AUSTRIAN JOB CENTER AND IST INTERACTIONS WITH ENTERPRISES

SIMON THEURL | 20 MAY 2019
BACKGROUND: LABORMARKET POLICY IN AUSTRIA

- Middle of the 1980s abandonment of „Austrokeynesian“ economic policy
- 1994 Arbeitsmarktservicegesetz (AMSG): Shift from strategy and organization of labor market policy toward workfareism
- Since then: Supply-side orientation
  - Causes for unemployment are seen on individual level
  - Employability
  - Work first approach: any work is better than none
- Towards authoritarian neoliberalism in labor market policy in Austria
- But: What is the role of the firm in creating unemployment?
THE ROLE OF ENTERPRISES IN COMBATING/CREATING UNEMPLOYMENT

- … decide to hire
- … decide to fire people
- … fire and hire
- … are clients of job centres
**RECALLS**

<table>
<thead>
<tr>
<th>Employment take up</th>
<th>Re-calls</th>
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</thead>
<tbody>
<tr>
<td></td>
<td>2 months</td>
</tr>
<tr>
<td></td>
<td>total</td>
</tr>
<tr>
<td>2010</td>
<td>2.136.219</td>
</tr>
<tr>
<td>2015</td>
<td>2.267.501</td>
</tr>
<tr>
<td>2016</td>
<td>2.366.675</td>
</tr>
<tr>
<td>2017</td>
<td>1.957.702</td>
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</tbody>
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Rainer et. al 2018
RECRUITMENT

- Stereotypes, discrimination
  - Age
  - Health
  - Ethnicity
  - Unemployment
WHICH FIRMS MAKE USE OF LABOR MARKET POLICIES

Corporate structure

- High amount of low-wage sector
- Ambiguous results concerning the size
  - The bigger the firm, the higher the probability to recruit disadvantaged groups
  - But: often standardized recruitment process
WHICH FIRMS MAKE USE OF LABOR MARKET POLICIES

- Motivation
  - Convinced firm
  - Reduction of labour cost
  - CSR
ACTIVATING THE FIRM

- Regulatory measures
  - Ambiguous results:
    - only small (measured) employment-impact
    - Big enterprises can afford to pay penalties but also to invest into barrierfree workplace
    - Difficult for small enterprises
    - existing employment are redefined to meet regulatory requirements

- Financial incentives
  - Wage subsidies
    - mostly in low wage-sector
    - High deadweight effect
ACTIVATING THE FIRM

- Financial incentives
  - Experience rating

- Proactive role of the service provider
  - Development of measurements to influence recruitment policy of firms
  - Selection of CSR-Orientation and/or convinced firm

- Decentralization and Networkorientation
  - Regional Networks

- Combination of political-regulatory measurements with financial incentives
LITERATUR


HERZLICHEN DANK FÜR IHRE AUFMERKSAMKEIT

GERECHTIGKEIT MUSSE SEIN

DIE KRAFT VON MEHR ALS DREI MILLIONEN