

...

The welfare system is stable, and benefits are dedicated to housing, social security and labour-market integration. The EU accession of Hungary and Slovenia (2004) and Croatia (2013) strengthened the position of Styria's capital as a gateway for commercial and cultural exchanges. Graz is thus a main receiving location for immigrants. In the 1960s Austria signed guestworker agreements with Yugoslavia and Turkey, and immigrant groups from these countries settled in Graz. Net population growth since the 1970s is due to a positive net migration rate, and the YOUMIG population projection also foresees a population growth of 97,000 until 2035. Rising immigration is visible: new immigrant groups have emerged, most importantly from Romania and Hungary. On the municipal level, a total of 58,000 new arrivals were registered in Graz between 2002 and 2017: a 25% increase (the national average is 8.5%). The top five nationalities of new arrivals in 2016 were all from the region: Romania (1,021), Germany (806), Croatia (549), Bosnia and Herzegovina (498) and Hungary (479). There is a certain spatial concentration of the foreign population in Graz: the city districts of Lend and Gries show strong immigrant character. The primary objective of the majority of newcomers is work (with the exception of Germans who come mostly for university studies). Highly skilled and lower skilled labour migrants are equally present, as well as student migrants (who also tend to have part-time jobs). Immigrants from EU member countries benefit from the rules of free movement, while a federal policy instrument – the 'Red-White-Red Card' helps qualified immigrants from third countries get fixed-term employment in Austria. Institutions of higher education in Graz increasingly compete on a global scale: they are actively trying to attract foreign students. However, young immigrants pointed out in the interviews that they were struggling to find a job which was in line with their qualification levels. Jobs in catering or in other service areas were abundant, and they were better paid than a white collar job in their countries of origin, yet, psychologically they found this loss of status frustrating. 'Brain waste' – not being able to work in the field of one's original expertise – could, according to many interviewees, be the main obstacle to successful integration into local society.

The interviews also show several fault lines in the perceptions of the immigrant community (expressed by both institutional actors and young migrants). Many interviewees had the belief that "some groups are more welcome in Graz than others". The general discourse is that highly qualified immigrants are needed for boosting the local economy, and it is implicitly stated that immigrants with lower qualifications are not beneficial, or worse, they live off the generous subsidies of the Austrian welfare system. While this opinion is not shared by the majority, several interviewees (including a member of the right-wing populist Austrian Freedom Party) were of these convictions. Nonetheless, shortages are present also in the lower segments of the labour market: the catering industry and production companies are looking to hire immigrants. The low-prestige segments (such as the 24-hour home care of the elderly, dry cleaning, or sex work) have gained a strong immigrant character. In other segments there is a complex relationship between the immigrant and native workforce: many native Austrians feel that immigrants keep wages low by accepting lower salaries, while immigrants believe that it is impossible to move upwards on the salary ladder. A further observation is that many immigrants from the Danube region and the Balkans feel that they are culturally closer to Austrians than immigrants from Middle Eastern or African countries. Institutional actors indirectly back this by saying that when it comes to integration policies Eastern and Southeastern Europeans are not a priority (even if they constitute the largest immigrant group in Graz). Besides general issues of immigration (such as language learning, social security or housing), the interviews identified several youth-related topics of local policy. The large number of student migrants cause moderate discontent among some, as they cost Austrian taxpayer money while they are likely to leave Graz after graduation. In fact, this is more typical of German students, while they are rarely subjects of these debates. Another concern is that young migrants tend to avoid getting qualifications desired on the local labour market, such as in technical skills and after earning a university diploma they often end up with unskilled jobs in catering. Finally, a psychological feature is that young immigrants often move back and forth between the city and their native country on a regular basis and as a consequence develop dual identities. This phenomenon is closely linked to age. Interviews with young immigrants highlighted master narratives labelled as 'becoming independent', 'facing and overcoming difficulties' and 'liberation through education, family formation and religious activity'. These self-representations draw attention to the need to extend the scope beyond the labour market in order to design successful local integration policies for young migrants.