

Country Profile

Austria

Migration and Skill Corridors

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Austria is facing a shortage of skilled workers, especially in the health, STEM (Science, Technology, Engineering and Mathematics), and construction sectors. To address this, the country's government and other stakeholders are exploring new ways to attract skilled professionals from abroad. Agreements relating to that have recently been established at both the national and provincial levels. Before that, recruitment of skilled labour from abroad was mainly organised through private initiatives, which continue to play a complementary role. Among the Link4Skills countries under study, Austria has specifically targeted India, the Philippines, and Indonesia with the aim to facilitate the migration of skilled workers.

Produced by the EU-funded Link4Skills research project, this profile is part of a series providing relevant information about countries where the project is conducting empirical fieldwork. Our focus is on transnational labour migration with particular attention given to migration skill corridors. Countries investigated by the consortium include Austria, Canada, Germany, Ghana, India, Indonesia, Morocco, the Netherlands, Nigeria, the Philippines, Poland and Ukraine.

<http://link4skills.eu>



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1. Introduction

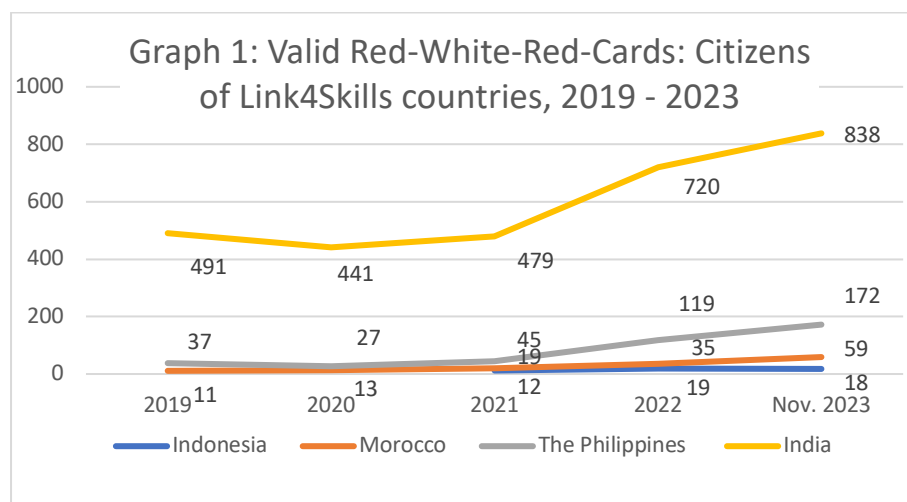
Austria has a long-standing history as a destination for labour migration from Turkey and South-East European countries, dating back to the recruitment of "guest workers" in the 1960s and 70s. While EU immigration has increased, especially since the 2004 enlargement, Bosnia and Herzegovina, Turkey, and Serbia remain among the top 10 origin countries of Austria's foreign-born population. These speak to Austria's more established skills corridors with those regions. Syria and Ukraine, key sources of refugees, are also in the top 10 (table 1). Over the past 20 years, the proportion of foreign-born individuals in Austria's population has steadily increased from 14% to 22% (table 1).

Country of Birth	2004	2009	2014	2019	2024
Total population	8,142,573	8,335,003	8,507,786	8,858,775	9,158,750
Foreign-born population	1,141,212	1,260,277	1,414,624	1,728,554	2,038,718
Germany	148,100	186,171	210,735	232,236	265,081
Bosnia and Herzegovina	141,386	149,903	155,050	168,465	178,870
Türkiye	142,653	156,621	159,958	159,682	165,319
Romania	44,691	57,016	79,264	121,115	148,487
Serbia	126,032	131,361	132,553	143,239	144,529
Hungary	31,618	36,159	55,038	79,048	94,717
Syria	2,017	2,663	5,196	48,450	85,586
Ukraine	4,550	7,179	9,441	14,019	81,530
Poland	43,050	57,055	66,802	75,602	77,451
Croatia	42,195	40,003	39,782	46,678	58,597

Source: Statistics Austria: Statistics of the population status. Created on 28.05.2024.

Currently, Austria is grappling with a shortage of skilled workers, particularly in the health, STEM, and construction sectors (WKO, n.d.). This has spurred interest in making Austria more attractive as a destination for skilled workers. Besides quota governed seasonal arrangements, in 2022, the government reformed the Red-White-Red Card¹ (ABA n.d.) to improve access for qualified workers from third countries who aim to stay longer-term. In its “International Skilled Workforce Strategy” the Austrian Federal Economic Chamber (WKÖ) has defined focus countries (WKO, n.d.), including the established skills corridors with Kosovo, as well as the (re)emerging ones Albania, the Philippines, Indonesia, and Brazil. Additionally, Austria has concluded several agreements at both national and provincial levels with India, the Philippines and Indonesia since 2022. This is somewhat reflected in the uptick of Red-White-Red cards for nationals of the Link4Skills countries under study, particularly India and the Philippines (graph 1).

¹ The Red-White-Red Card is a residence permit for highly qualified workers and skilled workers in shortage occupations from third countries that is valid for 24 months and grants card holders the right of establishment and the right to work for a **specific employer or self-employed**. It can be renewed through the Red-White-Red Card Plus, which entitles to fixed-term settlement and unlimited labour market access. The Red-White-Red Card Plus is also eligible, inter alia, for family members of foreign citizens permanently settled in Austria, holders of a settlement permit (in certain cases), a Red-White-Red Card, or a EU Blue Card - a residence permit for highly skilled workers in the EU – and as a renewal of the EU Blue Card.



Source: MoI settlement and residence statistics 2019-2023

Before these efforts to formalize cooperation with origin countries to attract talent, skilled labour migration was primarily propelled by private recruitment initiatives, which continue to play a complementary role. To mitigate competition in international recruitment between federal provinces and private actors and to implement a coordinated strategy on international qualified personnel, an Interministerial Strategy Committee/Coordination Group on International Qualified Workers, coordinated by the Federal Ministry of Labour and Economy, was set up in 2023 (BKA et al., 2023; BMAW, 3.12.2023). Interest in Skills Mobility Partnerships is evident from the preparation of a Feasibility Study on such partnerships in Austria by the International Organisation for Migration (IOM), supported by the ERSTE Foundation, the Federation of Austrian Industries, and WKÖ (IOM 2023).

2. Migration Corridors Overview

In this country profile, a pre-selection of four migration corridors with countries that are part of the empirical fieldwork of our Link4Skills research project will be particularly considered. The Link4Skills countries are Austria, Canada, Germany, Ghana, India, Indonesia, Morocco, the Netherlands, Nigeria, the Philippines, Poland and Ukraine. Among these countries, the (re-)emerging skill corridors between Austria and India, Austria and the Philippines as well as Austria and Indonesia are particularly relevant, as their work-force promises matching with Austrian demand for labour and Austria steps up efforts to attract skilled workers through a range of cooperation mechanisms. Other Link 4 Skills countries are less relevant in terms of political priorities in the context of talent attraction and in terms of numbers of skilled labour migrants.²

² Immigration from Ukraine is attributed to protection-related migration under the temporary protection scheme, migration from Nigeria predominantly stems from family and protection-related migration, and both Morocco and Ghana are less relevant both numerically and in terms of political priorities.

2.1 Austria-India

Among the countries covered by the Link4Skills project, India is the second-largest country of origin in Austria, with 18,375 Indians living in Austria in 2023 (Statistics Austria 2023).³ As a skills corridor, it has a longer history and thus can be considered established, although had an interim period of lower labour migration, followed by recent efforts to reinvigorate the corridor. Indian immigration to Austria (Hintermann 2000) began with a small number of highly skilled individuals in the 1970s. It increased notably when nurses from Kerala began employment in Catholic hospitals in Vienna, facilitated by networks of Indian theology students and a formal agreement. A similar arrangement existed in the province of Vorarlberg in the 1980s, but this corridor eventually diminished⁴. Moreover, up until the mid-1990s, a considerable number of Indians migrated to Vienna to work as newspaper vendors.

The migration of health care workers was recently invigorated by an agreement on the migration of care workers signed in March 2024 between the Dioceses of Eisenstadt, Kanjirapally and the province of Burgenland with the aim to facilitate the migration of 50 qualified care workers to the province per year (Catholic Church Austria, 14.3.2024). Care workers from India are also recruited through private initiatives of care home operators (Der Ennstaler, 8.2.2024). In some cases, these initiatives are supported by the provincial governments, such as in Carinthia (ORF Kärnten, 15.1.2023).

Austria is currently exploring avenues for cooperation to facilitate the immigration of skilled workers from India across sectors (Yang, 22.2.2024), including technology, hospitality, as well as information and communication technologies (IOM 2023). In 2023, a Comprehensive Migration and Mobility Agreement between Austria and India was signed, aiming to bolster cooperation on the return of “irregular migrants”, while also facilitating labour migration (BMEIA, 15.5.2023). In the area of labour migration, this agreement, inter alia, promotes the exchange of information regarding immigration opportunities for qualified workers within the framework of the Red-White-Red Card and establishes cooperation in the area of vocational training. Concurrently, private recruitment efforts are also underway, such as the Austrian Railway Services (ÖBB) actively seeking to hire skilled workers from India (Möchel and Schreiber, 24.2.2024).

2.2 Austria-Philippines

The Philippines similarly stands out as an important established and re-emerging skills corridor with Austria, among the Link4Skills countries. In 2023, 14,057 individuals born in the Philippines were residing in Austria (Statistics Austria 2023). Under a Recruitment Agreement between the City of Vienna and the Philippine Department of Labor, approximately 400 Filipino nurses were deployed to Vienna between 1974 and 1985. A large share chose to stay

³ Despite larger numbers of Ukrainians living in Austria, migration of Ukrainians is characterised as a protection-oriented corridor rather than a skills-oriented one. From the Austrian perspective, it is not currently considered a political priority in terms of attraction of talent.

⁴ Based on information collected in the ITHACA - Integration, Transnational Mobility and Human, Social and Economic Capital Transfers project

in Austria, got married with locals or had their spouses following them to Austria (Springer, 13.1.2017).

The skills migration corridor in the health sector remains relevant today, invigorated by an MoU on the deployment of healthcare professionals signed between the Philippines, the City of Vienna and the Austrian Federal Economic Chamber in July 2023 (WKO, 5.8.2023). Identified areas of cooperation include streamlining of deployment and immigration procedures, bilateral exchanges on professional and technical capacity-building initiatives, reintegration programs, and certification and recognition of skills and qualifications, among other aspects (WKO, 5.8.2023). At the provincial level, initiatives like the Upper Austrian program to recruit Filipino nurses are underway. As part of this initiative a new type of qualification pathway for nurses trained abroad was launched at the Upper Austrian University of Applied Sciences for Health Professions in Linz (Hattmannsdorfer, 23.01.2024).

At the national level, Austria is focussing on attracting skilled labour from the Philippines also beyond the healthcare sector, including fields such as construction and engineering, information technology, as well as tourism and hospitality. This effort is advanced by two MoUs signed in 2023: The MoU on employment opportunities outlines an ethical, transparent, and sustainable recruitment framework that governs the entry, hiring, and integration of Filipino healthcare professionals in Vienna (Manila Bulletin, 25.10.2023). The MoU on the recruitment of qualified professionals aims to enhance cooperation to support Filipino professionals seeking employment in Austria and to foster further cooperation on vocational training. In addition, the Philippines is included in the WKÖ list of focus countries (WKO, n.d.).

2.3 Austria-Indonesia

To date, immigration of Indonesians to Austria is relatively small-scale, yet emerging. In 2023, 1,678 persons born in Indonesia were residing in Austria (Statistics Austria 2023). However, Indonesia is a priority country in the context of the recruitment of skilled labour: It is listed among the WKÖ focus countries (WKO, n.d.). particularly targeting millers, turners, welders, IT specialists and carpenters as pilot shortage professions (WKO, 7.3.2024). In 2024, an MoU between Indonesia and Austria on the recruitment of skilled workers was signed, which will, inter alia, accelerate Red-White-Red Card procedures. Furthermore, an MoU on cooperation on dual apprenticeship⁵ training was signed in 2022 already with the aim to enhance qualifications in Indonesia through Austrian expertise (BMAW, 14.5.2024). This includes initiatives such as the placement of Indonesian skilled workers in apprenticeships in Austria (Dwi Anggoro, 11.11.2022) and well as partnerships with Austrian companies to establish apprenticeship training programmes in Indonesia (IOM, 2023). As part of a cooperation between Indonesia and Wifi International⁶, for example, Austria is supporting the

⁵ "Dual apprenticeship" refers to a vocational training system that combines practical on-the-job training with theoretical classroom education.

⁶ The "Institute for Economic Promotion" (WIFI) is an institution of the Austrian Economic Chambers and one of the leading educational institutions in Austria specialised on vocational training and the qualification of the workforce.

establishment of a training centre for woodworking professions, including the setup of a modern carpentry workshop in Medan, Sumatra (Haigermoser, 12.5.2022).

2.4 Austria-Morocco

In the case of Morocco, immigration to Austria is also relatively small-scale. In 2023, 2,924 Morocco-born individuals were residing in Austria (Statistics Austria 2023). In 2020, the SeneCura group, one of Austria's largest private operator of health and care facilities, attempted to recruit health professionals from Morocco. The plan included having them attend a course at a Lower Austrian university of applied sciences to facilitate their degree recognition. However, language barriers reportedly posed a significant challenge for this initiative (ORF, 10.2.2020). Currently, no legal agreements on labour migration have been established between the two countries, and Morocco is not yet considered a focus country at the national level.

3 Migration of Skilled Workers

In recent years, Austria has implemented measures to attract skilled foreign workers, including a reform of the Red-White-Red Card and increased cooperation (at the national and provincial level) with countries, including India, the Philippines, and Indonesia, formalised through MoUs and formal agreements in 2023 and 2024. However, Austria still faces various obstacles that hinder its perception as an appealing destination for skilled labour migrants. These include, among others, bureaucratic hurdles in the approval process, characterised by unpredictable outcomes and lengthy durations, as well as limited opportunities to enter the labour market without proficiency in German (IOM, 2023). While it is too early to talk about the outcomes of the recently concluded cooperation agreements, the Link4Skills research project will allow us to analyse these approaches and outcomes more in depth. The specificities of partnerships enacted at provincial level and the role of private actors in shaping the approach to skills migration deserve special attention.

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About the Link4Skills project

Link4Skills is an EU-funded research and project addressing the global challenge of skill shortages and mismatches through innovative, sustainable solutions that foster fair skill utilization and exchange across continents.

Focusing on Europe, Africa, Asia, and America, the project seeks to bridge the gap between skill supply and demand by facilitating re/up-skilling, promoting automation, and encouraging migration as policy options.

Link4Skills is creating an inclusive, participatory policy decision-making environment by integrating a diverse range of stakeholders, including EU decision-makers, inter-governmental institutions, national and subnational decision-makers, employers organizations, employees organizations, and civic society co-development institutions.

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