



## Report Overview

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This report will outline the strongest industries in Austria as well as in the following cities Vienna, Linz, and Salzburg. The research will focus on the cities previously mentioned and will have a focus on the top industries in those cities as well as a focus on the college's interest in Central Europe.

## Austria at a Glance

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Austria has a strong economy with machinery, metallurgical products and textiles. The country's most important industry is tourism. Austria is a well-developed economy and with high standard of living and is closely tied to other EU economies.<sup>1</sup> The services sector forms two thirds of the Gross Domestic Product of 232 billion Euros. Trade and industry make up about a third of the GDP, and agriculture contributes for 2% of the GDP. With a GDP per capita of about 40,000 euros, Austria ranks among the European Communities' richest countries.<sup>2</sup>

Austria mainly exports commodities such as machinery and equipment, motor vehicles and parts, paper and paperboard, metal goods, chemicals, iron and steel, textiles, and foodstuffs worth \$145 billion (2015). The main countries export partners are Germany (29.4%), United States (6.4%), Italy (6.1%), Switzerland (5.7%), France (4.4%), Slovakia (4.2%) (2015). Austria mainly imports commodities such as machinery and equipment, motor vehicles, chemicals, metal goods, oil and oil products, natural gas, and foodstuffs worth \$140 billion (2015).<sup>3</sup>

- Population: 8.6 million
- GDP per capita: (EUR) 39,406 (2015)
- GDP: (EUR) 337 billion (2015)
- Unemployment: 9% (Oct. 2016)
- Youth unemployment: 11.7% (Oct. 2016)
- Inflation: 1.3%<sup>4</sup>

However, Austria is facing a rise in unemployment, and weaknesses in the work life balance and in air quality and the transition to a low-carbon society is undermined by the protection

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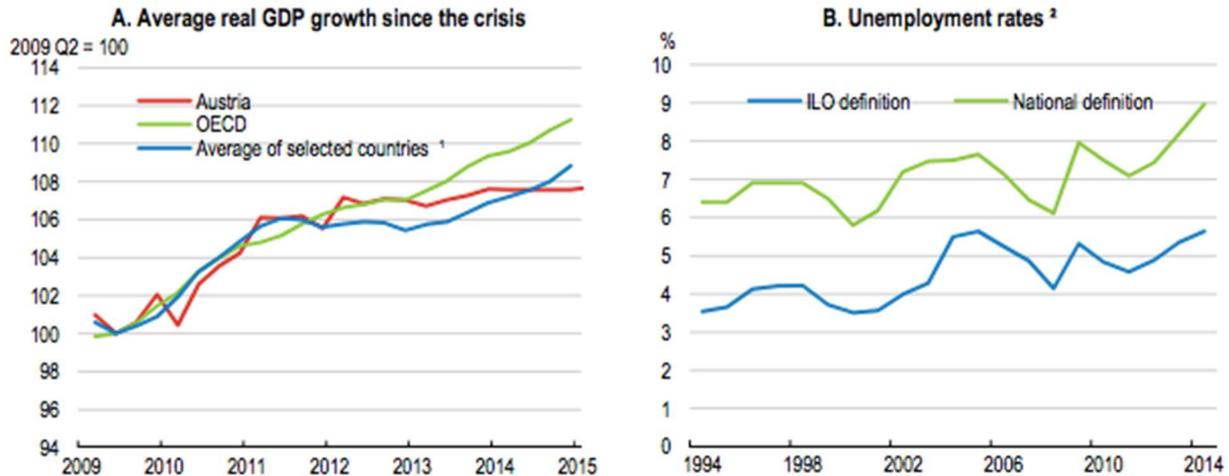
<sup>1</sup> <http://www.austria.info/us/basic-facts/about-austria/trade-industry>

<sup>2</sup> <http://www.austria.org/economy/>

<sup>3</sup> <http://www.focus-economics.com/countries/austria>

<sup>4</sup> <https://www.cia.gov/library/publications/the-world-factbook/geos/au.html>

of energy intensive industries, urban sprawl, subsidies for car transport and fuel tourism. A first step to help improve Austria's work life balance is to reduce gender inequality.<sup>5</sup>



\* The ILO definition of unemployment is based on the labor force survey and comprise persons that are without work, currently available for work and seek work. The national definition of unemployment is based on registered unemployed persons.

\* Graph A includes the following countries: Denmark, Germany, the Netherlands, Sweden and Switzerland.<sup>6</sup>



## Vienna overview

Vienna is a growing, attractive, and productive city, and is also the most liveable city in the world (UN Habitat report 2015). According to the *Economic Report Austria 2015 Executive Summary*, Vienna is strengthening its competitiveness through start-up more significantly in the banking and manufacturing sectors.

**Population:** 1.8 million

**GDP per capita:** (EUR) 38,700

**Unemployment rate:** 3.4%

Commerce and industry form the base of the city's economy, government, and public administration on all levels. The federally owned theater employ several thousands of people.

<sup>5</sup> <https://ec.europa.eu/eures/main.jsp?countryId=AT&acro=Imi&showRegion=true&lang=en&mode=text&regionId=AT3&nuts2Code=AT32&nuts3Code=null&catId=292>

<sup>6</sup> <https://www.oecd.org/eco/surveys/Austria-2015-overview.pdf>

Tourism is another major pillar activity with some 2 million travellers visiting per year. The city produced almost 1/3 of the GDP and more than half of Austria's capital goods and almost half of its consumer goods.<sup>7</sup>



### Linz overview

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Linz is located on the banks of the Danube River in the north of Austria and is 30 km south of the Czech border. Linz is traditionally known as an industrial city, but over the recent years, Linz has been investing in cultural initiatives including the Lentos Museum of Modern Art and the Blumau Opera House. Every year the city is the home to the international festival for Electronic Art that attracts a substantial number of visitors. Succeeding the city's cultural development and innovative arts scene, Linz was awarded the European Capital of Culture in 2009.

**Population:** 200,000

**GDP per capita:** (EUR) 43,600

**Unemployment rate:** 7.6%

Linz's other primary companies/ industries are Siemens, ÖBB (federal railways), MCE and Linz plc (public transport, energy etc), Raiffeisenlandesbank and Schachermayer.<sup>8</sup>



### Salzburg overview

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The city of Salzburg is in the northwest of the country, near the German border. As the birthplace of Wolfgang Amadeus Mozart, Salzburg is a magnet for cultural and music tourists in the summer, especially during Easter and Whitsun. Many visitors are also attracted by the story of the von Trapp Family, in "The Sound of Music".

**Population:** 150,000

**GDP per capita:** (EUR) 41,000

**Unemployment rate:** 5.9%

The "Business Location City of Salzburg" by Stadt Salzburg states that the city is a major vehicle distribution hub due to its central location in Europe. Many well-known automobile companies have headquarters in the city such as BMW, Mercedes, Porche and Suzuki.<sup>9</sup>

<sup>7</sup> <https://www.britannica.com/place/Vienna>

<sup>8</sup> <https://www.linz.at/english/>

<sup>9</sup> <http://bcg.thetimes.co.uk/Europe/Austria/Salzburg>