

Corrected press release: 13 083-111/23

Economy continues to grow in first quarter of 2023

Austrian Economic Barometer: tourism supports economic development

Correction of 2.6.2023: Due to a transcription error, the change in real GDP against Q4 2022 had to be corrected to 0.1% in the first and third paragraphs of the press release.

Vienna, 2023-06-02 – In the first quarter of 2023, Austria’s economic output was 1.9% higher in real terms than in the same quarter of the previous year. According to preliminary calculations by Statistics Austria, the real gross domestic product (GDP) remained unchanged compared with the fourth quarter of 2022 at +0.01% [corr. +0.1%] (adjusted for seasonal and calendar effects).

“Despite a difficult economic environment, Austria’s economy is proving robust and continued to grow in the first quarter of 2023. However, the growth momentum has flattened out in almost all sectors of the economy. With a real growth of +0.9% compared with the first quarter of the previous year, domestic industry in particular hardly grew at all. Tourism, on the other hand, had a clearly positive impact with a plus of 17.1% compared to the first quarter of 2022, which was still influenced by Corona. The uninterrupted high employment figures also support the economic development and, with an expected 8.8% in May, inflation has fallen to its lowest level in almost a year. However, inflation in Austria is falling more slowly than in the euro area, which is partly due to the higher weight of accommodation and catering in the basket of goods and services and widespread indexation of all kinds,” explains Statistics Austria Director General Tobias Thomas at the latest edition of the “Austrian Economic Barometer” press conference.

Weakening economic momentum in first quarter of 2023

The slowdown in economic momentum from the second half of 2022 onwards continues to weaken in the first quarter of 2023, with a growth of 1.9% year-on-year. Compared to the fourth quarter of 2022, a constant real development of 0.01% [corr. +0.1%] is recorded. Real growth compared with the first quarter of 2022 flattens out in almost all sectors of the economy, including industry in particular (+0.9%). By contrast, the trend remains positive in other services (including cultural and recreational facilities), with a real increase of 8.9%, and in business services (including temporary employment and consulting), with a real increase of 4.8% (in each case compared with the previous year’s quarter).

Inflation falling more slowly than in the euro area

Inflation rose steadily in the course of 2022, peaked at 11.2% in January 2023 and has since been falling again, most recently to an estimated 8.8% in May 2023 (CPI flash estimate). Initially, the sharp rise in the inflation rate was mainly due to energy price increases, but their impact is now declining more than a year after the start of the energy price crisis (energy products in April: 11.7%, January 36.0%) or even dampening inflation (fuels in April: -7.0%, January 18.0%). In contrast, the impact of services on inflation is growing (April: 8.9%; January: 6.9%). Above-average price increases were recorded above all in the area of tourist services and gastronomy (in April, catering: 14.0%, accommodation: 14.9%, package tours: 20.9%, airline tickets: 19.6%). The strong increase in food prices (April: 12.0%, January 14.1%) levelled off in spring 2023. After being lower than in the euro area for a long time in 2021 and 2022, inflation in Austria is now well above the European average (May HICP flash estimate for Austria: 9.6%, euro area: 9.6%). The inflation contribution of household energy, the prices of which are rising more strongly in Austria (HICP April Austria: 31.1%, euro area: 5.5%), and the high weight of the expenditure group restaurants and hotels compared with other countries largely explain the inflation gap with the euro area.

Industrial sales decline again in April 2023

Industrial and construction sales show a negative result for the second month in a row, according to early economic estimates for April 2023. Responsible for the negative result of the industrial and construction sectors (-1.6%) are industrial sales, which were also negative in April (-2.1%), as in the previous month. For construction, there was a slight increase of 2.2% compared with the same month a year earlier. Overall, the sales index for industry and construction in April 2023 is 35.5% above the pre-crisis level of April 2019.

Foreign trade continues to grow at the start of 2023

Trade with foreign countries in January-February 2023 was up 7.4% on the import side and 5.1% on the export side compared with the same period a year earlier – but growth was not as strong as in the previous year.

Third-best winter tourism season after record winters before Corona; Austrians travel more than ever before

The tourism winter season 2022/23 (November 2022 to April 2023) reached 69.29 million overnight stays, an increase of 31.4% (+16.57 million) compared to the previous season. Thus, the current value is 3.63 million overnight stays or 5.0% below the highest ever recorded value (winter season 2018/19: 72.92 million) and ranks among the three best results (winter season 2017/18: 71.87 million).

Austria is not only popular for non-resident and resident guests, but the Austrian population also likes to travel at home and abroad. In 2022, 5.78 million Austrian holiday travellers aged 15 and older took 22.23 million holiday trips of one night or more, which was 37.7% more trips than in the previous year and exceeded the pre-crisis level of 2019 by 4.8% (2021: 16.14 million holiday trips; 2019: 21.21 million). More than half of the holiday trips were spent within Austria (52.4%).

For detailed results and further information on all topics of the press conference, please visit our [website](#).

Information: Statistics Austria takes a quarterly look at Austria's economic and social development. The central indicator is the barometer, which shows the extent to which the pre-crisis level has been reached for various indicators (e. g. GDP, employment, tourism, international trade in goods) (compared to the corresponding period of 2019).

If you have any questions on this topic, please contact:

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