

EMN Study

Access to the Labour Market and Labour Market Integration of Asylum-seekers in Austria

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SUMMARY

This study examines access to the labour market and labour market integration of asylum-seekers in Austria. The background to this is the EU Directive on Reception Conditions (2013/33/EU), which regulates effective labour market access for asylum-seekers. To this end, the study examines national laws, policies and measures as well as challenges and possible solutions. The primary purpose of asylum law is to offer refugees protection from persecution. It is not an instrument of controlled labour migration. In this sense, it is primarily a matter of integrating those foreigners into the labour market, whose asylum procedures have already been completed and who have been granted protection status.

Austria has fully implemented the requirements of the Reception Conditions Directive. In Austria, asylum-seekers’ access to employment and self-employment is regulated differently. Potential employers can apply for a work permit for an asylum-seeker three months after he/she has been admitted to the asylum procedure. The Public Employment Service Austria (PES) will review this application within six weeks and conduct a labour market test. Until June 2021, the “Bartenstein Decree” limited the issuance of work permits to seasonal and harvest work. Since then, the issuance of an employment permit has been possible in principle in all sectors if no substitute worker is available and the legal provisions are complied with. As of June 2021, asylum-seekers are also able to start an apprenticeship again if a work permit is issued for this purpose. Access to apprenticeships in shortage occupations had been introduced in 2012/13 for asylum-seekers up to the age of 18 or 25, and was abolished in September 2018. Analysis of statistics from the PES reveals that between 2017 and 2022, almost three quarters of applications for work permits for asylum-seekers received a positive decision. During the period under review, there was a significant decline in applications for work permits in 2019. This was followed by an increase in 2022, in which the number of applications in 2018 was exceeded.

Figure 4: Number of approvals, refusals and withdrawals of work permits for asylum-seekers as well as approval rate (2017–2022)



Source: Data provided by the Public Employment Service Austria, 13 January 2023.

Note: The approval rate is calculated as the ratio of approvals to the total number of applications decided (i.e. excluding withdrawals).

Asylum-seekers can also enter into self-employment from the fourth month after submitting their application for asylum. In so doing, they must comply with the relevant business and professional regulations. No data are available on the employment/unemployment rate or on the self-employment of asylum-seekers.

Austria has an integration strategy for third-country nationals with permanent or long-term residence. This includes persons granted asylum and beneficiaries of subsidiary protection status, but asylum-seekers do not fall into this target group as the focus lies on the rapid examination of the need for protection. However, asylum-seekers who are considered very likely to be granted asylum can, under certain circumstances, participate in measures for persons granted asylum and beneficiaries of subsidiary protection status while their asylum procedures are still in progress. These comprise German courses provided as part of the integration assistance programme (Art. 68 para 1 Asylum Act 2005) and theoretically also certain measures to promote labour market integration that are offered as part of the integration year. Asylum-seekers from the Syrian Arab Republic have been able to participate in these initiatives since 2017, as have asylum-seekers from the Islamic Republic of Iran in 2018. Whether they are able to take part in labour market integration measures, however, depends on the financial and organizational resources available. The budget for these measures is currently very limited.

Practical limitations in accessing the labour market arise from a lack of language skills or (recognized) qualifications. In addition, asylum-seekers face challenges in the transition from receiving basic care to accessing the labour market. Furthermore, the legal and planning uncertainties involved in taking on asylum-seekers as well as the efforts required to obtain a work permit for them are barriers for employers. Linking the work permit to the employer also increases employee vulnerability. In particular, information deficits on rights and employment opportunities, both among asylum-seekers and employers, count as challenges. In addition, there can be negative consequences for asylum-seekers who have been irregularly employed by employers multiple times. Asylum-seekers can legally take up self-employment from the fourth month onwards, but this is subject to various business and professional regulations. These challenges and practical limitations when accessing employment can result in precarious or irregular employment relationships for asylum-seekers. Possible practical solutions to countering these challenges include changes to access to the labour market and transfer from receiving basic care to accessing the labour market. The proposals furthermore include increasing labour market integration measures and protection for asylum-seekers from potential consequences under residence law in the event of a negative asylum decision. Changes to prevent wage and social dumping have also been suggested.

Five conclusions emerge from the analysis conducted as part of the study. First, although Austria meets the requirements set out in the EU directive on reception conditions for “effective access to the labour market”, in practice asylum-seekers have very limited opportunities to enter the workforce and must go through complex bureaucratic processes in order, for instance, to obtain a work permit or trade registration. Overall, only a fraction of asylum-seekers in Austria are employed or self-employed. Second, employment and integration opportunities have been subject to far-reaching political and legal changes over the past five years, fluctuating between the opening of new opportunities and more restrictions. Third, the (labour market) integration of asylum-seekers is not a priority in the National Action Plan on Integration. There are very few support measures in place other than for asylum-seekers with a high likelihood of being granted international protection, which at present is only the case for asylum-seekers from the Syrian Arab Republic. Fourth, it is difficult to analyse the labour market situation of asylum-seekers because, although data on work permits are available, many other parameters are missing. And fifth, this system can have negative consequences for asylum-seekers, such as demands for repayment of the costs of basic care, irregular employment and exploitation, as well as preventing successful labour market integration in the longer term.