



The labour market in 2005 was characterised by soft economic growth and low labour demand. Despite this difficult framework, the AMS succeeded in making a major contribution towards keeping unemployment in check. As compared to the previous year, the unemployment rate rose by a mere 0.4 percentage points to 5.2% (EU method of calculation).

Roughly 800,000 individuals were out of work at least once in 2005. In other words, one out of four dependent workers enlisted the help of, and 550,000 individuals found a job through, Austria's public employment service.

Moreover, outreach policies were stepped up to maintain the high level of new vacancy notifications processed by the AMS. In 2005, the AMS filled a total of 296,200 job openings - 67% of them within a single month.

Dr. Herbert Buchinger
Chairman

Mag. Herbert Böhm
Director

LABOUR MARKET SITUATION

Annual average and annual total	2005 total	of whom women	+/- over 2004 total
Dependent workers	3,236,343	1,495,103	+35,843 (+1.1%)
Unemployed	252,654	108,416	+8,774 (+3.6%)
Unemployment rate (national method of calculation)	7.2%	6.8%	+0.1%
Unemployment rate (Eurostat method)	5.2%	5.6%	+0.4%

AMS targets set for 2005-targets attained

Targets set for 2005	Target value 2005	Actual value 2005	Target attained
Enhance labour market involvement (filled vacancies only refer to fully insurable employment; primary sector not included)	min. 244,983	255,996	+
Have more vacancies notified by new or inactive corporate clients	min. 47,259	55,124	+
Keep youth unemployment spells short (should not be out of work for more than 6 months)	max. 13,400	8,736	+
Keep older workers' unemployment spells short (should not be out of work for more than 6 months)	max. 16,511	15,802	+
Prevent long-term unemployment (unemployed for > 12 months)	max. 4.0 %	1.6 %	+
Provide work to the chronically long-term unemployed	min. 44,688	45,670	+
Improve labour market position (provide training to low-skilled workers of core working age)	min. 26,487	46,111	+
Improve job prospects for young and older people through training measures	min. 52,111	81,366	+
Facilitate reintegration (job take-up by returners)	min. 14,401	20,595	+
Facilitate reintegration (training of returners)	min. 9,545	16,150	+

Austria's labour market by international comparison

Eurostat, the Statistical Office of the European Union, recorded an unemployment rate of 5.2% for Austria in 2005, while the unemployment rate of the EU-25 was 8.7%. Austria ranked fifth within the European Union, after Ireland (4.3%), the UK (4.7%), the Netherlands (4.7%) and Denmark (4.9%)

2005 unemployment rates (according to EU criteria)

	Total		Men		Women	
	2005	2004	2005	2004	2005	2004
EU-25	8.7	9.1	7.9	8.1	9.8	10.2
EU-15	7.9	8.1	7.0	7.2	8.9	9.3
10 new member states	13.4	14.2	12.6	13.5	14.4	15.0
Ireland	4.3	4.5	4.6	4.9	3.9	4.1
UK	4.7	4.7	5.1	5.0	4.3	4.2
Netherlands	4.7	4.6	4.5	4.3	5.1	4.8
Denmark	4.9	5.5	4.4	5.1	5.5	6.0
Austria	5.2	4.8	4.8	4.4	5.6	5.3
Luxembourg	5.3	4.8	3.8	3.3	7.5	6.8
Cyprus	5.3	4.7	4.1	3.6	6.7	6.0
Sweden	6.3	6.3	6.4	6.5	6.3	6.1
Slovenia	6.3	6.3	5.9	5.8	6.8	6.8
Hungary	7.1	6.1	6.9	6.1	7.4	6.1
Malta	7.2	7.3	6.4	6.6	8.9	8.8
Italy	7.6	8.0	6.1	6.4	9.8	10.5
Portugal	7.6	6.7	6.7	5.9	8.6	7.6
Estonia	7.8	9.7	8.6	10.4	7.0	8.9
Czech Republic	7.9	8.3	6.5	7.1	9.8	9.9
Lithuania	8.2	11.4	7.9	11.0	8.5	11.8
Belgium	8.4	8.4	7.6	7.5	9.6	9.5
Finland	8.4	8.8	8.2	8.7	8.6	8.9
Latvia	9.0	10.4	9.1	10.6	9.0	10.2
Spain	9.2	11.0	7.1	8.1	12.2	15.0
Germany	9.5	9.5	8.9	8.7	10.3	10.5
France	9.5	9.6	8.7	8.7	10.5	10.5
Greece	10.0	10.5	6.2	6.6	15.5	16.2
Slovak Republic	16.4	18.2	15.7	17.4	17.3	19.2
Poland	17.7	19.0	16.5	18.2	19.2	19.9
United States	5.1	5.5	5.1	5.6	5.1	5.4
Japan	4.4	4.7	4.6	4.9	4.2	4.4

Source: Eurostat (according to labour force concept*); as at: 20.03.2006

* Under the labour force concept those people aged 15 to 74 years are considered unemployed who are out of work, able to start work in the next two weeks and have actively sought work in the last four weeks. Participation in skills training and other training measures is not considered to be a form of job search activity. Seasonally unemployed workers are classified as seeking work if they are currently available for work and seeking paid employment.

JOB PLACEMENT

Placement indicators	2005	2004
Vacancies filled	268,429	254,081
Inflow of notified vacancies	298,279	277,038
Percentage of vacancies filled within one month	67 %	67 %
Number of job take-ups by unemployed individuals (total)	490,800	475,333
Number of job take-ups by older people (45+)	104,366	96,625

New vacancy notifications and vacancies filled

In April 2005, the AMS launched yet another active outreach campaign targeted on employers. This high-performing successor to the AMS Business Tour 04 was called **AMS on Tour**. AMS counsellors used rented Smart cars with the AMS logo outside to visit "their" employers, ask for new vacancy notifications, step up job broking and encourage the upskilling of job seekers and employees.



Ihr ArbeitsMarktService



Ihr ArbeitsMarktService



Ihr ArbeitsMarktService

AMS employees working for the "service for employers" programme (*Service für Unternehmen*) increased the number of company visits from 16,200 to around 21,700 in 2005. AMS on Tour and other outreach efforts in 2005 have been key to increasing the number of new vacancy notifications by 21,300 to roughly 298,300 on last year. If we add the number of available apprenticeships notified to the AMS, the sum total of new vacancy notifications is 329,500.

LABOUR MARKET PROGRAMMES

	2005	2004
Programme spending (€m)	629.94	644.60
Number of beneficiaries	294,170	266,191

Under the various labour market programmes, roughly 294,200 individuals received support totalling € 629.94m in 2005, 8.42% of this total budget being covered by appropriations of the European Social Fund (ESF).

Training measures

Within the entire range of labour market programmes, skills training is still the most important strategy for solving labour market problems. In 2005, a total of € 395.25m (2004: € 413.22m) were spent on training the skills of unemployed and employed individuals, i.e. around 63% of all programme spending (vs. 64% in 2004).

Employment measures

They include company integration subsidies, subsidies to short hours and job schemes, which accounted for € 173.4m in 2005 (2004: € 173.2m), or 27.5% of budgeted programme expenses (2004: 26.9%). As in the year before, of all newly subsidised individuals roughly 11% (also) received an employment subsidy.

Support measures

In addition to the regular services provided by the AMS, regional AMS offices offer employment-related guidance, such as debt counselling, to individuals with special needs before and around their actual placement in a job.

In 2005, a total of € 59.3m (2004: € 58.22m) were spent on such measures, i.e. 9.4% of all spending. Some 52.000 programme participants received allowances under such special support measures.

Spending by types of measures (€m)

	2005	2004	Percentage in total	Percentage over previous year
Employment	175.38	173.16	27.84 %	+1.28 %
Training	395.25	413.22	62.74 %	-4.35 %
Support	59.30	58.22	9.42 %	+1.86 %
Total	629.93	644.60	100.00 %	-2.28 %

PROVIDING INCOME SUPPORT

Processed applications for benefits (granted/rejected)

	2005			2004		
	total	women	men	total	women	men
Unemployment benefits	674,723	269,763	404,960	667,847	263,338	404,509
Unemployment assistance	239,532	105,130	134,402	234,776	103,148	131,628
Transition benefits	7,973	5,399	2,574	6,937	5,149	1,788
Further training benefits:						
for paid educational leave	3,518	2,253	1,265	2,537	1,613	924
for unpaid leave scheme	99	70	29	77	55	22
Old-age part time scheme	7,054	2,512	4,542	9,000	4,028	4,972
Others*	51,942	20,899	31,043	64,645	26,174	38,471
SUM TOTAL	984,841	406,026	578,815	985,819	403,505	582,314

*e.g.: advance on pension benefits, labour foundations (training courses).

Average number of recipients

	2005			2004		
	total	women	men	total	women	men
Unemployment benefits	129,402	52,839	76,563	125,723	50,712	75,011
Unemployment assistance	96,512	39,430	57,082	95,000	39,050	55,950
§ 34 – social pension insurance	2,311	2,082	229	–	–	–
Transition benefits	5,169	3,976	1,193	2,200	1,768	432
Further training benefits:						
for paid educational leave	1,317	900	417	1,217	787	430
for unpaid leave scheme	41	31	10	55	39	16
Old-age part-time scheme	34,904	16,453	18,451	39,859	18,743	21,116
Advance on pension benefits	21,502	7,845	13,657	26,195	9,593	16,602
Continued payment of unemployment benefits for duration of programme/training	11,602	6,064	5,538	9,701	4,878	4,823
Continued payment of unemployment assistance for duration of programme/training	14,206	6,598	7,608	10,353	4,669	5,684
Others*	5,335	2,472	2,863	5,719	2,515	3,204
SUM TOTAL	322,301	138,690	183,611	316,022	132,754	183,268

*e.g.: family hospice leave, labour foundations (training courses).

Benefits paid (€m)

	2005	2004
Unemployment benefits (including bridge benefits)	1,286.91	1,224.51
Unemployment assistance	817.78	763.16
Transition benefits	51.29	17.78
Further training benefits	8.39	7.23
Old-age part-time scheme	502.44	563.51
Other benefits *	16.15	58.88
Net payment total	2,682.97	2,635.07
Pension insurance contributions**	707.88	472.64
Health insurance contributions ** (as from 2005: including compensation for days of sick leave)	271.40	302.58
Work accident insurance contributions	4.46	2.53
Social insurance total	983.74	777.75
Total expenditure (net payment and social insurance contributions)	3,666.71	3,412.82

*advance on pensions and special support including benefits paid by the social insurance fund for miners (administrative expenses not included).

** These are payments on account. Actual expenditure will be included in 2006 accounting calculation only.

AMS ON THE INTERNET

With an average of 25 million page views per month, the number of visitors accessing the AMS service sites rose substantially over previous year (2004: roughly 20m), making the AMS homepage (www.ams.at) one of Austria's most popular Internet addresses.

Internet access to:	January–December 2005 number of page views	January–December 2004 number of page views
AMS homepage/info sites	99,125,660	80,979,209
eJob-Room (job exchange)	209,261,191	161,446,200
Total	308,386,851	242,425,409

VOCATIONAL INFORMATION

JOBmania Tour '05

The AMS continued the successful JOBmania Tour for young people in 2005. Using youth-specific local events, JOBmania tried to address as many young people as possible and draw their attention to the wide range of AMS career advice and information services for youth. JOBmania was specifically targeted on those young people who had not given much thought to their future careers so far or had been very reluctant to turn to one of the AMS's vocational information centres (BIZ).



The JOBmania Tour 2005 included career information events for seven Austrian laender. Common elements at all stop-overs were a youthful visual presentation, special advertising vehicles, as well as free sweepstakes and the JOBmania report. The JOBmania Tour took off at the BeSt Job and Education Fair in Vienna, where additional advertising measures (print, TV, info screen) helped improve coverage.

AMS ORGANISATIONAL SET-UP

The AMS is a three-tiered organisation comprising federal, provincial (laender) and regional levels: one federal office, nine provincial offices and 99 regional offices. Moreover, there are five branch offices and 60 vocational information centres (BIZ). The social partners' involvement in AMS activities extends across all three levels. Serving on the Administrative Board, Provincial Directorates and Regional Advisory Boards, the social partners play a major role in labour market policy design (work programmes of the laender) and in supervising the organisation.

Administrative Board*

Chairman:	Dr. Günther Steinbach Federal Ministry of Economics and Labour
Deputies:	Rudolf Kaske Trade Union for the Hotel, Catering and Personal Services Industry Dr. Wolfgang Tritremmel Federation of Austrian Industry

Members

Government representatives:

Dr. Günther Steinbach
Federal Ministry of Economics and Labour
Dr. Johannes Kopf
Federal Ministry of Economics and Labour
Mag. Richard Gauss
Federal Ministry of Finance

Workers' representatives:

Mag. Bernhard Achitz
Austrian Trade Union Federation
Rudolf Kaske
Trade Union for the Hotel, Catering and Personal Services Industry
Josef Wallner
Federal Chamber of Labour

Employers' representatives:

Dr. Wolfgang Tritremmel
Federation of Austrian Industry
Mag. Maria Kaun
Austrian Economic Chamber
Dr. Josef Singer
Austrian Economic Chamber

Representatives of the AMS's Works Council:

Heinz Rammel
Federal Office

Co-opted members:

Ingrid Weixlberger, Regional Office Steyr, until 06/2005
Gabriele Kreutzer, Provincial Office Vienna, as from 07/2005
Silvia Krill, Provincial Office Lower Austria

Board of Directors*

Chairman:	Dr. Herbert Buchinger
Director :	Mag. Herbert Böhm

* as at 12/2005.

MISSION STATEMENT

We are connecting people and jobs

The AMS is the leading client-oriented employment service provider in Austria. We connect job seekers and employers, and see to it that unemployment does not take longer than necessary under any given labour market conditions. Our work helps maintain social stability.

Service for job seekers and employers

We place workers in job openings and support job seekers' and employers' own initiatives through counselling, information, skills training and financial assistance. During periods of unemployment we provide income support to ensure people's livelihood. For business and industry we are an important partner in seeking and selecting suitable employees.

Equal opportunities

Equal opportunities are of special concern to us. We support disadvantaged individuals and are specially committed to advancing women's equality.

Our clientele

Austria's public employment service is consistently fine-tuning service delivery to the needs of its clients – they are the ones who decide over success or failure. Meeting our clients involves expertise, empathy, clear communication, restoring self-reliance and concluding partnership-type agreements that are binding on both sides. We will also try to strike a balance between our clients' differing interests.

Case workers

Our clients expect us to act professionally. This is why we foster our employees' capabilities through training, advanced training and personnel development.

Quality

We make responsible and effective use of our resources. Our nation-wide and regional service delivery, in combination with our high-capacity information network, ensures client responsiveness and rapid information. We are operating in a dynamic environment and providing an impetus to development. We ensure high-quality services, which are constantly being upgraded. We are experts in all labour market and employment related issues.

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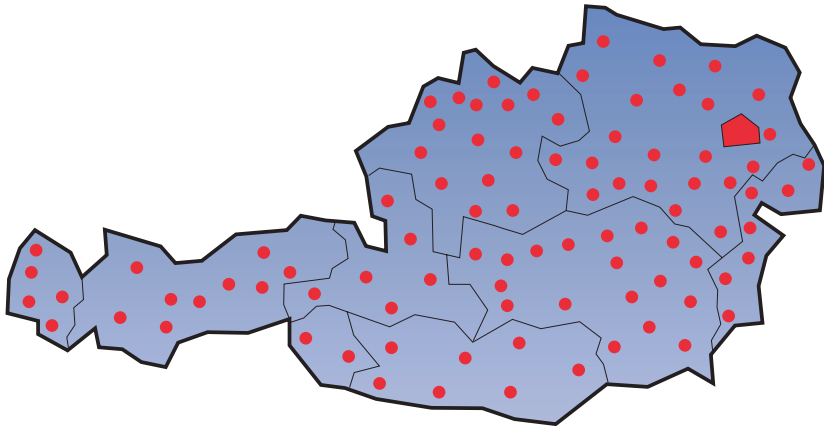
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PUBLIC EMPLOYMENT SERVICE AUSTRIA (AMS)

4,882 employees work in 104 AMS offices and 60 AMS-operated vocational information centres (BIZ).



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