, this time standing at about 4% compared with about 6% for all other-country citizens. There is an obvious and clear gradation here. Third-country citizens make up little more than half the other-country working age population with tertiary education, between two thirds and three quarters of the other-country working age population with either secondary or vocational degrees, and between 90% and 95% of the other-country working age population with only compulsory education or less. Overall, third-country citizens

have been making up about 85% of the other-country working age population (Figure 4).

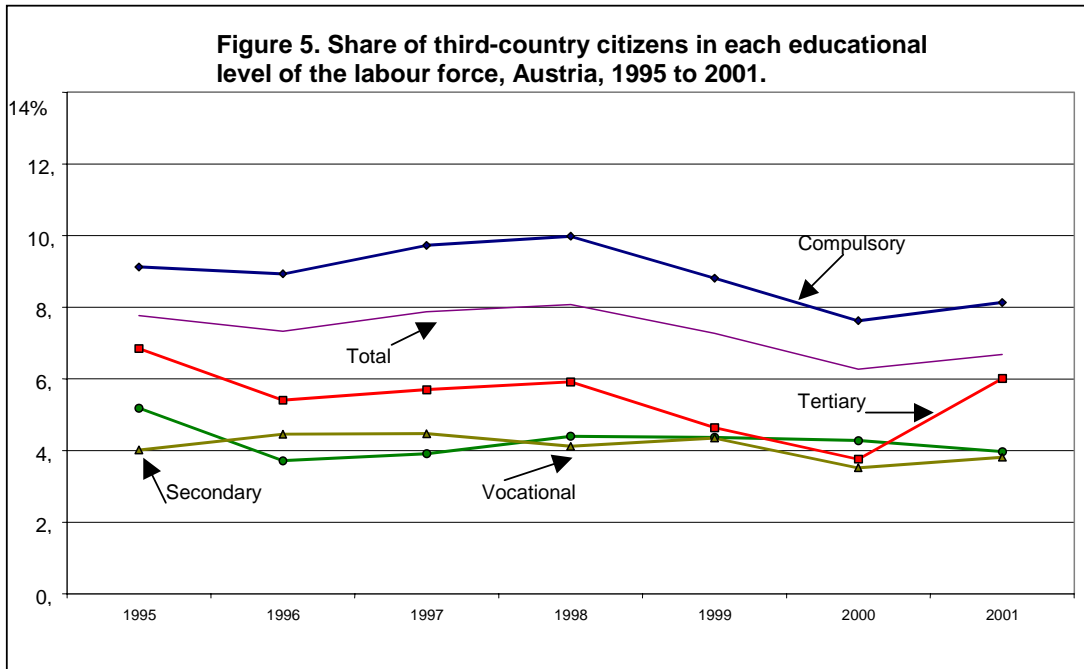


As before, it is not advisable to draw any strong conclusions on trends over time. In general, the share of third-country citizens seems to decline, and this seems to be true especially of the top and bottom educational levels rather than of the two middle levels. Again comparing the period averages 1995 to 1997 with those of 1999 to 2001 the third-country share of the working age population with tertiary education seems to have declined from 6.1% to 5.2%, but this result is actually quite uncertain given that the LFS, in 2001, finds a share once more about the 1995 to 1997 level. It therefore seems safer, until there is further evidence, to regard the tertiary share as essentially unchanged. The same applies to the share of third-country citizens among the working age population with either secondary or vocational qualifications. Only at the level of compulsory schooling and less can we be more confident that a decline has actually taken place – from a share of 7.6% in 1995 to 1997 to 7.0% in the 1999 to 2001 period.

Could it be that the lower-level decline was the result of upward educational mobility? There is no evidence to support this notion. In fact, the share is much more likely to have declined as a result of naturalisations. This also makes sense in light of the probable stagnation of the shares at the upper levels of education. The medium and highly educated tend to have EEA citizenships rather than those of third countries. Because of their freedom of movement they have much less incentive to naturalise than third-country citizens. This is borne out by the naturalisation data that show EEA country citizens to virtually have stopped naturalising after 1994. Thus the stagnation at the upper educational levels and the decline at the lowest level does

make sense in an environment of continuous – and in fact accelerating – naturalisations combined with very low levels of immigration for settlement.

If we shift the attention from the working age population to the labour force a very similar picture emerges. The shares of other-country and of third-country citizens in the educational strata are pretty much the same as was true of the working age population, and so are the tendencies over time (Figure 5).



3. A Digression on the Data — Used and Not Used

The Labour Force Survey (LFS) has been held in mid-March of every year since 1995. The results are estimates based on a sample comprising about 30,000 households. In each household data are collected on all its members. In total there are about 60,000 respondents. Of these about 40,000 are more than 14 and less than 65 years old. The labour force consists of about 26,000 respondents. Working age respondents without Austrian citizenship number about between about 1,700 (2000 and 2001) and about 2,200 (1998), the labour force between about 1,220 and 1,550. On average, over the seven years from 1995 to 2001, the citizens of other countries than Austria made up 4.6% of the respondents among the working age population. The estimation procedure inflates the share to 7.9%, but this is still far short of the 11% they make up according to the population projections. Preliminary results from the 2001 census suggest the 11% share to be pretty close to the truth. The consequence is that LFS estimates of other-country citizens need to be multiplied by 1.32 while all estimates on Austrian citizens should be reduced by 9%. In this report this was not done. The multiplier is only 1.23 for citizens of countries of the former Yugoslavia and for Turkish citizens, but it is 1.66 for all remaining other-country citizens together (including citizens of EEA countries). A part of the reason is that the LFS only captures the population living in private households but this cannot account for the bulk of the missing immigrants (Table 7).

	Austria	EEA+CH	Pre-Accession	Balkans, East Europe	Turkey	Other	Missing	Total
1995	39,173	277	108	783	455	124	169	41,089
1996	38,980	294	117	834	431	98	158	40,912
1997	37,433	314	135	827	425	113	179	39,426
1998	40,068	396	170	964	526	150	0	42,274
1999	40,120	269	120	875	405	103	126	42,018
2000	38,857	311	134	809	328	107	0	40,546
2001	39,043	318	122	782	384	95	0	40,744
Average	39,096	311	129	839	422	113	90	41,001

Data source: Labour Force Survey; Census.

The differences between the share among the respondents, the share in the estimates, and the share in the population projections vary a great deal between years. There were 782 respondents with citizenships of countries in the Balkans (mostly today's Yugoslavia, but also Bosnia and Romania) plus Belarus, Russia and Ukraine in 2001 (as in 1995) but 964 in 1998. The number of Turkish citizen respondents in the working age sample, covered a range between 328 and 526. Working age citizens of EEA treaty countries and Switzerland numbered between a low of 269 (1999) and a high of 396 (1998). Citizens of the ten Pre-Accession Countries (PACs) from the Baltics to Slovenia plus Malta and Cyprus (but excluding Romania, Bulgaria and Turkey) only numbered between 108 (1995) and 170 (1998). The fact that 1998 data is so unusual and given this was also the year the coding scheme for citizenship was changed leads to the suspicion that the data for 1998 may be less reliable than other

data. Statistik Austria, the former Central Statistical Office, counsels against interpreting any figures or differences smaller than 3,000. The problem with the 1998 data shows that, unfortunately, far larger swings can appear in the data without apparent reason.

There are also cases where the citizenship of the respondents was given codes not on the list. There are indications that these cases of miscoding pertain mostly, perhaps entirely, to citizens of EEA countries. Therefore, in this report, the coding errors were included in the EEA and Switzerland group.

The LFS estimates are done on the basis of more or less reliable information on four citizenships (Austria, former Yugoslavia, Turkey, Other), sex, age (itself an estimate if not a guess), and province. The educational breakdown is not part of the estimation procedure but purely its result. Until 2001, there was no educational information between the censuses that could have served as a basis for estimations. This makes it impossible to assess the accuracy of the LFS estimates for the individual levels of educational attainment (Table 8).

	Austria	EEA+CH	Pre-Accession	Balkans, East Europe	Turkey	Other	Missing	Total
1995	1,515	49	14	18	1	19	10	1,626
1996	1,588	45	11	28	4	15	8	1,699
1997	1,677	36	21	16	5	20	10	1,785
1998	1,721	65	16	18	6	21	0	1,847
1999	1,784	53	10	20	5	15	12	1,899
2000	1,714	75	8	23	1	19	0	1,840
2001	1,850	68	14	20	4	19	0	1,975
Average	1,693	56	13	20	4	18	6	1,810

Data source: Labour Force Survey; Census.

Alternative data sources serve no better. The Public Employment Service (AMS) maintains a database of all labour permits issued to third country citizens. Information on the level of education or training of the applicants is, however, notoriously incomplete. Further, the data pertain to employment only, not to the labour force. One of the more completely documented citizenships appears to be the Turkish one. Here, of the 43,658 workers employed on average during 2001 on a valid permit, the education of 8,636 (19.8%) was unknown, while 31,647 had received compulsory education or less, 3,186 had vocational qualifications, 168 held a secondary school degree, and only 21 had completed tertiary education. Not the worst case, but a fairly bad one, was citizenship of ten Pre-Accession Countries (PACs). These include the three Baltic states, Poland, the Czech Republic, Slovakia, Hungary, Slovenia, Malta, and Cyprus. On annual average, in 2001, there were 34,606 employed workers with valid work permits. Of those, the educational qualifications of 34,606 (52.8%) were unknown; 9,477 had compulsory education or less, 6,038 had vocational qualifications, 586 had received a secondary school degree, and 234 had completed university. Overall, of all the 240,062 employed third-country workers, the educational qualifications of 78,231 were unknown. This is 32.6%, nearly one third. Since the decision on whether to record qualifications or not in a particular case

depends on administrative fiat, it is impossible to make any sensible use of this dataset.

The Public Employment Service's data on the unemployed are more complete, but unemployment is a highly selective occurrence, and so the data are of little use for the purposes at hand.

Educational data were collected in the census of 15 May 2001, but they are not yet available. At a later date, perhaps some time in 2003, the Educational Register will become operational. This will provide for a current record of the population's educational composition, presumably by age and sex, perhaps by citizenship.

3.1 Labour Force Participation Rates and Unemployment Rates

The labour force participation rates, (i.e. the labour force as a percentage of the working age population), appear to have been quite stable over the period, but the differences between educational levels were large. While the tertiary educated working age population had a labour force participation rate that ranged between 84% and 86%, the secondary educated population only reached a participation rate between 74% and 76% – fully ten percentage points less. Still lower were the participation rates of the population with either vocational qualifications or compulsory schooling and less. Both these groups showed participation rates of 63% to 65%.

Broken down by citizenship highly diverse patterns emerge. On average, over the whole period from 1995 to 2001, the tertiary educated working age population from EEA countries and Switzerland (excluding Austria) had the highest labour force participation rate (86%), and their compatriots with less than tertiary education had the lowest (61%). Everybody else was somewhere between these extremes. Austrian citizens showed a very similar pattern – a high participation rate of 85% among the tertiary educated and 65% among those with less than tertiary education. Among third country nationals, on the contrary, the educational level seems to matter little for the participation rate. Tertiary or not, the rate was in the mid-1970s – 73% for those with less than tertiary education and 76% for those with tertiary education (Table 9).

	Below tertiary	Tertiary	Total
Austria	64.7	85.0	65.8
EEA+CH	60.7	86.4	66.1
Third countries	73.0	75.5	73.1
Total	65.2	84.6	66.3

Data source: Labour Force Survey.

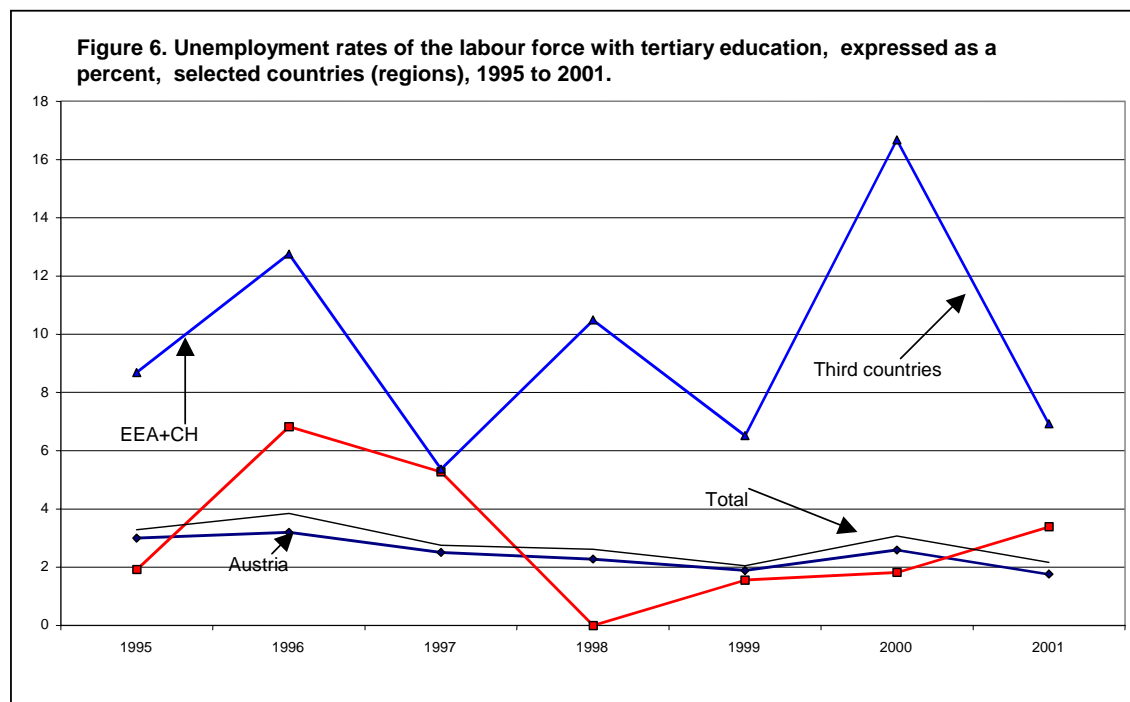
The unemployment rates of the labour force vary at least as much if broken down by citizenship. The total labour force with tertiary education, on average over the whole period, had an unemployment rate of 2.9%. Those with the citizenship of an EEA country or Switzerland were right on the average, and the citizens of Austria were even a little below, but the unemployment rate of third country citizens was 10%. Among the labour force with less than tertiary education the unemployment rates were higher. In fact, for both, Austrian and other EEA country citizens, it was 2.2 times the unemployment rate of the respective labour force with tertiary education.

Among the third country labour force it was 12.5%, “only” 20% more than among the respective labour force with tertiary education, but this was 2.2 times the unemployment rate of Austrian citizens with less than tertiary education (Table 10).

	Below tertiary	Tertiary	Total
Austria	5.7	2.6	5.4
EEA+CH	6.3	2.9	5.4
Third countries	12.5	10.1	12.4
Total	6.2	2.9	5.9

Data source: Labour Force Survey.

Beneath these period averages there are great variations in the case of the tertiary educated labour force, and discernable declines for the others after 1996. The swings are due to the small number of tertiary educated respondents with another citizenship than Austrian. It would be imprudent to try and impute a trend to these swings, nor is there, as the figure below shows, any reason to. The swings rather appear to be taking place around a fairly stable level. Where the problem of small numbers does not occur, i.e. among the labour force with less than tertiary education and among the Austrian citizens, a declining trend prevailed (Figure 6).



3.2 Population Flows

The LFS also asks respondents for their place of residence one year earlier. The data represent a gross population gain over the last twelve months which is different from both the gross inflow and the net population gain and should in fact lie somewhere in between. It is less than the gross inflows because it does not include those who came in during the last 12 months but left again before the survey, and it is more than the

net population gains because it takes no account of those who were resident in the country 12 months ago but left since then. The annual gross population gains cannot be added up to yield a gross population gain for the whole period under consideration.

Due to small numbers of respondents, the data presented here refer to the working age population only. They show the gross intake of working age population with tertiary education to be at about the same level as the intake of those with secondary education – on average about 2,500 each year. The gross intake of persons vocationally qualified seems to be larger, about 4,000 per year, and that of persons with compulsory education or less is certainly larger, about 7,800 per year. All four levels together average about 17,000 per year. These intakes were very small in relation to the stocks at the beginning of each 12 months. At the same time their relative size differed greatly between educational levels. At the level of compulsory education and less the average annual migration gain of working age population was only 0.2%. At the two middle levels it was 0.4% and at tertiary level it was 0.8%, i.e. four times what it was at the level of compulsory schooling.

The trends over time are uncertain. For none of the educational levels is there sufficient evidence to confidently diagnose a rise or a decline. Most certainly this is true of the two higher skill levels.

The largest part of the gross gains from migration of working age population with tertiary education were due to the arrival of EEA country citizens (including Austrians and Swiss) from other EEA countries or from Switzerland. On average, 60% of the intake consisted of EEA country and Swiss citizens (including Austrians) arriving from this same pool of countries (excluding Austria). Another 8% were third-country citizens coming from within the EEA or Switzerland. Eighteen percent of the migration gains were citizens of EEA countries or Switzerland coming from third countries, and the remaining 14% were third-country citizens coming from third countries. It should be born in mind that the number of third-country citizens is extremely small. The estimates come out at on average only 570 per year from all origin areas together. This is a mere 2.5 respondents per year!

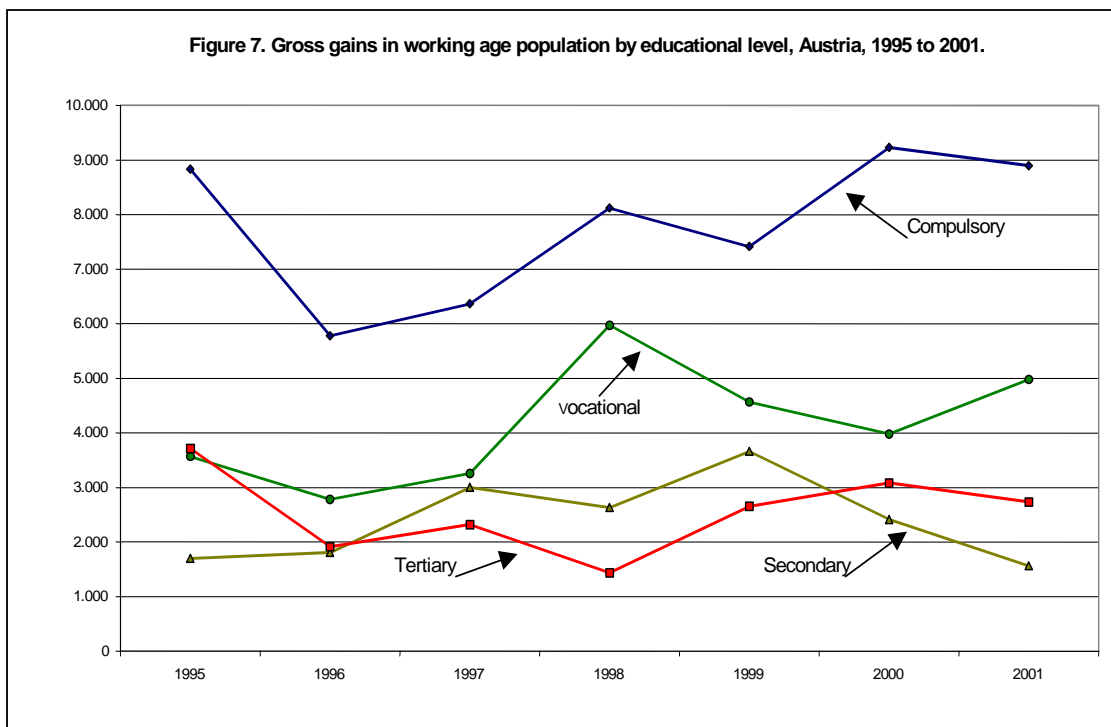
The gross migration gains of working age population with less than tertiary education were distributed differently. On average over the period, 40% were EEA country citizens coming from EEA countries, and another 40% were third-country citizens coming from third countries. 17% were EEA country citizens coming from outside the EEA, and 3% were third-country citizens coming from within the EEA. Here the numbers are more reliable (Table 11, Figure 7, Table 12, Figure 8).

Table 11. Gross gains from migration of working age population over the 12 months to mid-March, Austria, 1995 to 2001.

	Compulsory	Vocational	Secondary	Tertiary	Total
1995	8,833	3,570	1,700	3,716	17,819
1996	5,780	2,788	1,810	1,918	12,296
1997	6,367	3,259	3,001	2,320	14,947
1998	8,123	5,972	2,636	1,440	18,171
1999	7,414	4,569	3,662	2,657	18,302
2000	9,234	3,982	2,416	3,082	18,714
2001	8,896	4,984	1,566	2,734	18,180
Average	7,807	4,161	2,399	2,552	16,918

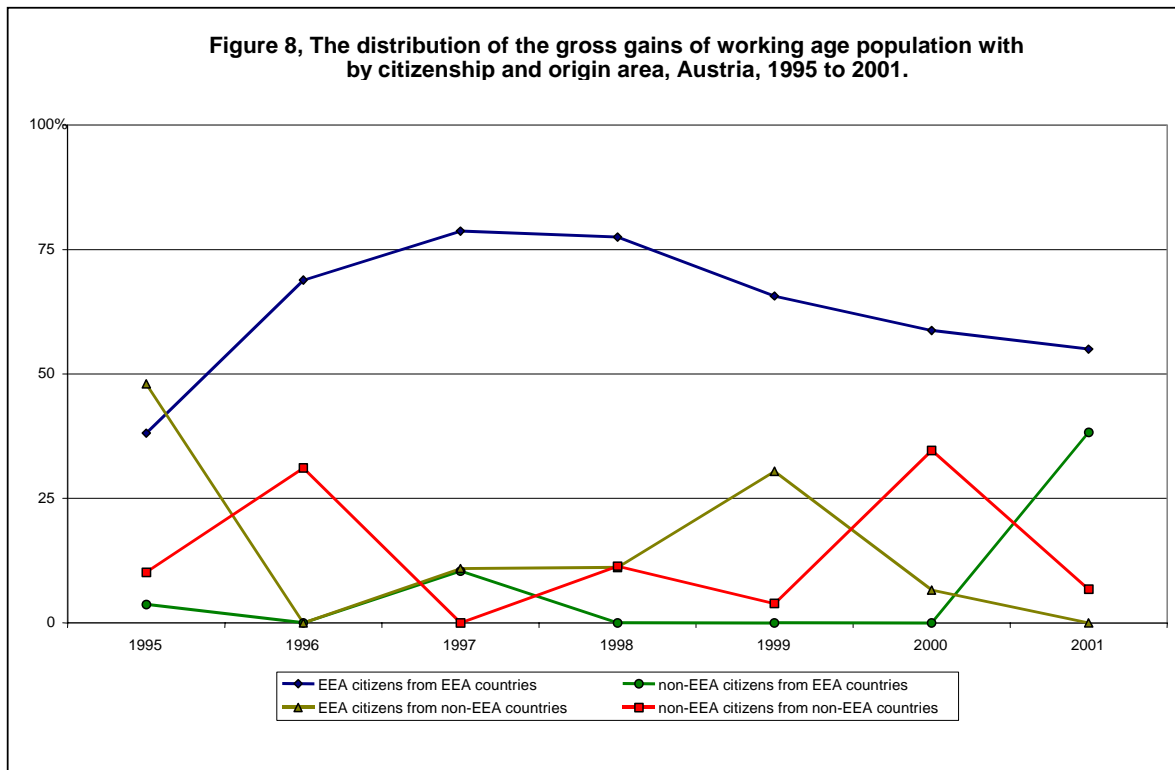
Data source: Labour Force Survey.

Figure 7. Gross gains in working age population by educational level, Austria, 1995 to 2001.



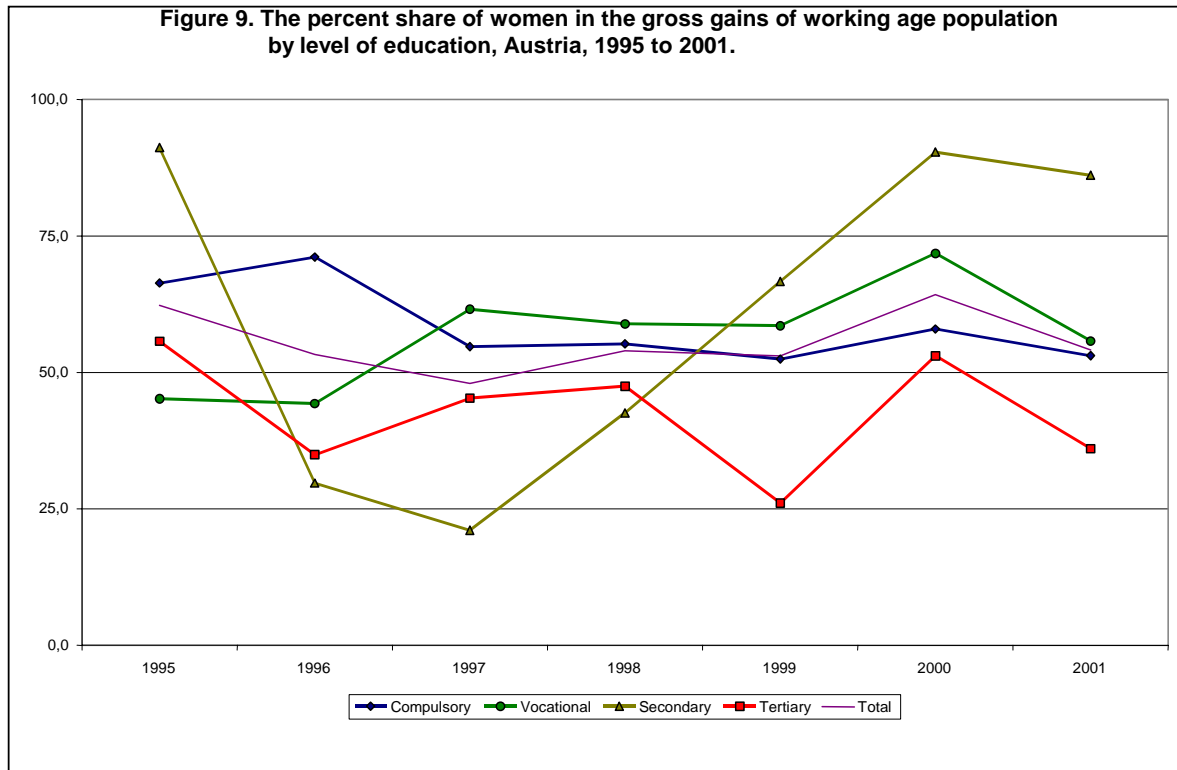
	EEA citizens from EEA countries	non-EEA citizens from EEA countries	EEA citizens from non-EEA countries	non-EEA citizens from non-EEA countries	Total
1995	1,417	137	1,785	377	3,716
1996	1,321	0	0	597	1,918
1997	1,826	241	253	0	2,320
1998	1,116	0	160	164	1,440
1999	1,744	0	809	104	2,657
2000	1,811	0	203	1,068	3,082
2001	1,503	1,047	0	184	2,734
Average	1,534	204	459	356	2,552

Data source: Labour Force Survey.



On average over the period, Austrian citizens made up 36% of the gains of tertiary educated working age population, 34% of the secondary educated, 34% of the vocationally educated, and 29% of those with compulsory education or less. This suggests that Austria is slightly more attractive to the less educated working age population of other countries than to the highly educated; or return is particularly attractive to the more highly educated Austrian citizens.

Women appear to have formed the majority among the gross migration gains of population with compulsory or vocational education. At the level of secondary education their share declined and rose so much between 1995 and 2001 that it would be difficult to determine a level or a trend. The shifts were less ferocious among the gains of tertiary educated population. Here a level somewhere between 30% and 50% seems to have been the norm.



3.3 Flows in Relation to Stock Changes

These intakes can, for one, be related to stocks at the beginning of the period, and secondly they can be examined for their contribution to stock changes. In March 1995, according to the LFS, the working age population with tertiary education numbered about 259,000. By 2001 this stock had grown to about 317,000, an increase by about 58,000 or 23%. The cumulated gross gains from migration of population with tertiary education over the next six years numbered about 14,000. Had they all remained in the country – which was certainly not the case they would have been an addition of 5.5% to the 1995 stock, and they would have accounted for about 24% of the growth of the population with tertiary education. Thus, more than three quarters – but we don't know how much more – of the growth of the working age population with tertiary education is attributable to domestic expansion. By implication, there is no problem with skill losses through emigration, although Austria does have a long history of skilled emigration, primarily to Germany.

	Compulsory	Vocational	Secondary	Tertiary	Total
total stock change	-131,453	100,987	65,427	58,547	93,508
max. migration gains	45,814	25,554	15,091	14,151	100,610
other stock change	-177,267	75,433	50,336	44,396	-7,102
percent growth relative to 1995 stock					
max. migration gains	1.3	2.8	2.8	5.5	1.9
other stock change	-4.9	8.2	9.5	17.2	-0.1
share of total stock change, percent					
max. migration gains	-34.9	25.3	23.1	24.2	107.6
other stock change	134.9	74.7	76.9	75.8	-7.6
Data source: Labour Force Survey.					

How do the LFS data compare with the migration statistics available since the beginning of 1996? According to the LFS, there were 15,000 persons of working age living in Austria in March 1997 who had been living elsewhere one year earlier. The same number was 18,000 to 19,000 in the next three years. By comparison, the gross immigration to Austria during the 12 months to mid-March 1997 was about 68,800, about 71,600 in 1998, about 74,000 in 1999, and about 87,300 in 2000. An immigrant is somebody who sets up residence in Austria. During those four years, the gross population gains from migration according to the LFS are a fairly stable share of the gross immigration: 22.6%, 26.5%, 26.1%, and 23.4%. This stability lends some credence to the LFS data for the period 1997 to 2000 (Table 14).

	Immigration	Emigration	Net migration	Gross gains
1996-97	66,172	63,297	2,875	14,947
1997-98	68,504	67,035	1,469	18,171
1998-99	70,153	62,121	8,032	18,302
1999-00	80,087	63,944	16,143	18,714
Data source: Statistik Austria, migration statistics; Labour Force Survey.				

The LFS figures represent an estimate of how many of the gross immigrants of the preceding 12 months are still resident in the country at the end of the period. By implication, the other gross immigrants must all have left again, i.e. they must have become part of the gross emigration flow. If so, between 75% and 96% of each year's working age immigrants were also among the same year's emigrants. The 96% pertains, of course, to the last year in the table above, to the period mid-March 1999 to mid-March 2000. Unfortunately, it is quite implausible that such a large share of the period's intake would have left again so swiftly, simply because one quarter of the gross immigration of about 80,000 was asylum-seekers. At the same time, however, it is unlikely the LFS in March 2000 included many asylum-seekers of the preceding 12 months. The large majority were likely housed by NGOs, a small part by the government, and in neither case would the LFS interviewers have regarded the housing as private accommodation. It seems advisable, therefore, to relate the gross gains not to the total gross immigration of working age population, as was done above, but to the gross immigration minus the applications for asylum. If this is done,

the gross gains make up a share between 25% and 31% of the gross immigration. It also reduces the share of the gross immigrants in the same 12 months' gross emigration to a much more plausible level, i.e. between 59% (1998-99) and 70% (1996-97) (Table 15).

	Asylum applications	Working age immigration minus asylum	Gross gains	Gross gains relative to immigration
1996-97	6,923	59,249	14,947	25%
1997-98	8,491	60,013	18,171	30%
1998-99	15,386	54,767	18,302	33%
1999-00	19,667	60,420	18,714	31%

Data source: Statistik Austria, migration statistics; Labour Force Survey.

This whole discussion points to a further issue about which there is no systematic information. Refugees may be bearers of skills, and in many cases they certainly will be, but it is quite unclear whether they succeed in employing these skills in the receiving society. The anecdotes about physicians who are not permitted to work or who drive a taxi while their application for asylum is being processed, would point in the other direction.

Has the increased supply of working age population with tertiary education been absorbed by the labour market? For each individual year, the share of the labour force participants in the gross gains of working age population vary a great deal. Since what we are seeing is a snapshot picture of mid-March of each year, this is perhaps not really surprising. March is a transition period between seasons. The average over the whole period 1995 to 2001 can serve as a guide to what to expect in general. If we compare the averages between immigrants and non-immigrants for each educational level it turns out that all the labour force participation rates of the immigrants are lower than those of the non-migrants. The size of the gap is lowest at the level of tertiary education. Here the labour force participation rate of the immigrants is 81%, while that of the non-migrants is 85%. At the level of secondary education the gap is twice as large, i.e. 67% versus 75%. It is greatest at vocational level: there are nearly 30 percentage points between 36% and 65%. The gap was lower than that at the level of compulsory schooling or less where the immigrants had a labour force participation rate of 52% against the non-migrants' 64%. These differences may reflect differences in seasonal impact, since the LFS, due to the definitions used, would regard workers who are currently not employed but who did not look for work during the previous week because they know for certain they will be reemployed in a few weeks' time as out of the labour force (Table 16).

	Compulsory	Vocational	Secondary	Tertiary	Total
1995	56.6	58.5	59.1	71.2	60.3
1996	39.2	15.6	75.6	85.9	46.5
1997	64.4	47.6	86.2	86.0	68.5
1998	41.2	21.8	80.3	78.3	43.5
1999	59.5	27.1	48.0	96.0	54.4
2000	53.0	63.4	60.3	74.8	59.8
2001	48.2	26.3	57.9	80.0	47.8
Average	51.8	35.9	66.7	80.9	54.4
Non-immigrants average	64.0	64.5	74.9	84.6	66.3

Data source: Labour Force Survey.