Austria: Outlook for SME

Christoph M. Schneider
Department for Economic and Trade Policy
Austrian Federal Economic Chamber
Bouncing forward - realizing potential by re-opening

GDP versus changes in containment measures per calendar week (CW)

- Stringency Index
- GDP in percent relative to the previous year

Sources: AGES, OeNB, Oxford University

- large proportion of tourism
- international comparison: strict measures (but also generous government support)
Economy on track

Orders – expectations for the coming 12 months

- increasing
- stable
- decreasing
- no assessment possible

When will the pre-crisis level be reached?

- within 4 months
- within 6 months
- in the next year
- 1-3 years
- more than 3 years
- will not be reached

large companies recover first

- expectations of SME lower concerning sales and orders -> more reluctant to invest and hire new staff
- larger enterprises creating more jobs early in the recovery
- 56% of SME expect prices to rise in the coming year (no difference in size classes)
SME: Mixed signals for investment plans

Investment motives

- no investment planned: 17%
- new_investments: 46%
- rationalisation: 30%
- replacement: 55%

Main reasons for investment for SME

- 57% digitalization
- 51% innovation
- 50% sustainable investments

- 17% of SME have no investments planned in the coming 12 months
- Positive indication: 46% expecting new investments (however, clearly below the level of large enterprises)
- Large enterprises more efficient in terms of rationalisation investment activities
Key challenges for SMEs:

- Skills shortage: 73%
- Supply chain problems: 52%
- Labour costs: 51%
- Energy prices: 46%
- Financing & investment requirements (liquidity constraints, repayment of debt due to Covid-19, financing conditions): 37%
THANK YOU FOR YOUR ATTENTION