

At a Glance

Business Report 2007

Austrian Employment Service (AMS)

New impulses for the labour market





2007 was an exceptionally good year for the Austrian Employment Service, bringing both the greatest employment increase since 1991 (plus 65,500, of which 50,000 full-time jobs) and fall in job seekers since 2000 (minus 17,000 or - 7.1%).

These are figures to which not only economic growth of 3.4%, the work of the government and social partners, and a financially well endowed labour market policy have contributed, rather also everyone at the Austrian Employment Service and so we should here give thanks and acknowledgement to the staff of the Austrian Employment Service for their achievement of not only serving job seekers and employers in their search for jobs or employees better, but also faster. They de facto reduce unemployment in this country.

Success is for us at the AMS however not just an aim but indeed a process, and so we will also be making efforts together in 2008 toward not only improving ourselves, but also the satisfaction of our clients, extending our e-services, measurable quality increases in our training programmes, extending our offers to employers to ease their staffing shortages, and of course much, much more.

However, the AMS owners are also waiting for us with new, additional tasks. Unemployment insurance for the self-employed and needs-based minimum insurance are two keywords soon bringing new and concrete challenges. The success of every individual one of our clients is however also the success of us all. This is not just motivation, but also job satisfaction.

Dr. Herbert Buchinger
Chairman of the board

Dr. Johannes Kopf, LL.M.
Member of the board

STATUS OF THE LABOUR MARKET

Annual average and sum totals employed	total 2007	of which women	+/- to 2006 total
	3,344,039	1,546,057	+ 63,162
unemployed	222,248	97,902	-16,925
unemployment rate (national)	6.2%	6.0%	-0.6%
unemployment rate (Eurostat)	4.4%	5.0%	-0.3%

Source: Main Association of Austrian Social Security Institutions, AMS (Austrian Employment Service)

IMPLEMENTATION OF AMS TARGETS 2007

Targets 2007

Targets 2007	Target value	Actual value	Target achieved
Increase advertisement on the labour market (staffing affects only full insurance obligated employment; excl. primary sector)	min. 323,300	344,733	+
Acquisition of skilled positions (at least apprenticeship)	min. 162,953	200,535	+
Keeping youth unemployment periods short (unemployment not longer than 6 months)	max. 7,038	4,719	+
Keeping unemployment periods of older people short (unemployment not longer than 6 months)	max. 21,493	14,634	+
Preventing long term unemployment (continuation of unemployment beyond 12 months)	max. 2.5%	1.1%	+
Finding jobs for long-term unemployed	min. 51,597	55,593	+
Increasing training effectiveness (proportion of job take-ups within three months after training)	min. 49.6%	50.5%	+
Easing getting back to work (job take-ups by returners)	min. 20,235	23,848	+
Easing getting back to work (returners training)	min. 15,841	20,433	+

International comparison of the labour market

Eurostat, the statistical office of the European Union, assigned an unemployment rate of 4.4% to Austria for 2007. Austria therefore enjoys as before a very favourable comparative international position. The unemployment rate for the 27 EU states was 7.1% Austrian unemployment is therefore in fifth place in the European Union after the Netherlands (3.2%), Denmark (3.8%), Cyprus (3.9%) and Lithuania (4.3%).

Unemployment rates (acc. to EU criteria)

	total		Men		Women	
	2007	2006	2007	2006	2007	2006
EU-27	7.1	8.2	6.6	7.6	7.8	8.9
EU-25	7.2	8.2	6.5	7.5	7.9	9.0
EU-15	7.0	7.7	6.4	7.1	7.7	8.5
Eurozone - 13	7.4	8.2	6.6	7.4	8.4	9.3
Belgium	7.5	8.2	6.7	7.4	8.4	9.3
Bulgaria	6.9	9.0	6.5	8.6	7.3	9.3
Czech Republic	5.3	7.1	4.2	5.8	6.7	8.8
Denmark	3.8	3.9	3.5	3.3	4.2	4.5
Deutschland	8.4	9.8	8.4	10.2	8.3	9.4
Estonia	4.7	5.9	5.4	6.2	3.9	5.6
Ireland	4.6	4.4	4.9	4.6	4.2	4.1
Greece	8.3	8.9	5.2	5.6	12.8	13.6
Spain	8.3	8.5	6.4	6.3	10.9	11.6
France	8.3	9.2	7.8	8.4	8.9	10.1
Italy	6.1	6.8	4.9	5.4	7.9	8.8
Cyprus	3.9	4.6	3.4	4.0	4.6	5.4
Latvia	6.0	6.8	6.4	7.4	5.6	6.2
Lithuania	4.3	5.6	4.3	5.8	4.3	5.4
Luxemburg	4.7	4.7	4.0	3.5	5.7	6.2
Hungary	7.4	7.5	7.1	7.2	7.7	7.8
Malta	6.4	7.3	5.8	6.5	7.6	8.9
Netherlands	3.2	3.9	2.8	3.5	3.6	4.4
Austria	4.4	4.7	3.9	4.4	5.0	5.2
Poland	9.6	13.8	9.0	13.0	10.3	14.9
Portugal	8.0	7.7	6.6	6.5	9.6	9.0
Romania	6.4	7.3	7.2	8.2	5.4	6.1
Slovenia	4.8	6.0	4.0	4.9	5.8	7.2
Slovakia	11.1	13.4	9.9	12.3	12.7	14.7
Finland	6.9	7.7	6.5	7.4	7.2	8.1
Sweden	6.1	7.1	5.8	6.9	6.4	7.2
United Kingdom	5.3	5.3	5.6	5.7	4.9	4.9
United States	4.6	4.6	4.7	4.6	4.5	4.6
Japan	3.9	4.1	3.9	4.3	3.7	3.9

Source: Eurostat (according to the Labour Force Concept); As of 6th of May 2008

JOB REFERRALS

Referral ratios	2007	absolute change compared with 2006
Filled vacancies	319,876	+32,384
Increase of vacancies	369,569	+33,961
Increase of apprenticeships	36,887	+2,228
Percentage of vacancies filled within one month	62.3	+14,300
Number of jobs taken up by previously unemployed (total)	496,075	-12,573
Number of jobs taken up by elderly (over 45)	122,868	+1,576

Acquiring vacancies

The impulse offensive during the 2007 campaign highlighted the role of the AMS as an interface between job seekers and employers. In the forefront were the strong signal towards customer loyalty and support of the labour market policy target achievement.

Increased numbers of visits to companies throughout the regions were made during the campaign period from April to July. 330 AMS staff from the Service for Enterprises visited over 3,500 companies, personally delivering information on the AMS portfolio. Simultaneously with the acquisition tour, the AMS was also present with publicity effective impulse centres at 14 focal points throughout the provinces. The spectrum of on-site activities ranged from business dialogues with companies through information events for women and youth to regional press conferences.

The impulse tour was supported by high-profile mailing, radio spots with regionalised success stories, print media ads and PR work.

AMS ImpulsOffensive 2007



www.ams.at

The impulse offensive 2007 and other acquisition activities considerably contributed to the fact that with 369,569 registered vacancies job acquisition was increased by around 33,961 in comparison to the previous year. If apprenticeship positions notified to the AMS are also included the number of acquired vacancies increases to 406,456.

LABOUR MARKET DEVELOPMENT

292,000 new clients were supported in 2007 in the course of labour market development. As an individual may receive multiple subsidies, the total number of cases amounted to 861,000. The number of newly subsidised persons reduced by around 16,200 in comparison to 2006 (-5.3). The number of newly subsidised unemployed sank by 6.35%, while attributable to the renewed launch of ESF qualification support for the employed in the ESF period 2007 to 2013 the number of subsidised employed persons was able to be increased by 2,600 (+13.7%).

Qualification

Within the labour market support programme, gaining qualifications for both employed and unemployed continues to represent the most important strategy for solving labour market problems. In 2007 a total of € 565.01 million (2006: € 567.04 million) were used for qualification schemes, representing 67% of subsidy outlays (2006: around 67%).

Employment promotion

This includes amongst others corporate integration benefits, short-term work benefits and employment projects, whereby € 208.86 million was spent in 2007 (2006: € 211.45 million). This corresponds as in the previous year to 25% of the subsidies budget. In terms of the total of all subsidised persons, around 15% (also) received an employment subsidy (15% in 2006).

Support

In addition to consulting, for people with particular problem situations the AMS offered labour market related counselling in the regional offices around the theme of employment referral, debts advice for example. Further support programmes include the company-founding programme, founding subsidies and support of unified families and careers (childcare benefits etc.). ESF qualification consulting for businesses also represents an important complement to the AMS service portfolio.

In 2007 a total of € 71.74 million (2006: € 68.56 million) were paid out for support representing around 8% of subsidy expenses, support subsidies being approved for around 56,800 persons.

Subsidies by areas (in million Euros)	2007	2006	Percentage proportion of total	Percentage change compared with previous year
Employment	208.86	211.45	24.70	-1.22
Qualification	565.01	567.04	66.82	-0.36
Support	71.74	68.48	8.48	+4.75
total	845.61	846.98	100.00	-0.16

Youth Funding

In 2007 almost every second youth registered at the AMS benefited from an AMS support scheme. Besides support provided within the regular framework apprenticeships in training institutions (JASG, § 30 BAG, IBA) and support of creation of additional apprenticeships in business (ZLST) were continued.

2007	new supported persons		
	absolute	total	of which women
employment	35.72	8,247	4,128
Qualification	296.59	91,950	42,882
of which JASG	69.35	11,442	5,200
of which additional apprenticeships	81.77	27,977	11,535
Support	11.75	11,114	6,373
total 2007	344.06	100,657	47,603
total 2006	310.94	101,575	48,846
total change	+33.11	-918	-1,243
% change	+10.65	-0.90	-2.54

Support of career training and apprenticeship preparation was carried out for the apprenticeship seeking target group in the form of a safety net to support youth integration into the labour market (Youth Training Act/JASG – special independent training facilities pursuant to article 30 of the Career Training Act (BAG) and Integrative Career Training (IBA)). Participation in the JASG apprenticeships are intended to lead to a later changeover to a company apprenticeship. For those cases where this does not succeed further participation in more advanced courses is intended. Regional governments participate in financing with at least 25% of the apprenticeship costs.

Furthermore the so-called Blum-Bonus introduced in autumn 2006 (support of additional apprenticeships) was also continued in 2007. Support was realized for 35,037 apprentices (no age limit, inc. 14,541 women: 2006: 22,764, inc. 9,692 women). Payments for this programme in 2007 amounted to € 81.91 million (2006: € 42.1 million with no age limits).

INCOME SUPPORT

Processed service applications (acceptance & rejection)

	2007			2006		
	total	women	men	total	women	men
Unemployment benefits	664,422	276,943	387,479	666,171	275,069	391,102
Social Welfare Benefit	224,309	99,486	124,823	236,889	104,157	132,732
interim allowance	5,996	4,295	1,701	7,122	4,763	2,359
further education subsidy:						
educational sabbaticals	2,074	1,162	912	1,939	1,107	832
loss of income	84	65	19	69	48	21
old-age part-time subsidy	5,855	2,614	3,241	5,459	2,327	3,132
others*	45,931	18,855	27,076	48,274	19,710	28,564
total	948,671	403,420	545,251	965,923	407,181	558,742

* e.g. pension advances, reemployment schemes (training).

Average numbers of recipients

	2007			2006		
	total	women	men	total	women	men
Unemployment Benefit	114,468	48,863	65,605	120,969	49,705	71,264
Social Welfare Benefit	85,181	35,045	50,136	91,908	37,404	54,504
§ 34 – pension ins.	2,591	2,344	247	2,795	2,519	276
interim allowance	7,432	5,915	1,517	6,880	5,341	1,539
further education subsidy:						
educational sabbaticals	1,054	652	402	1,019	639	380
loss of income	55	42	13	43	32	11
old-age part-time subsidy	27,784	12,791	14,993	31,117	14,333	16,784
pension advances	19,447	7,016	12,431	20,052	7,264	12,788
AIG continuation for measures/training	12,592	7,156	5,436	14,353	7,984	6,369
Emergency Aid continuation for measures/training	14,286	6,945	7,341	16,665	8,066	8,599
others*	5,022	2,572	2,450	5,333	2,599	2,734
total	289,912	129,341	160,571	311,134	135,886	175,248

* e.g. family hospitalisation leave, reemployment schemes (training).

Service costs (in million Euros)

	2007	2006
Unemployment benefit (inc. between jobs benefit)	1,197.57	1,273.53
Social Welfare Benefit	765.78	815.09
interim allowance	79.19	71.97
further education subsidy:		
old-age part time	411.28	455.85
other services	27.40	29.60
total net payments	2,488.27	2,652.60
pension insurance contributions*	774.58	774.44
health insurance contributions** (inc. compensation of sick days)	279.55	295.53
accident insurance contributions	5.00	4.54
social security total	1,059.13	1,074.51
total expenses (net payments and social security contributions)	3,547.40	3,727.10

* Pension advances and special support inc. expenses of the SV-Bergbau (excluding administrative costs).

** These are advance payments. Actual expenditures will be calculated during 2008.

AMS ON THE INTERNET

With an average of 38 million page views per month access to the AMS internet services have again increased considerably in comparison to the previous year (2006: 29 million). The AMS website therefore counts amongst the top internet addresses in Austria.

Internet access to:	January–December 2007	January–December 2006
	Units: page views	Units: page views
AMS website / infosites	210,381,322	101,446,292
eJob-Room	247,111,268	211,347,565
total	457,492,590*	351,875,757**

* 2007 incl. careers information system, career compass and workroom.cc

** 2006 incl. careers information system, career compass

AMS ORGANIZATION

The Austrian AMS is divided into one national, nine provincial and 99 regional organisations: national office, provincial offices and regional offices. There are also 4 branches and 61 careers information centres. The social partners are involved on all these levels and contribute considerably in the board of governors, in the provincial directorates and regional advisory councils to shaping labour market policy (provincial employment schemes) and organizational controlling.

The Board of Governors*

Chairman: Prof. Dr. Günther Steinbach,
Federal Ministry of Economics and Labour (BMWA)

Deputies: Rudolf Kaske, Gewerkschaft vida
Dr. Wolfgang Tritremmel
Association of Austrian Industry

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Chairman of the central works council:

Co-opted members:

Gabriele Kreutzer, LGS Wien,
Member of the central works council:
Silvia Krill, LGS NÖ

The Board of Directors*

Chairman: Dr. Herbert Buchinger
Member of the board: Dr. Johannes Kopf, LL.M.

* as of 12/2007.

MISSION STATEMENT

Connecting people and work

The AMS is the leading customer oriented service organisation in the Austrian labour market. We bring together job seekers and employers and ensure that unemployment lasts no longer than labour market conditions dictate. Our work contributes to social stability.

Service for job seekers and businesses

We connect job seekers with vacancies and support job seekers and companies in their own initiatives through advice, information, qualification and financial support. We contribute to securing a basic income during periods of unemployment. For businesses we represent an important source in the search and selection of suitable employees.

Equal opportunities

Equal opportunities are one of our core issues. We support the disadvantaged on the labour market and are particularly active in equal opportunities for women.

Clients

The AMS is directed completely toward its clients, they decide whether we are successful. Our relationship with them is based on competence, sympathy, understanding and communication, helping toward helping yourself and binding agreements for both sides. When customer requests are contradictory reconciliation of interests is in the foreground.

Staff

Our customers expect professional service we therefore foster skills and capacities of our staff through further education and training as well as personnel development.

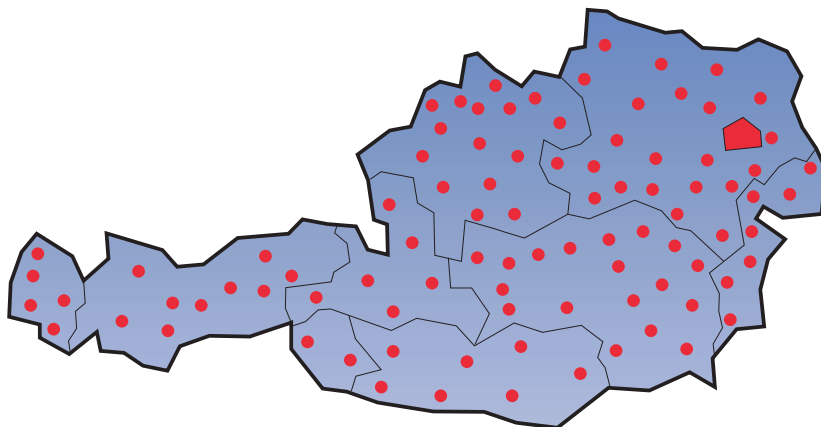
Quality

We deploy our resources both responsibly and effectively. Our national and regional service portfolio along with our efficient information network ensures customer proximity and quick information provision. We operate in a dynamic environment and set impulses for development, we ensure the continuous high quality of our services through constant development. We are labour market and employment experts.

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THE AUSTRIAN EMPLOYMENT SERVICE

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