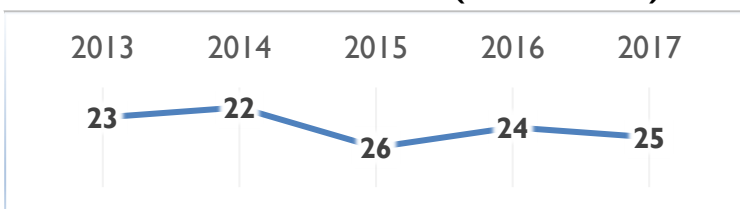


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OVERALL PERFORMANCE (63 countries)



CHALLENGES IN 2017

- Address early retirement age.
- Administrative reform and fiscal consolidation must also be pursued at provincial (Länder) and local level (Gemeinden); and distributive measures may conflict with efficiency enhancing measures.
- Address bottlenecks phenomenon in secondary education.
- Reverse the deterioration of location related competitiveness.
- Reduce tax burden (for companies).

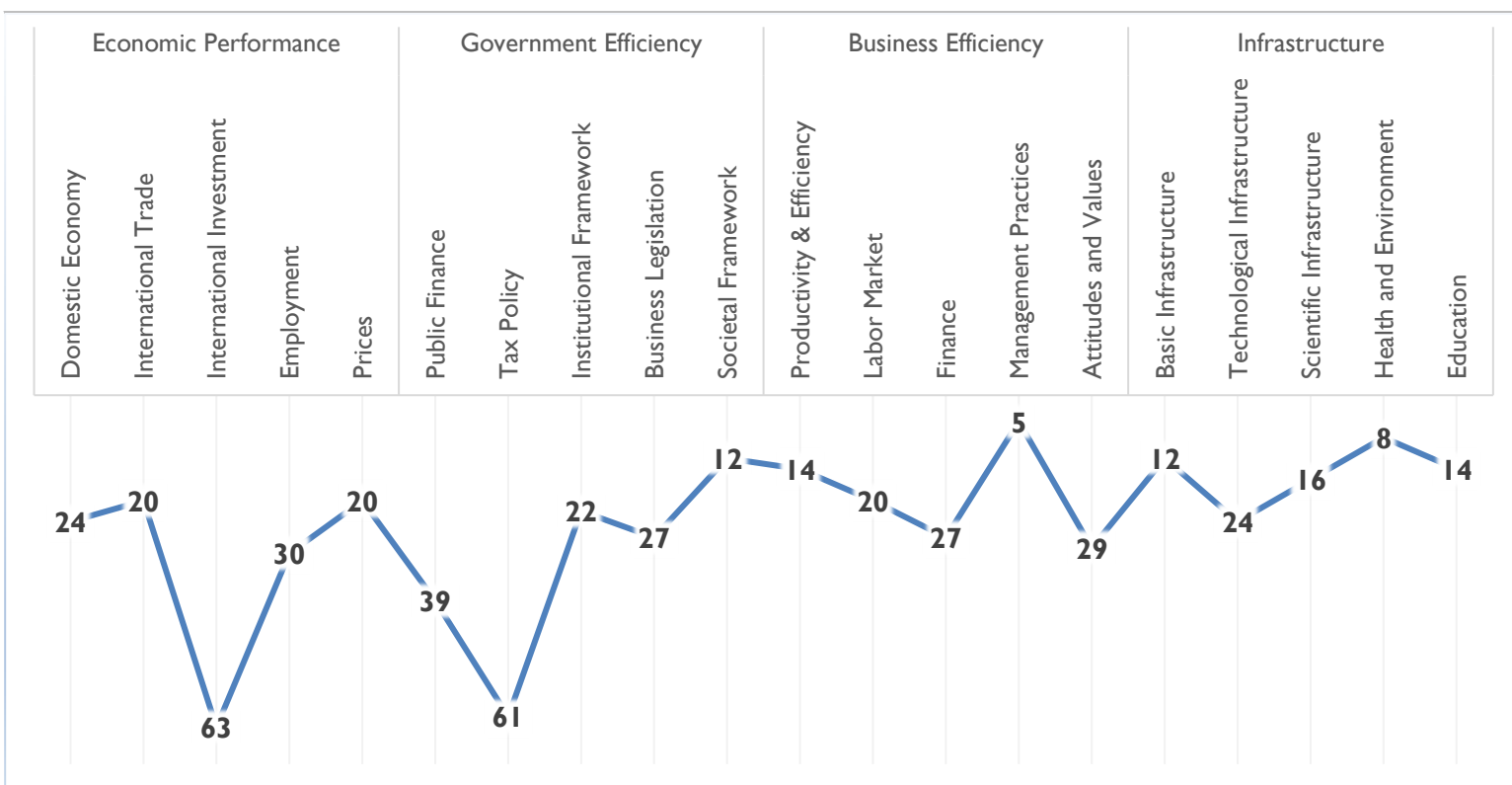
Provided by:

Federation of Austrian Industries, Vienna

BASIC FACTS

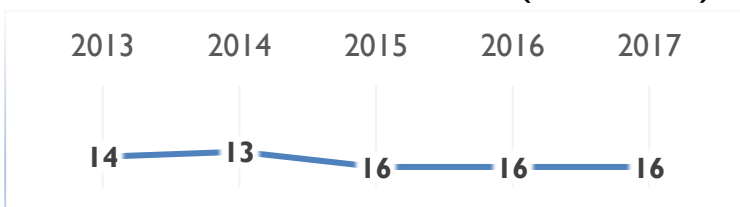
		Rank
Capital	Vienna	
Land area (square km '000)	84 ²⁰¹⁶	
Exchange Rate (per \$)	0.904 ²⁰¹⁶	
Population - market size (millions)	8.74 ²⁰¹⁶	42
Gross Domestic Product (GDP) (US\$ billions)	386.6 ²⁰¹⁶	27
GDP (PPP) per capita (US\$)	47,742 ²⁰¹⁶	18
Real GDP growth (%)	1.5 ²⁰¹⁶	43
Consumer price inflation (%)	0.97 ²⁰¹⁶	34
Unemployment rate (%)	6.00 ²⁰¹⁶	29
Labor force (millions)	4.49 ²⁰¹⁶	42
Current account balance (% of GDP)	1.61 ²⁰¹⁶	28
Direct investment stocks inward (\$bn)	164.8 ²⁰¹⁵	29
Direct investment flows inward (% of GDP)	-7.17 ²⁰¹⁶	62

COMPETITIVENESS LANDSCAPE



PEER GROUPS RANKINGS

EUROPE - MIDDLE EAST - AFRICA (40 countries)



POPULATIONS < 20 MILLION (34 countries)



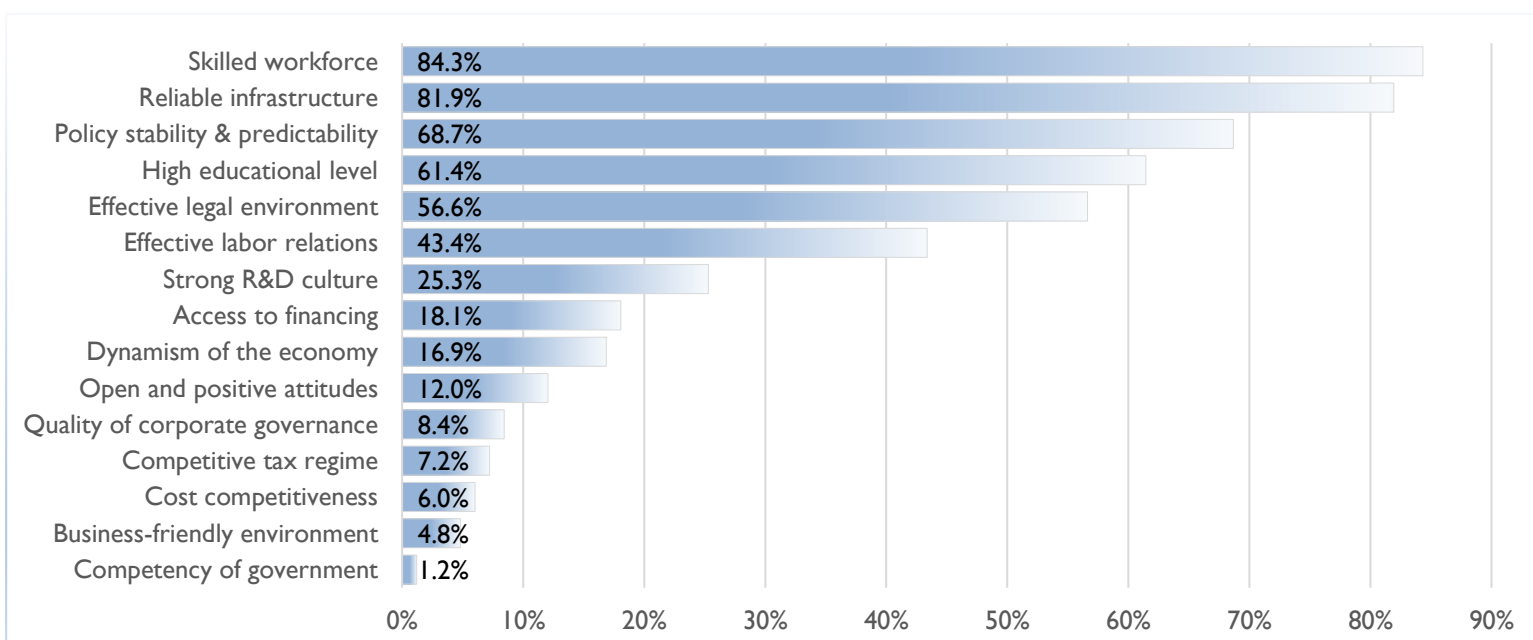
COMPETITIVENESS EVOLUTION

The criteria below highlight the 15 biggest Improvements and the 15 biggest Declines in the overall performance of the economy. They are determined by the largest percentage changes in the value of each criterion from one yearbook to the next.

IMPROVEMENTS	WCY	WCY	DECLINES	WCY	WCY
	2016	2017		2016	2017
1.1.15 Real GDP growth per capita	-0.02	0.21	1.2.02 Current account balance	2.70	1.61
2.3.10 Adaptability of government policy	1.65	2.92	1.5.02 Adjusted consumer price inflation	0.70	0.97
1.1.14 Real GDP growth	0.9	1.5	2.1.02 Government budget surplus/deficit (%)	-1.15	-1.55
2.3.08 Exchange rate stability	0.140	0.069	4.3.18 Number of patents in force	574.4	462.0
2.5.04 Ageing of society	2.84	4.14	1.2.12 Exports of commercial services (\$bn)	66.34	57.95
2.2.12 Real personal taxes	2.65	3.59	1.4.07 Long-term unemployment	1.70	1.90
3.5.05 Need for economic and social reforms	3.61	4.80	4.1.15 Quality of air transportation	8.32	7.59
2.1.09 Public finances	2.32	3.01	4.5.09 Student mobility inbound	8.36	7.63
2.3.12 Transparency	4.06	4.99	2.4.02 Customs' authorities	7.87	7.35
2.1.11 Pension funding	3.26	3.86	4.1.18 Water transportation	8.13	7.63
4.2.03 Mobile Telephone costs	21.3	17.4	1.2.18 Export concentration by product	34.0	35.9
3.3.09 Stock markets	4.66	5.51	1.4.08 Youth unemployment	10.60	11.20
2.4.07 Investment incentives	5.02	5.93	1.4.06 Unemployment rate	5.70	6.00
3.5.07 Value system	5.32	6.29	2.4.11 Competition legislation	6.63	6.29
3.3.07 Financial risk factor	5.44	6.41	3.4.11 Social responsibility	7.40	7.01

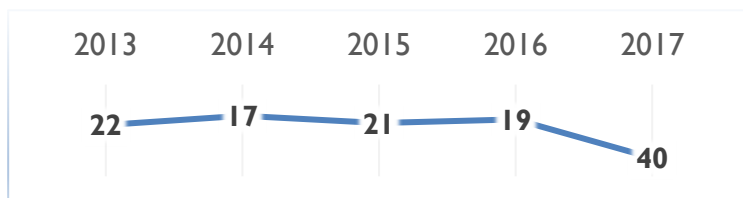
KEY ATTRACTIVENESS INDICATORS

From a list of 15 indicators, respondents of the Executive Opinion Survey were asked to select 5 that they perceived as the key attractiveness factors of their economy. The chart shows the percentage of responses per indicator from the highest number of responses to the lowest.



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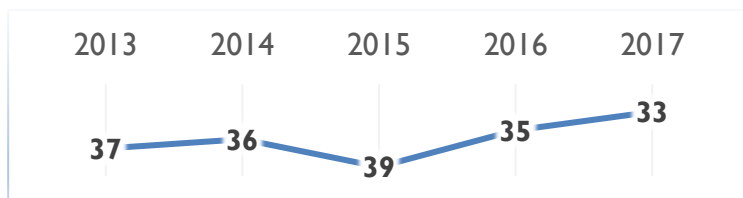
ECONOMIC PERFORMANCE



Sub-Factor Rankings :

	2016	2017
Domestic Economy	29	24
International Trade	14	20
International Investment	31	63
Employment	28	30
Prices	13	20

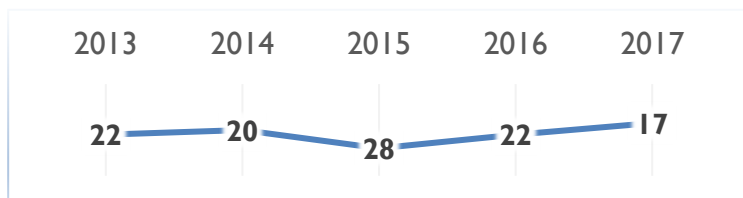
GOVERNMENT EFFICIENCY



Sub-Factor Rankings :

	2016	2017
Public Finance	40	39
Tax Policy	60	61
Institutional Framework	24	22
Business Legislation	30	27
Societal Framework	16	12

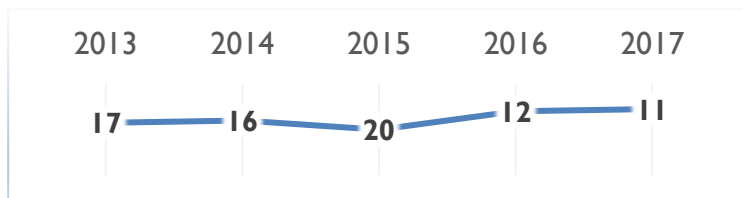
BUSINESS EFFICIENCY



Sub-Factor Rankings :

	2016	2017
Productivity & Efficiency	14	14
Labor Market	29	20
Finance	29	27
Management Practices	7	5
Attitudes and Values	43	29

INFRASTRUCTURE



Sub-Factor Rankings :

	2016	2017
Basic Infrastructure	12	12
Technological Infrastructure	22	24
Scientific Infrastructure	18	16
Health and Environment	6	8
Education	15	14

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STRENGTHS

Economic Performance	Rank
1.1.13 Diversification of the economy	7
1.5.06 Food costs	8
1.2.18 Export concentration by product	10
1.1.19 Resilience of the economy	12
1.2.26 Exchange rates	12
1.1.20 GDP per capita	13
1.3.04 Direct investment stocks abroad (% of GDP)	13
1.2.25 Tourism receipts	16
1.1.21 GDP (PPP) per capita	18
1.4.08 Youth unemployment	19

Government Efficiency	Rank
2.4.20 Redundancy costs	1
2.4.05 Foreign investors	4
2.5.03 Homicide	6
2.3.15 Rule of law	7
2.3.03 Interest rate spread	9
2.5.02 Personal security and private property rights	10
2.5.06 Social cohesion	11
2.4.02 Customs' authorities	12
2.3.08 Exchange rate stability	13
2.3.04 Country credit rating	14

Business Efficiency	Rank
3.4.10 Entrepreneurship	1
3.2.11 Employee training	1
3.2.10 Apprenticeships	3
3.4.09 Customer satisfaction	3
3.5.08 Corporate values	4
3.2.08 Worker motivation	4
3.1.10 Small and medium-size enterprises	5
3.1.08 Workforce productivity	5
3.2.20 Attracting and retaining talents	5
3.4.06 Corporate boards	6

Infrastructure	Rank
4.4.26 Quality of life	3
4.5.09 Student mobility inbound	4
4.4.08 Medical assistance	4
4.3.02 Total expenditure on R&D (%)	5
4.2.21 Cyber security	5
4.3.05 Business expenditure on R&D (%)	6
4.4.01 Total health expenditure	6
4.5.03 Public expenditure on education per pupil	6
4.4.24 Pollution problems	6
4.5.05 Pupil-teacher ratio (secondary education)	7

WEAKNESSES

Economic Performance	Rank
1.3.01 Direct investment flows abroad (\$bn)	63
1.3.05 Direct investment flows inward (\$bn)	63
1.3.06 Direct investment flows inward (% of GDP)	62
1.3.02 Direct investment flows abroad (% of GDP)	61
1.3.13 Relocation threats of production	58
1.1.15 Real GDP growth per capita	54
1.3.15 Relocation threats of services	53
1.3.14 Relocation threats of R&D facilities	51
1.1.14 Real GDP growth	43
1.5.03 Cost-of-living index	42

Government Efficiency	Rank
2.2.07 Effective personal income tax rate	60
2.2.01 Collected total tax revenues	59
2.2.11 Employer's social security contribution rate	57
2.2.10 Employee's social security contribution rate	55
2.4.18 Unemployment legislation	53
2.4.15 Start-up days	51
2.2.12 Real personal taxes	51
2.1.04 Total general government debt (%)	49
2.4.16 Start-up procedures	49
2.4.14 Creation of firms	49

Business Efficiency	Rank
3.2.06 Working hours	60
3.2.04 Remuneration of management	59
3.5.05 Need for economic and social reforms	51
3.5.04 Flexibility and adaptability	47
3.2.03 Remuneration in services professions	46
3.3.11 Stock market capitalization (%)	46
3.2.01 Compensation levels	45
3.5.01 Attitudes toward globalization	45
3.3.06 Finance and banking regulation	44
3.5.06 Digital transformation in companies	43

Infrastructure	Rank
4.2.01 Investment in Telecommunications	62
4.5.06 Secondary school enrollment	48
4.5.08 Women with degrees	41
4.2.12 Qualified engineers	41
4.5.14 Science in schools	38
4.2.03 Mobile Telephone costs	36
4.2.11 Digital/Technological skills	36
4.2.17 Technological regulation	34
4.5.07 Higher education achievement	33
4.1.25 Electricity costs for industrial clients	31