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Investment Opportunities in Austria - A Brief Survey of the Country's
Economy Made by the Osterreichische Investitionskredit Aktiengesellschaft

INVESTMENT OPPORTUNITIES IN AUSTRIA



A BRIEF SURVEY OF THE COUNTRY'S ECONOMY
MADE BY THE
ÖSTERREICHISCHE INVESTITIONSKREDIT
AKTIENGESELLSCHAFT

AUSTRIA
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Austrian industry is in the midst of a world-wide process of economic adjustment. The decisions which face industrial management in the course of this development will vitally affect the economy of our country. Wrong decisions and, even more, failure to take essential transitional measures, will do irreparable harm.

It is therefore incumbent on all state organisations connected with the economy, as well as on private business, to consider wisely how they may provide the best possible basis, and afford every conceivable assistance for the adaption of the economy to the new situation.

The Österreichische Investitionskredit Aktiengesellschaft has an important economic role to play in the field of long-term finance; I welcome its intention, in publishing this study to encourage individuals and firms, both in Austria and abroad, to think in terms of the whole economic situation, and thus from the point of view of proposed commercial activity in Austria, to provide the basis for investment in this country. The most important task of the responsible organisations in the economic development of our country is to encourage, in the most enterprising manner, real commercial activity in Austria.

The Federal Chancellor

A handwritten signature in black ink, appearing to read "J. Klein". The signature is written in a cursive style with a long vertical stroke on the left side.

The development and growth of a country's economy are essentially determined by the enterprise of its people. There are also many considerations which will influence both the individual businessman and the industrial management with regard to the placing of investments.

In taking decisions regarding investment, it is not only necessary to form a correct estimate of one's own capacities; one must also be closely familiar with the economic, legal and financial conditions prevailing in the country concerned, and with the country's position in the sphere of world economy.

The Österreichische Investitionskredit Aktiengesellschaft which in the course of its particular activity, continuously deals with commercial considerations, has realized how important it is to provide the prospective investor with the information necessary for any decision to undertake investment in Austria.

We hope that the present publication will give prospective investors some information about our country and its economy, and by helping them to make contact with qualified institutions, will guide them towards fruitful decisions.

The Directors,
Österreichische Investitionskredit
Aktiengesellschaft

I. Bases of the Austrian Economy

Natural Resources

Austria is situated at the center, of the European continent, and — at the intersection of important traffic arteries — it shares common borders with Hungary, Yugoslavia, Italy, Switzerland, Liechtenstein, Germany and Czechoslovakia. It encompasses an area of about 83,800 square kilometres (32,369 square miles), which primarily covers the Central Alps and the Danube valley. (The length of the Austrian reaches of the Danube is 350 kilometres/218 miles). Two thirds of the country are situated in the mountainous regions of the Alps, while the remainder consists of lower hills and plains. This area is crossed by the traditional traffic routes from Western and Northern Europe to the Balkan and Danube states. Of similar importance are the historical north-south routes crossing the watershed of the Alps and connecting Northern and Central Europe with the Mediterranean region. However, the country has no direct access to the sea.

Though there are two distinct climatic zones, the Austrian climate is relatively moderate. The mountainous regions in the western part of the country are dominated by oceanic conditions, while the eastern part is exposed to moderate continental weather conditions. Thus, despite the lack of large fertile plains, virtually the whole country is well used by agriculture and forestry, even though about 11 percent of the land consist of high alpine elevations, which are uncultivable. During the course of several thousand years, Austria's once extensive woodlands and forests have been transformed into farmland and pastures. About 48 percent and 38 percent of the land are used by agriculture and forestry, respectively.

Austria is not one of those European countries, in which natural resources play a decisive role in the overall economic development. Nevertheless, there exist a number of mineral deposits, the exploitation of which continues to be economically feasible. There are sizeable deposits of iron ore, the annual output of the Styrian Erzberg amounting to about 3.5 million metric tons (1966). Magnesite mines have been producing about 1.8 million metric tons per annum. Other mineral deposits worth extracting are graphite, salt, lignitic coal, caolin and talc. More recently, development of petro-

leum and natural gas resources, which are concentrated in the eastern provinces, has been intensified. In 1966, annual output of raw petroleum reached 2,757,000 tons, while in the same period production of natural gas amounted to 1,874 million cubic metres. Reserves are estimated to amount to 40 million metric tons of petroleum and 15 billion cubic metres of natural gas.

The utilization of the Danube and other alpine rivers for the generation of hydro-electric power is of particular importance for the Austrian economy. The installed supply of hydro-power plants, which currently amounts more than 4,000 million Watts, is being expanded continuously (annual output 17.3 billion kWh).

As a result of its beautiful landscape and the wealth of its art treasures, Austria has become a popular tourist area for both Austrians and foreigners. The highly developed tourist industry accounts for about six percent of the gross national product. In the tourist year 1965/66, this was reflected by a total of nearly 71 million border-crossings of foreigners, by 44.5 million nights spent by foreign visitors, and by gross foreign currency receipts accruing from this source to the extent of AS 15.4 billion.

Population

Because of its dimensions and its 7.3 million (mainly German-speaking) inhabitants, Austria is one of the minor European nations. About a quarter of the total population lives in the city of Vienna. In addition to its function as capital of the Federal Republic of Austria, Vienna serves as the seat of the International Atomic Energy Agency and of the United Nations Industrial Development Organization (UNIDO).

The population growth, which stagnated after the first World War, recently accelerated somewhat to an average annual rate of 0.6 percent in the years 1962 to 1965. In the post-war years the population increase in terms of manpower and creative forces resulting from refugee immigration was considerable. The decimation caused by two World Wars, as well as higher life expectancy, markedly influenced the age structure of the population. This is reflected by a noticeable excess in the number of women over men (115 : 100) and a relatively high percentage of older people. (Approximately 37 percent of the total population are above 45 years of age.) Excluding an estimated number of one million independently employed and family helpers, the dependent labour force amounts to 2,344,000 persons, of which more than 600,000 are employed in industry.

History and Tradition

The area now occupied by the Republic of Austria must be regarded from an overall historical viewpoint. The importance of the two traffic routes, the east-west Danube river and the north-south "Amber Road" led to the incorporation of the major part of the country into the Roman Empire in the first century A. D. As a more or less consolidated province, the country began to develop its own history in the eleventh century, first under the dominion of the Babenberg dynasty, and for the next seven centuries as the core of the Habsburg Empire. For a long time, Vienna was the residence of the Emperors of the Holy Roman Empire and, later on, the metropolis of the Austro-Hungarian Monarchy. Within the boundaries of this large area, Austria's industrialization began to take place.

Though the way was already paved for industrialization under the trade-promoting mercantilism of the eighteenth century, the industrial revolution in its proper sense got under way thirty to forty years later than in England, i. e. after the end of the Napoleonic wars. As in all the important states of the European continent, Austria's industrial development took place under the protection of customs barriers. However, in the Austro-Hungarian Empire the raw material resources were less convenient than in other industrialized countries, such as England, France and Germany. Though deposits of iron and coal did exist, the location of such deposits was far less advantageous than in Western Europe. Nevertheless, despite certain fundamental shortcomings, by the beginning of the first World War the Austro-Hungarian economy had reached a remarkably high stage of development, not least of all due to the initiative of foreign businessmen and foreign capital.

After the end of the war, the structural pattern of Austria's industry¹⁾, which served the needs of a considerably larger economic area, proved to be a disadvantage for the tiny remnant which formed the Republic of Austria. Following the occupation of Austria by the German Reich in 1938, a disproportionately vigorous expansion of strategically important industries took place. The second World War caused damage and destruction within virtually all industrial sectors.

¹⁾ About 32 percent of the manufacturing enterprises of the Monarchy were situated on the territory of the subsequent Republic of Austria, with only 13 percent of the former population.

Political Situation

In November 1918, following the disintegration of the Austro-Hungarian Empire, the remainder of the state was proclaimed to be the Republic of Austria, and a democracy was established according to the principle of the division of power. Austria is a federal state encompassing the following nine provinces: Vienna, Lower Austria, Styria, Upper Austria, Carinthia, Tyrol, Salzburg, Burgenland and Vorarlberg. In 1945, Austria was re-established as a state in its own right, and the democratic governmental system of the First Republic was reinstated. The signing of the State Treaty in 1955, which is also regarded as the Peace Treaty, ended the four-power allied occupation and restored Austria's full independence and sovereignty. One of the country's first legal acts was a declaration of permanent neutrality. Austria is an active member of the United Nations and its organizations, as well as of the International Monetary Fund and the World Bank.

All fundamental liberties of western civilization are codified, i. e. equality before the law, freedom of the individual, independence of jurisdiction, freedom of the press, freedom of speech and thought, freedom of conscience and worship, freedom of teaching, and inviolability of property. Observance of these rights is guaranteed by an independent supreme court (Constitutional Court).

Science and Technology

According to the tradition of the country, great importance has always been attributed to the development of a comprehensive educational system. The enactment in 1869 of the Law providing for the compulsory attendance of public schools ¹⁾ was followed by the establishment of a differentiated and qualitatively high-rating school system, through which illiteracy was almost completely conquered even in the 19th century, and the population was enabled to attain a high level of education. ²⁾

¹⁾ Currently, school is compulsory for nine years, i. e. from 6 to 15 years of age.

²⁾ 52,000 students, 10,000 of whom are foreigners, are currently studying at 16 Austrian universities. In the school year 1964/65, 4,267 students graduated. Of this number, 1,028 were engineers. The number of secondary schools is considerably higher. At the moment there are 225, in which 95,000 pupils are trained annually. In addition, there are 180 trade and commercial schools, as well as training colleges for teachers, with more than 32,000 students.

The high quality of vocational training does not only manifest itself in the large number of foreigners studying in Austria. It is also attested by the fact – deplorable as it may be for the economy – that a substantial number of students trained domestically are leaving Austria at least temporarily after completion of their studies. A recent survey of the Vienna Polytechnic Academy disclosed that 44 out of 100 students are hoping for professional activity outside Austria after study.

The intellectual wealth of the country is also reflected by Austria's numerous scientific achievements and its role in the progress of the technological age.

II. Development of the Austrian Economy

National Accounts

In contrast to the post-World-War I period, and despite great difficulties and structural chances, such as the loss of Eastern European markets, widespread destruction caused by the war, the occupation regime etc., the reconstruction of the Austrian economy after the second World War was successfully completed – not least of all as a result of the Marshall Plan. In the Fifties, Austria's gross national product rose by an annual average rate of 5.7 percent in real terms, with boom periods in the middle of the decade reflected by annual growth rates of 9 and 11 percent, respectively. The recessional period in 1958/59 was followed by a new upswing in 1960, when the expansion of the economy amounted to 8.3 percent. After the post-war reconstruction of the Austrian economy had been virtually completed, and with stiffening competition on all world markets, the average economic growth has slightly levelled off. In the years 1961 through 1966, the country's gross output rose by an annual average rate of four percent in real terms, and reached a nominal value of AS 260 billion in 1966. Longterm prospects suggest that the average annual growth of 4 percent in real terms can be maintained through 1975.

Development of Individual Sectors of GNP

The development status of the Austrian economy can be evaluated on the basis of the contributions of the individual economic sectors to the gross national product. Approximately 47 percent of the country's annual output are accounted for by manufacturing, the trades and construction. The share of agriculture, which still accounted for more than 16 percent of GNP in 1950, has now declined to less than 8 percent. Commerce and transportation have been contributing 13 percent and 6 percent, respectively. Thus, the decisive factor in Austria's economic growth has been, and will continue to be, manufacturing and the trades.

As in all other industrialized countries, the largest portion of national

income is distributed in the form of wages and salaries (67 percent), while approximately 33 percent represent income from entrepreneur activity and undistributed profits. During the last decade, the ratio between income of dependently employed and other forms of income has changed slightly in favor of the former. At the beginning of the Fifties, the ratio was 60 : 40.

The relatively high rate of investments — about one-fourth of GNP is currently utilized for gross asset formation — has been playing a decisive role in the growth of the Austrian economy since the end of the war. Since the immediate post-war period, the Austrian investment rate has been above the average of OECD countries.

	Austria	OECD
1950—1954	18.7 ⁰ / ₀	16.9 ⁰ / ₀
1955—1959	22.2 ⁰ / ₀	18.9 ⁰ / ₀
1960—1964	24.2 ⁰ / ₀	20.1 ⁰ / ₀

Since the end of the war, about one-third of investment expenditure ¹⁾ has been accounted for by the federal government and the public enterprises (excluding the nationalized industries), and was utilized for the improvement of the infrastructure. Non-resident direct investment, i. e. establishment of firms, participations and purchases of corporate shares, aggregated approximately AS 5.5 billion in the period 1961/66 ²⁾.

Balance of Payments

In most of the years following the stabilization of the Austrian currency in the year 1952, surplusses accrued on the current account, as well as on the capital account of Austria's balance of payments, so that a significant amount of gold and currency reserves was accumulated. The annual trade deficit was usually compensated by the steadily increasing

¹⁾ 1950: 39.6 percent, 1961: 31.3 percent. Including residential building, the corresponding rates were 56.9 percent and 45.4 percent, respectively.

²⁾ About 14 percent of the nominal capital of Austrian jointstock corporations are owned by foreigners; one-third of that percentage is held by citizens of the United States.

foreign exchange receipts from tourism. In the years 1965 and 1966, however, the abnormally high import quota accompanied by a slower growth of exports and a lower influx of foreign capital, resulted in a balance of payments deficit. At the end of 1966, gold and foreign exchange reserves of the Austrian National Bank amounted to AS 32 billion, with more than 55 percent thereof representing monetary gold. This is adequate to cover average import requirements of more than six months. At the same time, Austria's total net indebtedness vis-a-vis foreign countries amounted to AS 16 billion.

Public Finance

Federal and regional operations are an important factor in the Austrian economy. Although defense expenditure, accounting for about 4 percent of federal budget outlay, is very small in comparison with that of other countries, the central government budget ¹⁾, which includes high appropriations for infrastructural investments and social welfare, makes up about 22 percent of the gross national product. The total budgets of the central government, regional and local governments, and other public bodies equal nearly 40 percent ²⁾ of the gross national product. The Government's indebtedness is relatively small compared with other countries. At the end of 1966 it amounted to AS 29.3 billion, of which AS 3.7 billion represented foreign debts.

¹⁾ Adjusted figures after elimination of inter-departmental double entries.

²⁾ Taxes in percent of GNP: 1958: 31.1 percent, 1965: 35.7 percent.

III. Structure of the Austrian Economy

Economic Legislation

Business activities in Austria are based on the concept of private ownership and the principle of free enterprise. Those essential principles are ensured by relevant legislation and an independent jurisdiction. As is common in all civilized countries, tasks of a social welfare nature which tend to stimulate economic activity, are discharged by the Government. Relationships of a private nature in general, and economic activities in particular, are governed by legislation, which has been codified in accordance with the traditions of the cultural sphere of the Roman Empire.

Craft and Trade activities in Austria are governed by a special code. According to this law, foreign persons intending to establish and carry on a trade in Austria enjoy the same treatment as Austrians, provided that their native countries adhere to the principle of reciprocity. The requirements under this law (such as the submission of proof of proficiency, or evidence of apprenticeship, etc.) which have to be met if a trade or small business enterprise is to be carried on, generally do not apply if the business is to be operated on a factory scale.

As is common in the Western Free World, business activities may be carried on under various organizational patterns, which are distinguished from each other primarily on the basis of the establishment of liability for the company's debts (e. g. personal partnerships and individual persons with full or partial liability; limited liability companies; etc.). Larger-scale business activities are subject to registration in the official Commercial Register. Foreign firms are entitled to establish branches or subsidiaries in Austria, which are also subject to registration in the Commercial Register.

Regulations and restrictions concerning free competition exist in the form of the Cartel Law, which governs the establishment of cartels. While cartels are not prohibited in principle, price fixing is controlled for justification by a special cartel control authority. Unfair business practices are sued under the Law Against Unfair Business Practices. Officially-registered designs and models are legally protected for three years. Trademarks are

protected for an initial period of ten years, which may be extended. Copyrights and patents are also legally protected, the latter for a duration of 18 years.

The most important taxes, i. e. on income, property and turnover, are collected by the central government¹⁾. Moreover, capital turnover and purchases of real estate are also subject to taxation. The maximum rate of Austrian personal income tax (corporate income tax for corporations) currently amounts to about 63 percent²⁾. Capital gains derived from the sale of securities held for more than one year from the date of acquisition are not subject to Austrian income tax. In general, the turnover tax amounts to 5.25 percent, the property tax to 0.5 percent of assets. The operation of a business is subject to the Trade Tax, a levy shared between central and local governments, which is based on the amount of business profits (up to 15 percent), business capital (up to 0.4 percent) and the total sum of payrolls (up to 2 percent). Moreover, a levy of 6 percent of payrolls is collected for the financing of children's allowances paid by the Government. Conventions for the avoidance of double taxation were concluded with numerous countries.³⁾

In Austria, labor and social welfare regulations were established by legislation a long time ago. Basic provisions concerning employment and work contracts are contained in the General Civil Code (section 1151 through 1174), but are largely governed by special legislation.

In addition, collective agreements are negotiated between employer organizations and individual trade unions, and concluded for a limited period. Such collective agreements include provisions regulating minimum wage rates and other working conditions. At the end of 1964, there were 79 collective agreements in existence.

The safeguarding of employees' interests within the plant is regulated by the Law on Staff Councils.

In comparison with conditions in EEC countries, the Austrian social

¹⁾ Of total tax returns, 44 percent are accounted for by direct taxes, and 56 percent by indirect taxes.

²⁾ for married persons: 54 percent. The maximum rate of the corporate income tax amounts to 53 percent.

³⁾ Denmark, Federal Republic of Germany, Finland, France, Great Britain, Hungary, India, Italy, Japan, Liechtenstein, Luxemburg, Norway, Sweden, Switzerland, United States of America, United Arab Republic.

welfare system has been developed to such a high level, that a decisive further improvement involving a noticeable increase in social expenditure is not likely to take place within the next few years.

Special Forms of Organization within the Austrian Economy

While the Government had already participated in economic activities at the time of the Austro-Hungarian Monarchy (Salt Monopoly, Tobacco Monopoly, Porcelain Manufacture, Railroad Administration, Postal Administration), such activity was expanded after World War II as a result of the nationalization of the heavy industry, the electric power sector, and the three largest banks. These enterprises, of which those engaged in manufacturing have been accounting for about 25 percent of Austria's total industrial output, are operated according to the principles of private business. Co-operative economic bodies also play an important role, particularly with regard to agriculture.

As is common in western countries, employers as well as employees have formed interest groups. Membership is obligatory in the chambers established by law, such as the Federal Chamber of Commerce, the Chamber of Agriculture, and the Chamber of Labor. The activities of these chambers are supplemented by private interest groups, such as the Association of Austrian Industrialists and the Austrian Trade Union Federation. In contrast to the systems prevailing in other western economies, the representation of employees' interests is organized in one sole trade union organization, which consists of 16 constituent unions. On account of their legally established privileges and customs developed during the course of the years, the Chambers as well as the voluntary interest groups have exerted considerable influence upon the Government's political, social and economic decisions. In order to ensure a harmonious development of labor-management relations and the wage-price climate, the Wage-Price Commission was constituted. The federal government, the three Chambers, and the Federal Trade Unions are members of this organization, which operates on a voluntary basis. As a result of the activity of this institution it has so far been possible to prevent dangerous wage-price conflicts and to maintain a degree of social peace, which is seldom achieved in other countries which adhere to the principles of a free market economy.

Money and Credit

The Austrian currency unit is the Schilling, a freely convertible currency, the parity of which was established at AS 26.00 equally US-\$ 1.— (AS 1.— equals 0.341796 of fine grains of gold) in accordance with the Agreement of the International Monetary Fund. Under existing legislation, the responsibility for the monetary system and the maintenance of the purchasing power is entrusted to the Austrian National Bank. Fifty percent of the Bank's capital stock are owned by the Austrian Government. Payments transactions carried out with countries which discharge their external payments in freely convertible currencies are fully liberalized.¹⁾ With a number of other countries, including most of those in the East Bloc, Austria has concluded bilateral payments agreements.

A highly developed and well organized banking system supplies the economy with credits and renders all services connected with payment transactions. In addition to the large Austrian commercial banks, savings banks and other credit institutes as well as foreign banks are operating in Vienna.

In view of the small economic area, the capital market and stock exchange activities are of minor significance in Austria. The bulk of the investment capital raised through savings activities is absorbed by large public bond issues floated by central, regional and local governments and by the nationalized electric power industry. More than 90 percent of the AS 26 billion worth of bonds placed on the market in the years 1961/66 were issued by the aforementioned agencies. In other words, as a result of the practice of financing infrastructural investments primarily via the capital market private borrowers have been crowded out of the narrow market.

Trade

The extent to which Austria's economy is engaged in foreign trade is very high. Imports and exports equal 22 percent and 17 percent, respectively, of the nation's annual output. Austria's most important trading partner is the Common Market Area, which supplies 58.8 percent of the country's total imports (West Germany alone supplies more than 40 percent). The remainder of Austria's imports is accounted for by the

¹⁾ Transfer of profits and repatriation of foreign capital invested in Austria may be effected at any given time, free of restrictions.

other EFTA-countries, which supply 15.9 percent, the European East Bloc (11.5 percent), and the rest of the world (13.8 percent). The regional structure of Austria's exports is similar to that of imports, in that about 44.6 percent of total exports are delivered to the Common Market countries, 20.1 percent to the EFTA partners, 17.7 percent to the European East Bloc, and 17.6 percent to the rest of the world. Austria's commodity exchange with foreign countries is almost fully liberalized. Customs barriers have been completely removed within the EFTA-area to which Austria belongs. Customs protection still exists vis-a-vis the EEC and the remaining countries, its level being about medium high. In view of its considerable economic dependence on the EEC area, Austria is currently endeavoring to work out a special arrangement, which will permit the country to associate itself with the economic goals of the Six without violating its neutral status. Austria is a member of the GATT, the OECD and the Bretton Woods organizations, as well as of virtually all other international economic institutions.

Transportation

The high level of commercial and economic activities entailed an intensification of the development of the transport and communications system. The Danube is of particular importance as an international traffic route. The significance of this waterway is bound to increase, as soon as the projected Rhine-Main-Danube-Canal provides a navigable connection between the Atlantic and the Black Sea. The network of roads and super-highways is continuously being expanded. The total length of roads is 31,500 kilometres, that of the railway network 6,600 kilometres. The capital city of Vienna is considered to be one of the international civil aviation centers, and of particular importance as connecting link to the countries in the south-eastern part of Europe and to the Near East.

Industry and Mining

During the reconstruction period following World War II and in the Fifties, investments were concentrated in primary industry, notably within the iron and steel sector. Investments were less heavy in those industries, which enjoyed and anticipated particularly high growth rates at that time. In any event, despite the virtual stagnation in the growth of population, the position of the Austrian economy among the other West European countries was considerably improved compared with the pre-war period.

As far as the relative size of Austrian business enterprises is concerned, it is to be noted that the pertinent structure approximates to that prevailing in highly industrialized countries. Admittedly, in highly developed economies, there do exist enterprises and concerns which are many times as large as similar Austrian firms. However, the relative share of industrial manpower absorbed by large-size enterprises (employing more than 1,000 persons) is only negligibly higher in those countries than in Austria. At the end of 1965, about 5,000 Austrian industrial firms employed approximately 600,000 persons. Of this number, 180,000 persons worked in 78 large enterprises, which employed more than 1,000 persons each.

Mining

The mining industry is relatively small in Austria. About 26,000 persons are employed in 60 plants with an aggregate gross production value ¹⁾ of AS 3,3 billion per annum. Output has stagnated since 1956. The coal mines are particularly adversely affected. On the other hand the Austrian magnesite ²⁾ and graphite industries hold an important position in the world market. About 6,000 persons are employed in the mines and foundries of the magnesite industry. Gross output amounts to about AS 1.5 billion, and a large proportion of this output is exported.

Iron and Steel

	Number of enterprises employing			
	more than 1,000	500 to 1,000	100 to 500	less than 100
	persons			
Number of enterprises: 22	8	4	7	3
Number of employees: 46,600				
Gross output: AS 9.6 billion				

The production of iron and steel is rich in tradition in Austria and is one of the most important sectors of the country's industry, which has been developed at substantial cost during the past 25 years. In 1965, output of iron and steel was five times as high as before the war.

¹⁾ At market prices. „Gross output“ shown in the following for individual industrial branches is meant to include primary costs as well as the value of products processed by the same industry annually.

²⁾ One third of world output (excluding USSR).

Iron and Metal-working Industry

	Number of enterprises employing			
	more than 1,000	500 to 1,000	100 to 500	less than 100
	persons			
Number of enterprises: 528	6	13	115	394
Number of employees: 53,300				
Gross output: AS 10.1 billion				

The production program of this wage-intensive branch is very scattered. Manufacture is distributed among very small firms and divided into numerous detailed series of products.

Foundries

	Number of enterprises employing			
	more than 1,000	500 to 1,000	100 to 500	less than 100
	persons			
Number of enterprises: 68	1	4	16	47
Number of employees: 9,700				
Gross output: AS 2.3 billion				

As a result of poor demand, production and productivity of the foundry industry have been stagnating in recent years. Production is currently undergoing a process of adjustment towards the manufacture of products of better quality and new production techniques. This sector depends principally on the domestic market.

Metal Industry

	Number of enterprises employing			
	more than 1,000	500 to 1,000	100 to 500	less than 100
	persons			
Number of enterprises: 32	2	1	13	16
Number of employees: 8,000				
Gross output: AS 4.6 billion				

The metal industry is primarily dependent on raw material imports. This industrial sector is dominated by the production of aluminium (1965 93,000 tons). Austrian production of aluminium far exceeds domestic requirements.

Machinery Industry

	Number of enterprises employing			
	more than 1,000	500 to 1,000	100 to 500	less than 100
	persons			
Number of enterprises: 404	12	22	93	277
Number of employees: 65,500				
Gross output: AS 11.2 billion				

The manufacture of machinery and steel- and iron construction is one of the most important sectors of Austria's industry. This sector depends to a very high extent on foreign markets. The structure of business sizes in terms of employees approximates to that prevailing in western European countries.

However, in many instances small and medium-size firms have not yet attained the higher western European standard of specialization. Steel construction and production of heavy machinery is dominant, while manufacture of light machinery plays a relatively minor role.

Vehicle Industry

	Number of enterprises employing			
	more than 1,000	500 to 1,000	100 to 500	less than 100
	persons			
Number of enterprises: 101	4	—	39	58
Number of employees: 25,400				
Gross output: AS 4.4 billion				

This sector which primarily supplies the domestic market concentrates on the production of tractors and trucks.

Electrical Industry

	Number of enterprises employing			
	more than 1,000	500 to 1,000	100 to 500	less than 100
Number of enterprises: 239	12	15	61	151
Number of employees: 57,300				
Gross output: AS 7.3 billion				

This type of industry, which is primarily concentrated in the Vienna basin, belongs, in Austria as well as in other countries, to the faster growing manufacturing sectors. Although the overall growth of output surpassed that recorded in most other industrial sectors, individual developments within this branch have been varying considerably. While the increase in the production of investment goods, which accounts for 60 percent of total output of this sector, approximately matched that recorded for Austria's industry as a whole, output of electrical consumer goods expanded substantially faster.

Textile Industry

	Number of enterprises employing			
	more than 1,000	500 to 1,000	100 to 500	less than 100
Number of enterprises: 605	7	17	145	436
Number of employees: 70,500				
Gross output: AS 12.8 billion				

In terms of production, the textile sector holds third place among Austria's most important industries. It is concentrated in the area around Vienna, as well as in the Province of Vorarlberg (cotton industry). Growth rates, which were still satisfactory in this sector in the early Sixties, have been levelling off in 1965/66. To a considerable extent, Austria's large and medium-sized textile plants are operating with modern equipment. Low Austrian wage levels are an important factor in the calculations of this relatively wage-intensive sector. In the Austrian textile industry, total labor costs per work-hour are lower than in all other western European countries, except Portugal.

Clothing Industry

	Number of enterprises employing			
	more than 1,000	500 to 1,000	100 to 500	less than 100
Number of enterprises: 522	—	4	97	421
Number of employees: 36,000				
Gross output: AS 5.4 billion				

The clothing industry continued to expand vigorously in the past years (in 1964 and 1965, annual growth rates amounted to 7.4 percent and 11.1 percent, respectively). This industry is concentrated in the area around Vienna, as well as in the Federal Provinces of Lower Austria and Burgenland. A series of new business enterprises established in this sector proved to be successful.

Leather producing and processing Industry

	Number of enterprises employing			
	more than 1,000	500 to 1,000	100 to 500	less than 100
Number of enterprises: 165	1	4	43	117
Number of employees: 18,600				
Gross output: AS 3.1 billion				

As is the case in other countries, Austrian leather production has been affected by heavy competition from other materials and thus has been virtually stagnating during the past ten years. On the other hand, the leather processing industry has been recording average gains for quite some time. The Austrian shoe industry, which is the most important line and accounts for 80 percent of total gross output, is dominated by medium-size enterprises.

Paper producing and processing Industry

	Number of enterprises employing			
	more than 1,000	500 to 1,000	100 to 500	less than 100
Number of enterprises: 242	3	10	57	172
Number of employees: 29,400				
Gross output: AS 8.8 billion				

On account of the favorable raw material situation, the paper industry is highly developed and particularly export-intensive. Domestic consumption of paper and pulp increased significantly since 1950 ¹⁾ and constituted the principal support to the disproportionately high annual expansion rates in this industry. The medium-sized enterprise is dominant. In some instances, the capacity of plants producing bulk paper (such as newsprint etc.) is too small to be internationally competitive. An intensified trend towards specialization has been observed in this sector.

Wood processing Industry

	Number of enterprises employing			
	more than 1,000	500 to 1,000	100 to 500	less than 100
Number of enterprises: 419	—	3	51	365
Number of employees: 25,300				
Gross output: AS 4.4 billion				

The wood processing industry is a fast-growing, labor-intensive sector, which primarily supplies the local market. The most important line is the production of furniture (gross output: AS 1.6 billion), which is manufactured chiefly by small and medium-sized firms. Vigorous expansion is recorded in branches which are fostered by typically Austrian demand conditions, e. g. ski production.

Glass Industry

	Number of enterprises employing			
	more than 1,000	500 to 1,000	100 to 500	less than 100
Number of enterprises: 56	2	3	16	35
Number of employees: 10,700				
Gross output: AS 1.2 billion				

Compared with the average level of overall industrial expansion, production gains in this sector were rather moderate in recent years. Developments within individual lines varied considerably.

¹⁾ Consumption levels of highly industrialized countries have not yet been reached, however.

Food Industry

	Number of enterprises employing			
	more than 1,000	500 to 1,000	100 to 500	less than 100
Number of enterprises: 537	2	23	105	407
Number of employees: 55,400				
Gross output: AS 17.0 billion				

The most important production line is the tobacco industry (state monopoly), which accounts for one fifth of total turnover in this sector. Next in importance are breweries, sugar and confectionery industries. In addition, 60,000 employees work in trade firms engaged in the production and processing of food and beverages. Dairy products are primarily manufactured and/or processed by agricultural co-operatives.

Petroleum Industry

	Number of enterprises employing			
	more than 1,000	500 to 1,000	100 to 500	less than 100
Number of enterprises: 20	3	3	9	5
Number of employees: 8,800				
Gross output: AS 4.8 billion				

Petroleum and natural gas are being extracted in Austria. However, the raw material basis is relatively narrow and inadequate to meet steadily rising domestic demand. The dominant portion of the labor force engaged in this sector, i. e. 7,000 persons, is employed by the nationalized Austrian Mineral Oil Administration.

Stone and Ceramics Industry

	Number of enterprises employing			
	more than 1,000	500 to 1,000	100 to 500	less than 100
Number of enterprises: 557	1	6	60	490
Number of employees: 30,200				
Gross output: AS 6.4 billion				

Due to the unabated construction boom prevailing in Austria, this branch is one of the fastest-growing industries in the country. More than 30 percent of the production value are accounted for by the cement industry, and 15 percent by the manufacture of tiles and bricks.

Chemical Industry

	Number of enterprises employing			
	more than 1,000	500 to 1,000	100 to 500	less than 100
Number of enterprises: 504	6	9	83	406
Number of employees: 52,800				
Gross output: AS 15,6 billion				

In terms of output, the chemical industry is the second largest in Austria. In line with international trends, growth rates in this sector considerably exceeded overall industrial expansion rates in Austria. Particularly in the years 1965 and 1966, this sector recorded unprecedented gains. The production program of the chemical industry is very comprehensive and widely distributed, ranging from large-scale enterprises in the basic industry to labor-intensive small businesses. In general, Austria's chemical industry supplies the local market. Export activity is concentrated mainly in large-scale firms and in a few medium-size enterprises. A petrochemical industry, which will benefit from its location near Austria's deposits, is currently being developed and its future prospects are viewed favorably.

Labor Market

Labor Potential and Employment Structure

From 1957 through 1965, the number of dependently employed rose from 2,235,000 to 2,410,000, whereby the relatively high and still rising share of the female labor force (37 percent) is especially noteworthy. Since 1961, the rate of unemployment has been averaging about 3 percent per annum (January 1965: 5.5 percent; May 1965: 1.7 percent). In the construction sector and the tourist business, seasonal labor shortages have been particularly acute, but have been mitigated more recently by the admission of foreign laborers (annual quota about 49,000).

Despite virtually full employment, however, there are regional variations,

and labor reserves do exist in some rural areas as well as in territories with deficiencies in the industrial structure. Such discrepancies are reflected in unemployment rates, which in some regions noticeably exceed the EEC average. (The unemployment rate reaches 9.4 percent in the Province of Burgenland and 5.8 percent in Carinthia, whereas it amounts to only 1.8 percent in Vienna and 0.8 percent in the Province of Vorarlberg.)

Shifts are anticipated to take place in the structure of employment as a result of a further reduction in the number of persons working in agriculture and the migration of workers from stagnating to expanding economic sectors.

The number of persons working in the agricultural sector (including independently employed and family helpers) declined from 1,067,000 in the year 1951 to 773,000 in 1960. However, accounting for 21 percent of the total working population, the labor force engaged in this sector still considerably exceeds the corresponding EEC average which amounts to 16 percent, or only 13 percent, excluding Italy. This means that substantial manpower reserves continue to exist in the agricultural sector in Austria. In accordance with vocational preferences, the migration trend leads from agriculture to the construction trade. The latter sector in turn continuously loses workers to industry.

The qualitative composition of the industrial labor force discloses a slight decline in the number of skilled workers and of unskilled workers without any training, whereas the number of unskilled workers trained on the job shows a rising trend.

Structure of Blue Collar Workers in Industry

1965
(in 1,000)

Skilled workers	152	30.6%
Unskilled workers trained on the job	216	43.5%
Unskilled workers without training	106	21.3%
Apprentices	15	3.0%
Persons working at home	8	1.6%
	497	100.0%

The total number of apprentices, which has remained practically unchanged during the past ten years, amounts to about 150,000. About 73 percent are employed in handicraft, trade and industry.

Wages and Work Hours

Austrian wage levels are lower than in most other European countries within the EEC and EFTA areas. The gap appears slightly narrower, however, if allowance is made for the comparatively higher share of social expenditure payable by Austrian employers, as well as for the larger number of holidays and longer vacation, which in this country have a minimum duration of three weeks.

In the Vienna area, hourly wages (gross earnings 1965 excluding bonuses and benefits) range from AS 16.46 to AS 22.57 for skilled workers, from AS 14.25 to AS 16.75 for unskilled workers, and from AS 10.65 to AS 12.03 for female workers. In piece-work, skilled workers may reach hourly wages in excess of AS 25.—.

In the processing industries the work week averages 43.4 hours in Austria, compared with 44.1 hours in West Germany, 45.6 hours in France and 44.9 hours in Switzerland.

Wage levels for female workers are generally lower than for male workers. For example in the food production sector in Vienna, male workers earn AS 16.21 per hour, female workers only AS 11.24.

Strikes

Mainly as a result of the favorable development of the Austrian economy and of the co-operation of labor and management, work stoppages are rare and have not caused any significant disturbances to the economy so far.

In the period 1956—1965, only 0.03 percent of all workhours rendered were lost as a result of strikes.

IV. Investment Incentives and Promotional Efforts

Intensification of Education

In recent years increased budget appropriations have been made available for the intensification of education and the promotion of scientific research. In view of the steady increase in demand for highly qualified personnel, a number of institutions offer opportunities for intensified vocational training. The productivity centers of the provincial Chambers of Commerce, as well as the Chamber of Labor and the Austrian Trade Union Federation arrange training courses for employees from all professional groups. On the occasion of the establishment of new firms in Austria's development areas, the Federal Ministry for Social Administration provides subsidies for supplementary training and re-training of workers.

Commercial Measures

Promotion of Foreign Trade

The promotion of exports of Austrian goods is currently entrusted to 88 Foreign Trade Offices (Trade Delegates) maintained by the Austrian Federal Chamber of Commerce in all parts of the world. The Chamber (Productivity Center) also attends to the needs of Austrian exhibitors at foreign trade fairs.

Austrian export activities are supported by government-guaranteed export promotion credits, which may be extended up to an aggregate ceiling of AS 2.5 billion, and by export risk guarantees to a total amount of AS 13 billion.

The extension of export guarantees is handled by the Österreichische Kontrollbank AG which acts as trustee on behalf of the Republic of Austria.

In order to facilitate exports and imports as well as transit transactions, customs-free zones were established in Vienna, Linz, Graz and Innsbruck. In addition to tariff privileges, turnover tax reliefs are granted.

Turnover tax (5.25 percent) is not collected for export deliveries. Moreover,

refunds are granted for turnover tax levied on preceding phases of domestic turnover of the commodity to be exported. Generally, turnover tax refunds range from 0.85 percent to 8.5 percent of the assessment basis, depending on the processing stage of the commodity.

Protection Measures

In 1955, Austria adopted the ad valorem tariff system. With a medium tariff rate of 25 percent levied on the importation of finished goods, Austria is keeping well within the average of international customs rates. With effect from January 1, 1967, the gradual removal of inter-EFTA tariffs was completed and rates reduced to zero. Products of agriculture and state monopolies are exempted from the cut. A special law provides for protection against dumping imports.

Fiscal Measures

Tax Privileges and Legislation Designed to Promote Economic Growth

In order to enhance Austria's economic growth, a series of tax privileges was amended and/or newly introduced, in mid-1966. Cited below are some of the most important tax facilities aimed at the stimulation of investment activities and capital formation:

Income Tax

Accelerated depreciation rates for business investments deductible in the year of acquisition amount to 20 percent of acquisition costs for fixed assets, and to between 45 percent to 60 percent ¹⁾ of acquisition costs for machinery and equipment. Investment reserves may be accumulated through the tax-free formation of business reserves in an amount not exceeding 20 percent of taxable profits (accelerated depreciation is credited towards such reserves).

Tax privileges on undistributed profits may be obtained by the tax-free accumulation of business reserves in an amount not exceeding 10 percent

¹⁾ The higher rate of 60 percent is applicable in Austria's development areas (Burgenland, parts of Upper and Lower Austria north of the Danube river, parts of the southern area of Carinthia, as well as in the southern and eastern regions of Styria).

of taxable profits (not applicable to corporations). This provision is not applicable, if use was made of facilities connected with accelerated depreciation and of tax-free accumulation of investment reserves.

Business losses may be carried forward over a period of five successive years and balanced against taxable profits.

Costs for technical developments and for inventions which the Federal Ministry of Trade, Commerce and Industry regards as positive for the economy can be deducted from profits.

In addition, the income tax on profits from royalties may be reduced up to 50 percent.

Corporate Income Tax

Corporate income taxes levied on dividends are reduced to 50 percent of existing rates.

Capital Transactions Tax

The one-percent securities tax is no longer collected on the initial acquisition of domestic interest-bearing bonds.

Regional Tax Incentives

If the establishment of business enterprises is in the interest of regional or local governments, payment of taxes due to these agencies is partly or fully waived for a certain period (e. g. trade tax, payroll tax, real estate tax).

Subsidies

On investments considered to merit government support, interest payments are subsidized by some of Austria's Federal Provinces. Moreover, investment credits are also extended directly, and/or guarantees are assumed by the provincial governments.

If a new business is to be established, provincial and local governments usually assist in the acquisition of real estate, extend subsidies or make available real estate at reduced cost.

For the creation of new or the maintenance of existing jobs, the Federal Ministry of Social Administration extends grants and loans from the resources of the Unemployment Relief Fund. ¹⁾

Credit Measures

In addition to carrying out normal commercial credit transactions, and to the extent permitted by existing legislation as well as by the banks' own statutes and their financial resources, the Austrian credit system finances investment projects. In order to supply additional means required to meet the substantial investment needs of the Austrian economy, a number of special credit institutions was established after World War II.

ERP Fund

From the Counterpart Fund of the previous ERP Program, the Austrian economy receives cheap long-term investment credits primarily for rationalization purposes and the adjustment of production programs. In the business year 1965/66, industry and the trades received ERP credits in the amount of AS 374 million, which helped to finance an investment volume of AS 2.2 billion.

Österreichische Investitionskredit AG

This special bank, which was established in 1957, extends long-term investment credits. Total credits so far amount to AS 2.3 billion, of which AS 723 million were extended in the business year 1966. This contributed to the financing of investment projects to a total value of AS 7.5 billion.

Österreichische Kommunalkredit AG

(Bank for the Development of Industrial Sites)

Loans provided by this bank are designed to promote the establishment of new industrial plants, as well as the extension of existing ones. Total credits made available since the establishment of this institute amounted to AS 0.4 billion.

¹⁾ In addition, the Ministry of Social Administration operates an Information and Advisory Service for the establishment of a business in Austria's domestic development areas.

Conclusion

In contrast to Sweden and Switzerland Austria did not enjoy a period of uninterrupted and peaceful economic expansion in this century. Therefore, industrialization has reached a point at which the development of leading manufactures which originated in the 19th century is possible; but it still lacks many of the features typical for a highly-specialized industrial structure, in which the main emphasis is concentrated on sectors promising healthy growth.

Yet the stage is set for a development in the latter direction. The country's infra-structure is well developed, and long-range programs have been set up to meet the rising power and transportation needs of a relatively fast-growing economy.

Education and training of Austrian manpower is traditionally at high level. In response to the mounting quality requirements of our technological age, education at all levels is being promoted with increasing vigor.

Internal political conditions have been stable during the past twenty years, and the working climate has remained undisturbed by labor conflicts. The external situation is marked by Austria's pledge to maintain permanent neutrality similar to that of Switzerland — a positive premise in long term investment decisions.

Thus, the basic prerequisites for a successful employment of investment capital and the development of entrepreneurial initiative are present in Austria.

Annexes

List of Addresses of Authorities and Information Organisations
competent to deal with Investments and the Establishment of a
Business in Austria

Traffic Map of Austria

Charts and Graphs

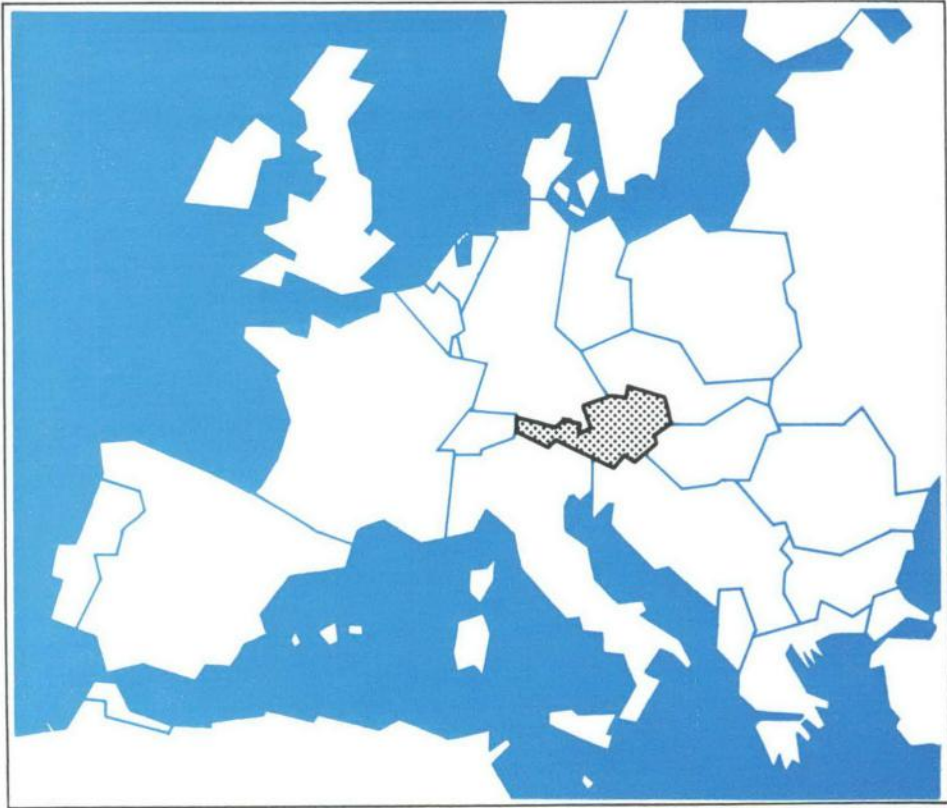
LIST OF ADDRESSES

of Authorities and Information Organisations competent to deal with Investments and the
Establishment of a Business in Austria

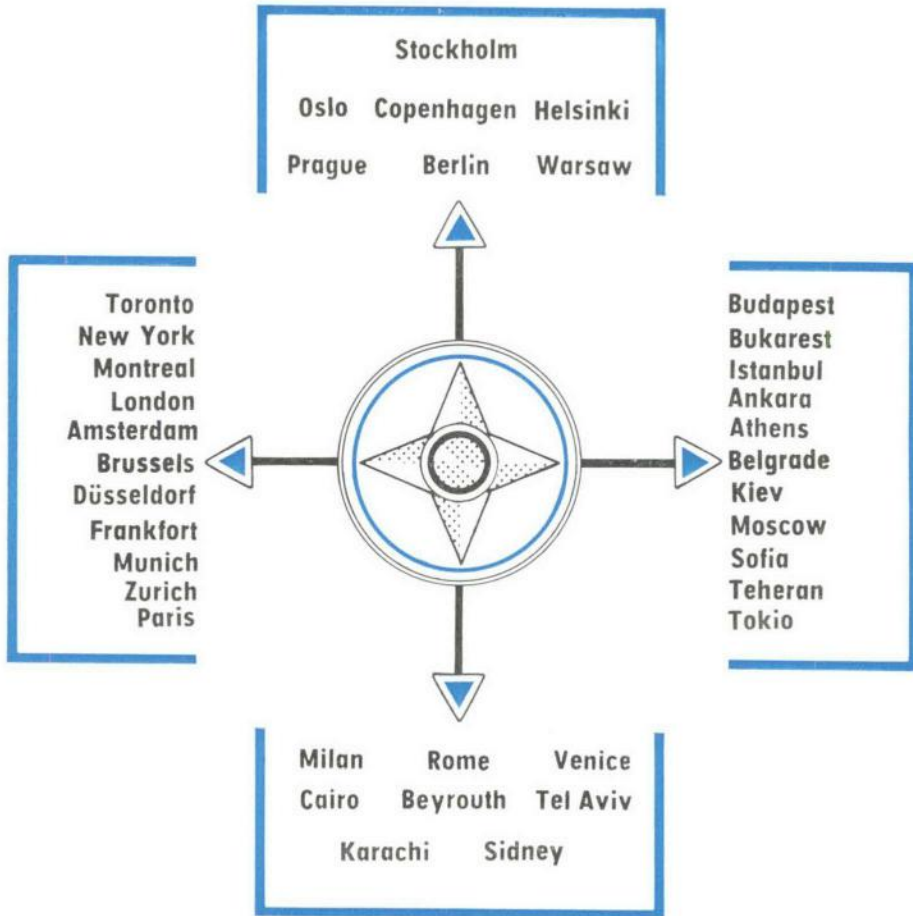
		Telephone
Federal Chancellery Bundeskanzleramt	Ballhausplatz 2 1010 Wien	63-56-31
Section for Economic Coordination Sektion für wirtschaftliche Koordination	Hohenstaufengasse 1—3 1010 Wien	63-86-31
Management of ERP Fund Geschäftsführung des ERP-Fonds	Hohenstaufengasse 1—3 1010 Wien	63-86-31
Austrian Central Statistical Office Österreichisches Statistisches Zentralamt	Neue Burg 1010 Wien	52-46-86
Federal Ministry of Social Administration Bundesministerium für soziale Verwaltung	Stubenring 1 1010 Wien	57-56-55
Information Service for the Establishment of new enterprises (Section II, Dept. 16) Informationsdienst für Betriebsneugründungen (Sektion II, Abteilung 16)	Stubenring 1 1010 Wien	57-56-55 (ext. 2201, 2292)
Federal Ministry of Finance Bundesministerium für Finanzen	Himmelpfortgasse 4 1010 Wien	52-35-11
Federal Ministry of Trade, Commerce and Industry Bundesministerium für Handel, Gewerbe und Industrie	Stubenring 1 1010 Wien	57-56-55
Supreme Mining Authority Oberste Bergbehörde	Stubenring 1 1010 Wien	57-56-55
Austrian Patent Office Österreichisches Patentamt	Kohlmarkt 8—10 1010 Wien	63-36-36
Foreign Office Bundesministerium für Auswärtige Angelegenheiten	Ballhausplatz 2 1010 Wien	63-56-31
Austrian National Bank Österreichische Nationalbank	Otto-Wagner-Platz 3 1090 Wien	42-56-11
Österreichische Kontrollbank AG	Am Hof 4 1010 Wien	63-46-31
Österreichische Investitionskredit AG	Am Hof 4 1010 Wien	63-46-31
Österreichische Kommunalkredit AG zur Aufschließung von Industriegelände (for the development of industrial sites)	Wipplinger Straße 4 1010 Wien	63-98-81

		Telephone
Federal Chamber of Commerce Bundeskammer der gewerblichen Wirtschaft	Stubenring 12 1010 Wien	52-15-11
Trade Section Sektion Gewerbe	Bauernmarkt 13 1010 Wien	63-57-63
Commercial Section Sektion Handel	Bauernmarkt 13 1010 Wien	63-57-63
Industrial Section Sektion Industrie	Bauernmarkt 13 1010 Wien	63-57-63
Finance, Credit and Insurance Section Sektion Geld-, Kredit- und Versicherungswesen	Liechtensteinstraße 3 1090 Wien	34-15-46
Transport Section Sektion Verkehr	Bauernmarkt 13 1010 Wien	63-57-63
Tourism Section Sektion Fremdenverkehr	Hoher Markt 3 1010 Wien	63-57-63
Institute for Economic Development Wirtschaftsförderungsinstitut	Hoher Markt 3 1010 Wien	63-57-63
Association of Austrian Industrialists Vereinigung Österreichischer Industrieller	Schwarzenbergplatz 4 1030 Wien	72-56-51
Chamber of Labor Österreichischer Arbeiterkammertag und Kammer für Arbeiter und Angestellte Wien	Prinz-Eugen-Straße 20—22 1040 Wien	65-37-65
Austrian Trade Union Federation Österreichischer Gewerkschaftsbund	Hohenstaufengasse 10—12 1010 Wien	63-37-11
Austrian Institut for Economic Research Österreichisches Institut für Wirtschaftsforschung	Hoher Markt 9 1010 Wien	63-46-66
Austrian Institute for Regional Planning Österreichisches Institut für Raumplanung	Franz-Josefs-Kai 27 1010 Wien	63-87-47
Provincial Governments Landesregierungen		
Provincial Government of Burgenland Amt der burgenländischen Landesregierung	Landhaus 7000 Eisenstadt	25-51
Provincial Government of Carinthia Amt der Kärntner Landesregierung	Arnulfplatz 1 9020 Klagenfurt	36-01
Provincial Government of Lower Austria Amt der niederösterreichischen Landesregierung	Herrengasse 9, 11—13 1010 Wien	63-57-11
Provincial Government of Upper Austria Amt der oberösterreichischen Landesregierung	Klosterstraße 7 4020 Linz	26-821

		Telephone
Provincial Government of Salzburg Amt der Salzburger Landesregierung	Chiemseehof 5020 Salzburg	87-541
Provincial Government of Styria Amt der steiermärkischen Landesregierung	Hofgasse 15 8010 Graz	94-111
Provincial Government of Tyrol Amt der Tiroler Landesregierung	Landhaus 6020 Innsbruck	28-701
Provincial Government of Vorarlberg Amt der Vorarlberger Landesregierung	Montfortstraße 12 6900 Bregenz	38-41
Provincial Government of Vienna (Municipal Senate) Wiener Landesregierung (Stadtsenat)	Rathaus 1010 Wien	42-801
Provincial Labor Offices (including regional information services for the establishment of new enterprises)		
Landesarbeitsämter (u. a. regionaler Informationsdienst für Betriebsneugründungen)		
Burgenland	Permyerstraße 10 7000 Eisenstadt	25-61
Kärnten	Kumpfgasse 25 9020 Klagenfurt	44-41
Niederösterreich	Hohenstaufengasse 2 1010 Wien	36-36-41
Oberösterreich	Gruberstraße 63 4020 Linz	26-391
Salzburg	Schießstattstraße 4 5020 Salzburg	31-561
Steiermark	Babenbergerstraße 33 8020 Graz	73-566
Tirol	Schopfstraße 5 6020 Innsbruck	29-771
Vorarlberg	Bahnhofstraße 43 6900 Bregenz	38-51
Wien	Weihburggasse 30 1010 Wien	52-75-25



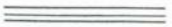




WORLDWIDE AIR CONNECTIONS FROM VIENNA

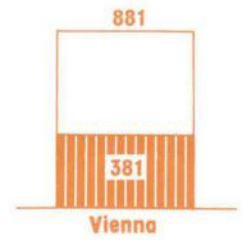
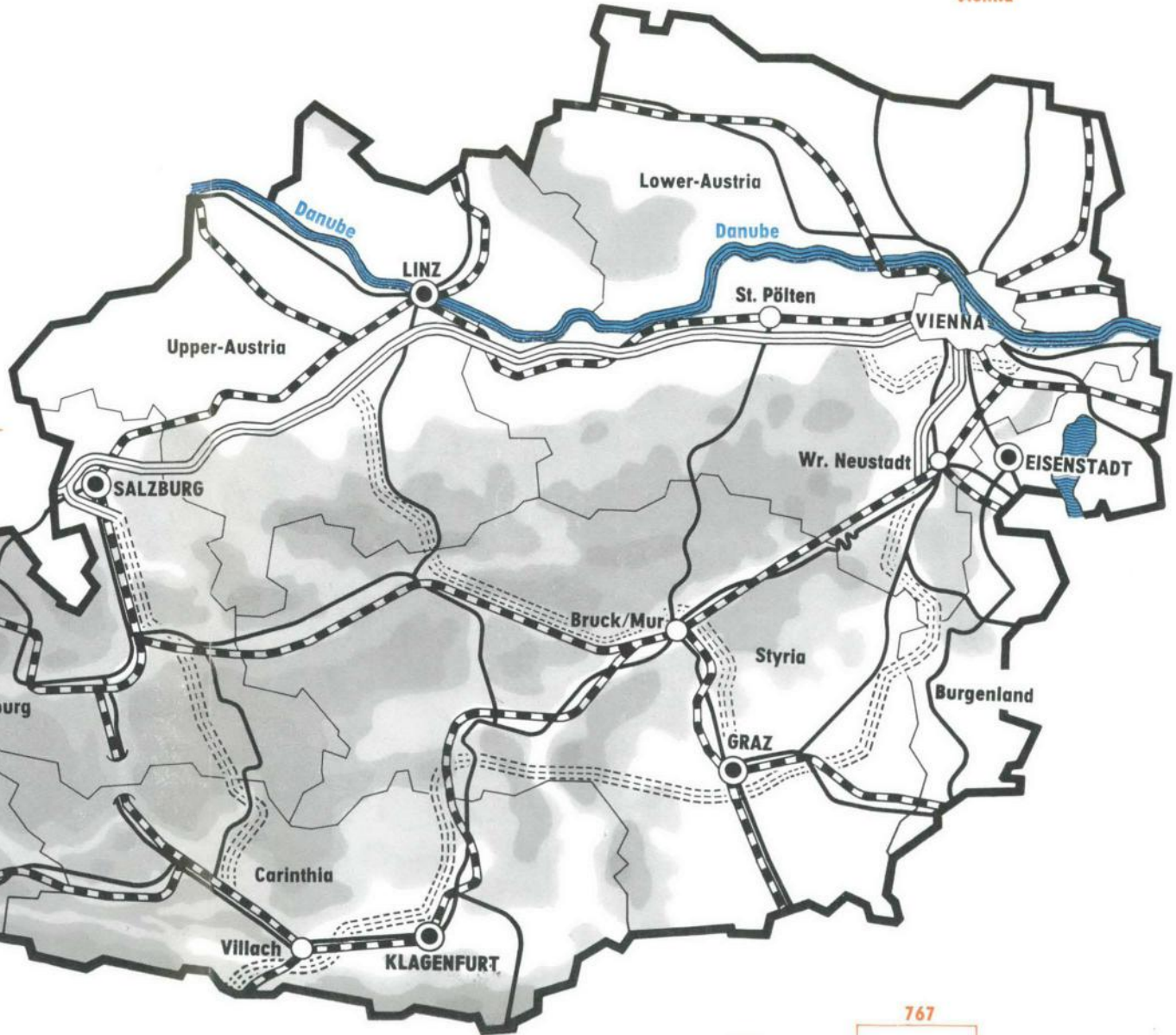
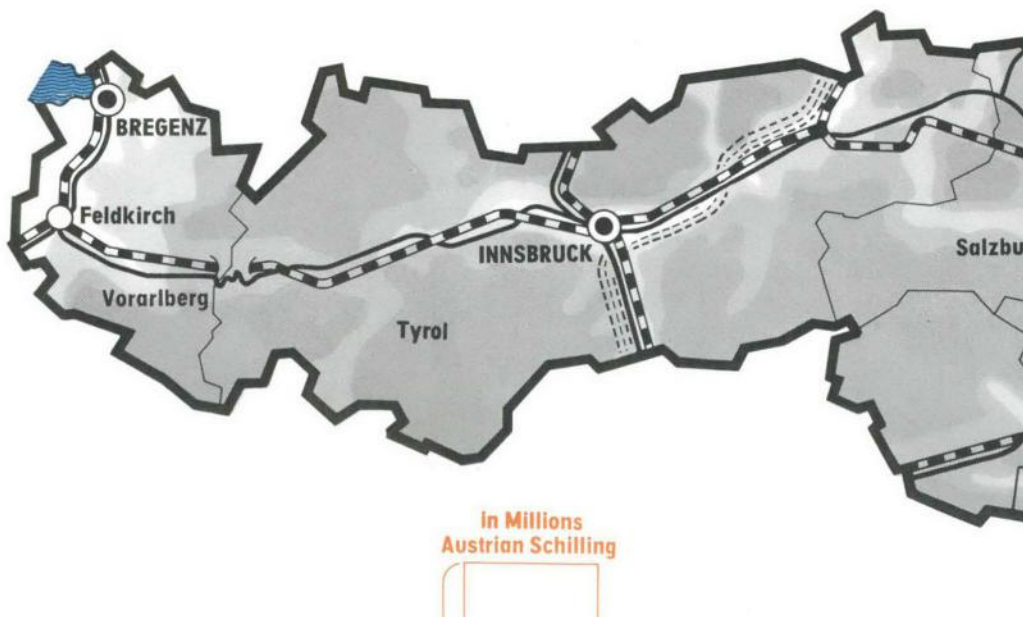
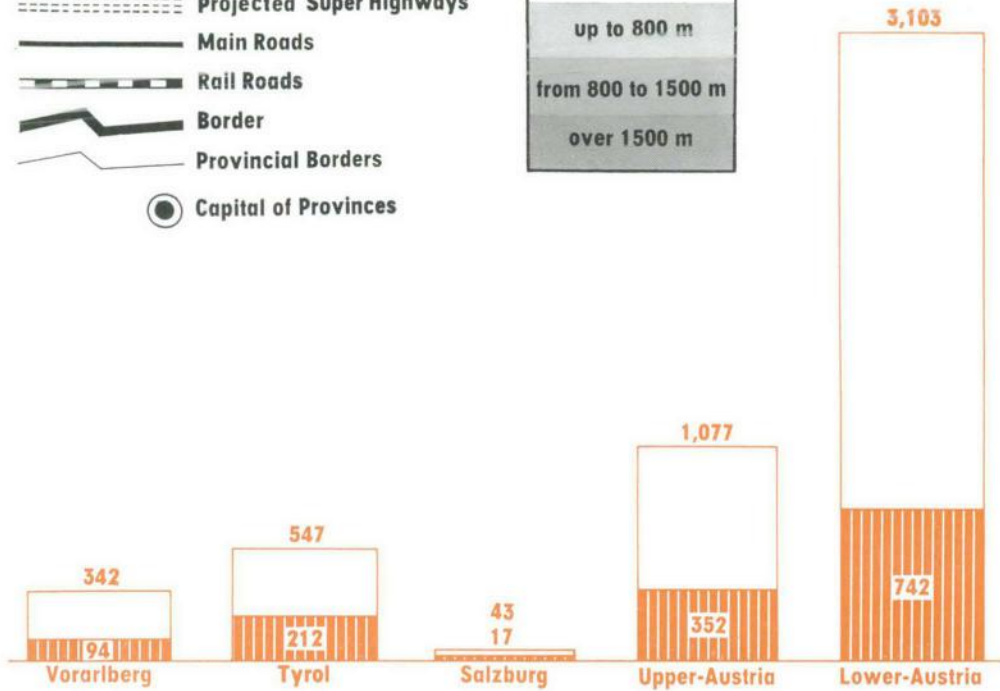
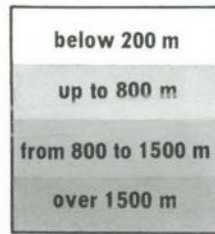


DOMESTIC AIRWAYS



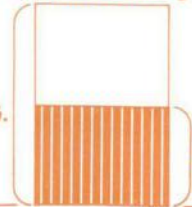
TRAFFIC MAP OF AUSTRIA AND REGIONAL ALLOCATION OF LOANS EXTENDED BY ÖSTERREICHISCHE INVESTITIONSKREDIT A.G. • 1957-1966 •

-  Super Highways
-  Projected Super Highways
-  Main Roads
-  Rail Roads
-  Border
-  Provincial Borders
-  Capital of Provinces

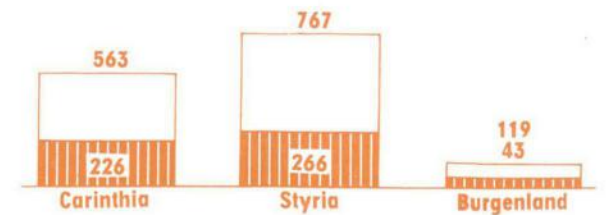


Investment Projects Financed by Österreichische Investitionskredit A. G.

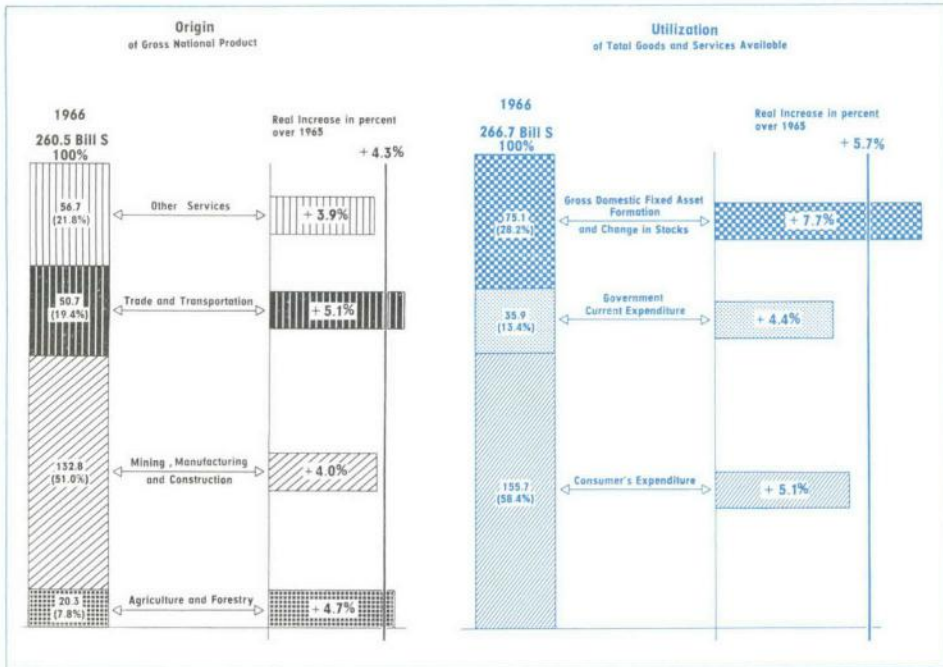
In Millions Austrian Schilling



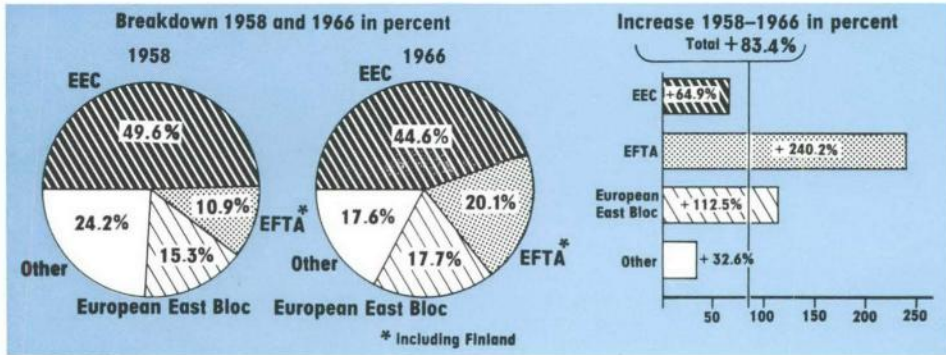
Loans Extended by Österreichische Investitionskredit A. G.



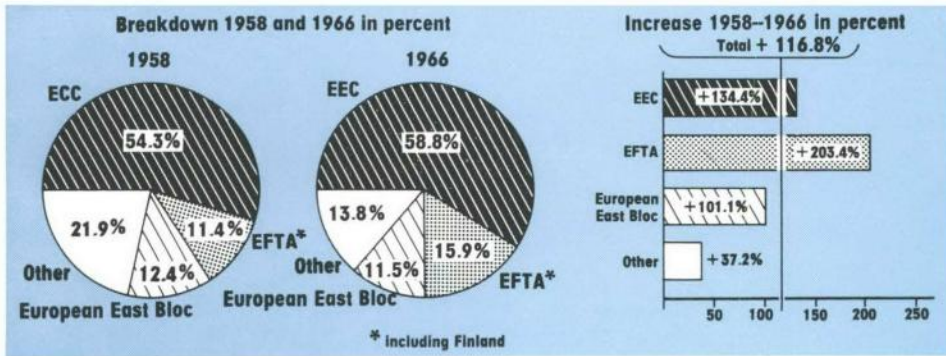
GROSS NATIONAL PRODUCT 1966



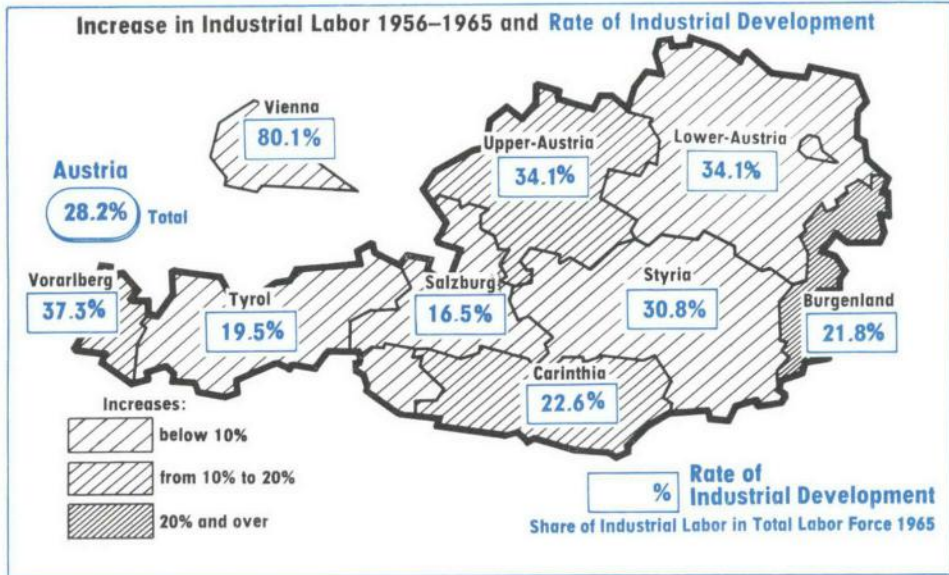
FOREIGN TRADE 1958 AND 1966 • EXPORTS •



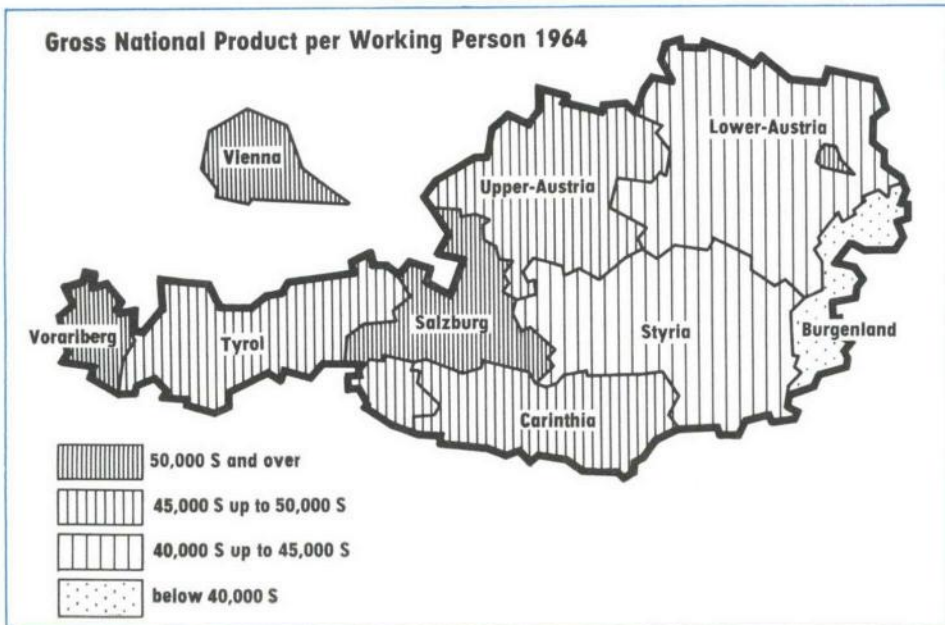
FOREIGN TRADE 1958 AND 1966 • IMPORTS •



REGIONAL STRUCTURE OF INDUSTRIAL EMPLOYMENT



REGIONAL ECONOMIC PERFORMANCE



CHANGES IN INDUSTRIAL PRODUCTION

