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Current facts and figures on apprenticeship training in Austria

Results of the ibw study “2024 Survey of Apprenticeship Training”

The share of young people who start an apprenticeship directly after secondary school (i.e. after the 8th grade and without attending prevocational school in the 9th grade) is increasing. Apprenticeship training is gradually shifting to large enterprises. Public expenditure per apprentice is significantly lower than for young people in alternative educational pathways. These are a few of the large number of findings revealed by the current issue of the annually published ibw publication “Survey of Apprenticeship Training”, which pursues the objective of presenting all relevant and available statistical data and indicators on apprenticeship training in Austria on around 200 pages.

Number of apprentices (and 15-year-olds)

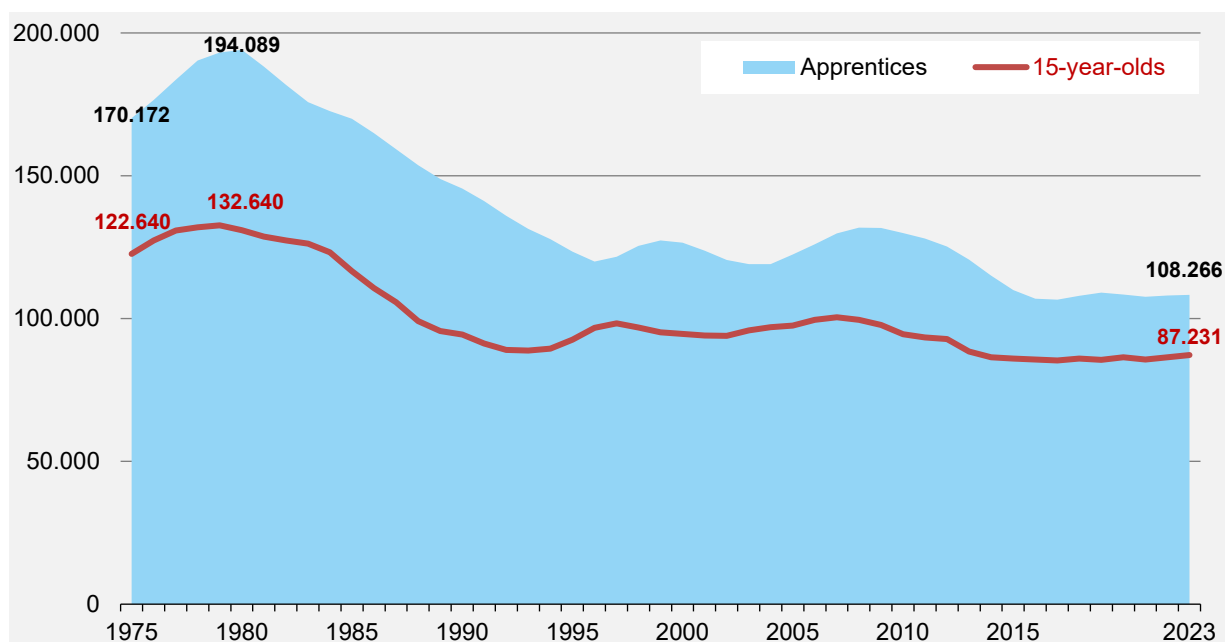
The long-term observation from 1975 onwards (cf. Diagram 1) shows that the peak in the number of apprentices was reached in 1980 in Austria (with more than 194,000 apprentices). After that the number of apprentices (as well as the number of 15-year-olds) fell sharply until the mid-

1990s. Since 2015, both the total number of apprentices and the number of 15-year-olds in Austria have remained relatively stable. At the end of December 2023, there were 108,266 apprentices (and 87,231 15-year-olds) in Austria.

DIAGRAM 1:

Number of apprentices and 15-year-olds in Austria since 1975

(Apprentices: at the end of December of the respective year)



Source: Austrian Federal Economic Chamber: apprenticeship statistics (at the end of December of the respective year) and Statistics Austria: 15-year-olds on an annual average. Data query (15-year-olds): 12 09 2024, last update: 28 05 2024.
N.B.: excluding apprentices in agriculture and forestry.

A direct picture of the development of apprenticeship figures in Austria can be obtained by looking at the number of apprentices in their first year. At the end of 2023 (34,082 apprentices in their first year), this figure was over 1,000 people lower than at the end of 2022 (35,233 apprentices in their first year) and thus roughly at the level of the 'pre-Corona year' 2019 (33,882 apprentices in their first year). According to the main scenario of population projection published by Statistics Austria, the number of 15-year-olds will tend to increase from 2024, reaching a (provisional)

peak of 96,208 15-year-olds in 2032.

In order to analyse the interest of young people (of an age cohort) in apprenticeship training, the indicator 'share of apprentices in the first year among 15-year-olds' is usually taken as a benchmark. Generally speaking, the trend since 2003 suggests that young people's interest in dual vocational training has remained largely constant. Some 40% of young people of each age group take up apprenticeship training.

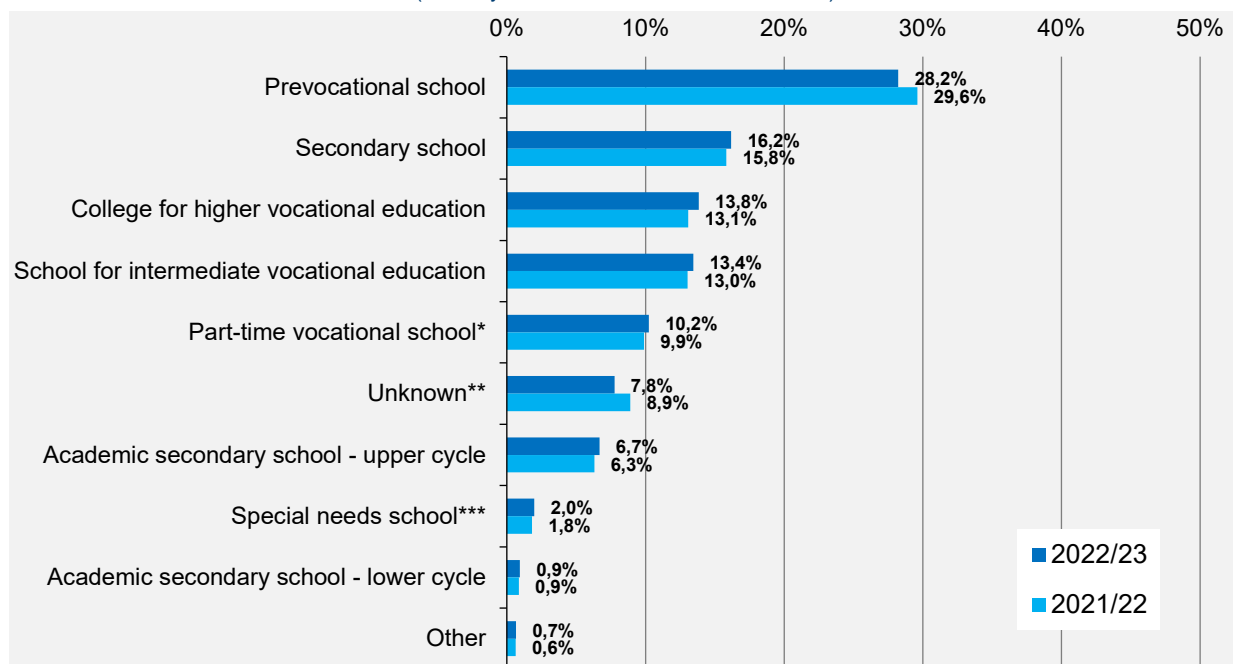
(Declining level of) prior education of apprenticeship beginners

Figure 2 shows the **prior education** (last school attended) of pupils at part-time vocational school in the first school year (10th grade). Only less than a third of vocational school pupils (28.2%) in the first year in the 2022/23 school year previously attended a **prevocational school** (9th grade), which is designed as specific preparation for further dual vocational training (including comprehensive vocational orientation and preparatory pre-professional/basic education). 16.2% came directly from a secondary school, 13.8% had previously attended a college for higher vocational education (BHS) and 13.4% a school for intermediate vocational education (BMS). The fact that the last school attended was a secondary school (or also the lower cycle of academic secondary school, both of which merely lead to the eighth grade) means that the ninth grade of 9-year compulsory schooling was not

reached. It is striking that this proportion has gradually increased in recent years. The share of pupils of part-time vocational school in the first year who only attended a (new) secondary school (including general secondary school) immediately before was only 13.3% in 2017/18, and already as high as 16.2% in 2022/23 (source: Statistics Austria + ibw calculations). This can also be seen as an indication that apprenticeship training has a significant effect on integration: apprenticeship training gives disadvantaged or less successful young people (including those without a compulsory school-leaving certificate) the opportunity to obtain a formal qualification at the upper secondary level. Any deficits in previous school qualifications, however, pose a major challenge not only for the young people themselves, but also for the training companies and vocational schools.

DIAGRAM 2:

Prior education of pupils of part-time vocational school in the first year
(school years 2022/23 and 2021/22, Austria)



Source: Statistics Austria (www.statistik.at) + ibw calculations
 N.B.: Prior education = last school attended (in the previous school year or before).
 * repetitions of classes or change of apprenticeship.
 ** including immigration from abroad or previous school attendance abroad.
 *** including pupils who were taught in other schools according to the curriculum of special needs school.

Training companies

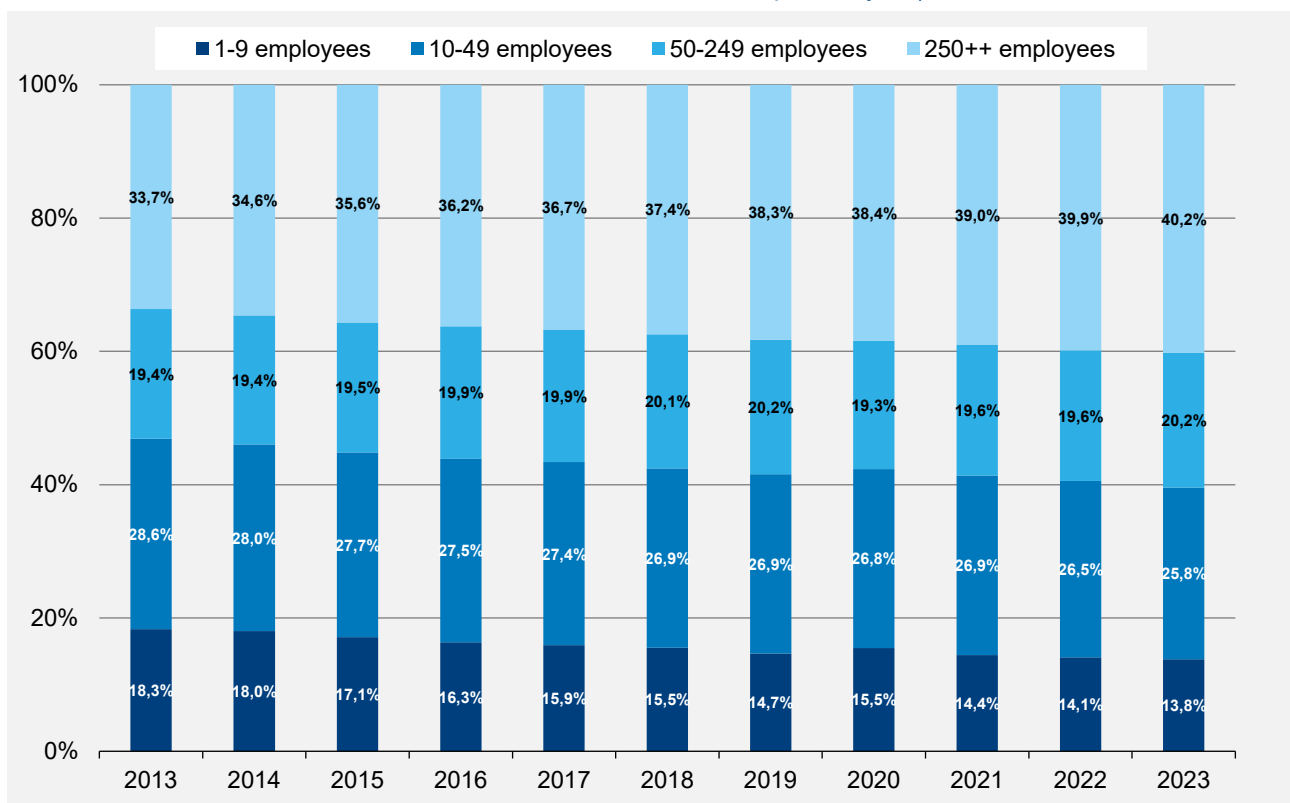
The share of training companies in all companies with employees among the WKO member companies (training company ratio) is falling relatively continuously. In 2023, only 22,062 (14.2%) of all 155,360 companies with employees (within the WKO) trained apprentices, 10 years ago (in 2013) this proportion was still 18.8%. The main reason for this decline is undoubtedly the increased difficulty of (especially) small companies in finding suitable apprentices for their apprenticeship posts.¹ The share of apprentices in small companies has therefore been falling continuously for many years. The more and more aggressive (advertising- and cost-intensive) recruitment of apprentices by large companies (due to many years of decline in the number of young people) has led to a further

concentration of the flows of applicants. This has the result that smaller companies receive (even) fewer applications and that, despite a lack of apprenticeship seekers, many applications (at large companies) continue to be unsuccessful and many applicants have negative experiences when applying for jobs. This growing concentration can be illustrated based on the distribution of apprentices by company size (among WKO member companies) (cf. Diagram 3): the share of apprentices in companies with fewer than 10 employees is decreasing relatively steadily (2013: 18.3%, 2023: 13.8%), whereas it is rising in companies with more than 250 employees (2013: 33.7%, 2023: 40.2%).

DIAGRAM 3:

Distribution of apprentices by size of training company (employees)

(size of training company based on the number of people in dependent employment in the WKO member companies; at the end of December of the respective year)



Source: WKO (2014 – 2024): Lehrlingsquoten – Anteil der Lehrlinge an den unselbständig Beschäftigten (Apprentice rates – share of apprentices among people in dependent employment). Vienna. + ibw calculations

¹ Cf. also for example: Dornmayr, Helmut / Lengauer, Birgit / Rechberger, Maris (2019): Betriebliche AusbilderInnen in Österreich. Erfahrungen, Herausforderungen, Wünsche (Company Trainers in Austria: Experiences, Challenges, Desires), ibw Research Report no. 196.

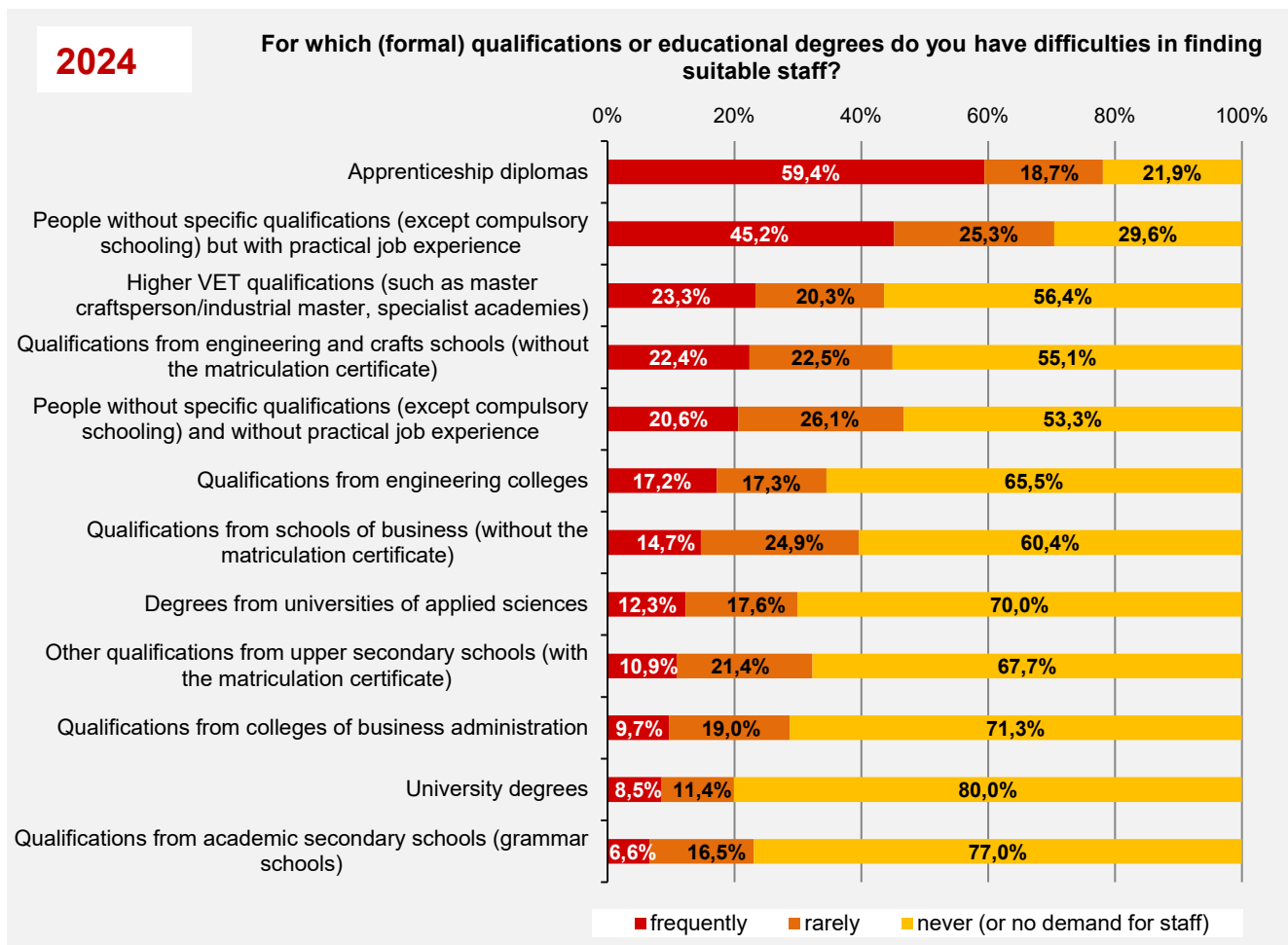
Skilled workers shortage

At the level of qualifications, the most frequent and **greatest recruitment difficulties** (in April 2024) **relate to apprenticeship graduates** (cf. Diagram 4), not least because the absolute and relative number of workers with apprenticeship qualifications has been declining for years (cf. Diagram 5). 59% of over 2,000 member companies which were interviewed on behalf of WKO and are experiencing a noticeable shortage of labour and skilled workers often have difficulties in finding employees with apprenticeship diplomas (only 12% for degrees from universities

of applied sciences and 9% for university degrees). But this is not the result of a lack of willingness to provide training on the part of Austrian companies. On the contrary: more than half of the companies (31% definitely, another 24% perhaps) would train a greater number of apprentices if they found sufficiently qualified and interested young people for their jobs. Among those companies which, in principle, already train apprentices, as many as 74% (55% definitely and 19% perhaps) wanted to train more apprentices.

DIAGRAM 4:

Qualifications or educational degrees where companies encounter difficulties finding suitable candidates
(among those n = 2,302 (82.4%) companies which stated they were affected by a shortage of labour and skilled workers)



Source: ibw Company Survey on Demand for/Lack of Labour and Skilled Workers in 2024 (n = 2,793 companies; conducted in April 2024)
Published in: Dornmayr, Helmut / Riepl, Marlis (2024): Unternehmensbefragung zum Arbeits- und Fachkräftebedarf/-mangel 2024, Arbeitskräfteradar 2024 (Company Survey on Demand for/Lack of Labour and Skilled Workers in 2024, Labour Radar 2024), ibw Research Report no. 220 commissioned by WKO, Vienna

With regard to the demand for 'intermediate' qualifications, it should be noted in particular that the number of people in the workforce (employed and unemployed) with a diploma from an apprenticeship or a school for intermediate vocational education (BMS) as their highest educational attainment has declined in recent years (at least since

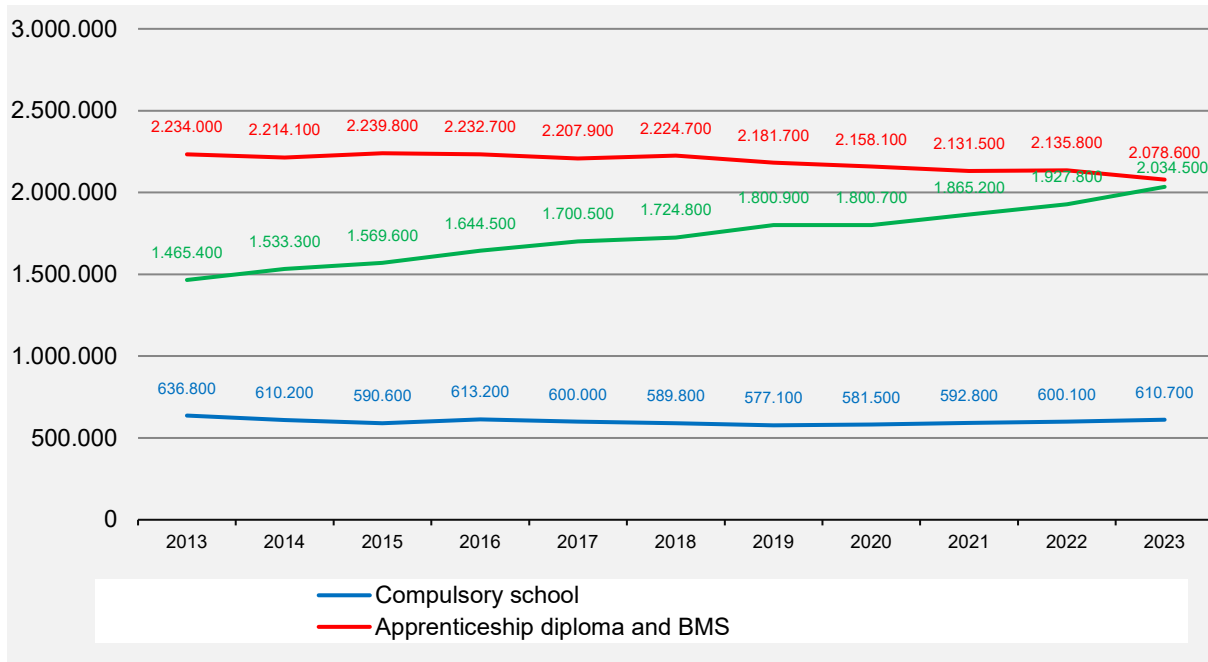
2018) (see Diagram 5), even though this qualification level still comprises by far the largest group of people in the workforce. Since 2010 (and even before), however, the number of people in the workforce with higher and tertiary educational qualifications has risen sharply (with an increase of almost 600,000 people in the workforce from

2013 to 2023 alone). From a demographic perspective, it should also be noted that the increase in the Austrian workforce has *de facto* for many years been based almost exclusively on immigration. However, only very few immigrants have an apprenticeship qualification, not least because apprenticeship training in this form exists almost

exclusively in German-speaking countries. In addition, a particularly large number of apprenticeship graduates will reach retirement age in the next few years because the proportion of apprenticeship graduates among the older working population is (still) higher.

DIAGRAM 5:

Working population by highest educational attainment
(According to the microcensus labour force survey)



Source: Statistics Austria (microcensus labour force survey) + ibw calculations

Public expenditure on apprenticeships and alternative educational pathways

The economic relevance of apprenticeship training for Austria, apart from covering the need for qualifications, is also due to the fact that it requires the least amount of public expenditure of all upper secondary vocational training pathways. This is due to the fact that in company-based apprenticeship training, the majority of the training costs (and training time) are borne by the companies in which the apprentices already do productive work to varying degrees.

school and expenditure for subsidies for in-company training places) per apprentice in the context of in-company training (EUR 7,688 per apprentice) are significantly lower than the costs per pupil in colleges for higher vocational education and schools for intermediate vocational education (EUR 11,947) or in supra-company apprenticeship training commissioned by Public Employment Service or AMS (EUR 23,039).

ibw model calculations for 2022/23 show that, calculated on an annual basis, public expenses (costs for vocational

The entire study,² which was financed by the Federal Ministry for Digital and Economic Affairs BMAW and WKO, can be obtained from ibw in printed form in German (ibw Research Report no. 221, ISBN 978-3-903520-03-5) or downloaded from www.ibw.at.

² Dornmayr, Helmut (2024): Lehrlingsausbildung im Überblick 2024 - Strukturdaten, Trends und Perspektiven, ibw Research Report no. 221, Vienna