

## AUSTRIA

Following several years of solid foreign demand for Austrian exports and record employment growth, the international financial crisis and global economic downturn in 2008 led to a recession that persisted until the third quarter of 2009. Austrian GDP contracted 3.5% in 2009 but it will probably see positive growth of nearly 2% in 2010. Unemployment has not risen as steeply in Austria as elsewhere in Europe, partly because its government has subsidized reduced working hour schemes to allow companies to retain employees.

The Austrian economy has benefited greatly in the past from strong commercial relations, especially in the banking and insurance sectors, with central, eastern, and southeastern Europe, but these sectors have been vulnerable to recent international financial instabilities. Some of Austria's largest banks have required government support - including in some instances, nationalization - to prevent insolvency and possible regional contagion. In the medium-term all large Austrian banks will need additional capital.

The ÖBB Group started to operate on 1 January 2005. Based on the Federal Railway Structure Act 2003 (Bundesbahnstrukturgesetz 2003) one of the greatest Change Management processes ever in an Austrian business was successfully put on track. By mid-2004, ÖBB companies had been established and incorporated, such as ÖBB-Personenverkehr AG, Rail Cargo Austria AG and ÖBB-Infrastruktur Betrieb AG.

ÖBB-Infrastruktur AG is currently developing railway infrastructure projects with a total investment volume of more than € 2bn a year. These investments are mainly focused on the four-track development of the Western line (Vienna – St. Pölten, Amstetten – Linz, Ybbs – Amstetten), the four-track development Kufstein – Baumkirchen (lower Inn valley), the railway line development Vienna – Bratislava, the development of the Southern line with the Koralmbahn Railway Line and the Semmering Base Tunnel new the Lainzer Tunnel as connecting line between the Western, Southern and Donaulände railway.

Austria's location favours East-European connections. It is the starting point of the Pan-European Corridor 10, also connected to Corridor 4. These two corridors link South-

Eastern Europe to the continent centre. Austria is also involved in the project for building the broad gauge corridor that will cross Russia, Ukraine and Slovakia.

Vienna has a well-developed rail public transport network, including one of the largest tramways systems in the world. Vienna public transport Wiener Linien operates five underground lines and 30 tramways. The vehicle fleet currently consists of over 500 tramcars.

### Background figures in railways (2009):

5,784 km length of lines
3,539 km electrified lines
210.2 x 1 000 000 passengers carried
10,210 x 1 000 000 passenger-km
106 x 1 000 000 tonnes carried
20,202 x 1 000 000 tonne-kilometres

Economics	2008	2009
GDP (current billions US\$)	412.88	384.9
GDP growth (annual %)	2	-3
Exports of goods and services (% of GDP)	59	-
Imports of goods and services (% of GDP)	54	-
Industry, value added (% of GDP)	31	-

### Ease of Doing Business Rank 2010

World	rank 28
OECD	rank 17

