



**73<sup>rd</sup> Euroconstruct Conference:  
European Sovereign Debt Crisis  
Causes Euroconstruct to Downgrade  
its Construction Forecasts**

**Austrian Construction Market Faces  
Moderate Growth Prospects Until 2014  
(Country Report Austria)**

**Andrea Kunnert, Michael Weingärtler**



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## **Austrian Construction Market Faces Moderate Growth Prospects Until 2014 (Country Report Austria)**

**Andrea Kunnert, Michael Weingärtler**

**June 2012**

Austrian Institute of Economic Research

### **Abstract**

While the construction market in the 19 Euroconstruct countries is facing a considerable decline in 2012, the Austrian construction market is growing slightly. Throughout the forecast horizon, the construction outlook for Austria is positive, although the growth rates will be well below 1 percent. The market moves into two different directions: while the building segment (residential and non-residential) is a driver of growth, the civil engineering sector will decline over the next few years. The Euroconstruct Country Report for Austria gives in-depth information on the Austrian construction market until 2014. It covers in detail the housing market, the non-residential sector and civil engineering (new and renovation, respectively). Additionally, essential background information and an overview of the macroeconomic situation are provided.

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## **Country Report**

**London – June 2012**



## **COUNTRY REPORT**

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The aim of **EUROCONSTRUCT** is to provide decision makers in the construction sector and related markets and in ministries, agencies and national and international associations with information, analyses and forecasts to enable them to plan their business more effectively.

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- |                                      |  |
|--------------------------------------|--|
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**73<sup>rd</sup> EUROCONSTRUCT Conference**  
London, June 2012

## 1. Summary and Conclusions

**Austria's macro-economy** is currently affected by the recession in the euro area. By midyear 2012, economic activity is expected to pick up again, but growth rates will remain lower than before the crisis. This results from the fiscal consolidation efforts in many of Austria's main trading partners and also in Austria. The Austrian fiscal stabilization pact intends to reduce the public deficit and debt considerably by 2016. Nevertheless, Austria can benefit from the improving world market conditions via strong trade relations to Germany. Therefore, after a year of only minor growth in 2012 (+0.4%), growth will pick up again and reach 1.4% in 2013 and 1.6% in 2014.

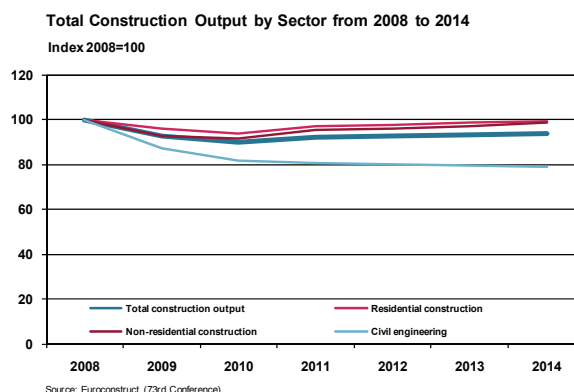
The Austrian **housing market** dynamics were quite favorable in 2011, housing production increased by 3.6%. Both, new construction and renovation activities grew rapidly due to strong demand factors (e.g. favorable macro-economic environment with a strong job market, low interest rates and demography). Rising property prices additionally spurred housing construction. However, fiscal consolidation efforts, most likely restricting housing subsidies, will also take their toll on new construction. Renovation will be less affected due to generous public subsidies targeted at energy efficiency. All in all, total housing production is expected to grow by 0.9% to 0.8% annually throughout the forecast horizon, renovation will perform better with a growth rate of roughly 1.5% annually.

**Non-residential** construction showed the most dynamic development within the construction industry in 2011. It could benefit from the sound economic performance which was driven by a strong export and manufacturing market. Nevertheless growth expectations decline in line with the overall economic downturn in 2012. **Industrial construction**, besides the health construction sector, shows the most favorable outlook with growth rates of 2.2% in 2013 and 1.7% in 2014. The **construction of office buildings** is also increasing, mainly because of the higher attractiveness for international investors due to the stable economic development – especially compared to the eastern neighbor countries. **Commercial construction** suffers from the weak private consumption and a relatively saturated market which leads to a stagnation in 2012. **Total non-residential** construction will grow continuously throughout the forecast period from 0.7% in 2012 to 1.5% in 2014.

The outlook in the **civil engineering** is least favorable. The peak of the investment cycle was reached last century and the current public

constraints dampen the developments additionally. Especially **railway infrastructure** investments were cut significantly. Public expenditures in the railway sector will decrease considerably in order to reduce the public deficit, while investments in **roads** will still increase slightly. This is connoted to a complete shift in the public priority setting in traffic infrastructure. The outlook for **energy and water works** is also positive – mainly because of many hydropower plant projects and the renovation needs in the water supply network. All in all, **total civil engineering** will nevertheless decline by 0.9 in 2012, with a slightly better outlook (2013: -0.7% and 2014: -0.5%).

Total construction grew dynamically last year due to strong performance of the housing and non-residential construction market. In 2012 a sideward shift is expected with minor growth (0.4%). Given a global economic expansion Austria's construction markets will improve its performance with growth rates of about 0.6% (2013) and 0.7% (2014).



## 2. Macro-economic Outlook

### Strong growth in 2011

The Austrian economy experienced a strong growth in 2011 (+3.1%). Therefore, the positive growth dynamics of 2010 (+2.3%) were even accelerated and pre-crisis levels of GDP were reached.

Exports grew rapidly in 2011; this was already the case in 2010. This reflects the recovery of the world market and strong international demand for Austrian goods. However, as a consequence of the slow-down of the world economy and the euro area, export dynamics came to a halt towards the end of the year. The economic recovery in Austria spurred the demand for imports as well.

Consumption, having risen considerably in 2010, grew only slightly in 2011. This is because the noticeable increase in household incomes was offset by a relatively strong inflation rate (3.3%). With

4.2%, the unemployment rate was one of the lowest within the European Union.

Gaining from the economic recovery, gross domestic fixed capital formation was another major growth driver of the Austrian economy in 2011. Particularly investments in equipment and machinery, as well as vehicles, were expanded. Construction investments also increased, but long-term investments still grew more hesitantly in general.

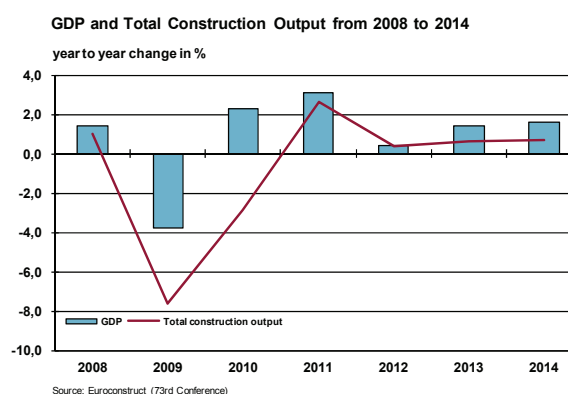
### Moderate prospects from 2012 onwards

The recession in the euro area dampened Austria's growth prospects for 2012 considerably and GDP forecasts were revised downwards noticeably to 0.4%. Already towards the end of 2011 economic activity lost momentum in Austria. Business surveys conducted by WIFO suggest that towards the middle of the year 2012 growth will pick up again due to the improving world markets. Nevertheless, within the next few years economic growth will remain relatively slower compared to pre-crisis growth levels.

Particularly, fiscal consolidation efforts in the euro area and by some of Austria's main trading partners (Italy, Hungary) will mute the rebound in 2012. Additionally, firms as well as private households are expected to be more hesitant when it comes to larger expenditures. This will hamper growth prospects for consumption and investment in 2012. Also, the labor market will be adversely affected as indicated by rising unemployment rates. Despite the sluggish growth, inflation will only slowly decelerate due to hikes in the oil price.

In 2013 and 2014, economic activity will pick up again due to the improving dynamics on the world market. Strong export growth will stimulate industrial production and investment activity (despite some monetary tightening). Generally speaking, due to strong export ties to Germany, Austria will benefit above average from the favorable conditions in international trade. At the same time, fiscal consolidation efforts by the Austrian government will become more restrictive. While in 2012 consolidation efforts will remain rather low (500 million Euro or 0.15% of current GDP), for 2013 consolidation will comprise a volume of 4 billion Euro (1.25% of GDP). Particularly public and private consumption as well as the construction sector (civil engineering) will be affected. Thus, overall economic growth will remain only moderate (2013: +1.4%, 2014: +1.6%), also taking its toll on the unemployment rate.

Uncertainties to these forecasts prevail given the strong dependence of Austria on foreign markets and the euro area developments.



### Macroeconomic Key Indicators in Austria 2008 to 2014 (Annual percentage change)

|                               | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 |
|-------------------------------|------|------|------|------|------|------|------|
| GDP                           | 1.4  | -3.8 | 2.3  | 3.1  | 0.4  | 1.4  | 1.6  |
| Private consumption           | 0.8  | -0.3 | 2.2  | 0.6  | 0.8  | 0.9  | 0.9  |
| Gross fixed capital formation | 0.7  | -8.3 | 0.1  | 5.7  | 1.1  | 2.0  | 2.0  |
| Unemployment Rate             | 3.8  | 4.8  | 4.4  | 4.2  | 4.6  | 4.8  | 4.9  |
| Inflation                     | 3.2  | 0.5  | 1.9  | 3.3  | 2.4  | 2.0  | 2.1  |

S: EUROCONSTRUCT (73<sup>rd</sup> Conference). – Statistics Austria, EUROSTAT Labor Force Survey, WIFO-forecasts.

### 3. Housing Market

The temporary and strong economic upswing in 2011 also gave a boost to the Austrian housing market. Compared to the previous year, the housing sector (new and renovation) grew by 3.6%. Given the loss of dynamics in the macro-economy in combination with some fiscal consolidation efforts (most likely also affecting the Austrian system of housing subsidies for new construction), growth will slow down considerably (+0.8% to +0.9% annually) over the forecast period 2012 to 2014.

Concerning **new construction**, low interest rates, low unemployment and strong household growth were all driving factors in 2011. Additionally, (housing) real-estate assets face a high demand compared to other (financial) assets. The consequential surge in real-estate prices also positively affects new construction.

This is reflected in the strong increase in building permits for new housing units, which climbed to 43,100 permits.<sup>1</sup> Housing starts will peak in 2012 at a level of 40,900 and housing completions will rise to a level of 41,500 units by 2014.

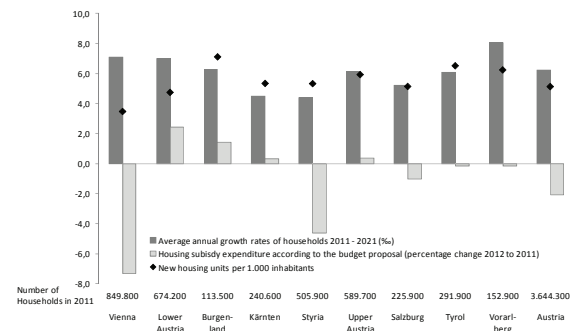
However, next to the temporary economic slump in 2012, expenditure cuts for the housing subsidy can be foreseen. In a recent agreement, the Austrian Bundesländer (federal states) agreed to a stability program cutting down budget deficits to support the consolidation efforts on the national level. By 2016, the Bundesländer are expected to have a balanced budget.

Housing subsidy expenditures are decided on the level of the Bundesländer. Therefore, there will be some regional differences. The budget proposals for 2012 by the federal states suggest that overall, cuts of 2.1% compared to 2011 can be expected. It is important that Vienna started an initiative to boost housing production outside the housing subsidy budget, mainly targeted at housing production in the newly developing city district Seestadt Aspern. All in all, declines in the relative height of the subsidy per unit and the number of subsidized units can therefore be expected. The growth in the number of households remains a main driver of demand.

The overall consolidation efforts on the national level also affect the housing market. Particularly, a change in the taxation scheme was decided: Previously, after a period of ten years (speculative period) or in case of owner-occupation, housing

sales were not taxed. In case of housing sales within the speculative period, the increase in value was taxed with the respective tax rate depending on the owner (up to 50%).

#### Regional Housing Indicators for Austria



S.: WIFO-calculations based on data provided by Statistics Austria (2011) and the federal states of Austria (2011).

By now, the speculative period is dropped and the main regulations are as follows: For properties bought after April 1<sup>st</sup> 2002 (except owner occupation), the tax rate is in general 25% to reflect the tax rate on other capital gains. Properties bought before that time are either taxed with 15% of the sales price (in cases of previous zoning reclassifications) or with 3.5% (in cases without previous zoning reclassifications).

While the tax rate was thus reduced, the increase in the tax base is expected to lead to tax revenues of 350 million Euro in 2013, 450 million Euro in 2014, 500 million Euro in 2015 and 750 million Euro in 2016. While the number of transactions and possibly prices might be affected, the overall effect on new construction remains still unclear.

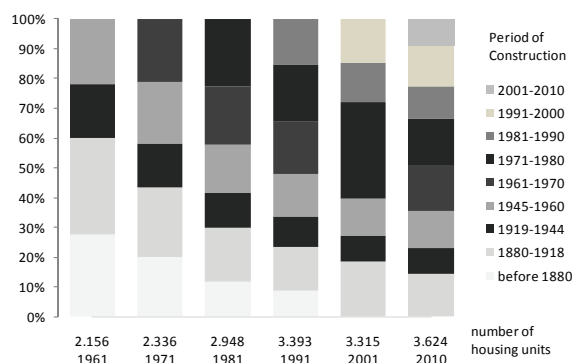
**Renovation** activities also grew strongly in 2011, partially driven by the continuation of government programs. Government programs will continue until 2014, each year 100 million Euro are reserved for (thermal) renovation in the housing and business sector. In 2011 and 2012, a volume of 70 million Euro was available every year for renovation activities in the residential sector. In 2011, 17,500 units received a subsidy for renovation. Compared to the previous year, partial renovations are increasingly benefitting from the subsidy. Additional subsidies are available for ecological insulation materials and for historic buildings. Since the Austrian housing stock is ageing continuously, renovation activity will also play a major role in the future. While in 1961, 1971 and 1981, roughly 20% of the housing stock was less than 10 years old, only 15% were less than ten years old in 1991 and 2001 and less than 10% were less than 10 years old in 2010.

<sup>1</sup> Compared to previous forecasts, the level of building permits for 2008 to 2011 was mainly elevated due to revisions by Statistics Austria.



For the forecast period of 2012 till 2014, an annual increase in the renovation activity of 1.5% can be expected.

Building stock by construction period in various years.



S: Statistics Austria, WIFO-calculations.

## 4. Non-residential Market

Austria's non-residential market recorded the first increase after three years of continuous decline in 2011. The upswing came in line with overall economic growth and the sound performance of the export industry which led to a growth of 4.2% in total non-residential construction.

### Educational Buildings

The educational construction sector performed very well in the past years mainly because of the realization of major university projects. BIG, the Federal Real Estate company currently has a volume of nearly 980 million Euro under construction. The largest project, the Vienna University of Economics amounts alone to about 500 million Euro throughout the whole construction period. The project turns already towards its end, which is planned for the fourth quarter of 2013. This is the main reason for the lower growth outlook within the forecast period, besides budgetary constraints and a lower stock of projects. Currently (March 2012), educational buildings with a volume 720 million Euro are planned. The largest project will be the Medical University Graz (304 million Euro).

### Industrial buildings

Industrial construction has been severely hit by the economic crisis with double digit decline rates within the first two years of the financial crisis in 2008. This trend reversed last year. Industrial construction showed the most favorable development in 2011. Strong export markets spurred industrial goods production in 2010 and 2011. Gross value added of goods grew dynamically by 10.4% in 2011. The automotive industry could benefit the most from the upswing – the production index increased by 19.8%, followed by the oil (+18.7%), metal (+12%) and

machinery industry (+11.6). This positive turn led to an increase of non-self employment by 1.4% in industrial building construction last year. These positive developments lead to an increase in industrial construction by 6.9% last year. Nevertheless the industry is currently around 10% below the 2008 output and within the forecast period it is very unlikely that it will return to this level.

Purchase prices for industrial buildings are stable – they range from 50 to 160 Euro per square meter in the Vienna region up to 400 Euro in the western top regions and around 270 in the southern and eastern regions of Austria (Columbus Collier, 2012). The outlook is less favorable compared to the past years. After a minor increase in 2012 (+1.1%), industrial building construction is expected to pick up (+2.2%) in line with the economic recovery in 2013.

### Office buildings

The Austrian office market profited to a large extent from the economic upswing. Around 60% of the market belongs to national and international investors, who find a solid overall economic framework in Austria. The good economic performance and well-established infrastructure is a strong competitive advantage in comparison to the Eastern European neighbors like Hungary and the Czech Republic. Real-estate companies like Columbus Collier expect that the high demand in 2012 could not be fulfilled due to the extremely low production output over the last three years.

Nevertheless, as currently many office projects are under construction, this will not be a general trend and it is very likely that shortages only occur in central locations. The strongest activities in office buildings will take place around the new central railway station, where about 550,000 m<sup>2</sup> office space is planned (in comparison: this is nearly three times the current annual volume in Vienna of 200,000 m<sup>2</sup>). At present, the largest project is called DC Tower close to the river Danube. It will be Austria's highest skyscraper (220m high, 60 floors) and will provide 44,000 m<sup>2</sup> office space (while Vienna's total new office space will be about 275,000 m<sup>2</sup> by the end of 2012). Top rents are about 24 Euro/m<sup>2</sup> with a slightly increasing trend. According to CBRE, the vacancy rate is about 6%.

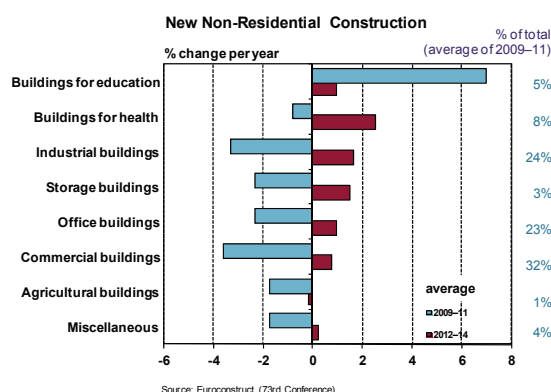
### Commercial buildings

The Austrian commercial building construction is a well-established market which faces two different trends. On the one hand side, weak growth in private consumption will dampen the prospects for this sector. This leads to stagnation in commercial construction in 2012. On the other hand, there is a



high demand for commercial buildings in top locations (high streets) with limited space. In these areas net-rents are still high for Austria: The rents for commercial buildings in two of the most important areas of the capital range from 60 -160 Euro per square meter in Mariahilferstraße and from 100-300 Euro per square meter in the first district. Obviously, a lack of new building space limits the growth prospects also in these areas. This is why in such top locations rents are slightly increasing and low vacancy rates pertain. For all these reasons, new commercial buildings will only show minor growth of about 1% on average in 2013 and 2014.

All in all, the outlook for non-residential construction is quite positive in comparison to the other construction sectors, even if the growth rates will be small. Clearly, the non-residential building construction sector benefits from the upswing in 2013 and 2014. In course of the economic recovery in 2013 a slight increase of 1.3% can be expected, accelerating to 1.5% in 2014.



## 5. Civil Engineering Market

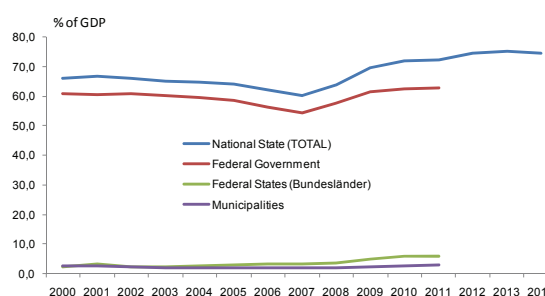
Civil engineering is currently the sector within the construction industry that faces the strongest cuts in output. This has mainly two reasons. First of all, traffic infrastructure expansion programs already reached their peak towards the end of last century. Secondly, civil engineering is affected most by the public budget constraints. This dampens the forecasts significantly having in mind that two thirds of the construction output in civil engineering is based on public contracts (Statistics Austria, Konjunkturerhebung 2011).

Civil engineering will decline throughout the forecast period, mainly because of major cuts in transport infrastructure. In fall 2010, the federal government decided an evaluation of the projects within the transport infrastructure framework program 2009-2014. The result was a cut of 1.5 billion Euro (-12%) which was considered in the following construction

program 2011-2016, which was acknowledged by the Council of Ministers in February 2011. The total volume for infrastructure investments amounted to 12.8 billion Euro within that period.

Additional budget constraints result from the Austrian Stability Pact 2012 which was signed on 9 May 2012. The main goal is to reach a "zero deficit" (no new indebtedness) by 2016 and to fulfill the Maastricht criteria of 60% total public debt (2011: 72.2%). It is one of the biggest consolidation programs in Austria and covers a volume of 26.5 billion Euro within the period of 2012 to 2016. 21 billion are contributed on the national level and over 5 billion Euro by the federal states (Bundesländer) and the municipalities.

### Austrian public debt levels



S: Statistics Austria (2012). Forecasts: Ministry of Finance (Stability Pact, April 2012). – In 2011 85% of the public deficit was accrued by the federal government, 8% by the Bundesländer and 4% by the municipalities.

The Stability Pact 2012 will negatively affect civil engineering. Particularly, expenditure cuts were decided in the railway sector. Based on the framework plan from 2011 to 2016, expenditures will be cut by 920 billion Euro in the railway sector until 2016. Two thirds of the reduction was achieved by delaying cost intensive construction periods of big tunnel projects to a later state -- only one third will be reductions in cost and project size.

The reduction of public involvement can be clearly seen by comparing the past infrastructure framework plans for highway and railway construction. While in 2008 about 22.5 billion Euro were budgeted for the five year period 2009 to 2014 only less than 12 billion Euro are currently scheduled for the period 2012 to 2017.

Nevertheless Austria's infrastructure needs are increasing. Austria's traffic projection shows that individual car traffic will grow by around 1% annually and railway passenger kilometers will increase by 2% annually within the next years. The growth path in transportation services shows the exact opposite trend: According to the average official traffic forecasts, road transportation services (in tkm/year) are increasing by around 2% p.a., and thus grow

much stronger than rail transportation services (1%). In both cases, transit traffic shows the highest growth rates (road: +6%, railway: +5%).

### Road Infrastructure

Road infrastructure investments are highly influenced by the investment scheme of ASFINAG – Austria's Highway Financing Company. The framework plan 2012-2017 schedules investments of around 6.8 billion Euro. The evaluation of the projects was already considered in the past plan. No additional constraints must be expected from the new investment scheme. The financial basis of ASFINAG proved to be better than expected. It could generate an annual surplus of 440 million in 2011 – 100 million Euro more than expected. This led to a reduction of the company's debt level for the first time. The fictional amortization period is now 23 years, which is well below the infrastructure lifecycle of 30 years.

Renovation and modernization in the highway sector gains more and more in importance -- more than 40% are currently invested in this area.

### Rail Infrastructure

The railway sector faces the highest downward revision within the forecast period. The investment volume will be roughly one billion less than initially scheduled. This is because of the aforementioned expenditure cuts. Particularly large tunnel projects will be affected, such as the Brennerbasistunnel (expenditure cuts of 485 million Euro until 2026) and the Koralm route (expenditure cuts of 274 million Euro). The rest will be realized by optimizations and re-dimensioning (e.g. the goods terminal Inzersdorf). The cuts in expenditure lead to a decline in investments by about 4% within the years 2012 to 2014; the strongest downturn is expected in 2013.

### Cuts in public railway infrastructure investments (Stability Pact 2012)

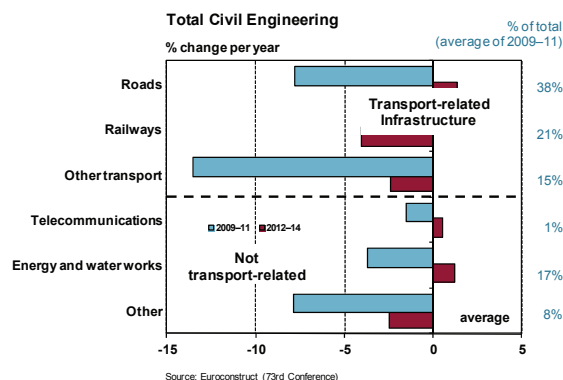
| 2012            | 2013 | 2014 | 2015 | 2016 | 2012-2016 |
|-----------------|------|------|------|------|-----------|
| In million Euro |      |      |      |      |           |
| 47              | 160  | 260  | 212  | 240  | 920       |

S: BMVIT (2012).

### Energy and Water Works

The energy sector was also affected by the economic and financial crisis and declines until 2010. Growth picked up again along with the overall investments. One of the main drivers was the construction of power plants. In 2012, about 16 hydropower plants are under construction and a further 43 projects are in planning or have already passed the permission process. The expansion of pump-storage hydropower plants is another growth driver. These are necessary to balance the unsteady supply from renewable energy sources like wind power and photovoltaic sources.

The Austrian "Green Electricity Law" (Ökostromgesetz) 2011 and the Austrian Energy Strategy 2010 lead to various measures. In the area of the production of electric current, renewable energy has to be raised from 70% to 85% until 2020. If all projects will be put into reality, the outlook within the forecast period is quite optimistic.



All in all, civil engineering will decline by around 0.9% in 2012 and will improve slightly because of the stable road construction program and the positive developments in the energy sector. Nevertheless it will decline throughout the forecast period 2012-2014.

## APPENDIX – DEFINITIONS

### Table 1

- Population: Statistics Austria, revision 2010, main scenario, yearly average.
- Households: Statistics Austria, revision 2011, yearly average.
- Unemployed: Austrian Public Employment Service.
- Unemployment rate: Labor Force Survey, EUROSTAT definition.
- All forecasts (except demography) are based on the WIFO forecast from April 2012.

### Table 2

- Construction output includes do it yourself, black economy and exports. New calculations are based on the revision of the national accounts (1995-2011), the latest ÖPRODCOM production figures and the short term statistics in industries and construction by Statistics Austria.

### Table 3

- Permits, starts and completions refer to new dwellings in new residential buildings.
- Permitted dwellings are based on the new official figures of Statistics Austria (April 2012).
- New definition for 1+2 family houses: Buildings with one dwelling only.
- Definition for flats: Buildings with two and more dwellings.
- Building starts: No official statistics are available. A delay and drop out between permits and housing starts were assumed.
- Building completions: Official statistics (Statistics Austria) with estimations for Vienna up to 2009. Forecasts from 2010-2014 are based on housing permits.
- Housing stock: annual average.
- Second homes, Vacancies, Home ownership rate: Statistics Austria.

### Table 4a


- Education buildings: One main aspect is the volume of BIG investment scheme.
- Offices: They include also other buildings for administration.
- Miscellaneous: Buildings for sports and leisure time.

### Table 4b

- Other transport includes the Danube water way and airport infrastructure as well as public transport (mainly underground transportation).

### Table 5


- All forecasts are based on the WIFO economic forecast from April 2012.
- Volumes of each GDP component are at market prices, VAT included.

|  |       |       |       |       |          |       |         |
|--|-------|-------|-------|-------|----------|-------|---------|
| Country/Pays/Land: Austria   |       |       |       |       | Table 1  |       |         |
| <div></div>   |       |       |       |       |          |       |         |
| <b>Main demographic and economic indicators</b><br><b>Principaux indicateurs démographiques et économiques</b><br><b>Wichtige demographische und ökonomische Indikatoren</b> |       |       |       |       |          |       |         |
|  |       |       |       |       | Forecast |       | Outlook |
|  | 2008  | 2009  | 2010  | 2011  | 2012     | 2013  | 2014    |
| Population ('000s)<br>Population<br>Bevölkerung  | 8 337 | 8 363 | 8 388 | 8 417 | 8 450    | 8 484 | 8 520   |
| Households ('000s)<br>Ménages<br>Haushalte   | 3 570 | 3 598 | 3 621 | 3 644 | 3 670    | 3 695 | 3 721   |
| Unemployed ('000s)<br>Chômeurs<br>Arbeitslose  | 212   | 260   | 251   | 247   | 265      | 279   | 290     |
| Unemployment rate (%)<br>Taux de chômage<br>Arbeitslosenquote  | 3.8   | 4.8   | 4.4   | 4.2   | 4.6      | 4.8   | 4.9     |
| Change of GDP<br>Variation du PIB<br>Veränderung des BIP<br>(% change in real terms)   | 1.4   | -3.8  | 2.3   | 3.1   | 0.4      | 1.4   | 1.6     |
| Consumer prices (% change)<br>Prix à la consommation<br>Verbraucherpreise  | 2.1   | 0.6   | 2.1   | 2.9   | 2.4      | 2.0   | 2.0     |
| Construction prices (% change) <sup>1)</sup><br>Prix de la construction<br>Baupreise   | 4.8   | 2.2   | 3.5   | 3.3   | 2.5      | 2.0   | 1.9     |
| Short term interest rate <sup>2)</sup><br>Taux d' intérêt à court terme<br>Kurzfristiger Zinssatz  | 4.6   | 1.2   | 0.8   | 1.4   | 1.1      | 1.5   | 1.8     |
| Long term interest rate <sup>3)</sup><br>Taux d' intérêt à long terme<br>Langfristiger Zinssatz  | 4.4   | 3.9   | 3.2   | 3.3   | 2.9      | 2.9   | 3.1     |

1) Refers to new construction only

2) 3-month interbank rate (or equivalent)

3) 10-year government bonds (or equivalent)

| Country/Pays/Land: Austria   |            |  |                                 |       |      | Table 2 |           |      |         |
|--|------------|--|---------------------------------|-------|------|---------|-----------|------|---------|
| <div></div>     |            |  |                                 |       |      |         |           |      |         |
| Construction by type<br>Production par type d'ouvrage<br>Bauproduktion nach Bauarten             |            |  |                                 |       |      |         |           |      |         |
|  |            | Volume<br>mill. euro <sup>1)</sup><br><br>2011 | % change in real terms (volume) |       |      |         |           |      |         |
|  |            |  |                                 |       |      |         | Forecast  |      | Outlook |
|  |            |  | 2008                            | 2009  | 2010 | 2011    | 2012      | 2013 | 2014    |
| Residential construction   | New        | 8 296  | 3.1                             | -6.7  | -4.0 | 3.8     | 0.6       | 0.5  | 0.4     |
| Logement   | Renovation | 4 361  | 0.9                             | 0.8   | 1.2  | 3.1     | 1.5       | 1.5  | 1.5     |
| Wohnungsbau  | Total      | 12 657   | 2.4                             | -4.3  | -2.2 | 3.6     | 0.9       | 0.9  | 0.8     |
| Non-residential construction   | New        | 6 583  | -10.0                           | -9.8  | -1.8 | 4.8     | 0.7       | 1.3  | 1.5     |
| Bâtiments non résidentiels   | Renovation | 2 572  | -6.8                            | -1.7  | 0.9  | 2.7     | 0.8       | 0.9  | 1.2     |
| übriger Hochbau  | Total      | 9 155  | -9.2                            | -7.7  | -1.0 | 4.2     | 0.7       | 1.2  | 1.4     |
| Building   | New        | 14 878   | -3.2                            | -8.1  | -3.0 | 4.2     | 0.6       | 0.9  | 0.9     |
| Bâtiment   | Renovation | 6 933  | -2.2                            | -0.1  | 1.1  | 3.0     | 1.2       | 1.3  | 1.4     |
| Hochbau  | Total      | 21 812   | -2.9                            | -5.7  | -1.7 | 3.8     | 0.8       | 1.0  | 1.0     |
| Civil engineering  | New        | 5 335  | 14.3                            | -12.4 | -6.8 | -1.7    | -1.2      | -0.9 | -0.6    |
| Génie civil  | Renovation | 1 367  | 9.9                             | -13.9 | -4.7 | 0.8     | 0.1       | 0.2  | 0.4     |
| Tiefbau  | Total      | 6 701  | 13.4                            | -12.7 | -6.4 | -1.2    | -0.9      | -0.7 | -0.4    |
| TOTAL CONSTRUCTION OUTPUT  |            | 28 513   | 1.0                             | -7.6  | -2.9 | 2.6     | 0.4       | 0.6  | 0.7     |
|  |            |  |                                 |       |      |         |           |      |         |
|  |            | 2011<br>mill.. tons                            |                                 |       |      |         | Forecasts |      | Outlook |
|  |            |  | 2008                            | 2009  | 2010 | 2011    | 2012      | 2013 | 2014    |
| Domestic cement consumption<br>Consommation intérieure de ciment<br>Inländischer Zementverbrauch |            | 4.54   | -0.5                            | -0.2  | -7.6 | -1.0    | 0.0       | 2.0  | 1.5     |

1) At 2011 prices, excluding taxes.


Country/Pays/Land: Austria

Table 3



**Residential construction**  
**Construction de logements**  
**Wohnungsbau**

|  |  | Thousands dwellings |             |             |             |             |             |             |
|--|--|---------------------|-------------|-------------|-------------|-------------|-------------|-------------|
|  |  |                     |             |             | 2011        | Forecast    |             | Outlook     |
|  |  | 2008                | 2009        | 2010        |             | 2012        | 2013        | 2014        |
| Building permits<br>Logements autorisés<br>Baugenehmigungen                                | 1+2 family dwellings<br>Individuels<br>1+2-Familienhäuser                                    | 15.7                | 15.2        | 18.4        | 19.3        | 19.1        | 18.8        | 18.6        |
|  | Flats<br>Collectifs<br>Mehrfamilienhäuser  | 22.4                | 23.0        | 21.0        | 23.8        | 23.8        | 22.9        | 22.7        |
|  | <b>TOTAL</b>   | <b>38.1</b>         | <b>38.2</b> | <b>39.4</b> | <b>43.1</b> | <b>42.9</b> | <b>41.7</b> | <b>41.3</b> |
| Housing starts<br>Logements commencés<br>Baubeginne  | 1+2 family dwellings<br>Individuels<br>1+2-Familienhäuser                                    | 15.1                | 14.7        | 15.9        | 17.9        | 18.3        | 18.0        | 17.7        |
|  | Flats<br>Collectifs<br>Mehrfamilienhäuser  | 20.7                | 21.6        | 20.9        | 21.3        | 22.6        | 22.2        | 21.7        |
|  | <b>TOTAL</b>   | <b>35.8</b>         | <b>36.3</b> | <b>36.8</b> | <b>39.2</b> | <b>40.9</b> | <b>40.2</b> | <b>39.4</b> |
| Housing completions<br>Logements terminés<br>Baufertigstellungen                           | 1+2 family dwellings<br>Individuels<br>1+2-Familienhäuser                                    | 15.7                | 15.7        | 15.5        | 16.6        | 17.7        | 18.2        | 18.4        |
|  | Flats<br>Collectifs<br>Mehrfamilienhäuser  | 20.9                | 21.4        | 22.1        | 21.8        | 22.4        | 23.1        | 23.1        |
|  | <b>TOTAL</b>   | <b>36.7</b>         | <b>37.1</b> | <b>37.5</b> | <b>38.4</b> | <b>40.1</b> | <b>41.3</b> | <b>41.5</b> |
| Housing stock<br>Logements existants<br>Wohnungsbestand                                    |  | 3 986               | 4 010       | 4 034       | 4 059       | 4 086       | 4 114       | 4 142       |
|  | thereof second homes<br>dont résid. secondaires<br>davon Zweitwohnungen                      | 229                 | 230         | 231         | 233         | 234         | 236         | 238         |
|  | thereof vacancies<br>dont inoccupés<br>davon leerstehend                                     | 199                 | 201         | 202         | 203         | 204         | 206         | 207         |
|  | share of family dwellings (%)<br>part des maisons individuelles<br>Anteil 1+2-Familienhäuser | 49.9                | 48.5        | 48.1        | 47.9        | 47.8        | 47.8        | 47.8        |
| Home ownership rate <sup>1)</sup><br>Taux de propriétaires occupants<br>Wohneigentumsquote |  | 56.4                | 56.2        | 55.7        | 55.4        | 55.2        | 55.0        | 55.0        |

1) Cf. Appendix to the individual country report


| Country/Pays/Land: Austria  |                                    |           | Table 4a                        |             |             |            |            |            |            |
|---|------------------------------------|-----------|---------------------------------|-------------|-------------|------------|------------|------------|------------|
| <div></div>  |                                    |           |                                 |             |             |            |            |            |            |
| <b>New non-residential construction (public and private)</b><br><b>Construction neuve non résidentielle (publique et privée)</b><br><b>Neuer Nichtwohnhochbau (öffentlich und privat)</b> |                                    |           |                                 |             |             |            |            |            |            |
|   | Volume<br>mill. euro <sup>1)</sup> | m2 x 1000 | % change in real terms (volume) |             |             |            |            |            |            |
|   |                                    |           |                                 |             |             |            | Forecast   |            | Outlook    |
|   |                                    |           | 2011                            | 2011        | 2008        | 2009       | 2010       | 2011       | 2012       |
| Buildings for education<br>Bâtiments de l'éducation et de la recherche<br>Gebäude des Bildungswesens  | 330                                |           | 3.0                             | 9.0         | 8.0         | 4.0        | 1.5        | 1.0        | 0.5        |
| Buildings for health<br>Bâtiments de santé<br>Gebäude des Gesundheitswesens   | 545                                |           | -6.5                            | -4.5        | -0.5        | 2.7        | 2.2        | 2.4        | 3.0        |
| Industrial buildings<br>Bâtiments industriels<br>Industriegebäude   | 1 580                              |           | -12.9                           | -14.3       | -1.3        | 6.9        | 1.1        | 2.2        | 1.7        |
| Storage buildings<br>Bâtiments de stockage<br>Lagergebäude  | 168                                |           | 2.1                             | -8.5        | -3.5        | 5.5        | 0.7        | 1.8        | 2.0        |
| Office buildings<br>Bureaux<br>Bürogebäude  | 1 523                              |           | -11.5                           | -10.5       | -1.0        | 5.3        | 0.5        | 1.2        | 1.2        |
| Commercial buildings<br>Commerces<br>Geschäftsgebäude   | 2 100                              |           | -9.5                            | -10.0       | -4.2        | 3.9        | 0.2        | 0.6        | 1.5        |
| Agricultural buildings<br>Bâtiments agricoles<br>Landwirtschaftsgebäude   | 80                                 |           | 0.5                             | -4.0        | -5.0        | 4.1        | -0.5       | 0.0        | 0.0        |
| Miscellaneous<br>Autres<br>Sonstiges  | 257                                |           | -14.5                           | -6.8        | -0.2        | 2.0        | -0.3       | 0.1        | 1.0        |
| <b>Total</b>  | <b>6 583</b>                       |           | <b>-10.0</b>                    | <b>-9.8</b> | <b>-1.8</b> | <b>4.8</b> | <b>0.7</b> | <b>1.3</b> | <b>1.5</b> |

1) At 2011 prices, excluding taxes.

|  |                              |                                    |                                 |       |      |      |          |      |         |
|--|------------------------------|------------------------------------|---------------------------------|-------|------|------|----------|------|---------|
| Country/Pays/Land: Austria   |                              |                                    | Table 4b                        |       |      |      |          |      |         |
| <div></div> |                              |                                    |                                 |       |      |      |          |      |         |
| Total civil engineering<br>Ensemble du génie civil<br>Tiefbau insgesamt                      |                              |                                    |                                 |       |      |      |          |      |         |
|  |                              | Volume<br>mill. euro <sup>1)</sup> | % change in real terms (volume) |       |      |      |          |      |         |
|  |                              |                                    |                                 |       |      |      | Forecast |      | Outlook |
|  |                              | 2011                               | 2008                            | 2009  | 2010 | 2011 | 2012     | 2013 | 2014    |
| Transport infrastructure   | Roads                        | 2 431                              | 21.2                            | -9.7  | -9.4 | -4.4 | 2.0      | 1.0  | 1.1     |
| Infrastructures de transport   | Réseau routier               |                                    |                                 |       |      |      |          |      |         |
| Verkehrsinfrastruktur  | Straßen                      |                                    |                                 |       |      |      |          |      |         |
|  | Railways                     | 1 477                              | 4.8                             | -7.9  | 1.5  | 1.0  | -3.8     | -4.3 | -4.0    |
|  | Voies ferrées                |                                    |                                 |       |      |      |          |      |         |
|  | Bahnanlagen                  |                                    |                                 |       |      |      |          |      |         |
|  | Other transport              | 976                                | 21.6                            | -26.6 | -8.5 | -3.8 | -4.5     | -2.2 | -0.6    |
|  | Autres réseaux               |                                    |                                 |       |      |      |          |      |         |
|  | Übrige Verkehrsinfrastruktur |                                    |                                 |       |      |      |          |      |         |
| TOTAL  |                              | 4 885                              | 16.7                            | -13.4 | -6.2 | -2.7 | -1.1     | -1.2 | -0.7    |
| Telecommunications   |                              | 95                                 | -5.0                            | -8.0  | 0.5  | 3.3  | 0.5      | 0.5  | 0.5     |
| Télécommunications   |                              |                                    |                                 |       |      |      |          |      |         |
| Telekommunikation  |                              |                                    |                                 |       |      |      |          |      |         |
| Energy and water works   |                              | 1 166                              | 8.0                             | -9.0  | -6.3 | 4.6  | 0.5      | 1.6  | 1.5     |
| Réseaux d'énergie et d'eau   |                              |                                    |                                 |       |      |      |          |      |         |
| Energie- und Wasserversorgung  |                              |                                    |                                 |       |      |      |          |      |         |
| Other  |                              | 556                                | 1.1                             | -14.5 | -8.5 | -0.0 | -3.2     | -1.8 | -2.4    |
| Autres   |                              |                                    |                                 |       |      |      |          |      |         |
| Sonstiges  |                              |                                    |                                 |       |      |      |          |      |         |
| Total  |                              | 6 701                              | 13.4                            | -12.7 | -6.4 | -1.2 | -0.9     | -0.7 | -0.4    |

1) At 2011 prices, excluding taxes.



|  |                                    |                                 |       |      |      |          |      |         |
|--|------------------------------------|---------------------------------|-------|------|------|----------|------|---------|
| Country/Pays/Land: Austria   |                                    |                                 |       |      |      | Table 5  |      |         |
| <div></div>           |                                    |                                 |       |      |      |          |      |         |
| Gross domestic product<br>Produit intérieur brut<br>Bruttoinlandsprodukt                               |                                    |                                 |       |      |      |          |      |         |
|  | Volume<br>bill. euro <sup>1)</sup> | % change in real terms (volume) |       |      |      |          |      |         |
|  |                                    |                                 |       |      |      | Forecast |      | Outlook |
|  |                                    | 2008                            | 2009  | 2010 | 2011 | 2012     | 2013 | 2014    |
| Private consumption <sup>2)</sup><br>Consommation privée<br>Privater Verbrauch                         | 161.6                              | 0.8                             | -0.3  | 2.2  | 0.6  | 0.8      | 0.9  | 0.9     |
| Public consumption<br>Consommation publique<br>Staatsverbrauch   | 58.1                               | 4.4                             | 0.2   | -0.2 | 2.7  | -1.0     | -1.0 | -0.1    |
| Gross domestic fixed capital formation<br>Formation brute de capital fixe<br>Bruttoanlageinvestitionen |                                    |                                 |       |      |      |          |      |         |
| Total  | 63.5                               | 0.7                             | -8.3  | 0.1  | 5.7  | 1.1      | 2.0  | 2.0     |
| of which construction  | 33.7                               | 1.0                             | -7.6  | -2.9 | 2.6  | 0.4      | 0.6  | 0.6     |
| Stocks (contribution as % of GDP) <sup>3)</sup><br>Variations de stocks<br>Vorratsveränderungen        | 9.1                                |                                 |       |      |      |          |      |         |
| Exports<br>Exportations<br>Exporte   | 170.6                              | 1.4                             | -14.3 | 8.3  | 6.7  | 3.3      | 5.9  | 6.4     |
| Imports<br>Importations<br>Importe   | 161.7                              | 0.0                             | -13.8 | 8.0  | 7.0  | 3.2      | 5.0  | 5.7     |
| GDP<br>PIB<br>BIP  | 301.3                              | 1.4                             | -3.8  | 2.3  | 3.1  | 0.4      | 1.4  | 1.6     |

Standard National Accounts, gross figures

1) At 2011 prices.

2) Including final consumption expenditure of NPISH's, ISBLM inclus, einschließlich POoE

3) Including net acquisitions of valuables, net acquisitions d'objets de valeur inclus, inkl. Nettozugang an Wertsachen