

EUROPE 2020

AUSTRIAN REFORM PROGRAMME 2011

April 2011

WORKING TRANSLATION

Contents

- I. Introduction
- II. Macro-economic scenario
 - II.1 Economic context
- III. Macro-economic surveillance
 - III.1 Implementation of fiscal consolidation taking care of the economic growth
 - III.2 Strengthening of the financial sector which is of regional importance
 - III.3 Strengthening the domestic demand by reinforcing competitiveness
 - III.4 Further increase in labour force participation in the context of an ageing population
 - III.5 Enhancing a knowledge-based and innovative economy in the context of global competition
- IV. Thematic coordination
 - IV.1 National target employment
 - Labour market participation of older employees
 - Participation of women in the labour market
 - Participation of juvenile persons, persons with a migration background, and low-qualified persons in the labour market
 - Quality of labour
 - IV.2 National target research and development
 - The path to innovation leader – the Austrian Strategy for Research, Technology and Innovation
 - Reinforcement of the innovative strength of the business sector
 - Reinforcement of research
 - Information society
 - IV.3 National target climate protection and energy
 - Renewable energies
 - Reduction of the greenhouse gases
 - Energy efficiency
 - Proper handling of natural resources – resource efficiency
 - IV.4 National target education
 - Increase of participation in education, preparation for university studies, and mobility in the tertiary sector
 - Number of graduates from natural sciences and technology studies
 - Improvement of educational levels and lowering the drop-out rate

Attractivity, quality, and permeability of occupational training

- IV.5 National target poverty reduction and social exclusion
 - Compatibility of family and job
 - Participation in gainful employment of groups at risk of poverty at a working age
- IV.6 Competition and entrepreneurial environment
 - Competition law
 - The dynamics of establishing an enterprise
 - Further internationalisation

Annex I EU Structural Funds in the context of Europe 2020

Annex II Euro Plus Pact

I. Introduction

The Europe 2020 Strategy provides for every member state to submit, by end-April of every year at the very latest, a National Reform Programme for Growth and Employment together with the Stability and/or Convergence Programme. Both programmes are central cornerstones of the new political economic coordination.

The decisive governance instrument for the implementation of the Europe 2020 Strategy is the so called European Semester, which became operational for the first time in January when the European Commission presented its first Annual Growth Survey. The Annual Growth Survey was compiled in line with a first validation of the draft National Reform Programmes of last November: At their meeting in late March the Commission's Annual Growth Survey was endorsed by the Heads of State or government as a precedent-setting document for the upcoming reform. At their meeting on 24 and 25 March the Heads of government of the Euro zone moreover concluded the Euro Plus Pact exclusively designed to reinforce the economic pillar of the Economic and Monetary Union.

Smart, sustainable und inclusive growth - these are the three central elements of the Europe 2020 Strategy. Behind these three growth paradigms stand (i) developing an economy based on knowledge and innovation, (ii) promoting a more resource efficient, greener and more competitive economy, and (iii) fostering a high employment economy delivering social and territorial cohesion. So as to detect macro-economic imbalances as early as possible to be able to counteract if necessary a new monitoring procedure was agreed on which is expected to become operational as from summer 2011.

Against the background of the necessary budget discipline and the macro-economic stability the Austrian government focuses on the effects of growth and employment, social balance and competitiveness. At the same time attention is to be paid to the stimulation and support of future-oriented growth, and to the implementation of basic structural reforms, as well as to safeguarding location and production factors – like the social system.

Many controlling measures and standards play a decisive role at the back of the stage without having been directly integrated into the Austrian Reform Programme. So, the National Action Plan for Integration, which as agreed on by the federal government last spring, meant to structure, throughout Austria, the cooperation for successful integration measures. Many of the quoted measures have an immediate impact on the accomplishment of the goals to reduce poverty or to enhance education, thus contributing to the sustainable and high-quality overall growth.

Also the EU structural funds in Austria show a high conformity with the issues defined in Europe 2020. However, Austria being an economically strong member state, receives only a relatively small share from the EU structural funds. Therefore only a small portion of the NRP-relevant measures is financed by EU funds despite the high coherence of the EU structural funds in Austria with the EU targets.

The present programme, which is based on the draft NRP of November 2010, outlines the mode of implementation, on a national basis, of the targets and commitments of the Europe 2020 Strategy and the Euro Plus Pact. The measures that Austria intends to implement within the Euro Plus Pact in the next 12 months are earmarked in the Austrian Reform Programme as such, and are also separately outlined in an annex.

The measures quoted for the accomplishment of the national Europe 2020 targets focus on the years 2011 and 2012. The measures quoted are a selection of measures already in force. They document their multiplicity and wide range and show that many stakeholders actively take responsibility in implementing and shaping the Europe 2020 Strategy. The great number of elaborate comments is published separately.

For the early summer, moreover, it is planned to organise, together with the representatives of the European Commission in Austria, an event in which to inform on the National Reform Programme and the enhanced economic political coordination, Further information events are to follow, the format to be developed, as the target group may be, in the course of the second half year.

II. Macro-economic scenario

See Austrian Stability Programme for the years 2010 to 2014

II.1 Economic context

The most severe economic crisis since the years following as of 1930 required a quick and though response. Due to the measures taken, a permanent loss in production capacity and jobs could be prevented successfully from a today's point of view. Somewhat delayed, the economic upswing gathered speed in the second quarter of 2010 also in the EU27 and the Euro zone. The growth in the Euro zone was fuelled – thanks to strong demand mainly from Asian economies – particularly by the German export industry. Here, Austria benefited, too, showing, in the fourth quarter, a higher growth, at real 0.8% (Q2/2010: 1%; Q3/2010:1.1%; vis-à-vis the preceding quarter, seasonally adjusted, with working days considered) than the EU27 and the Euro zone (+0.2% and +0.3% respectively). Accordingly, in the year 2010 the nominal GDP in Austria was 284 billion euro (+3.5%; real +2%). The Austrian Institute for Economic Research (WIFO) in its current economic forecast (April 2011) expects a real growth of the GDP in Austria of 2.5% (2011), and 2.1% (2012-2014), respectively, after -3.9% in the year 2009. This upswing is primarily nurtured by the export economy in Austria, too. In addition, the gross fixed capital formation is expected to stabilise again, following a recession in the years 2009/2010. Also, private consumer spending is expected to continue to contribute to the growth.

Both for 2011 and 2012, the WIFO expects an inflation rate (HVPI) above the medium-term inflation goal of the European Central Bank (ECB). This is primarily to be credited to the pricing pressure for crude oil, industrial crude material, food, and articles consumed for stimulation and enjoyment. Thereafter, the price stability according to the definition of the ECB should be achieved again.

Already in March 2010, the trend in the Austrian labour market reversed following the economic recovery in the second half of 2009. Since then, the number of unemployed persons registered with the labour exchange services (AMS) has continuously decreased. Also, a continuous rise in employment growth with working employees has been observed since then (as compared to the respective preceding year). The unemployment rate (in % of persons gainfully employed, according to Eurostat) was 4.8% in February 2011 in Austria and thus displayed the third-lowest figure in all of Europe following the Netherlands and Luxemburg (EU27: 9.5%; Euro zone 9.9%). Until 2014, the WIFO envisages a further decrease of the unemployment rate (according to EU definition) from 4.4% in the year 2010 to 3.9%.

III. Macro-economic surveillance

In May 2010, the economic and political committee (WPA) identified the most crucial macro-structural growth barriers for all member states. For Austria, there were five fields:

1. Implementation of fiscal consolidation taking care of the economic growth
2. Strengthening of the financial sector which is of regional importance
3. Strengthening the domestic demand by reinforcing competitiveness

4. Further increase in labour force participation in the context of an ageing population
5. Enhancing a knowledge-based and innovative economy in the context of global competition

III. 1 Implementation fiscal consolidation taking care of the economic growth

The central task is the gradual consolidation of the public budgets, for which task the budget 2011 and a strategy stretching over several years as laid down in April 2011 in the Federal Fiscal Plan Act (BFRG) was resolved. Following that, the national budget deficit 2011 is expected to amount to 3.9 % of the GDP, which favourably adjusts it by 0.7 PP. The budget is reduced, on the expenditure side, to more than 60% by cuts in all sectors, a focus being mainly on:

- **Administration expenditure**, amongst others restrictive expenditure limits, moderate salaries adjustments for public employees in 2011, downsizing staff, etc.
- **Sustainable financial feasibility of the social system**, amongst others slow-down of the expenditure growth of the public pensions system, better targeting of family allowances, changes in the attendance allowances

On the side of the revenues the following aspects are on focus:

- **Ecologisation, amongst others via a dues on air tickets, an increase of the Mineral oil tax**, and the increase of the standard fuel consumption tax within the standard consumption tax regulations
- With the implementation of an additional due on banks, the banking sector contributes to the budget consolidation. Moreover a higher entrance-tax-rate from interest gains of foundations as well as gains from profits of disposed bonds are levied upon a new capital gains tax on bonds of 25 % respectively.

Apart from expenditure reductions, future-oriented offensive measures will be set. For education, universities, R&D, thermal sanitation, and health, 400 million euro annually have been allocated. The entire consolidation strategy is firmly embedded in the budget planning over several years by way of the budget law reform. The federal financial frame 2012 to 2015 consistently continues the policy introduced by way of the budget 2011; the binding upper expenditure limits guarantee a stable development. Following that, the Maastricht deficit of the federal government is reduced to 2.0% of the GDP (2015), according to current estimates the public (gross) debt rate will amount to approximately 75 % of the GDP in the year 2015, after 72.3% in 2010.

After being suspended during the crisis, a new domestic stability pact for the years 2011-2014 was negotiated to become effective yet this year. The new stability pact contains the following key points:

- **Stability contributions**: ambitioned stability contributions of the federal government and the provincial governments, and – by provinces – the municipalities

- **Binding upper liability limits:** to be completely revised for the public entities, with the federal government, the provincial governments, and the municipalities each individually define their respective legally binding upper liability limits
- **Mechanism for sanctions:** the stability contributions are to be secured by a newly designed mechanism for sanctions
- **Court of Audit opinion:** the Court of Audit is to issue an opinion whether and to which extent the stability contributions of the federal government, any provincial government, or the municipalities were inadequate or if the upper liability limits had been surpassed
- Improvement of the contents of the budget consolidation and medium-term design of the budget management by
 - a discussion between the federal and the provincial governments, and the municipalities
 - a comparison of target figures and actual figures of the budget during the year
 - a standardisation of the data to be submitted for the medium-term budget planning procedures
 - a transitional table between administrative and ESA results including non-budgetary units to be attached to the budgets of the federal government, the governments of the provinces, and the municipalities, and
 - mandatory submission of new non-budgetary units to Statistics Austria
- **Transparency:** so as to enhance the transparency of the budgetary results of the public entities the key data will be published together with the stability pact on the homepage of the federal ministry of finance.

A working group consisting of representatives of the federal government, the provincial governments, and the municipalities will discuss a basic reform of the financial equalisation scheme. Supporting that work, the federal ministry of finance has commissioned five expert opinions to be drafted by independent research institutions on the key issues of reform options and reform strategies, enhancement of the taxes and dues autonomy of the sub-national public entities, transfers and cost bearing, municipal structures and cooperation, as well as enhanced task orientation.

III. 2 Strengthening of the financial sector which is of regional importance

Despite the continuous instable international environment the **Austrian banks** were able to increase their operational results in the year 2010. The annual surplus was approximately 4.2 billion euro, which led to an unconsolidated return on assets (RoA) of 0.4%. In addition a remarkable reduction in risk costs is to be expected (-5,19 bill. Euros in total). By end September, the consolidated equity capital rate was 13.2%. Furthermore, the volume of foreign currency loans (adjusted by the exchange rate effects) was reduced, from one year to the next, by 3.8 billion euro, or 6.6%. As re-

gards the granting of loans by the banks, a slight recovery could be observed in the last months, the growth of loans to private households remained positive, and corporate loans did not decline. The CESEE foreign claims of the Austrian banks were slightly declining in the 3rd quarter as compared to the preceding period. The Austrian **bank stability package** was well accepted by the financial markets.

As of 31 December 2010 guarantees for the emission of negotiable instruments amounting to a total of 21.2 billion euro were made use of by the financial institutions, and, also participation capital amounting to approximately 5.9 billion euro by five Austrian bank groups was subscribed for. Moreover, the federal government contributed capital amounting to 384 million euro beside underwriting liability for receivables of banks (1.2 billion euro).

The stability of the financial markets is solidified especially by the following measures set and steps taken:

- **Exiting the support measures by the government** with the EU developments and the effects thereof on the stability of the Austrian financial market in mind. Following that the law governing the inter-bank market stability law that allowed for the possibility of the issue of securities by credit institutes and liability taken for inter-bank lending by the clearing bank ceased to be in force as of 31 December 2010. The clearing bank instrument could be terminated by end-February 2011 as scheduled.
- Sustainable **re-structuring** and/or a realignment of the business policy for banks that the state had acquired co-ownership shares in (Kommunalkredit and Hypo Alpe Adria) in conformity with the EU law governing the state aid for innovations. Supplementing the re-structuring measures, a strategy for the disposition of the co-ownership shares acquired is designed.
- Institution of **Cross-Border Stability Groups** with a view to the commitment of Austrian credit institutes in CEE countries so as to improve the cross-border cooperation in situations of crises. A pertaining agreement is to be signed by end-June 2011.
- **Vienna Initiative** as a platform for CEE stakeholder discussions and concepts for joint solutions. During the crisis, an imminent deterioration of trust and a liquidity bottleneck could be prevented.
- The **stability tax (bank tax)**, which came into force as of 1 January 2011 is an instrument of the financial system meant to contribute to the costs of the crisis. The tax base allows for risk assessment and thus provides for incentives for risk-conscious business transactions. The amount expected per year is estimated at 500 million euro.

III.3 Strengthening the domestic demand by reinforcing competitiveness

Austria is a small export-oriented national economy, so competitiveness is an important factor of the economic success. The Austrian balance of payments was approximately 3.2% of the GDP in 2010, and in increase to nearly 4% of the GDP is expected for 2011 and 2012. This development is primarily due to a dynamic recovery of the exports (2010-2012: Ø +8.2%), the increasing demand on the global markets (market growth Austria 2010-2012: 9.6 %) and a moderate development of the unit labour costs (2010-2012: Ø +1.1%) are considered the basis thereof.

Real private spending proved to be a stability anchor during the crisis, growing, from 2008 to 2010, by approximately 1%, on the average. The development of the real net salaries per capita (2008/09: +2.7%), resilient employment (2008-2010: Ø +0.3%), the considerable easing of the situation by preponing the tax reform 2009, and a moderate inflation (2008-2010: HVPI Ø 1.8%) as well as the stabilising effect of the automatic stabilizers significantly contributed to the situation. The pay scale index, which shows the changes for minimum wages as collectively bargained by the trade unions, rose, in the last years, by 3.0% (2008), 3.4% (2009) and 1.6% (2010). According to the Austrian Institute of Economic Research (WIFO), the per capita nominal wages are to rise by 2.5% (2011), and 2.9% (2012). Considering the factors productivity-oriented wage settlements, increasing employment figures, and short-time work fading out, real private consumer spending is forecast to rise by 1.1% (for 2011, and 2012, respectively). Productivity-enhancing structural reforms, measures cushioning the inflation, and an intensification of the competition (amongst others, consistent implementation of the domestic market package relative to energy, intensive monitoring of the fuel prices, reinforcement of the authorities regulating competition) are to be taken into account as to further support consumption behaviour. After a sharp decline in the year of the crisis 2009, the gross fixed asset investments will, according to the Austrian Institute of Economic Research (WIFO), recover in the next years (2010-2012: Ø +2%). Beside positive structural effects, also the measures of the public budget support the domestic demand:

- **Budgetary offensive measures** amounting to a total of 400 million euro per year (amongst others, investments into education as well as R&D).
- **Encouragement of thermal sanitation** by budget funds amounting to 100 million euro per year, 70 euro of which reserved for private households.
- Continuous effect of the measures to **relieve enterprises and households** in the year 2009/2010 by the tax reform and lower administrative costs.

III.4 Further increase in labour force participation in the context of an ageing population

With an employment rate of 74.7% in the year 2009, Austria rated high, coming very near to the Europe 2020 target. In 2010, the figure was at 74,9% owing to a dynamic employment development, which corresponds to an increase by 0,2 per cent points as compared to the preceding year. The employment rate 2010 of older employees was at 42,4% (+1,3 per cent points as compared to the preceding year), that of women at 69,6% (+0,2 per cent points as compared to the preceding year), that of juvenile employees at 53,6% (-0,9 per cent points as compared to the preceding year). The focus of the labour market policy is on the preservation of the employment capacities as well as on the creation of the basic conditions making for employees staying longer in gainful employment. The following measures contribute to these targets most valuably:

- Reduction and/or stricter requirements for the access to **pensions granted for unemployability owing to disability** by mandatory rehabilitation (e.g. occupational health screening Fit2Work, streamlined occupational medical examination "Gesundheitsstraße")
- Reform of the special retirement scheme for long-time insured manual workers („**Hacklerregelung**“), raised fee for further purchase of school and university

- periods, raising the retirement age to 62, and only crediting child-raising times, times spent in military and alternative (community) service
- **No tax burden for the factor labour** in the course of the consolidation of the budget
 - With the introduction of a special labour permit („**Rot-Weiß-Rot Karte**“), access regulations to the Austrian labour market for such workforce as may compensate occupations short of skilled labour, key workers, and highly qualified workers from third countries are reorganised and significantly facilitated
 - **Development of all-day school models** (allocation of special funds amounting to 80 million euro, 80,000 additional students by 2014)
 - Enhanced activation, target orientation and efficiency in the **labour market policy**
 - **National Action Plan for Gender Equality** of women and men in the labour market (continuous increase of day-care centres for children until 2013; information offensive to encourage fathers to take paternal leave)
 - **Integrative measures** with respect to women, juvenile persons (an initiative for youth future, youth foundation, guarantee of completed education and training, new middle school), older employees (LLL strategy), and migrants

III.5 Enhancing a knowledge-based and innovative economy in the context of global competition

Austria ranks seventh in the „Innovation Union Scoreboard“ compiled according to most update methodology and published recently, and is, therefore, one country listed in the „Innovation Follower“ group. Austria ranks above average in regard to the area of an “open, excellent and attractive research-environment”. Above average are also the figures related to international co-publications. Furthermore the number of publications in the most-cited leading journals is higher as compared to other EU-member states. In the field of the protection of intellectual property rights (patents and trade marks), as well as in the field of the innovation-ratio among SMEs, Austria proves to be particular strong. According to the goals agreed upon within the EU, Austria is also determined to raise the number of university graduates or graduates from equivalent post-secondary institutions among people between 30-34 years.

In the field of knowledge-based service-exports, innovative products and licences from abroad, Austria still has to gain on revenues. Austria’s assets are specifically intellectual assets and innovators, while human resources, finance and support and economic effects are relatively deficient. The remaining categories (firm investments, research system, and linkages & entrepreneurship) are in midfield positions. In Austria, the public purse funded, with approximately 1.13% of the GDP in the year 2010, the – worldwide by far - highest percentage of the R&D total expenditure amounting to 2.76 % of the GDP. The deficiencies that became transparent are counteracted pro-actively by the following measures:

- An additional 80 million euro from the budget for **universities, and an increase of 100 million euro for R&D**, accompanied by an increase of bonus payments in research from 8% to 10%, and additional funds for the agency promoting research (Forschungsförderungs-GmbH)
- A consistent and comprehensive **RTI strategy** on the federal level for education, innovation, capital market and competition (resolved as 8 March 2011).

IV. Thematic coordination

VI.1 National target employment

National target

An employment rate of 77 to 78 % is targeted for women and men in the age group of 20 to 64 years, the focus being mainly on a significantly higher employment rate among older employees, to be effected especially by raising the effective retirement age. Further attention is to be directed to the quality of the jobs, as well as to the employment of women and (juvenile) migrants. So as to accomplish these goals, an effective monitoring is to be instituted for these sub-groups. The measures are to safeguard the long-term growth potential of the Austrian national economy with a view to an increasingly ageing population structure, to increase employment figures, and to back up the financial sustainability.

The EC confirms the Austrian targets as adequate and ambitious. By and large, the situation of the labour market in Austria is comparatively good. Austria regularly leads the EU-27 statistics with a low unemployment rate of 4.3% (January 2011), and a youth unemployment rate of 10.1%. In spite of that success in general, there are still issues and challenges to be coped with successfully in the interest of the targets set.

The most important challenges and measures

1. Participation of older employees in the labour market
2. Participation of women in the labour market
3. Participation of juvenile persons, persons with a migration background and low-qualified persons in the labour market
4. The quality of work

1. Participation of older employees in the labour market

The accompanying law of the budget law 2011 lays down a bundle of measures to be set in order to contribute to raising the employment rate of older persons and to raising the effective retirement age. These measures fundamentally reverse the provisions laid down in the law defining retirement following disability, with the „mandatory rehabilitation before filing for retirement“ to be statutorily regulated. Another important element are tougher provisions for claims relative to occupational protection. Furthermore, the retirement age subject to the special retirement scheme for long term contributors into the public pension system („Hacklerregelung“) will be raised from 60 to 62 as from 2014. At present, a working group of the social partners in the ministry of social affairs has convened to work out improvements of the overall conditions (e.g. prevention, older age-adequate workplaces) for employees to continue working life. The ESF promotes measures for older persons in its No1 focus.

Survey: Measures employment rate of older employees

	Focus	Competence	Guidelines
„Special retirement scheme for manual workers („Hacklerregelung“)	Adjustment and gradual expiry of special retirement provisions for long-time insured employees	Federal Ministry of Labour, social	7, 1

lung“)		affairs and consumer protection (BMASK) Federal ministry of finance (BMF) BMASK	7
fit2work	Preservation and/or sustainable improvement of the capacity to work and employability; effective retirement age raised	BMASK	7
Gesundheitsstraße (central occupational medical examination)	Reduction von retirement applications for disablement	BMASK	7
Impulse programme of the labour exchange AMS “productive ageing”	Alignment of services offered by the labour exchange AMS according to “productive ageing” criteria	BMASK	
Salzburger Bildungsscheck (cheque for further education)	Upgrading the qualifications of 50 plus employees in compliance with the changing requirements of the economy	Federal province of Salzburg,	7
proFITNESS (initiative for healthy employees)	Occupational health promotion for SMEs	Austrian Chamber of Commerce (WKÖ), Federal ministry of health (BMG), Funds healthy Austria (FGÖ), General accident insurance (UVA), Social insurance of the industry (SVA)	7
WAGE network: “Get older, have future”	Service and counselling of older employees and enterprises	Upper Austria plus 17 and further partner	

2. Participation of women in the labour market

The employment rate of women (20 - 64 years of age) is, at 69.4% (2009), considerably above the EU average of 62.5% (2009). All the same, there is still substantial leeway to raise employment figures. Also the perspectives pertaining to income brackets and careers for women are still poorer than those for men. Important approaches to dismantle the barriers hampering the participation of women in the labour market are: the availability of a sufficient quantity of high-grade and affordable child care, the improvement of the integration of women returning to the labour market, measures increasing the motivation of fathers to take paternal leave, as well as

the improvement of the general conditions of care of the elderly. The promotion of women in the labour market policy has been intensified since 2010, to be continued in 2011. Within the active labour market policy nearly 50% of the funds available are used for promotional measures specifically for women at present. The prerequisite for funding by ESF is a 50% share of women.

Survey: Measures employment rate women

	Focus	Competence	Guide- lines
Supporting women returning to the labour market	Facilitating the return to the labour market for women after maternal leave	Federal ministry of labour, social affairs and consumer protection (BMASK)	7
Women in crafts and technology Information centre for women's careers	Sustainable improvement of opportunities with regard to income and labour market	BMASK	7,8
	Development of career perspectives, access to qualifications	BMASK	7, 8
Child-care allowance subject to income	Improvement of the incentives for gainful employment orientation of women and increased proportion of fathers with regard to child care benefits	BMWFJ	7, 10
Chai – Language and information classes for mothers of the 1st generation	Enhanced competences for mothers of the 1st generation	BMWFJ	8
Rate of women in supervisory boards in enterprises affiliated to the state	Raising of the share of women at the top of Austrian enterprises	BKA/Women	7,8
„Future women“ („Zukunft.Frauen“) Programme for executives	Preparation of qualified women for positions on the management level and in supervisory boards	BMWFJ Austrian chamber of commerce (WKÖ), Federation of Austrian industrialists (IV), BMWFJ, WKÖ,IV, BMWFJ	7, 8
Supervisory boards database	Graduates from Zukunft.Frauen and women already in supervisory boards can register for the purpose of transparency	BKA / Women Social partners	7,8
Development of institutional child care centres	Increasing the number of child-care centres for under three-year olds, improvement of the compatibility of family and employment	BKA / Women Social partners	7, 10
Gender Check on a community level	Implementation of gender mainstreaming and gender budgeting auf the level of the municipalities	Federal province of Salzburg	7, 8, 9 and 10
Cross Mentoring	Career planning and further career development	Federal province of Salzburg	7, 8, 9 and 10
Woman and work non-profit organisation	Supporting women to accomplish career targets by counselling, training, information, service	Federal province of Salz-	7

(Fa. Frau and Arbeit gemeinnützige GmbH)	and networking	burg	
National Action Plan for Gender Equality	Diversification of choices in education and occupation; raising the employment rate and full-time employment of women; more women in leading positions; bridging the income gap	BKA/Women	7,8,9,10
Paternal leave	Information offensive; changing the corporate culture, improvement of the compatibility of family and employment for men and women	BKA / Women BMASK Social partners	7,10
„Dad's month“ („Papamonat“) in the public service	Legal entitlement to unpaid leave for a maximum of 4 weeks in the course of the maternity protection period; improvement of the compatibility of family and employment	BKA /Women	7

3. Participation of juvenile persons, persons with a migration background and low-qualified persons in the labour market

Juvenile persons with a migration background are hit even more badly by youth unemployment. Since a successful entry into a career life is crucial for sustainable integration, the integration of juvenile persons into the world of work is of top priority in the labour market policy. Thus, the subsidies granted by the labour exchange (AMS) and the insolvency remuneration fund (IEF) for the employment, and the promotion of apprenticeships and qualification of juvenile persons totalled approximately 580 million euro (2009: 535million euro)¹. For migrants who benefit from the liberties of the Austrian labour market the entire service range (including promotions) of the labour exchange is available. They are on an equal footing with the clients without migration background. In addition, some special services are tailored for persons with a migration background. The ESF promotes measures for older persons in its Nos. 2 and 3b foci.

Survey: Measures juvenile persons with a migration background and low-qualified persons

	Focus	Competence	Guidelines
Guarantee of qualification - supra-corporate apprenticeship	Adequate assistance for juvenile person who after leaving school have not found a suitable apprenticeship place	Federal ministry of labour, social affairs and consumer protection (BMASK)	7, 8
Future Youth Initiative (Aktion Zukunft Jugend)	Focus being on the age group of the 19 -24-olds; individually tuned qualification measures	BMASK	7, 8
Youth foundation (JUST new)	Qualification measures near the workplace; age group 19-24-olds	BMASK	7, 8

¹ Not yet included are the labour market political interventions for juvenile persons with a handicap by the federal social agencies (BSB) and the funds allocated for the activating labour market policy of the labour exchange AMS for juvenile persons, as well as funds provided by the federal provinces

Federal youth government aid	Targeted support of juvenile persons when entering their working lives	Federal ministry of economy, family and youth (BMWFJ)	7
Jobtalks 2.0	Facilitate entry of juvenile persons into the world of work by assessing „key skills“	BMWFJ	8
Modernisation of the range of apprenticeships	Adaptation and modernisation of training regulations; establishment of new skilled trades for new sectors of the economy; alignment of supply to demand ⁽¹⁾	BMWFJ Social partners	6,7,8, 9
Checkpoint Future (Zukunft) – Tennengau	Counselling, training and coaching offered to young adults at the interface of school and the world of work	Federal province of Salzburg ¹⁾	7, 8
Apprentices offensive	Combating youth unemployment; high-quality vocational training by offset the shortage in skilled labour	Municipality of Linz	7, 8, 9 and 10
Optimised education and career orientation (BBO)	Improvement of vocational education, development of measures supplementing school curricula; target group juvenile persons and persons with migration background	Federal province of Styria	7, 8, 9 and 10
Promotion of employment projects	Employment projects for labour market politically problematic groups, amongst others guarantee of employment for juvenile persons	Federal province of Vorarlberg	7, 8 and 10
Pool of chances	Counselling and service system at the school/labour market interface	Federal province of Vorarlberg	7, 8
Partnership – Choice of career and modular basic qualification	Career orientation and finding and basic qualification for young, not gainfully employed adults	Land Salzburg ⁽¹⁾	7, 8
Workshop Bregenz	Inclusion of juvenile persons out of work (with a migration background) into the labour market	City of Bregenz	7, 8
Integration offensive	Acquisition of languages and job-specific qualifications for migrants	Federal ministry of labour, social affairs and consumer protection (BMASK), Federal ministry of the Interior (BMI), Federal ministry for education arts and culture (BMUKK)	7, 8
Special labour permit “Rot-Weiß-Rot Karte” ⁽⁺²⁾	Implementation of a criteria controlled immigration model for especially highly qualified persons, qualified workforce in sectors short of skilled labour, and other key workforce	BMASK, BMI	7, 8

Production schools	Making up for basic educational deficiencies; integration in the first phases of training	BMASK	7,8
Project-managing diversity	Improvement of the framework conditions for the integration of juvenile migrants	BMASK	7, 8
Mentoring for migrants	Support of the mentees in the course of their inclusion in the labour market	Chamber of commerce (WKÖ) labour exchange (AMS) Austrian Integration Fund (ÖIF)	7,8
Employee's taxation share reduced	Reduction of the taxation rate; reduction of the employee's share for the social insurance and for the low-wages brackets	BMASK	7
Economy in Vienna lives a multitude	Information sessions for entrepreneurs from the various diversity dimensions, aiming at enhancing the inclination to establish a business and to ensure the number of existing businesses	Chamber of commerce Vienna (WKW)	7,8
Reduction of employees' contribution	Reduction of the tax rate; reduction of the employees' contribution to the unemployment insurance in low-wage brackets	BMASK	7
DiversCity Prize	Awarding Viennese enterprises that have implemented initiatives to promote and use staff diversity in an exemplary manner	WKW	7,8
Project "You can deliver"	Persons without any qualification are to be guided to complete an apprenticeship by a model to identify, acknowledge, and validate competences informally and formally acquired at the example of selected occupations	Federal province of Upper Austria, Chamber of labour Upper Austria (AKOÖ), Chamber of commerce Upper Austria (WKOÖ)	7,8

(1) A modern completed apprenticeship is not only required from the point of view of labour market policy, but also (and mainly) from the point of view of economic policy (skilled labour), and educational policy (cf. key qualifications).

(2) Based on an agreement of the Austrian social partners

4. Quality of labour

The quality of labour is the key to more and better jobs. A good workplace and good work is reflected in the personal satisfaction of the people, in performance-adequate salaries, and also in a family-friendly working environment.

Survey: Measures quality of labour

	Focus	Competence	Guidelines
Law combating wages and social benefits dumping	Securing equal conditions in the labour market and with wages and salaries for women and other discriminated groups (e.g. disabled persons)	Federal ministry of labour, social affairs and consumer protection (BMASK)	7
Gender employment equality for women	Protection against discrimination; legal measures to ensure gender equality for women in the workplace	BMASK	7
Revision of the labour constitution law and other laws	Modernisation of workers' participation in decisions taken at work	BMASK	7
Institution of a calculator for wages and salaries	Easily accessible and update information on wages structure standards by sector and by region; transparency of wages and salaries; narrowing the income gap	Federal chancellery (BKA / Women)	7
Income reports to be made public on the workplace (Law on gender equality as revised)	Creation of income transparency, reduction of the differences in income	BMASK Social partners	7, 10
Collective bargaining agreements	Protection of employees, prevention of poverty, enhancement of purchasing power and competitiveness	Chamber of commerce Austria (WKÖ), Austrian Trade Union Federation (ÖGB)	7,10

IV. 2 National target research and development

National Goals

By the year 2020, the R&D rate is to be 3.76% of the GDP, with at least 66%, preferably 70% of the expenditures to be borne by the private sector. That goal is an ambitious route taken by the Austrian federal government meant to develop Austria into a knowledge-based and competitive national economy and sustainably create prosperity and jobs.

The central measure here envisaged for 2020 is the **Strategy for Research, Technology and Innovation** as resolved by the federal government.

The path to innovation leader– the RTI-Strategy of the federal government

On the basis of broad discussion processes (Austrian research dialogue), and an extensive system evaluation, the Austrian government has now resolved a far-reaching strategy for research, technology and innovation. The RTI-Strategy will be the key element for intelligent growth in the knowledge triangle accompanying the implementation of Europe 2020 (guideline 4).

Austria therein sets itself the target to become one of the most innovative countries of the EU by 2020, and to mobilise research, technology and innovation for the social and economic challenges.

The RTI-Strategy addresses measures at the interface to the educational system, a reinforcement of the research structures (basic and applied research) with a view to excellence, topical priorities, reinforcement of the innovative strength of the business sector and an increase in the efficiency of the governance.

With the RTI-Strategy, Austria significantly contributes to the implementation of the lead initiative „Innovation Union“, thus largely complying with the self-assessment instrument as provided for therein.

The most important challenges and measures

1. Reinforcement of the innovative strength of the business sector
2. Reinforcement of research
3. Further development of the information society

1. Reinforcement of the innovative strength of the business sector

So as to increase the innovative strength, and, following that, the growth potential, the business sector will have to be ongoingly stimulated via effective incentives and general conditions as well as more competitiveness for research and development, the challenge being a maximum leverage effect of the means used on the R&D expenditure of leading enterprises as well as small and medium-sized enterprises (SMEs). In practice, especially the establishment and growth of technology-based, knowledge- intensive, and innovative enterprises, as well as the new settlement of research-intensive enterprises from abroad are to be supported. In the medium term, the goal is an increase of the knowledge- and research-intensive new establishments by 3% per year on the average. The intensification of research in the SMEs as well as in the key enterprises is to be promoted in a targeted way. Further important examples increasingly addressed are, apart from the intensity of direct investment capital and risk capital when financing innovative enterprises (here, Austria has set many measures lately, such as the state acting as a „cornerstone investor within the funds-of-funds concepts or the institution of a state participation fund). Also the number of enterprises systematically engaged in R&D (broad positioning of innovation basis) shall be increased by 10 % in the period 2010-2013 and by 25 % in total until 2020. In addition, the challenge now is to step up the knowledge and innovation intensity of the Austrian production and services structure, the cooperation between the sciences and the economy and the international R&D cooperation and to improve the implementation of the results of research and development into marketable (especially with a view to measures compatible with the environment and the climate) innova-

tions. In the course of the allocations of the EFRD funds 2007-2013, also the regional innovative strength will be supported.

Survey: Reinforcement of the innovative strength of the business sector

	Focus	Competence	Guidelines
National contact point for IP affairs http://www.era.gv.at/space/11442/directory/20021.html	Enhancement of university transfer and further processing structures; coordination of the national knowledge transfers and harmonisation with institutions of other member states	Federal ministry of economy, women and youth (BMWFJ) Federal ministry for transport, innovation and technology (BMVIT) Federal ministry of Federal ministry of science and research (BMWF)	4
Knowledge and technology transfer http://www.era.gv.at/space/11442/directory/20288.html	Protection of intellectual property and knowledge and technology transfer of public research institutions into the business sector	BMWFJ BMVIT Federal ministry of finance (BMF)	4
SME funds	Improvement of equity position of SMEs	BMWFJ	6,4
Investment in establishment of a business and establishment technology cheque	Support of the first material and immaterial investments by technology-oriented founders, broadening the basis for the establishment of enterprises	BMWFJ BMVIT	4
VC-Initiative	Focus is on funds investing in research and technology-oriented enterprises establishing their business activities regionally in Austria in their founding phase and start-up phase	BMWFJ BMVIT	4
Cleantech funds	Focus is on funds investing in enterprises associated with Cleantech activities in their founding or growth phase	National foundation	4
Restructuring of direct research promotion	The target is a more efficient and more effective use of funds, harmonisation and standardisation of the promotion instruments, simplification of the accounting procedure	BMWFJ BMVIT	4
Initiative „evolve“	Innovation promotion in the creative sector	BMWFJ BMVIT Chamber of commerce (WKÖ)	4
Public procurement promoting innovation	Use of demand-focused instruments, especially of the public procurement, to enhance the innovative strength of the Austrian economy - drafting guidelines (by the beginning of 2012)	BMVIT BMWFJ	4

Innovation cheque - plus	Extension of the research and innovation basis of SME	BMWFJ	4, 6
Programme cluster Lower Austria	Creation of local and regional networks of enterprises, reinforced access and investments for SMEs to R&D	Federal province of lower Austria	4, 5 and 6
Technopole programme Lower Austria	Initiating and implementing lighthouse projects (Leuchtturmprojekte)	Federal province of lower Austria	7, 6
Regional research and technology projects	Creation of critical parameters in specific fields of technology, development of competences	Federal province of lower Austria	4
Viennese strategy for research, technology and innovation	Consolidation and development of the City of Vienna as a location for research and innovation in Central Europe	Federal province of Vienna	4
Strategy Carinthia 2020	Reinforcement of the innovative strength of enterprises	Federal province of Carinthia	V

2. Reinforcement of Research

In the international concert, the Austrian fundamental research is positioned in the midfield in both, input-indicators and output-indicators. In this respect we have to acknowledge that the criteria and scales academic science and basic research are measured with, are differently compiled than science effected by enterprises. The creation of globally competitive research infrastructures and the reinforcement of university and non-university research institutions are important national targets. The federal government had resolved, already in the budget 2011, for the national period of activity 2011-2014, on additional offensive funds (totalling 720 million euro), which will mainly support FTI as they boost the research bonus from 8% to 10%, enhance the universities, and additional R&D measures for enterprises (especially SMEs).

Survey: Reinforcement of research

	Focus	Competence	Guidelines
Overheads Science fund (FWF)	Improvement of research environments by funding overheads ⁽¹⁾	Federal ministry for science and research (BMWF)	4
IST Austria- Institute of Science and Technology Austria ⁽²⁾	Institutional reinforcement of research and raising excellence	BMWF	4
Development Vision 2020 – Vienna Biocenter and IMBA	Reinforcement and improvement of the research infrastructure with an in-depth inclusion of post-graduate life sciences studies	BMWF	4
Endowed professorships by the federal province of Salzburg	Basic research in bio sciences and medicine	Federal province of Salzburg	4
Institution of the centre for pharmacogenetics genomics	Development of new, improved and personalised medical drugs	Federal province of Salzburg	4
Tax allowances for research projects ⁽³⁾	Intensification of research in SMEs; raising the research bonus from 8% to 10%	Federal ministry of fi-	4

Innovation Assistants	Key qualifications in innovation management so as to sustainably reinforce the innovative strength of enterprises	Finance (BMF) Federal province of Lower Austria	4
Promotion of R&D in in-house projects of enterprises ⁽⁴⁾	Development of R&D capacities and strategy research cooperation	Federal province of lower Austria	4, 6
Promotion of scientific research	Ensuring the international competitiveness by high manpower qualification in the region	Federal province of Vorarlberg	4, 6

⁽¹⁾ FWF (science funds) can finance 20% of the overheads of all individual projects it supports; agreement within the offensive measures

⁽²⁾ Establishment of the institute 2006; continuous implementation since then

⁽³⁾ Agreement within the offensive measures

⁽⁴⁾ Exploitation of structure funds

3. Further development of the information society

Broadband networks are the pillars our information society rests on. The competence centre for the internet society („Kompetenzzentrum Internetgesellschaft“) established in spring 2010, submitted to the federal government, by the beginning of 2011, a first priority list, to be followed by consecutive priority lists in regular intervals, to identify concrete steps to be taken in the development of ICT in Austria. The priorities of the measures as may be necessary make for of a clear, integrative coordination of the Austrian ICT policy.

The focus encompasses the following targets envisaged by the Austrian government:

- Positioning Austria at the top of the ICT nations
- Enhancement of the competitiveness in rural areas
- Development of the broadband infrastructure
- Enhancement of the use of the broadband
- Bridging the broadband gap, participation of everyone in the information society

Measures promote the information society

	Focus	Competence	Guidelines
Priority catalogue of the competence centre (KIG)	Prioritisation of concrete ICT projects. Current priority catalogue quoting 14 projects to be implemented in 2011	Federal ministry for transport, innovation and technology (BMVIT) Federal chancellery (BKA) Federal ministry of economy, women and youth (BMWFJ) Federal ministry of finances (BMF)	4
Venture Capital for High-Tech enterprises	A VC initiative closing the financial loopholes following early-phase investment funds supports	National foundation	4

Promotion programme Broadband Austria „Zwanzigdreizehn“ (BBA_2013) ⁽¹⁾	young, research and technology oriented enterprises especially from the IT sector Bridging the broadband gap and improvement of the economic conditions in rural areas	BMVIT	4
Austrian electronic network (AT:net) ⁽²⁾	Launching information technology applications and solutions in the public interest on the market	BMVIT	4

⁽¹⁾ Promotion programme funded by the federal and provincial governments and the EU. Implementation to be completed by 2015; 15 million euro available from EAFRD

⁽²⁾ Continuing the broadband initiative as started in 2003

IV.3 National target climate protection and energy

National Goals

- 16% greenhouse gas reduction as compared to the 2005 level in the sectors not trading emissions
- 34% share of the renewable energies in the energy gross final consumption
- Stabilisation of the final energy consumption on the level of the base year 2005

In order to reach the national goals Austria has set the following cornerstones:

The principal challenges and measures

1. Reinforcement of the renewable energies
2. Reduction of the greenhouse gas emissions
3. Enhancement of the energy efficiency
4. Efficient handling of natural resources – resource efficiency

1. Reinforcement of the renewable energies

According to the directive of the European Parliament and the Council as of 23 April 2009 for the promotion and use of energy from renewable sources (2009/EC), Austria is to increase its share in renewable energies in the energy gross final consumption to 34 % by 2020. In the base year 2005, that share was 24.4%. In the year 2008, the figure reached in Austria was already 28.8%. For the transport sector, the EU has defined a 10% share of renewable energies in the total energy consumption until 2020 as the binding target for that sector. In compliance with the above directive, Austria submitted its National Action Plan 2010 for Renewable Energies to the European Commission in due time. The plan delineates the target techniques to reach the renewable target figure, the targets for the individual sectors, the energy technologies used to reach the targets, and measures to substantiate the techniques.

Measures: renewable energy

	Focus	Competence	Guidelines
klima:aktiv total	Raising awareness, provision of training and quality assurance ⁽¹⁾	Federal ministry of agriculture, forestry, environment and water management	5, 7,8

klima:aktiv mobil	Promotion of reorganisation measures of vehicle fleet using alternative technologies renewable energies in transport (bio fuels, eco-power), and battery-powered mobility, climate conscious mobility management, bicycle traffic, and fuel saving initiatives for enterprises, municipalities, and organisations	(BMLFUW) BMLFUW	5
Substitution of fossil fuels by admixture of bio fuels (fuel VO2011) and reinforcement of the use of pure fuels	The regulation 2009/28/EC requiring 5.75% bio fuel admixture is supported in Austria tax-wise up to a share of 6.6%: the substitution of fossil fuels with biogenous fuels came to a 7% energy-related share; the fuel regulation 2011 will define the contribution of the bio fuels so that the 10% target of the EU 2020 can be reached. So as to reinforce the pure use, the reorganisation of the fleet to use high admixture rates with more than 40% bio diesel and biogas as well as supraethanol E85 and vegetable oil are supported by the klima:aktiv mobil promotion programme.	BMLFUW	5
Eco power act to be amended (still to be approved by parliament)	Increasing the share of power generated from renewable energy sources, the efficient use of promotion funds and supporting the development of eco power generation	Federal ministry of economy, women and youth (BMWFJ)	5
Revitalisation and enhancement of efficiency	Existing hydropower plants (counselling and promotion on provincial level)	BMWFJ	5
Exploitation of waste heat to be expanded	Expansion of waste heat exploitation for air conditioning installed in large buildings	BMWFJ	5
Strategy future of energy Vorarlberg	Energy autonomy of the federal province of Vorarlberg aimed at by 2050	Federal province of Vorarlberg	5
Promotion programmes renewable energy sources	Development of renewable energy sources	Federal province of Vorarlberg	5

⁽¹⁾ Monitoring of progress to be published in the annual report

2. Reduction of the greenhouse gas emissions

In line with the EU climate and energy package Austria is under the obligation to reduce its greenhouse gas emissions in sectors not subject to emission trading by at least 16% relative to the emissions of the years 2005 by 2020. The largest portion of greenhouse gases emitted in non-trading sectors in Austria is produced by the transport sector as well as heating and hot water in private households and business buildings. As regards traffic and transport, the goals are the development of the infrastructure with a view to a sustainable shift of the traffic and the management of the traffic volume as well as alternative fuels, battery-powered vehicles and public transport to be made more attractive. Here, also measures are to be set that will ensure, also in the future, the transport of bulk goods by rail. Along with these goals, measures in the sense of cost transparency and pollution-pays-principle are necessary.

For buildings, the three pillars thermal sanitation in existing buildings, low-energy and passive house construction as well as renewable energy sources (amongst others, solar energy, biomass) are prioritised. More “green jobs” are to be created. By doing to, the transition towards a resource-efficient and low-carbon economy is to be supported. Exploiting re-growing, CO₂ storing raw materials such as wood are of utmost significance.

Measures to reduce greenhouse gas emissions in the transport sector

	Focus	Competence	Guidelines
Development of the infrastructure – making public transport more attractive	Providing a demand actuated, competitive, and innovative transport infrastructure	Federal ministry for transport, innovation and technology (BMVIT)	5
Klima:aktiv mobile counselling and promotion programme	Counselling and promotion of enterprises, municipalities and organisations to develop and implement CO ₂ reducing mobility projects focusing mainly only vehicle fleets	Federal ministry of agriculture, forestry, environment and water management (BMLFUW)	5,7,8
Battery-powered mobility	New innovative technological and organisational mobility solutions to be developed, tested and implemented	Federal ministry of economy, women and youth (BMWFJ) BMVIT BMLFUW	5
Promotion programme „model regions battery-powered mobility“	Supporting the market launch of battery-powered mobility with renewable energies in the 5 integrated model regions (Vorarlberg, Salzburg, Vienna, Graz, and Eisenstadt), especially in connection with the public transport, further model regions as from 2011	Climate and energy funds (BMLFUW)	5,4
Job ticket (being planned)	Reduction of individual traffic;	Federal ministry of finances (BMF)	5
Climate and environmental package Salzburg (KLUP)	Promotional instrument for enterprises, municipalities and private persons to curtail greenhouse gas emissions	Federal province of Salzburg	5
Climate protection plan Styria	Identification of concrete measures to implement a sustainable and climate-adequate economic, social and energy system	Federal province of Styria	5
Development of the Lower Austrian ports /logistics-infrastructure	Shifting traffic and transport from road to waterways, and rail, respectively	Federal province of Lower Austria	5
Climate programme Lower Austria 2009-2012	Comprehensive catalogue with a view to 2020 goals	Federal province of Lower Austria	5

⁽¹⁾ Exploitation of structural funds

⁽²⁾ Exploitation of structural funds

3. Enhancement of the energy efficiency

The consistent enhancement of energy efficiency in all vital sectors is the key to the energy and climate policy, as it does serve both the augmentation of the security of supply, the cost efficiency of the energy system, and the accomplishment of the political goals with regard to the environment. The Energy Strategy Austria is to implement, in the years to come, the energy efficiency and energy saving measures, focusing mainly on buildings, transport, and households. In the building sector, thermal sanitation will have top priority. Energy management programmes will be accelerated in the production sector. Public research programmes are to support the implementation of the National Action Plan for Renewable Energies as well as the National Energy Efficiency Action Plan (including the further development of the monitoring system).

Measures energy efficiency

	Focus	Competence	Guidelines
Promotion of the environment at home (UFI)	Stepping up energy efficiency and exploitation regenerative energy sources	Federal ministry of agriculture, forestry, environment and water management (BMLFUW)	5
Climate and energy funds (KLIEN)	R&D in sustainable energy technologies and climate research; exploitation of energy saving potentials in enterprises	BMLFUW Federal ministry of transport, innovation and technology (BMVIT) Federal ministry of economy, women and youth (BMWVJ)	5
“Fit for Set” energy research and technological development	Formation of syndicates to be promoted; the focus is on international networking, but also on the cooperation of Austrian institutions is to be supported	BMWVJ	5
Energy efficiency cheque	Exploitation of energy savings potentials in enterprises by energy counselling	Energy institute of the Chamber of commerce, Federation of Austrian industrialists (IV)	5
Ecologisation of the standard fuel-consumption related tax	Standard fuel consumption-related tax – tax bonus for low consumption new passenger cars (CO ₂ emissions under 120 g/km) and alternative engines	Federal ministry of finance (BMF)	5

Thermal sanitation ⁽¹⁾	Thermal/energetic sanitation of private housing and buildings used by enterprises	BMWFJ	5
Environment service Salzburg (umwelt service Salzburg)	Counselling services focussing on energy efficiency, saving of resources and anti-air pollution	Federal province of Salzburg	5
smart grids-initiative	Further development of electricity grids to integrate a high share of de-centralised supply from renewable energies	BMVIT	5
Promotion of housing construction	Energy-efficient minimum requirements in new residential buildings and for restoration works in the housing sector	Federal province of Salzburg	5
Promotion of renewable energy sources	Stepping up the use of renewable energy sources	Federal province of Salzburg	5
City of energy Wels	Energy efficiency (restoration of buildings and compounds, use of technical innovations), master plan for an energy self-sufficient city of Wels	City of Wels	5
Smart City Graz / Zero Emission	Development of pilot and demonstration projects, focus on compact energy-optimised building structure	City of Graz	5
Promotion of ecological housing construction	Enhancement of the energy efficiency	Federal province of Vorarlberg	5

⁽¹⁾ 70 million euro for private housing construction, and 30 million euro for corporate buildings

4. Efficient handling of natural resources – resources efficiency

When implementing the top priority of the Europe 2020 Strategy „A Resource Efficient Europe“, production and consumption patterns are directed towards sustainability (quality, innovation, longevity, climate protection, as well as environment and resources saving measures).

Measures resource efficiency

	Focus	Competence	Guidelines
Austrian raw materials plan	Enhanced recycling of old materials and waste products, development of methods to reduce the use of materials, optimum consideration of mineral raw materials in regional planning	Federal ministry of economy, women and youth (BMWFJ)	5
Green Events Austria	Environment and sustainability aspects are decisive for the organisation process of large-scale projects (e.g. European soccer championship)	Federal Ministry of agriculture, forestry, environment and water management (BMLFUW)	5
Resource Efficiency Action Plan (REAP)	Quantitative and qualitative targets for resource efficiency	BMLFUW	5
Action plan sustainable procurement (naBe)	Ecological minimum requirements for sustainable public procurement (federal constitutional court)	BMLFUW	5
Masterplan Umwelttechnologie (MUT)	Top priority environmental technologies	BMLFUW	5
Masterplan green jobs	Cooperation economy, R&D with a view to a resources-efficient and low-carbon economy,	BMLFUW Chamber of	5, 8

Focus qualification eco-energy technology	training of energy managers“ Development of „green skills“ and enhancing the employment potentials in the field of energy efficiency	commerce (WKÖ) Federal province of Salzburg	5, 8
„Environmental electronic democracy“ (e2d)	Improvement of the energy and CO ₂ balance; higher participation by citizens	City of Bregenz	5

IV.4 National target education

National goals

The government aspires to lower, by 2020, the rate of drop-outs of pupils to 9.5%, and to raise the proportion of the 30 to 34 year-old university graduates or graduates from equivalent post-secondary institutions (ISCED 4a) to 38%.

The most important challenges and measures

1. Increasing the participation in education, preparing for university studies and increasing of the mobility in the tertiary sector
2. Increasing the number of graduates from natural sciences and technology
3. Improving the educational levels and lowering the drop-out rate
4. Attractivity, quality and permeability of occupational training

1. Increasing the participation in education, preparing for university studies and increasing the mobility in the tertiary sector

The target is to increase not only the participation in education (secondary and tertiary education), but also the mobility in the tertiary sector. For university studies, it is vital to focus on the choice in the preparatory phase. To enhance the effectivity, the support provided for the preparation for university studies (information, orientation) is widely enlarged and improved in the scope of a compulsory consultancy as an orientation for prospective students (“Studienwahlberatung NEU”). So that the range of choices in tertiary education can be more finely tuned, a group of experts has been commissioned to develop an Austrian university plan. The first concrete results are expected by the middle of the year. Of special concern for Austria is the promotion of the international mobility of students. Measures already implemented led to a continuous increase of the relative key figures.

Measures to increase the participation in education, preparation for university studies and mobility in tertiary education

	Focus	Competence	Guidelines
Sensitising for and information pertaining to university studies NEW	Information on possible academic choices http://www.studienwahl.at/	Federal ministry of science and research (BMWF)	4, 8, 9
Counselling in the choice of studies NEW	Improved counselling on academic choices; mandatory as of winter term 2012/13;	BMWF Federal min-	4, 8, 9

	http://www.studienwahl.at/ http://www.studienchecker.at/	istry for education, arts and culture (BMUKK)	
Austrian university plan	University place financing, research infrastructure plan, construction master plan and measures of coordination	Federal ministry of finance (BMWF)	4, 8, 9
Increasing the number of places in university-equivalent technical colleges (FHs)	Further qualitative development and consolidation	BMWF	7, 8, 9
Sensitising for mobility – „Erasmus back to School“	Promotion of students' mobility	BMWF	4, 8, 9
International mobility	Transparent recognition procedures	BMWF	4, 8, 9
Vorarlberg scholarship	Promotion of study and research stays abroad	Federal province of Vorarlberg	4, 8, 9

2. Number of graduates from natural sciences and technology studies

For the reason of securing a sufficient number of graduates from mathematical, natural-scientific and technical degrees, the networking of schools and university and non-university research institutions and enterprises is especially rigged up.

Measures increasing the number of graduates from natural sciences studies and technology studies

	Focus	Competence	Guidelines
Information offensive MINT	Information on studies options in the fields of mathematics, informatics, the natural sciences, and technology	Federal ministry of finances (BMWF)	4, 8, 9
Early promotion of young scientific generation	Networking of schools with university and non-university research institutions	BMWF	4, 8, 9
Strategy 2020 Carinthia	Enhanced orientation towards technology and reinforcement in the field of applied informatics	Federal province of Carinthia	4, 8

3. Improvement of educational levels and lowering the school drop-out rate

If educational careers are terminated too early without any degree or diploma, certificate or graduation, employment options will be reduced entailing an increased risk of unemployment, which may lead to social exclusion. People from difficult socio-economic backgrounds and/or a migration background are affected more than average. The central target of structural educational reforms is, for that reason, enhancing equal opportunities, and increasing qualification levels. The target group of the migrants is in the foreground here:

- Implementation of a comprehensive concept to form a base and to acquire basic competences of migrants in cooperation of the federal government and the provincial governments (as from 2011);
- Networking of learning centres for migrants to develop low-threshold, high-quality options for migrants (already being implemented);
- Further development of low-threshold information and education/training options in adult education for migrants

Appropriate measures are already set at an early age: all children are to speak sufficient German when starting primary school, so as to be able to cope. Therefore, before the last year in kindergarten, the “language standards” are assessed, with a focus on the language skills of the children. The main focus of the assessment is on the age-adequate use of language of a child. An education plan, as well as “standards”, serves to develop an individual promotion concept gauged at the results of the assessment. In the year before primary school, children will be guided and taught if necessary (child-oriented, and in a familiar environment). Kindergarten teachers will be specifically trained and also receive further training.

In the scope of the offensive measures and in close cooperation with the association of Austrian cities, towns and municipalities the all-day school model for the compulsory school bracket is to be boosted from 120,000 places at present to 200,000 places. Means supplied by the European Social Fund (ESF) are used to keep students with high (language) deficits in the educational system.

Measures improvement of educational levels and lowering the drop-out rate

	Focus	Competence	Guidelines
New secondary school (NMS)	Increasing the number of students with higher school-leaving qualifications, reducing the drop-out rates	Federal ministry for education, arts and culture (BMUKK)	8, 9
Lowering early drop-out including early promotion in language skills	Securing juvenile persons' staying in the educational system	BMUKK	9
Promotion of migrants	Support of migrants in the acquisition of qualifications and competences with a view to the labour market	BMUKK	8,9
Teacher training NEW	Restructuring training, further training and advanced training in the teaching profession	BMUKK	9
All-day school models ⁽¹⁾	Development of all-day care	BMUKK	9
National strategy for life-long learning	Conditions provided and incentive structures for life-long learning	BMUKK Social partner Chamber of labour (AK)	8
„Being a child, living the family („Kind sein, Familie leben“	Augmenting equal opportunities for children from socially disadvantaged, non-educated families in the educational system	City of Bregenz	9', 10
Investment in child care	Increasing the child-care rate and increasing the rate of women returning to every-day work	City of Dornbirn	7, 8, 9 and 10
School social work	Core project of the BMUKK, focussing on the	BMUKK	9, 10

Promotion of basic educational courses ⁽²⁾	interface between school and the parental home; instrument to accordingly react to the changing socialising conditions of children and juvenile persons	Federal province of Styria	
	Raising the educational levels, adult education; improvement of the chances of access to the labour market	BMUKK Federal province of Vorarlberg	9, 10

⁽¹⁾ Making use of the offensive funds 80 million euro are made available until 2014

⁽²⁾ Exploitation of ESF funds

4. Attractivity, quality, and permeability of occupational training

Occupational training contributes significantly to an intelligent, sustainable, and integrative growth, and also to comply with the goals set in education. It is therefore the target to further enhance the attractivity, permeability and quality of occupational training at all levels.

Measures to improve the attractivity, quality, and permeability of occupational training

	Focus	Competence	Guidelines
Quality of occupational training (QIBB)	Permanent institution of a comprehensive quality management system	Federal ministry for education, arts and culture (BMUKK)	8, 9
Apprenticeship plus A-level certificate	Raising the educational levels of apprentices	BMUKK	8, 9
Educational levels in occupational education	Development of implementation of the standards as a basis for competence-oriented teaching	BMUKK	8,9
Apprenticeships	Administration of the dual occupational training by the chambers of commerce (granting the authority to train, registration of apprenticeship contracts, final apprenticeship examinations, counselling, and information on apprenticeship training	Chamber of commerce (WKÖ)	8,9

(1) Start of pilot in 2009

More information on the reform projects in the competence of the BMUKK see http://www.bmukk.gv.at/medienpool/19586/folder_schulstart_2010_11.pdf and/or http://www.bmukk.gv.at/schulen/service/schulanfang_2010.xml.

IV.5 National target reducing poverty and social exclusion

National goals

The national implementation up to the year 2020 aims at contributing to the EU target defined by the indicators risk of poverty, material deprivation, and jobless households for 235,000 persons. The targets to reduced poverty risk and social exclusion as well as the employment figures to be reached are closely linked. A special focus will be on raising employment figures and inclusion into the labour market, especially also of persons capable of working but excluded from the labour market, as well as the improvement of the quality of jobs. A special focus will, in that context, be on appropri-

ate financial incentives for employment to be taken up and longer employment times. To reach these goals policies are to be focused, especially on persons returning to the labour market, long-time jobless people, and juvenile persons, children, and indebted households and also, in the medium term, groups of persons out of gainful employment and older persons inflicted by poverty.

Abolishing poverty and the risk of poverty must be effected at different levers and is integrated in many areas. In the field of education the development of the all-day school model is clearly a significant issue, juvenile persons and adults with a migration background and/or from groups at risk of poverty are most intensively supported to improve and enlarge their economic opportunities.

Most important challenges and measures

1. Compatibility of family and job
2. Combating long-term unemployment and improvement the participation in the labour market of groups at risk of poverty at a working age
3. Improvement of the participation of women in the labour market and better income opportunities for women
4. Reduction of child poverty and the inter-generation heredity of poverty, improvement of the later career opportunities of children
5. Prevention measures for good health in working life, and improvements in the opportunities in the labour market for persons with a handicap

The existing operative programme Employment of the ESF supports numerous measures as listed in the following.

1. Compatibility of family and job

Single households and families with three or more children are those that are hit hardest by poverty. For women, especially single parents, the child care duties often entail unfavourable starting positions to enter the labour market. More day-care centres for children and all-day attendance in schools are among those issues that require more intensive attention.

Measures compatibility of family and job

	Focus	Competence	Guidelines
Development and quality improvement of the institutional child-care system	Improved access for children from non-educated households to educational institutions; breaking the barrier of "hereditary" poverty	Federal ministry of labour, social affairs and consumer protection (BMASK)	10
Mandatory year in kindergarten before primary school	Improving opportunities for education of children as well as contributing to the participation of women in gainful employment	Federal ministry of economy, women and youth (BMWFJ)	10
Legal aid hotline for women	Counselling in marital and family law matters free of charge	Federal province of Salzburg	10

Regional manager for labour and equal opportunities and gender mainstreaming	Setup of regional cooperation structures focusing on compatibility of family and job, integration into the labour market (women not integrated in the labour market, young women, older women and women with a migration background)	Federal province of Salzburg	10
Manual on the compatibility of family and job for SMEs	Information and services to help especially SMEs and their employees to benefit from improved family-friendly conditions	BMWfJ, Chamber of commerce	10

2. Combating long-term unemployment and improvement of the participation in gainful employment of groups at risk of poverty at a working age

Central reasons for the risk of poverty are non-participation or marginal participation in gainful employment, for instance owing to a low qualification or a handicap. The focus, therefore, is on groups especially at risk. With the integration of handicapped persons at the centre of attention an increased intervention demand in accordance with the agreement concluded by the federal government and the provincial governments was earmarked. An additional target is the improvement of the quality of jobs and a policy making starting and staying in a job attractive. The implementation of the country-wide, guaranteed minimum income oriented at the individual needs as of 1 September 2010 has two targets: first, preventing and combating poverty and social exclusion, and, secondly, support when returning to the labour market.

Measures combating long-term unemployment and improvement of the participation in gainful employment of groups at risk of poverty

	Focus	Competence	Guidelines
Better chances in the labour market for beneficiaries of need-oriented guaranteed minimum income	Improvement of job opportunities for beneficiaries of need-oriented guaranteed minimum income	Federal ministry of labour, social affairs and consumer protection (BMASK)	7, 10
Combating long-term unemployment	Focused training and qualification measures, inclusion benefits „In Work Benefits“	BMASK	7, 10
Preventive health measures and labour market offensive for health-impaired persons	Prevention and rehabilitation	BMASK	7, 10
Implacement foundation Care	Organisation providing non-aligned training and internships for (certified) carers	Federal province of Salzburg	8, 10
Qualification complementing the job (AQUA)	Supporting job-seeking persons by occupational orientation and practically relevant training and further training	Federal province of Salzburg	7, 10
Life job (Lebensarbeit)	Employment project for women particularly unfamiliar with the labour market and women with a migration background	Federal province of Salzburg	7, 10
Need-oriented guaran-	Three-tier „active inclusion approach“: (i) secur-	Federal pro-	8, 10

teed minimum income in Vienna

ing a person's livelihood; (ii) access to the social services (iii) supporting the reintegration into the labour market

vince of Vienna

3. Improvement of the participation of women in the labour market of women and better income opportunities for women

Households with women as primary bread-winners bear an above-average risk of exclusion. Combating the enhanced risk of poverty of women in single-parent households is, therefore, a top priority, the target being the reduction of the gender pay gap by 2020 towards the EU-27 average, and improved income opportunities, as well as measures to increase the participation of women in the labour market. Being employed for a sufficient remuneration is the best remedy against poverty.

Measures to improve the proportion of women in the labour market and better income opportunities for women

	Focus	Competence	Guidelines
Fair opportunities for women in gainful employment	Reduction of the gender income gap (amendment of the law of equal treatment)	Federal ministry of labour, social affairs and consumer protection (BMASK)	7, 10
Financial support for women	Information, counselling and training for women in changing processes in their occupational situation	Federal province of Salzburg	7, 10
Women 45plus	Competence training programme with a view to a permanent integration in the labour market	Federal province of Salzburg	7, 10
MIdA – Migrant women: integration by access to the labour market	Training integration pilots from among integrated women with a migration background	Federal province of Salzburg	7, 10

4. Reduction of child poverty and the inter-generation heredity of poverty, improvement of the later career opportunities of children

Poverty of children and youth is a special concern, since it is highly detrimental to any further opportunities as may arise in the course of a life. All children irrespective of their social-economic origin must be given adequate opportunities for their school and occupational careers. Pre-school education improves the school and later occupational career opportunities, thus lowering the risk of financial and social exclusion. An increased number of pre-school educational institutions make for a better compatibility of family and job for mothers, and eventually lead to an increased family income. The targets and measures for reducing the drop-out rate of pupils, raising educational levels and quality and quantity enhancement of all-day attendance in schools as listed in the chapter on education are to counteract the risk of exclusion of young people.

Measures to reduce the poverty of children and the intergenerational heredity of poverty and to improve later career opportunities of children (see measures under VI.5.1)

6. Prevention measures for good health in working life, and improvements in the opportunities in the labour market for persons with a handicap

The employment rate of persons with special needs is to be increased the number of persons retiring for disability reasons to be lowered. The target to reduce the proportion of persons with health impairments at a working age and to increase the employment rate of persons with a handicap is aimed at lowering the risk of social exclusion.

Measures for health prevention for persons gainfully employed and improvement of labour market opportunities for persons with a handicap

	Focus	Competence	Guidelines
Health care and labour market offensive for peoples with disabilities	Prevention and rehabilitation	BMASK	10

IV.6 Competition and entrepreneurial environment

The focus is on the improvement of and the access to financial means by Austrian SMEs, on a reinforcement of the demand of the entire economy as well as competitiveness, attractive locations, the reduction of the administrative burdens and the reinforcement of the export economy. In a market economy, competitiveness supports an efficient allocation of resources. The further development of competition and the efforts to innovate both in the services sector and in the material goods sector will be of top priority, also in the future.

The most important challenges and measures

1. Competition law
2. The dynamics of establishing an enterprise
3. Further internationalisation

1. Competition law

The successful enforcement of the competition law and thus the discovery of violations of the competition rules depend on efficient institutions. The government programme, therefore, envisages reinforcing the federal competition authority as well as reforming the authority's structure, so as to bundle, with the constitutional principles in mind, optimum synergies of the competition authority, also considering the European environment.

Measures competition

	Focus	Competence	Guidelines
Amendment of the competition law and the anti-trust law	Reinforcing the federal competition authority; more efficient drafting of the anti-trust law	Federal ministry of economy, women	6

Supporting the SMEs in exploiting the opportunities of the domestic market/ Enterprise Europe Network EEN

Supporting the SMEs when becoming active in the domestic market

and youth (BMWFJ)
Federal ministry of justice (BMJ)
Chamber of commerce (WKÖ) 6

2. The dynamics of establishing an enterprise

With regard to the establishment dynamics, efforts are made to support and further simplify the establishment procedure of enterprises (e.g. “GmbH neu”, i.e. limited liability company under Austrian law as revised) by active promotional programmes. The current government programme intends to enhance the attractiveness of the Austrian GmbH (limited liability company under Austrian law) in the national and international competition of the legal forms. Moreover, the costs of certain simple processes entailed in the establishment of one-person companies by natural persons are to be considerably lowered.

Measures pushing entrepreneurship

	Focus	Competence	Guidelines
Action programme für SMEs ⁽¹⁾	Programme for the implementation of the Small Business Act (SBA)	BMWFJ	6
Services initiative – promotion of innovations in the services sector	Focus in on unconventional projects so far not linked to any promotion or subsidies	BMWFJ	6, 4
Services for founders	Promotion of entrepreneurship, promotion of sustainable establishments of enterprises	Chamber of commerce (WKÖ)	6
Entrepreneur’s Skills Certificate®	Basic knowledge and entrepreneurial skills, enhancing the readiness to establish an enterprise (focus young generation)	Chamber of commerce (WKÖ)	6
Mobilisation of and accompaniment in the process of establishing an enterprise	Technology-oriented establishments	Federal province of Lower Austria	4, 6
Innovative investments	Diversification in new promising sectors; settlement/start-up of enterprises in growth sectors improving the structure	Federal province of Lower Austria	4, 6
Innovation oriented investments in SMEs (Tourism) ⁽²⁾	Accomplishment of an optimum added value growth with a view to the ecological and social limits of tourism	Federal province of Lower Austria	4, 6

⁽¹⁾ Joint programme federal ministry of economy, women and youth and institute for the promotion of the economy (WIFI)

⁽²⁾ Exploitation of structural fund

3. Further internationalisation

The situation of the Austrian export economy is still tense. Adequate support of the external sector, therefore, remains a necessary investment into the future. The basic concepts of the internationalisation offensive and the measures set so far have proved successful. It is distinct in its goal to comprehensively change the structure. To be continued, the focus is on a systematic, focused and structured approach.

Measures internationalisation

	Focus	Competence	Guidelines
Internationalisation offensive „go-international“	Creation of a sustainable, dynamic, globally-oriented and knowledge-based external economy structure	Federal ministry of economy, women and youth (BMWFJ) Chamber of commerce (WKÖ)	6
Programme internationalisation	Accompaniment and support of SMEs when opening up new markets	The federal province of Lower Austria	6
Internationalisation of SMEs	Strategic know-how build-up in enterprises to support the opening up of international markets	The federal province of Lower Austria	6