

Red-white-red card

Rot-Weiß-Rot-Karte

 **Austria**

1 Description

Timespan Implementation started in July 2011.

Stage **FULLY OPERATIONAL**

Focus area  **MATCHING SKILLS FOR TODAY'S JOB MARKET**

2 Foundations

Policy area  **SOCIAL AND INTEGRATION POLICIES**

The measure aims to attract skilled immigrants from outside of the European Union.

Policy goal The objective of this policy instrument is to attract those key and skilled workers from abroad who are urgently needed on the labour market, but cannot be recruited from the domestic labour supply (with due attention to the future development of the Austrian labour market and economy). It opens the labour market and regulates the opportunity for foreigners to receive employment permits in Austria.

Mismatch **EXPLICITLY DESIGNED TO ADDRESS SKILL MISMATCH**

Aim of policy instrument  **ADDRESS SKILL SHORTAGES**

Legal basis **LAW**

Administrative level**NATIONAL****Main responsible body**

Federal Ministry for the Interior, Ministry for Europe, Integration and Foreign Affairs, Federal Ministry of Labour, Social Affairs and Consumer Protection

Stakeholders**GOVERNMENT (CENTRAL & REGIONAL)**

AMS (PES Austria) provides a certificate that an applicant meets requirements for the red-white-red card. Occupations in demand are defined annually by the Federal Ministry of Labour in agreement with the Federal Minister of Economics. In 2011, social partners were involved in the development of the instrument via a commission under supervision of the Federal Ministry for the Interior.

Funding

No specific information on funding is available.

Intended beneficiaries

Labour force from outside of the European Union. The instrument is designed for highly-qualified workers, skilled workers in occupations characterised by skilled workers shortage, graduates from Austrian universities, self-employed skilled workers or start-up entrepreneurs. Since January 2017, their income has to be at least €889.84 for a single person, €1,334.17 for married couples, and an additional €137.30 for each child. Applicants also need to have a health insurance and accommodation in Austria.

3**Processes****Use of labour market intelligence****ENABLE STRATEGIC BUSINESS DECISIONS**

A points system was established to formalise the process of obtaining a red-white-red card. Applicants need to obtain at least 55 out of 90 points. Points are awarded for fulfilling several conditions, e.g. by having a qualification in an occupation in demand.

Financial schemes

None

Frequency of updates

Current information on the number of red-white-red cards issued is not frequently accessible.

Development

The regulation was adapted in October 2017. Validity of the card was extended from 12 months to two years. Also a "red-white-red-card plus" was introduced for persons who already held a red-white-red card for two years or, under certain conditions, for family members of immigrants living in Austria. These were reforms to increase the attractiveness of the red-white-red card as applications were below expectations.

Barriers

Unions were sceptical of the measure, but they nevertheless were involved in the development process of the instrument. Some parties (especially right-wing party FPÖ) opposes regulations that ease immigration. It remains to be seen if the FPÖ will oppose this instrument, as the party most likely will take on the responsibility of government in a coalition with ÖVP (Christian Democratic Conservative Party) in 2017.

Success factors

A skilled workers shortage in Austria, which resulted in lobbying activities of industry representatives for regulations to increase skilled immigration can be seen as a factor that created a need for action to implement the red-white-red card. Please note, however, that demand from workers from abroad for the red-white-red card was below expectations and the success therefore limited.

Monitoring

The number of red-white-red cards issued can be seen as a measure of progress or success of the instrument.

Innovativeness

VERY INNOVATIVE

The red-white-red card is an instrument to steer and attract highly-skilled immigration.

4

Sustainability

Evidence of effectiveness

1,773 red-white-red cards were issued in 2016. Total immigration from non-EU/EFTA-countries in 2016 was 73,000 and total employment was 4.2 million. Demand for this card therefore seems limited, since the red-white-red card was planned to lead to an immigration of 8,000 skilled workers per year before implementation. Nevertheless, immigration from non-EU-countries increased after implementation of the instrument. The high bureaucratic burden, as well as strict regulations for application were identified as the main reasons for causing low demand for this instrument. The development of the red-white-red card had ben described as the "revival" of social partner involvement in Austrian politics, as the instrument was implemented in a period that was characterised by an unusual decline in social partner involvement.

Transferability

EASILY TRANSFERABLE

The success will depend on the context of the national economy (skilled workers shortage) and on the bureaucratic burden of this regulation.

Sustainability

As a reform of the instrument was implemented recently, it is expected to continue over the next few years.
