

AUSTRIA

Owing to the global crisis, Austria has entered the most severe recession in decades. GDP is set to contract in 2009, resulting in an increase in unemployment and low inflation. Activity is expected to pick up gradually in the course of 2010.

The policy measures taken since last September are mitigating the downturn and stabilising financial markets. Further financial-sector support might be needed to deal with downside risks should they materialise. The deterioration in the fiscal position calls for spelling out soon a credible medium-term consolidation strategy. Fiscal reforms should be continued to facilitate consolidation efforts.

Austria: Demand, output and prices

	2005	2006	2007	2008	2009	2010
	Current prices € billion	Percentage changes, volume (2000 prices)				
Private consumption	133.6	2.5	0.9	0.8	-0.1	0.4
Government consumption	45.1	2.2	1.9	2.0	1.4	0.7
Gross fixed capital formation	53.4	2.8	3.8	1.0	-8.9	-0.3
Final domestic demand	232.1	2.5	1.8	1.1	-1.9	0.3
Stockbuilding ¹	1.7	0.1	-0.2	0.1	0.1	0.0
Total domestic demand	233.8	2.1	1.9	1.9	0.3	0.3
Exports of goods and services	132.5	7.3	8.6	2.8	-14.0	1.1
Imports of goods and services	122.1	5.4	7.2	1.2	-10.2	1.8
Net exports ¹	10.4	1.3	1.2	1.1	-2.9	-0.3
GDP at market prices	244.2	3.3	3.0	1.7	-4.3	-0.1
GDP deflator	–	1.9	2.2	2.4	1.4	0.9
<i>Memorandum items</i>						
GDP without working day adjustments	243.2	3.4	3.1	1.8	-4.4	0.0
Harmonised index of consumer prices	–	1.7	2.2	3.2	0.6	0.8
Private consumption deflator	–	1.8	2.3	2.8	1.0	0.8
Unemployment rate ²	–	5.6	5.1	4.9	6.1	7.9
Household saving ratio ³	–	10.8	11.7	13.0	13.7	13.0
General government financial balance ⁴	–	-1.7	-0.7	-0.5	-4.3	-6.1
Current account balance ⁴	–	2.8	3.4	3.8	1.6	1.6

Note: National accounts are based on official chain-linked data. This introduces a discrepancy in the identity between real demand components and GDP. For further details see *OECD Economic Outlook Sources and Methods* (<http://www.oecd.org/eco/sources-and-methods>).

- Contributions to changes in real GDP (percentage of real GDP in previous year), actual amount in the first column.
- See data annex for details.
- As a percentage of disposable income.
- As a percentage of GDP.

Source: OECD Economic Outlook 85 database.