

Press release: 13 430-196/24

Government debt increased in the first half of 2024

Government deficit rose to 11.4 billion euro in the first half of 2024

Vienna, 2024-09-30 – Government debt reached 394.8 bn euro by the end of the first half of 2024, an increase of 23.1 bn euro compared to the end of 2023. As Statistics Austria further reports, the government deficit totalled 11.4 bn euro and was therefore 3.9 bn higher than in the first half of 2023.

“In the first half of 2024, government revenue rose by 5.0% or 5.6 billion euro year-on-year, but at the same time, government expenditure increased much more sharply by 7.9% or 9.6 billion. Inflation adjustments to social benefits and wages and salaries in the public sector play a particularly important role here. In the first half of 2024, government revenue totalled 118.6 billion euro and government expenditure 130.0 billion. This resulted in a deficit of 11.4 billion. Compared to the first half of 2023, when public deficit totalled 7.5 bn euro, this is an increase of 52%,” says Tobias Thomas, Director General Statistics at Statistics Austria.

Less dynamic increase of government revenue in the first half of 2024

In the first half of 2024, **government revenue** increased compared to the first half of 2023 by 5.0% or 5.6 billion euro to 118.6 billion. 85.6% of the revenue derived from taxes and social contributions, which reached 101.6 bn euro in total. This was an increase of 5.0 % or 4.9 bn euro compared to last year.

Tax revenue in the first half of 2024 grew moderately (+3.2%) compared to the last reference period, with a lower growth rate than in previous years. Taxes on income (+3.6%) experienced higher increases than taxes on production and imports (+2.9%). Social contributions climbed much faster than tax revenue (+8.1%) due to high salary increases in 2024.

Significant increase of government expenditure despite expiring energy price measures

Government expenditure increased by 7.9% or 9.6 billion euro to 130.0 billion in the first half of 2024. The recent rise in government expenditure is primarily due to the strong increase of monetary social benefits (+4.3 bn) as well as a rise in compensation of public employees (+2.1 bn). The increased financial allocations to state and local governments through the Financial Equalisation Act 2024 are already reflected by higher current transfers in the first two quarters. In contrast, subsidies (–24.4 %) fell sharply in the first half of 2024 due to the expiry of measures to cushion the high energy prices.

Government debt end of June 2024 at 394.8 bn euro

The **government debt** rose to 394.8 bn euro by 30 June 2024, which is an increase of 23.1 bn euro compared to end of the year 2023.

As in previous quarters, the majority of the increase in government debt originated in the central government sector with 23.3 bn euro. The core unit Bund caused the biggest part of this rise with 21.8 bn euro, which was mainly used to cover the current deficit and to secure liquidity. Additionally, some extrabudgetary units in the central government sector caused a rise in debt due to credit financed investments in infrastructure projects.

This increase was offset by a 0.2 bn euro reduction of government debt in the other government sectors, primarily driven by a short-term decrease of Social Security Funds’ debts. This reduction should only be viewed as a snapshot, as this sector regularly experiences significant intra-year fluctuations.

At the state and local government level, a rise in liabilities was observed.

Revised time series from 1995 onwards

With these main results for the second quarter of 2024, the entire time series from 1995 onwards is also being revised at the same time. In 2024, a comprehensive revision of the national accounts took place across Europe. As part of the mid-term revision, which takes place approximately every five years, the calculations of government revenue and expenditure are also reviewed and conceptual changes are implemented.

For detailed results and further information about public finance, please refer to our [website](#).

Table 1: Government Finance – government in the first half of 2024

	First Half of 2021	First Half of 2022	First Half of 2023	First Half of 2024
Government revenue in bn euro	95.3	106.8	113.0	118.6
of which				
Tax revenue	51.2	58.4	60.5	62.5
Social contributions	31.5	33.7	36.2	39.1
Output	8.6	9.5	10.4	11.5
Other revenue	4.0	5.3	5.9	5.6
Government expenditure in bn euro	115.0	113.1	120.5	130.0
of which				
Social benefits	48.4	49.7	54.0	59.2
Of which monetary social benefits	39.7	40.1	43.8	48.1
Compensation of employees	22.2	23.1	25.0	27.1
Intermediate consumption	13.9	14.8	15.5	16.2
Subsidies	12.6	6.3	5.0	3.8
Investments	5.8	6.8	7.6	7.3
Interest payments	2.2	2.0	2.5	3.3
Other expenditure	9.9	10.4	10.9	13.2
Deficit/surplus in bn euro	-19.7	-6.2	-7.5	-11.4

S: STATISTICS AUSTRIA, Public Finance, Compiled on 30 September 2024. Rounding differences not settled.

Table 2: Quarterly Government Debt, in subsectors of the government, Q2/2024 vs. Q4/2023

Subsectors of the government	in bn euro	
	Q2/2024	Q4/2023
General Government	394.8	371.7
Central Government	347.0	323.7
State Government	25.9	25.7
Local Government	22.2	21.1
Social Security Funds	-0.3	1.2

S: STATISTICS AUSTRIA, Public Finance, Compiled on 30 September 2024. Rounding differences not settled.

Information on methods, definitions: The government debt is defined in the EU regulation No. 222/2014. The connection for the classifications in this EU regulation is the European System of Accounts (ESA 2010, EU regulation No. 549/2013). The subsectors of the government include the municipalities (core units) as well as the matching extrabudgetary units and chambers.

The government revenue and expenditure are categorised according to the European System of Accounts (ESA 2010, EU regulation No. 549/2013). Government deficit consists of the difference of government expenditure and revenue. The presented tax revenues and social contributions do include those taxes and social contributions which are unlikely to be withdrawn.

For the estimation of the government debt, claims against other governmental units are deducted (“intergovernmental claims” or “consolidated presentation”). Hence, for the interpretation of the changes in government debt the development of liabilities and of intergovernmental claims need to be taken into account. This is true for the general government in total as well as for the contributions of the single subsectors to the total government debt.

Mid-term revision 2024: In 2024, a Europe-wide harmonised comprehensive revision of the national accounts took place. The results of the revised time series for public finances are published at the end of September 2024 in accordance with European reporting obligations. To implement conceptual changes, the calculations for government revenue and expenditure are reviewed and, if necessary, revised approximately every five years as part of so-called mid-term revisions. To avoid breaks in the time series, the reporting years for the entire time series since 1995 are revised according to the European System of Accounts (ESA) 2010 and extended to include the main results for the second quarter of 2024.

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