Federal Ministry
Republic of Austria
Finance

# Austrian Draft Budgetary Plan 2027 and 2028

*Unofficial courtesy translation of the official German version.*

Vienna, June 2026

# Contents

# 1 Introduction

In accordance with Article 4(2) of Regulation (EU) No 473/2013, Draft Budgetary Plans must be drawn up when preparing a national budget. These plans must contain the key figures of the draft budget for central government, as well as the main parameters for all other government sub-sectors. This reporting obligation is a key instrument of fiscal policy coordination within the euro area.

The Draft Budgetary Plans of the euro countries in mid-October and the Annual Progress Reports of all EU member states at the end of April are key documents for monitoring the implementation of the net expenditure paths set by the Council as part of the European Semester. The medium-term Fiscal Structural Plans set out the medium-term budget targets, while the Draft Budgetary Plans show the detailed budget targets for the coming year and outline the measures required to achieve these targets.

The Austrian Draft Budgetary Plan for 2027 and 2028 includes the illustration of net expenditure growth. This information will enable the European Commission to monitor compliance with the Austrian net expenditure path, as set by the Council on 8 July 2025.

On 8 July 2025, the ECOFIN Council, in accordance with Article 126(6) of the Treaty on the Functioning of the European Union (TFEU), concluded that an excessive deficit exists in Austria and, at the same time, issued a recommendation[1] for its correction in accordance with Article 126(7) TFEU. Austria is required to report at least every six months – usually in April and October – on progress in implementing this recommendation. Austria has already complied with this requirement in October 2025 with its 'Report on effective measures to correct the excessive deficit' and in April 2026 with the 'Austrian Progress Report 2026'[2]. The next report on effective measures to correct the excessive deficit must be submitted in October 2026.

Furthermore, on 17 February 2026, the Council activated the national escape clause on defence for Austria under the Stability and Growth Pact. In accordance with the Council's recommendation authorising Austria to deviate from the ceilings for net expenditure

[1] https://data.consilium.europa.eu/doc/document/ST-10348-2025-INIT/en/pdf

[2] https://www.bmf.gv.at/en/topics/budget-economic-policy/economic-policy-austria/austrian-progress-report.html

growth set by the Council, Austria is required to report on actual and planned data for defence expenditure (COFOG Division 02) as part of the Draft Budgetary Plan.

The presented Austrian Draft Budgetary Plan for 2027 and 2028 complies, in terms of both content and form, with the requirements of the *'Two-Pack Code of Conduct'* and with the adjustments agreed at EU level in connection with the reformed EU fiscal framework. The Draft Budgetary Plan is based on data from the national accounts (ESA 2010) of Statistics Austria (STAT) as well as the Ministry of Finance's (BMF) own calculations and estimates and uses the economic forecast of the Austrian Institute of Economic Research (WIFO) from April 2026.

**Revision of the 2025 national accounts on 3 June 2026**

On 3 June 2026, Statistics Austria updated the national accounts on the basis of newly available and revised data. For 2025, real GDP growth was revised upwards by 0.2 percentage points from 0.6 % to 0.8 % compared with the figure from early March 2026. Consequently, nominal GDP in 2025 stood at 514.3 billion euro, representing an upward revision of 1.5 billion euro compared with the figure at the beginning of March 2026.

This revision has a slightly positive impact on the 2025 general government key figures. The Maastricht deficit for 2025 remains at around 4.2 % of GDP, whilst the debt-to-GDP ratio is now 0.2 percentage points lower at 81.3 % of GDP.

The current budget planning is based on the WIFO's medium-term economic forecast of April 2026, which in turn is based on the national accounts as at the beginning of March 2026. Consequently, the revision is not considered. The impact is minor and represents an upward budgetary risk, particularly for 2026.

The Austrian Draft Budgetary Plan for 2027 and 2028 shows that net expenditure growth is in line with the requirements of the net expenditure adjustment path set out in Article 126(7) of the TFEU. For the duration of the excessive deficit procedure, this path replaces the path originally set out in the 'Austrian Fiscal Structural Plan for the Years 2025-2029'.

The Draft Budgetary Plan must be published and submitted to the European Commission and the Eurogroup.

# 2 Compliance with fiscal policy commitments

## 2.1 Implementation of the net expenditure path

The EU fiscal rules, in particular Regulation (EU) 2024/1263, forsees a maximum net expenditure growth path as the only operational fiscal indicator to assess the fiscal sustainability of EU Member States.

As part of the Austrian fiscal structural plan for the years 2025 - 2029[3], a path for net expenditure growth over a seven-year adjustment period[4] from 2025 to 2031 was put forward. This path was approved by the Council on 8 July 2025. On the same day, the Council initiated an excessive deficit procedure against Austria. Accordingly, the net expenditure path set out in the Council recommendation under Article 126(7) TFEU of 8 July 2025 applies for the years 2025 to 2028. This means that the nominal growth rate of net expenditure must not exceed 2.6 % in 2025, 2.2 % in 2026, 2.2 % again in 2027 and 2.0 % in 2028.

The two paths – one set out in the approved Austrian fiscal structural plan and the other in the Council recommendation under Article 126(7) on the correction of the excessive deficit – are substantively identical for the years 2025 to 2028 but are based on different legal foundations. During this period, the net expenditure path of the corrective arm (excessive deficit procedure) is decisive, as non-compliance with it may trigger sanction risks under Article 126(8) or (11) TFEU, and this thus constitutes the stricter surveillance and enforcement framework.

For the reporting years 2025 and 2028, which are relevant to this Draft Budgetary Plan, the nominal growth rate of net expenditure must not exceed the figures set out above. As part of the Spring Package[5], which was published on 3 June 2026, the European

[3] Austrian-Fiscal-Structural-Plan-2025-2029

[4] Following the commitment to implement 14 reform and investment measures, an extended adjustment period of seven years was granted instead of the usual four years.

[5] https://reforms-investments.ec.europa.eu/document/download/30da7a8f-21c1-4c87-8775-54ea80d777f5_en?filename=SWD_2026_200_2_EN_autre_document_travail_service_part1_v2.pdf

Commission has already assessed Austria's net expenditure growth for the 2025 financial year. Actual net expenditure growth for 2025 was below the maximum permitted level. Consequently, Austria's budgetary target for 2025 is deemed to have been met. The European Commission also forecast that the targets would be met for the 2026 financial year. For 2027 and 2028, the presented Draft Budgetary Plan anticipates a net expenditure growth of 1.6 % and 1.8 % respectively. This means that, as things stand, the EU's budgetary target for 2027 and 2028 will be met.

With regard to assessing compliance with the permitted net expenditure path, in the case of Austria, the activated national escape clause on defence must also be taken into account. This allows Austria to deviate temporarily and to a limited extent from the recommended net expenditure path, provided that this deviation is justified by an increase in defence expenditure.

## 2.2 National escape clause – Defence

On 11 December 2025, Austria requested the activation of the national escape clause on defence. After assessing the necessary conditions, the European Commission recommended the Council the activation, which took place on 17 February 2026.

The activated escape clause allows Austria, for the budget years 2025 to 2028 – and thereafter for deliveries of military equipment contracted during this period – to deviate from the recommended net expenditure path, provided that this deviation is justified by an increase in defence expenditure (COFOG-2 definition) and the increase does not exceed 1.5 % of GDP annually until 2028 (compared to the 2021 level of expenditure as a percentage of GDP).

According to the available statistics on government expenditure published by Statistics Austria, total government defence expenditure in Austria, as classified under COFOG Division 02, amounted to 0.6 % of GDP in 2021, 0.6 % in 2022, 0.6 % in 2023, 0.7 % in 2024 and 0.7 % in 2025.

Defence spending is estimated to reach 0.9 % of GDP between 2026 and 2028. In the coming years, Austria intends to safeguard its long-term defence capabilities, whilst considering macroeconomic developments and budgetary requirements.

# 3 Development of the Austrian economy

## 3.1 Economic Development

**International framework conditions**

Despite various trade and geopolitical factors, the global economy performed more robustly than expected in 2025. As a result, world trade rose by 4.2 % last year. Global industrial production also grew by a robust 3.2 %. In the spring of 2026, the global economy was hit by a further energy price shock. The conflict in the Middle East and the closure of the Strait of Hormuz led to a significant rise in the price of natural gas and crude oil in particular. In April 2026, the IMF lowered its forecast for global economic growth in 2026 to 3.1 % – on the assumption that the conflict would be of limited duration.

The WIFO economic forecast for April 2026 assesses the global economy as follows: for the eurozone, the WIFO forecasts economic growth of 1.0 % in 2026, following 1.4 % in the previous year. Austria's most important trading partner, Germany, is expected to record economic growth of 0.8 % this year. Growth rates of 0.3 % and 0.7 % are expected for Italy and Switzerland respectively.

**Current Situation in Austria**

Following a two-year period of weakness, the Austrian economy recorded moderate economic growth of 0.6 % in 2025. On the demand side, the upturn was driven in particular by investment in equipment (+9.2 %), whilst investment in construction continued to decline. Private consumption rose by 0.5 % in real terms, whilst the household savings rate fell significantly from a high level. Exports of goods and services recorded a slight increase of 0.3 %, although exports of goods to the United States – Austria's second most important trading partner – slumped by around a fifth. From a sectoral perspective, growth in 2025 was driven primarily by the services sector. Furthermore, the industrial recession came to an end, and the manufacturing sector recorded growth of 1.2 %.

Before the outbreak of the conflict in the Middle East, various indicators had pointed to a continuation of the economic recovery. According to the WIFO flash estimate, real gross domestic product grew by 0.2 % quarter-on-quarter in the first quarter of 2026, a rate similar to that seen in previous quarters. Furthermore, industrial production (manufacturing) expanded by 3.2 % in March 2026 compared with the same month of the previous year. The UniCredit Bank Austria Purchasing Managers' Index (PMI) climbed to 52.4 points in March – its highest level in just under four years. However, with the war in Iran, the associated rise in energy prices and inflation, and increased uncertainty, the economic outlook has clouded over once again. As a result, consumer confidence fell significantly in March and again in April. The PMI fell to 51.2 points in April before rising slightly again to 51.7 points in May, thus remaining above the 50-point growth threshold. The results of the WIFO Economic Survey for May show a slight improvement in businesses' economic assessments, but the majority remain sceptical: on balance, assessments of the current situation and business expectations were once again in the pessimistic range.

In its forecast (main scenario), which forms the basis for budget planning, WIFO anticipates real economic growth of 0.9 % in 2026. This represents a downward revision of 0.3 percentage points compared with the December forecast. Economic growth in Austria is expected to accelerate to 1.3 % in 2027.

Private consumption is set to grow only modestly in both 2026 (0.5 %) and 2027 (0.6 %). The forecast for gross fixed capital formation has been revised downwards to 1.0 % compared with December 2025. In 2027, however, this component of demand is expected to record a stronger increase of 2.1 %. Construction investment is expected to end its multi-year decline in 2026, rising by 0.1 % (2027: 1.1 %). Growth in equipment investment is expected to fall to 1.0 % in 2026 and rise again to 2.2 % in 2027. According to WIFO, export growth is accelerating only moderately. After three years of decline, exports of goods are expected to rise again this year by 0.7 %. Growth in exports of goods and services is expected to be roughly twice as high. According to the WIFO forecast, exports of goods and services will rise by 2.2 % in 2027.

In terms of sectoral composition, growth is likely to be broad-based this year. Value added is expected to rise across all service sectors. Whilst growth of 1.2 % is forecast for the manufacturing sector, the construction sector is likely to stagnate. Next year, the manufacturing sector is forecast to grow by 1.7 %, and value added in the construction sector is also expected to rise by 1.0 %.

For 2028, WIFO forecasts a real GDP growth rate of 1.2 %. For the medium term from 2027 to 2031, WIFO projects – assuming an average potential growth rate of 0.9 % (EK method) – that Austria's annual growth rate will average 1.1 %. Economic growth of 1.1 % is expected in both 2029 and 2030, and 1.0 % in 2031. According to the EK method, the difference between potential output and actual economic output (the output gap) stands at -1.2 % in 2026 and will close by 2030.

**Inflation**

Austrian CPI inflation fell from 3.8 % to 2.2 % between December 2025 and February 2026. This decline was primarily due to the disappearance of the base effect associated with the expiry of the electricity price cap. The reduction in the energy levy on electricity at the start of the year further contributed to the fall in energy inflation. However, against a backdrop of rising oil and fuel prices, inflation jumped back up to 3.2 % in March 2026. In April, inflation rose further to 3.4 % and to 3.7 % in May. According to Statistics Austria, increases in fuel and heating oil prices accounted for almost a third of inflation. The fuel price cap, on the other hand, dampened inflation by 0.2 percentage points.

For 2026 as a whole, WIFO forecasts an inflation rate of 2.7 %. In 2027 and 2028, the inflation rate is expected to fall to 2.3 % and 2.1 % respectively.

**Labour market**

The labour market reacts with a lag to economic conditions, and so, despite the economic recovery in 2025, the number of unemployed people rose by around 19,700 to 317,540. As a result, the unemployment rate, as defined by national standards, rose by 0.4 percentage points to 7.4 % (Eurostat: 5.7 %). At the same time, however, the number of employees rose by 0.2 %. Employment is expected to expand by 0.5 % in 2026, and the WIFO does not anticipate a further rise in unemployment. In 2027, the unemployment rate is projected to fall to 7.1 %, or 5.5 % according to the Eurostat definition. In the medium term, a steady decline to 5.7 % (Eurostat: 4.8%) is expected by 2031.

**Forecast risks**

It is difficult to predict how the war in the Middle East will unfold and how energy prices will develop as a result. Consequently, there is a high degree of uncertainty regarding future economic developments, with risks of both an upturn and a downturn.

# 4 Development of public finances

Public budgets in Austria are continuing the consolidation efforts that began last year. The Federal Government has presented a new consolidation package. The targets of the new Austrian Stability Pact apply to the federal government, the states, and the municipalities. The social security sector has committed to achieving a balanced budget by 2029.

Consolidation is taking place in a challenging environment. Economic conditions have deteriorated compared to the WIFO forecast applied during the last budget preparation in March 2025, particularly with regard to inflation and the labour market. The interest rate environment remains difficult. The average yield on Austrian government bonds is rising despite the OeBFA’s conservative debt management. This is primarily due to the ECB’s key interest rate hikes since 2022. The planned budget balances can slow the growth of the general government debt-to-GDP ratio.

With the new Stability Pact and the consolidation package at the federal level, the Federal Government is succeeding in mitigating the impact of these factors on the budget balance and remaining below 3.0 % of GDP in the forecast for 2028.

## 4.1 General government balance in 2025

The provisional general government outcome was published by Statistics Austria at the end of March 2026. The **general government Maastricht balance for 2025** stood at **21.5 billion euro**, or **-4.2 % of GDP**. Compared with 2024, the deficit is 1.5 billion euro lower, or 0.5 percentage points of GDP. The general government result was better than the forecasts made in April and September 2025.

The **government expenditure ratio** stood at 55.2 % of GDP in 2025, representing a slight decline compared with 2024. In absolute terms, government expenditure rose by 9.8 billion euro, or 3.6 %, to 283.0 billion euro.

The **government revenue ratio** stood at 51.0 % of GDP, representing an increase of 0.4 percentage points of GDP. In absolute terms, government revenue increased by 11.3 billion euro, or 4.5 %, to 261.5 billion euro. The **tax and social security contribution**

**ratio** (indicator 2) stood at 43.9 % of GDP. All three government ratios are lower than assumed in April 2025 due to a revised nominal GDP; in absolute terms, the increase in both government expenditure and government revenue was higher than forecated.

On the **expenditure side**, **social benefits** showed the strongest increase relative to GDP in 2025, rising from 19.6 % of GDP in 2024 to 20.0 % of GDP in 2025. In absolute terms, the increase amounted to 6.0 billion euro, or 6.1 %. Several factors were key to this dynamic:

- Firstly, the 2025 pension adjustment, which is based on the historical inflation rate, was 4.6 %, which was higher than nominal GDP growth in 2025.
- Secondly, rising unemployment figures (+19,700 people on an annual average) led to a sharp increase in unemployment insurance benefits (+11.8 %).
- Thirdly, with the exception of the abolished educational leave, the Federal Government's structural labour market and pension consolidation measures will not take effect until 2026.

**Compensation of employees** rose from 11.3 % of GDP in 2024 to 11.5 % of GDP in 2025, or by 4.9 % in absolute terms. In addition to the 3.5 % adjustment of public sector salaries in 2025, there was also an increase in staff numbers. This primarily affects the health and social services sector as well as public security and defence.

**Social transfers in kind** continued to grow dynamically in 2025, rising by 6.3 %, which represents an increase of 0.1 percentage points relative to GDP to 4.7 %. This was largely driven by transfers in kind in the health and care sectors, in particular social insurance expenditure on registered doctors, medicines and rehabilitation, as well as expenditure by the states and municipalities on care. In addition to inflation-related increases, this trend is primarily shaped by demographic change.

**Interest expenditure** grew by 12.6 %, the highest rate in relative terms, amounting to 8.3 billion euro in 2025. The interest-to-GDP ratio thus stood at 1.6 % of GDP (+0.1 percentage points compared with 2024), reaching its highest level since 2018.

All other transaction classes declined in relation to GDP. This applies in particular to the three **types of transactions with a subsidy character**, where the Federal Government's consolidation measures had an impact. Overall, transactions with a subsidy character fell by 0.8 percentage points of GDP and, at 5.8 % of GDP, stood at their lowest level since 2019 (2019: 5.1 % of GDP).

In detail, the abolition of the climate bonus was a key reason for the decline in **other current transfers**. These fell by 1.7 billion euro, or 9.5 %, and by 0.5 percentage points relative to GDP. **Subsidies** fell by 0.7 billion euro (-7.2 %) or 0.2 percentage points of GDP in 2025, and **capital transfers** by 0.6 billion euro (-9.7 %) or 0.2 percentage points of GDP. The consolidation of federal subsidies had a significant impact on both transaction classes, for example on subsidies and capital transfers from the Climate and Energy Fund (D.3 & D.9), subsidies for industrial transformation (D.3), e-mobility subsidies (D.3), the investment premium (D.9) and broadband subsidies (D.9).

**Intermediate consumption** grew by 3.4 % in 2025 and, at 7.0 % of GDP, remained at a similar level to 2024. Here, cost-cutting measures in the federal ministries had a dampening effect. **Gross capital formation** by the general government sector also remained at the 2024 level, standing at 3.9 % of GDP in 2025. The development of gross capital formation in 2025 was influenced by delivery delays.

On the **revenue side**, **taxes on production and imports** in particular grew dynamically by 6.6 % in 2025, corresponding to an increase of 0.4 percentage points of GDP. This was largely driven by the Federal Government's tax consolidation measures, such as the consolidation contributions from banks and the energy sector, the abolition of the VAT exemption for photovoltaic systems, the inclusion of electric cars in the motor-related insurance tax, and the increase in gambling taxes, betting fee and tobacco tax.

**Social contributions** also showed strong growth in 2025 at 5.0 %, with the increase in health insurance contributions for pensioners from 1 July 2025 also having an impact.

**Current taxes on income and wealth** grew by 3.1 % in 2025, a slower rate than nominal GDP. Strong increases in capital gains tax (+19.0 % in total) and wage tax (+4.3 %) were offset by weak growth in assessed income tax (+1.6 %) and a decline in corporate tax revenue (-6.1 %).

**Market output** rose by 4.9 % in 2025 (partly due to delayed inflationary effects). It thus stood at 4.8 % of GDP in 2025, the highest level since 1995. **Property income** declined in 2025 (-7.3 %) as a result of lower interest and dividend income, amounting to 1.1 % of GDP.

Broken down by **sector**, 15.2 billion euro of the general government deficit of 21.5 billion euro is attributable to the central government sector (-3.0 % of GDP). The Maastricht outcome for the central government sector thus improved by 1.5 billion euro (+0.4 percentage points of GDP) compared to 2024, and by 2.1 billion euro (+0.5 percentage points of GDP) compared to the April 2025 forecast. The deficit of the state and local government sector increased by 0.2 billion euro compared to 2024 to 5.6 billion euro, or 1.1 % of GDP, whilst that of the social security sector decreased by 0.2 billion euro to 0.6 billion euro (0.1 % of GDP). Compared to the April 2025 forecast, the deficits for these sectors were higher (by a total of 0.8 billion euro for the state and local government sector and 0.5 billion euro for the social security sector).

The **public debt ratio** rose by 1.6 percentage points in 2025 to 81.5 % of GDP. The significantly upwardly revised nominal GDP, as well as stronger GDP growth, explain why the public debt ratio is well below the April 2025 forecast (84.7 % of GDP).

## 4.2 General government forecast for 2026

At the end of March 2026, the Federal Ministry of Finance updated its general government forecast for 2026. The general government **Maastricht balance** is expected to be **-22.2 billion euro**, which represents a slight deterioration compared to 2025 against the backdrop of the economic recovery losing momentum. In relation to GDP, it remains broadly unchanged at **-4.2 %**. The updated forecast figure is thus in line with the estimates from May and September 2025.

For the development of government ratios in 2026, the updated forecast implies only minor changes compared with 2025. The **government expenditure ratio** remains at the same level of 55.2 % of GDP. In absolute terms, government expenditure is forecast to rise by 8.8 billion euro, or 3.1 %, to 291.8 billion euro. The **government revenue ratio** will also stand at 51.0 % of GDP in 2026. In absolute terms, this represents an increase of 8.1 billion euro, or 3.1 %, to 269.7 billion euro.

On the **expenditure side**, **social benefits** will continue to rise in relation to GDP in 2026; however, at a forecast 20.2 % of GDP, the increase will be smaller than in recent years. In absolute terms, the forecast increase amounts to 4.0 billion euro, or 3.9 %. The forecast is based in particular on the following assumptions:

- Firstly, measures taken by the Federal Government in the pensions sector are curbing the growth in pension expenditure. These include, in particular, the restrictions on the corridor pension and the 2026 pension adjustment, which provides for a reduced indexation for pensions above an income of 2,500 euro.

- Secondly, further consolidation measures by the Federal Government – such as the suspension of the indexation of social benefits, the abolition of educational leave or the restriction on minimum income alongside unemployment benefit – are also having a dampening effect on the growth of monetary social benefits.
- Thirdly, the states are also implementing saving measures, foremost among which is the alignment of the Minimum Income Guarantee in Vienna with the rates in other states.
- Fourthly, these expenditure-reducing measures are offset by expected additional expenditure on unemployment insurance benefits. Against the backdrop of a weakening economic recovery, the latest WIFO economic forecast from April 2026 predicts that unemployment will remain at a similarly high level to that of 2025.

**Compensation of employees** is expected to fall to 11.3 % of GDP in 2026. This projected decline results primarily from the newly agreed public sector wage agreement for the federal civil service and several state civil services, which sets an effective pay rise of 1.65 % for 2026. This adjustment is significantly lower than the currently forecast nominal GDP growth.

The rise in **social transfers in kind** will slow down in 2026 compared with 2025, but at 3.6 % will still exceed the forecast figures for the inflation rate and nominal GDP growth in 2026. This brings them to 4.8 % of GDP. Above-average increases are anticipated, for example, in social security expenditure on registered doctors, medicines and medical rehabilitation.

**Interest expenditure** is also expected to grow by over 10 % in 2026, rising to 1.8 % of GDP. Uncertainty on the financial markets resulting from the war in the Middle East has led in recent weeks to high volatility and rising yields on government bonds in general, including Austrian bonds.

Following the significant decline in **types of transaction with a subsidy character** as a proportion of GDP to 5.8 % in 2025, a further, slight reduction is expected in 2026.

A decline in **capital transfers** as a proportion of GDP is forecast for 2026. Key factors underpinning this forecast include lower expenditure for the renovation campaign compared to 2025 (new subsidy programme in 2026, high back payments in 2025 based on the old subsidy regime), the phasing out of the investment premium, and a postponement of funds relating to the innovation fund for strengthening outpatient care to 2027.

**Subsidies** will grow only slightly in 2026 and remain at a similar level relative to GDP as in 2025. The savings already in effect in 2025 will continue in 2026. In addition, lower expenditure is expected for the craftsman bonus, which expires in 2026. This is offset in particular by an increase in expenditure under the "Housing and Construction Initiative" economic stimulus package of the previous Federal Government.

For **other current transfers**, slightly stronger growth than that of nominal GDP is forecast for 2026, which is attributable in particular to a rising EU contribution.

**Intermediate consumption** is expected to grow moderately by 1.6 % in 2026, meaning that compared to 2025, as a percentage of GDP, it will decline slightly to 6.9 %.

**Gross capital formation** is expected to rise slightly to 4.1 % of GDP in 2026. This is due to, on the one hand, rising military investment and, on the other hand, delays in deliveries to the Austrian Federal Railways (ÖBB) from 2025 to 2026.

On the **revenue side**, various developments will come into play regarding **taxes on production and imports** in 2026:

- The tax consolidation measures that came into force in 2025 will continue in 2026.
- For measures that only came into force during 2025, the corresponding consolidation volume will be higher in 2026 (e.g. the inclusion of electric cars in the motor-related insurance tax).
- This is offset by measures taken by the Federal Government to curb inflation and providing relief to the population, which result in a shortfall in revenue. These include, in particular, the temporary reduction in the electricity tax in 2026 (500.0 million euro) and the reduction in value-added tax on basic foods coming into force on 1 July 2026 (200.0 million euro and 400.0 million euro in subsequent years).
- The temporary reduction in mineral oil tax, decided in response to rising fuel prices, is budget-neutral when viewed in aggregate. The extent of the reduction is determined on a monthly basis and is set at the same level as the corresponding additional revenue from VAT resulting from risen fuel prices.

Overall, taxes on production and imports are expected to grow by 2.5 %, meaning they will fall slightly as a proportion of GDP.

Various discretionary measures must also be taken into account regarding the development of **current taxes on income and wealth**, for which total growth of 3.4 % is expected in 2026:

- A key additional consolidation measure compared with 2025 is the inflation adjustment of the income tax thresholds relevant to the tax brackets, which in 2026 (and subsequent years) will only be applied to the extent of two-thirds.
- Working in the opposite direction are the proactive measures presented as part of the 2025/2026 double budget, such as the increase in the commuter euro as a partial compensation for the abolished climate bonus.
- In addition, the increase in the investment allowance (for the period 1 November 2025 to 31 December 2026, resulting in a revenue shortfall of 30.0 million euro in 2026), the one-off extension of the increased overtime pay regulation in 2026 (a one-off cost of 105.0 million euro) and the tax exemption for holiday pay (40.0 million euro) have been introduced as further measures to support the business environment.
- Regarding taxes, wage tax is expected to continue to grow strongly, whilst corporate tax revenue is forecast to rise only moderately in 2026.
- Capital gains tax revenue was significantly higher than forecast in 2025; consequently, no further increase is anticipated for 2026.
- The same applies to assessed income tax.
- Furthermore, in Vienna, the housing construction subsidy contribution was increased from 1.0 % to 1.5 % of the assessment base at the start of 2026, which will lead to additional revenue of around 200 million euro.

Growth of 3.1 % is forecast for **social contributions** in 2026. According to the latest WIFO economic forecast, growth in wages and salaries relevant to this development will be weaker than in 2025. However, the increase in health insurance contributions for pensioners will apply throughout the whole of 2026.

The anti-fraud package will take effect for the first time in 2026 and affects all three of the aforementioned revenue-side transaction classes. Contrary to the original plan, the revenue-reducing measures under the “Working in Old Age” package will only come into force in 2027.

**Market output** is expected to show solid growth in 2026 and relative to GDP, to remain at the high level seen in 2025. Key consolidation measures affecting this transaction class include increases in Wiener Linien ticket prices and the price of the Climate ticket.

**Property income** is expected to remain stable in 2026. Compared to the forecasts from May and October 2025, which still anticipated a decline relative to 2025, higher dividend income is expected. This will offset the cost of the reduction in the electricity tax in 2026.

The updated estimate of the Maastricht outcome for the individual **sectors** essentially corresponds to the 2025 results. Compared with the May 2025 forecast, however, there are shifts that take into account not only the 2025 results but also the domestic fiscal targets in accordance with the new Austrian Stability Pact. Specifically, a Maastricht deficit of 15.7 billion euro or 3.0 % of GDP is expected for the central government sector, a total deficit of 6.0 billion euro or 1.1 % of GDP for the state and local government sector, and a deficit of 0.5 billion euro or 0.1 % of GDP for the social security sector.

The **public debt ratio** is expected to rise by 1.4 percentage points to 82.9 % of GDP in 2026. Compared to the estimate of 83.4 % in the Austrian Progress Report 2026 dated 29 April 2026, the forecast has been revised downward. A key factor here is the investment of government entities with the Austrian Treasury (OeBFA) as part of the "Bundesschatz" for public entities.[6] As of December 31, 2025, public entities' investments in the "Bundesschatz" totalled 2.2 billion euro. From a general government perspective, this amount is not considered part of the public debt. At the same time, the OeBFA must raise a smaller amount from third parties on the capital market, which has a positive effect on the development of the debt level. These positive effects on the debt level are particularly relevant for 2026, as it is assumed that the "Bundesschatz" investments by government entities will rise to around 5 billion euro by the end of that year.

## 4.3 General government planning for 2027 and 2028

### Net lending/borrowing and primary balance

The general government Maastricht balance improves across all subsectors as a result of fiscal consolidation, starting from -4.2 % of GDP in 2025 and, according to current

[6] See https://www.bundesschatz.at/oeffentliche-einheiten (16.6.2026, in German only)

projections, -4.2 % of GDP in 2026 as well to **-3.5 % of GDP in 2027**. **In 2028**, the aim of a Maastricht deficit below **3.0 % of GDP** will be achieved.

The Federal Government's consolidation, which has already begun with the 2025/2026 double budget, is reflected in the trend of the **primary balance**. It improves from -2.6 % of GDP in 2025 to -0.9 % of GDP in 2028.

**Public debt ratio**

The rise in the **public debt ratio** can be significantly slowed by the consolidation measures. After reaching 81.5 % of GDP in 2025, it will rise to 82.9 % of GDP in 2026 and **83.6 % of GDP in 2027** – a significant increase at first – but the increase will slow noticeably starting in 2028. A debt-to-GDP ratio of **83.8 %** is projected for **2028**. The investment of government entities with the Austrian Treasury (OeBFA) as part of the "Bundesschatz" for public entities has a positive effect on this trend.[7]

**Expenditure-side transaction classes**

According to current projections, the **government expenditure-to-GDP ratio** is expected to decline from 55.2 % of GDP in 2025 to 54.3 % of GDP in 2028. A decline relative to GDP is expected for all expenditure categories (transaction classes according to ESA 2010) with the exception of interest expenditure, particularly for compensation of employees (-0.4 percentage points 2026-2028), monetary social benefits (-0.3 percentage points 2026-2028), intermediate consumption (-0.2 percentage points 2026-2028), and subsidies (-0.2 percentage points 2026-2028).

**Interest expenditure** will continue to rise rapidly in the coming years, despite the conservative debt management of the Austrian Treasury (OeBFA). It will rise from 1.8 % of GDP in 2026 by 0.3 percentage points to 2.1 % of GDP in 2028. This increase makes fiscal consolidation more difficult, but at the same time highlights just how essential and inevitable this consolidation is.

**Intermediate consumption (P.2)** grows by 4.1 % over the forecast period, which is significantly lower than nominal GDP, resulting in a 0.2 percentage point decline relative to GDP between 2026 and 2028.

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[7] See https://www.bundesschatz.at/oeffentliche-einheiten (16.6.2026, in German only)

**Compensation of employees (D.1)** rises by 3.5 % between 2026 and 2028 and declines by 0.4 percentage points relative to GDP, representing the sharpest decline among all expenditure-side transaction classes. The main factors driving this are, first, the newly negotiated wage agreement in the federal public sector for 2026 to 2028, which has also been adopted by other levels of government. Second, at the federal level a cost-cutting plan for the general administrative service has been established that will reduce administrative staff in the federal service by a total of approximately 6 % (around 2,600 full-time equivalents) by the end of 2029. Third, the reduction in employer contributions to the Family Burden Equalisation Fund (FBEF) will also have a positive impact on public employers in 2028. This is offset by an expenditure-increasing effect from the proactive measures, amounting to approximately 0.2 billion euro in 2027 and 0.3 billion euro in 2028.

**Subsidies (D.3)** will also decline in absolute terms in 2027 compared to 2026 and remain at a similar level in 2028. As a percentage of GDP, they will decline by 0.2 percentage points (rounded) by 2028, from 1.6 % of GDP in 2026 to 1.5 % of GDP in 2028. This reflects the Federal Government's plan to scale back subsidies. The measures implemented by the subsidy task force will take effect over the forecast period.

At 102.8 billion euro, **monetary social benefits** (social benefits other than social transfers in kind, D.62) accounted for more than one-third of general government spending in 2025. Monetary social benefits include, among other things, pension expenditures and unemployment insurance benefits, and were therefore under particular pressure given demographic and economic trends. In a no-policy-change scenario prior to the 2025/2026 double budget, they would have risen from 20.1 % of GDP in 2025 to 20.6 % of GDP in 2028 and subsequent years. The Federal Government's measures in the areas of the labour market, employment of older workers, and pensions as part of the 2025/2026 double budget have already significantly corrected this trend. In a no-policy-change scenario prior to the new 2027/2028 double budget, a level of 20.1 % of GDP was projected for 2027 and 2028, with the weaker labour market conditions having a negative impact compared to the assumptions made in May 2025. With the new consolidation measures, such as more moderate pension adjustments in 2027 and 2028 or the suspension of indexation for non-income-dependent family and social benefits, the level of monetary social benefits relative to GDP can be further curbed. Specifically, monetary social benefits are expected to grow by 5.4 % between 2026 and 2028, which is below the projected nominal GDP growth for that period. This implies a decline from 20.2 % of GDP in 2026 to 19.9 % of GDP in 2028.

**Social transfers in kind (D.632)**, which primarily concern the social security sector but also the states (including Vienna), grow by 5.4 % during the forecast period from 2026 to 2028, which is below nominal GDP growth. As a result, they will decline relative to GDP from 4.8 % of GDP to 4.7 % of GDP in 2028. This trend reflects the expenditure-side consolidation efforts already initiated by the health insurance funds.

For **other current transfers (D.7)**, moderate growth of 5.4 % is assumed as well for the forecast period between 2026 and 2028. They will thus remain at a level of 3.1% of GDP. The measures within the double budget have a slight expenditure-increasing effect, as many proactive measures in the present fiscal forecast are partially allocated to this transaction class. Cuts to subsidies for private non-profit organisations or federal payments to foreign countries have a dampening effect. In the opposite direction, the rising EU contribution – from 3.2 billion euro in 2025 to 4.0 billion euro in 2026 and 4.4 billion euro in 2027 – will have an effect through 2027.

For **capital transfers (D.9)**, following a decline from 1.1 % of GDP in 2025 to 0.8 % of GDP in 2026, this level is expected to remain unchanged going forward. The decline in 2026 resulted primarily from lower spending for the renovation campaign, compared to 2025 (new subsidy programme in 2026, high retroactive payments in 2025 based on the old subsidy regime).

**Gross capital formation (P.5)** grows by 6.0 % over the forecast period from 2026 to 2028, at roughly the same rate as nominal GDP growth. This means it will remain at a constant level of 4.1 % of GDP from 2026 onwards, as also provided for in the agreement with the EU as part of the 7-year adjustment path. Key factors for the gross investment forecast include, in particular, investments by ÖBB-Infrastruktur AG and ÖBB-Personenverkehr AG, defence investments, and infrastructure investments by the states and municipalities.

**Revenue-side transaction classes**

The **government revenue ratio** rises from 51.0 % of GDP in 2025 to 51.3 % of GDP in 2028. The reduction in non-wage labour costs in 2028 will be offset by other revenue-side consolidation measures but will then be a major factor in the decline of the government revenue ratio. By 2031, it falls to 50.9 % of GDP. The **tax and social security contribution ratio** (indicator 2) shows a similar trend. After rising to 43.9 % of GDP in 2025 and 44.4 % of GDP in 2028, it declines in subsequent years to 44.1 % of GDP in 2031.

General government sector **market output (P.11+P.12+P.131)** is projected to grow by 7.2 % over the forecast period from 2026 to 2028. As a result, it will remain unchanged at 4.8 % of GDP.

The trend in **taxes on production and imports (D.2)** is heavily influenced by the Federal Government's new measures. On the one hand, the reduction in employer contributions to the Family Burden Equalisation Fund (FBEF) will result in a decrease in revenue of 2.0 billion euro in 2028. On the other hand, a series of consolidation measures will bolster the trend, including the introduction of mandatory FBEF contributions for employees over the age of 60, the modernisation of regulations in the gambling sector, and the consolidation contribution from banks. Overall, starting in 2028, the new measures will have a negative impact on taxes on production and imports of 1.0 billion euro. In addition, other measures such as the reduction in value-added tax on basic foods and the introduction of a parcel tax also influence the development of taxes on production and imports. Overall, this results in a projected growth rate of 5.5 % between 2026 and 2028, which, relative to GDP, translates to a decline to 13.8 % in 2028, following an increase from 13.9 % in 2026 to 14.1 % in 2027.

**Property income (D.4)** includes, among other things, interest revenue of the general government sector and dividend income. In particular, the increases in dividends to the federal government decided upon as part of the consolidation – both in the 2025/2026 double budget and the current 2027/2028 double budget – have an impact on the development of this transaction class. Overall, following a slight decline in 2027, the level is expected to remain at 1.0 % of GDP in 2028.

Similar to taxes on production and imports, the Federal Government's measures also have a significant impact on **current taxes on income and wealth (D.5)**. In this case, however, these are solely consolidation measures, which will rise from 0.2 billion euro in 2027 to 1.4 billion euro in 2028. The consolidation volume in 2028 is influenced by the one-time effect of the upfront taxation option in the area of pension funds. Overall, taxes on income and wealth grow by 11.1 % during the forecast period between 2026 and 2028, which is significantly faster than GDP. Consequently, they rise from 14.0 % of GDP in 2026 to 14.5 % of GDP in 2028. Without the new consolidation measures, they would have risen to 14.3 % of GDP in 2028, and without the consolidation measures from the 2025/2026 double budget, they would have risen to only 14.0 % of GDP in 2028 (e.g., suspension of the final third of the inflation adjustment for 2026-2029).

**Social contributions (D.61)** are projected to grow by 7.3 % between 2026 and 2028, a robust trend that is slightly above nominal GDP growth during this period. Accordingly, they remain at a constant level of 16.2 % of GDP throughout the forecast period. Consolidation measures with a significant impact on social contributions include various measures in the areas of social insurance and unemployment insurance, as well as the unusual increase in the maximum contribution base. From last year's consolidation package, the increase in health insurance contributions for pensioners has a particularly positive effect, while the planned active pension has a dampening effect.

## 4.4 Description of economic policy measures and their effects

With the 2027/2028 double budget, the Federal Government is continuing the consolidation of public finances and is providing significant impetus for shaping Austria's future.

In addition to the measures already included in the 2025/2026 budget, a total of 2.1 billion euro will be consolidated in 2027 and 5.0 billion euro in 2028.

This is offset by proactive measures totalling 0.6 billion euro in 2027 and 2.5 billion euro in 2028, resulting in a **net consolidation of approximately 1.6 billion euro in 2027 and 2.5 billion euro in 2028**.

**This will ensure that the Maastricht general government deficit is reduced to 3.5 % of GDP in 2027 and below 3.0 % of GDP in 2028.**

In a joint effort, all levels of government and the social security sector are contributing to the fiscal consolidation. The federal consolidation package also ensures that other levels of government remain on track for consolidation.

In the interest of fairness, all groups contribute to the consolidation effort. In addition, those groups that benefit from proactive measures also contribute more to the consolidation effort.

The Federal Government is investing in childcare and long-term care and is allocating funds to support the labour market.

Through labour market reforms and measures to reduce non-wage labour costs, steps are being taken to strengthen the business location and boost employment incentives.

The **consolidation package** is wide-ranging. All population groups and economic actors are contributing, ensuring that the burden is distributed fairly:

- **Companies, banks, and state-owned enterprises** make a significant contribution to consolidation, with 0.8 billion euro in 2027 and 2.2 billion euro in 2028, as they will also benefit most from proactive measures due to the 2.0 billion euro reduction in non-wage labour costs. Key measures include extending the special contribution from banks at the 2026 level for two years (the special contribution will expire in 2030, and the bank levy will be reduced by 30 %), the introduction of a progressive corporate income tax rate starting in 2028, a temporary restriction on eligible assets for the investment-related profit exemption, further measures in the areas of fraud prevention and gambling, contributions to a comprehensive labour market package, and the elimination of the workplace allowance.

- **Employees** also contribute 0.3 billion euro in 2027 and 0.5 billion euro in 2028 to the labour market package. This includes, for example, the redesigning of income-independent unemployment insurance contributions and the elimination of the telework allowance introduced during the COVID-19 pandemic.

- Pensioners have already made a significant contribution as part of the consolidation measures in the 2025/2026 double budget. In addition to pension expenditures rising sharply due to demographic factors, pensioners benefited from pension adjustments that, in some cases, exceeded the underlying inflation rate from 2019 to 2023. To ensure the financial sustainability of the pension system, pension adjustments will therefore be more moderate in 2027 and 2028. Together with a reduction in spending on health resort services, the **consolidation contribution from pensioners and other social and insurance benefits** will amount to 0.3 billion euro in 2027 and 0.6 billion euro in 2028.

- In addition to the contribution from businesses, the social balance of the budget consolidation is reflected in particular by measures totalling 0.5 billion euro in 2027 and 0.6 billion euro in 2028, which primarily affect **individuals with higher earned incomes**. These include the unusual increase in the maximum contribution base, the introduction of the taxation of private use of e-cars, or the reduction of the flat-rate acquisition cost for existing properties under the real estate income tax.

- As part of the 2025/2026 double budget, significant consolidation measures have already been implemented in the **administration** through savings in the ministries, cost dampening in federal personnel expenses, and efforts by the subsidy task force and the state-owned enterprises task force. This path toward a leaner administration will continue. ÖBB-Infrastruktur AG is also contributing to the consolidation efforts once again with further optimisations to its investment programme. Combined with **various other measures**, such as an upfront taxation option in the area of pension funds or an increase in the alcohol tax on high-proof alcoholic beverages, this will contribute 0.1 billion euro to consolidation in 2027 and 0.6 billion euro in 2028.

- With regard to **family benefits**, the 2027/2028 double budget places an emphasis on targeted in-kind benefits, while general cash benefits are adjusted accordingly. Changes to the Family Bonus Plus programme starting in 2027, as well as the suspension of the valorisation of family benefits (including the child tax deduction) in 2028, result in consolidation of 0.1 billion euro in 2027 and 0.3 billion euro in 2028.

- The 2027/2028 double budget also marks the start of efforts to phase out climate-damaging subsidies, and further measures are to be implemented in the area of funding and incentives. The **measures addressing climate-damaging subsidies and other subsidies** thus not only contribute to budget consolidation – amounting to 0.2 billion euro in 2028 – but will also help achieve Austria's climate goals.

With the 2027/2028 double budget, the Federal Government is not only ensuring the necessary stabilisation of Austria's public finances. Through its consolidation measures, it is also creating budgetary leeway to provide **forward-looking impetus in the areas of business location policy, labour market and social policy, and education policy**. In total, **0.6 billion euro** will be allocated in **2027** and **2.5 billion euro** in **2028** for proactive measures:

- As a key measure in the area of **business location policy**, the employer contribution to the Family Burden Equalisation Fund (FBEF) will be reduced by one percentage point starting in 2028, thereby providing significant relief to businesses. To provide relief to the agricultural sector, the Federal Government is reintroducing subsidies for agricultural diesel for the years 2026 and 2027. These measures will total **0.05 billion euro in 2027** and **2.0 billion euro in 2028**.

- **In 2027, 0.4 billion euro** will be allocated for **labour market and social policy measures**, and **0.3 billion euro in 2028**. The Federal Government is continuing its active labour market policy at the same budgetary level and is implementing measures in the area of skills development, as well as measures for older employees and the long-term unemployed. Another priority is the long-term care sector, as well as targeted efforts to combat poverty among children and young people. In addition, there will be extra funding to ensure access to analog services and participation in digital life, to promote daily physical activity in education, to empower women, and to expand opportunities for educational advancement and lifelong learning.

- In **education policy**, **0.1 billion euro in 2027** and **0.2 billion euro in 2028** will be invested in early childhood education (including a second mandatory free year of kindergarten), all-day schools, inclusion, and the expansion of school psychology services.

Overall, this represents a balanced package of economic and social policy measures that will shape Austria's budgetary policy in the coming years.

# 5 Forecasts in line with EU requirements

Council Directive 2011/85/EU, as amended by 2024/1265, on requirements for Member States' fiscal frameworks stipulates in Article 4(1) that macroeconomic and budgetary forecasts must be compared with the Commission's latest forecasts and, where appropriate, with the forecasts of other independent bodies. Table 14 in the Annex sets out this comparison. Furthermore, in accordance with Article 4(6), macroeconomic and budgetary forecasts for annual and multiannual financial planning must be subject to regular, objective and comprehensive ex-post assessments by an independent body.

Such an evaluation was most recently carried out in November 2024 by the Office of the Fiscal Council on behalf of the Fiscal Council for the period 2005 to 2023. This study was published on the Fiscal Council's website[8]. The next evaluation is scheduled to take place in autumn 2027.

[8] https://fiskalrat.at/publikationen/berichte/studien-im-auftrag-des-fiskalrates-uebersicht.html

# Annex

## Table 1: Net expenditure growth

| Net nationally financed primary expenditure | 2024 | 2025 | 2026 | 2027 | 2028 |
|---|---|---|---|---|---|
| **Council Recommendation** | | | | | |
| Annual growth rate in % | - | 2.6 | 2.2 | 2.2 | 2.0 |
| Cumulative growth rate in % | - | 2.6 | 4.8 | 7.2 | 9.4 |
| **Draft Budgetary Plan 2027 and 2028** | | | | | |
| Annual growth rate in % | - | 2.2 | 2.1 | 1.6 | 1.8 |
| Cumulative growth rate in % | - | 2.2 | 4.4 | 6.1 | 8.0 |

Base year for cumulative growth is 2024

Source: BMF

## Table 2: Main variables

| General government | 2025 | 2026 | 2027 | 2028 |
|---|---|---|---|---|
| | in % of GDP | | | |
| Net lending/borrowing (B.9) | -4.2 | -4.2 | -3.5 | -3.0 |
| Structural balance | -3.4 | -3.5 | -3.1 | -2.7 |
| Structural primary balance | -1.8 | -1.7 | -1.1 | -0.6 |
| Gross debt | 81.5 | 82.9 | 83.6 | 83.8 |
| Change in gross debt (in pp) | 1.6 | 1.4 | 0.7 | 0.2 |

Source: BMF

## Table 3: Macroeconomic developments

| Gross domestic product | ESA Code | 2025 | 2025 | 2026 | 2027 | 2028 |
|---|---|---|---|---|---|---|
| | | bn € | rate of change in % | | | |
| Real GDP | B.1*g | 382.5 | 0.6 | 0.9 | 1.3 | 1.2 |
| GDP deflator | | - | 3.2 | 2.2 | 2.2 | 2.0 |
| Nominal GDP | B.1*g | 512.8 | 3.8 | 3.1 | 3.5 | 3.2 |
| **Components of real GDP** | | **bn €** | **rate of change in %** | | | |
| Private consumption expenditure[1)] | P.3 | 194.5 | 0.5 | 0.5 | 0.6 | 0.9 |
| Government consumption expenditure | P.3 | 82.1 | 2.4 | 1.2 | 1.0 | 1.0 |
| Gross fixed capital formation | P.51g | 89.0 | 1.4 | 1.0 | 2.1 | 2.4 |
| Changes in inventories and net acquisition of valuables (in % of GDP) | P.52 + P.53 | - | 0.0 | 0.0 | 0.0 | 0.0 |
| Exports of goods and services | P.6 | 225.5 | 0.3 | 1.5 | 2.2 | 2.3 |
| Imports of goods and services | P.7 | 209.0 | 1.7 | 1.0 | 2.0 | 2.4 |
| **Contribution to real GDP growth (in percentage points)** | | | | | | |
| Final domestic demand | | - | 1.1 | 0.8 | 1.0 | 1.2 |
| Changes in inventories and net acquisition of valuables[2)] | P.52+P.53 | - | 0.3 | -0.2 | 0.1 | 0.0 |
| External balance of goods and services | B.11 | - | -0.7 | 0.3 | 0.2 | 0.0 |
| **Deflators and HICP** | | | **rate of change in %** | | | |
| Private consumption deflator | | - | 2.7 | 2.6 | 2.4 | 2.1 |
| p.m. HICP | | - | 3.6 | 2.7 | 2.4 | 2.1 |
| Government consumption deflator | | - | 2.9 | 1.9 | 1.6 | 1.7 |
| Investment deflator | | - | 2.3 | 2.5 | 2.0 | 1.9 |
| Export price deflator (goods and services) | | - | 1.7 | 1.4 | 1.5 | 1.2 |
| Import price deflator (goods and services) | | - | 0.4 | 1.9 | 1.3 | 1.1 |
| **Labour market** | | **level** | **rate of change in %** | | | |
| Domestic employment (1000 persons)[3)] | | 4,733 | 0.0 | 0.2 | 0.7 | 0.5 |
| Average annual hours worked per person employed | | 1,543 | 0.5 | 0.3 | 0.1 | 0.0 |
| Real GDP per person employed | | - | 0.6 | 0.7 | 0.6 | 0.7 |
| Real GDP per hour worked | | - | 0.1 | 0.4 | 0.5 | 0.7 |
| Compensation of employees (in bn €) | D.1 | 261.8 | 3.8 | 2.5 | 3.2 | 2.9 |
| Compensation per employee (in €) | | 55,309 | 3.8 | 2.3 | 2.6 | 2.3 |
| Unemployment rate (Eurostat, in %) | | - | 5.7 | 5.8 | 5.5 | 5.3 |
| **Potential GDP and components** | | | **rate of change in %** | | | |
| Potential GDP | | - | 0.7 | 0.8 | 0.9 | 0.9 |
| **Contribution to potential growth (in percentage points)** | | | | | | |
| Labour | | - | 0.3 | 0.4 | 0.4 | 0.3 |
| Capital | | - | 0.3 | 0.3 | 0.3 | 0.3 |
| Total factor productivity | | - | 0.1 | 0.1 | 0.2 | 0.3 |
| Output gap (in % of potential GDP) | | - | -1.3 | -1.2 | -0.8 | -0.5 |

1) incl. NPISH; 2) incl. statistical discrepancy; 3) Employment – domestic concept
Reference year 2015 for real values.
Sources: BMF, STAT, WIFO

## Table 4: External assumptions

| | | 2025 | 2026 | 2027 | 2028 |
|---|---|---|---|---|---|
| Short-term interest rate | *in %, annual average* | 2.2 | 2.0 | 2.1 | 2.4 |
| Long-term interest rate | *in %, annual average* | 3.0 | 3.0 | 3.0 | 3.1 |
| Exchange rate (USD/EUR) | *annual average* | 1.1 | 1.2 | 1.2 | 1.2 |
| World real GDP (excl. EU) | *rate of change in %* | 3.3 | 3.2 | 3.0 | 2.9 |
| EU real GDP | *rate of change in %* | 1.6 | 1.2 | 1.3 | 1.7 |
| World import volumes (excl. EU) | *rate of change in %* | - | - | - | - |
| Oil price | *Brent, USD/Barrel* | 68.2 | 87.8 | 75.6 | 72.0 |

Source: WIFO

## Table 5: Budgetary projection

| | ESA Code | 2025 | 2025 | 2026 | 2027 | 2028 |
|---|---|---|---|---|---|---|
| | | bn € | in % of GDP | | | |
| **Revenue** | | | | | | |
| Taxes on production and imports | D.2 | 71.9 | 14.0 | 13.9 | 14.1 | 13.8 |
| Current taxes on income, wealth, etc. | D.5 | 71.5 | 13.9 | 14.0 | 14.1 | 14.5 |
| Social contributions | D.61 | 83.0 | 16.2 | 16.2 | 16.2 | 16.2 |
| Other current revenue | (P.11+P.12+P.131) + D.39 + D.4 + D.7 | 34.2 | 6.7 | 6.7 | 6.6 | 6.6 |
| Capital taxes | D.91 | 0.1 | 0.0 | 0.0 | 0.0 | 0.0 |
| Other capital revenue | D.92 + D.99 | 1.0 | 0.2 | 0.2 | 0.2 | 0.2 |
| **Total revenue** | **TR** | **261.5** | **51.0** | **51.0** | **51.2** | **51.3** |
| Of which: Transfers from the EU[1)] | D.7EU + D.9EU | 0.8 | 0.2 | 0.1 | 0.1 | 0.1 |
| Total revenue other than transfers from the EU | | 260.7 | 50.8 | 50.9 | 51.1 | 51.2 |
| p.m. Revenue measures (increments) | | 2.5 | 0.5 | 0.3 | 0.4 | 0.3 |
| p.m. One-off expenditure included in the projections (levels, excl. EU funded measures) | | - | | - | - | - |
| p.m. One-off revenue included in the projections (levels) | | - | | - | - | - |
| **Expenditure** | | **bn €** | **in % of GDP** | | | |
| Compensation of employees | D.1 | 58.8 | 11.5 | 11.3 | 11.2 | 11.0 |
| Intermediate consumption | P.2 | 36.1 | 7.0 | 6.9 | 6.8 | 6.8 |
| Interest expenditure | D.41 | 8.3 | 1.6 | 1.8 | 1.9 | 2.1 |
| Social benefits other than social transfers in kind | D.62 | 102.8 | 20.0 | 20.2 | 20.0 | 19.9 |
| Social transfers in kind | D.632 | 24.2 | 4.7 | 4.8 | 4.7 | 4.7 |
| Subsidies | D.3 | 8.6 | 1.7 | 1.6 | 1.5 | 1.5 |
| Other current expenditure | D.29 + (D.4-D.41) + D.5 + D.7 + D.8 | 18.4 | 3.6 | 3.6 | 3.6 | 3.5 |
| Gross fixed capital formation | P.51g | 20.1 | 3.9 | 4.1 | 4.1 | 4.1 |
| Of which: Nationally financed public investment | | 19.9 | 3.9 | 4.1 | 4.1 | 4.1 |
| Capital transfers | D.9 | 5.6 | 1.1 | 0.8 | 0.8 | 0.8 |
| Other capital expenditure | P.52 + P.53 + NP | 0.2 | 0.0 | 0.0 | 0.0 | 0.0 |
| **Total expenditure** | **TE** | **283.0** | **55.2** | **55.2** | **54.7** | **54.3** |
| Of which: Expenditure funded by transfers from the EU[2)] | D.7EU + D.9EU | 0.8 | 0.2 | 0.1 | 0.1 | 0.1 |
| Nationally financed expenditure | | 282.2 | 55.0 | 55.1 | 54.6 | 54.2 |
| p.m. National co-financing of programmes funded by the Union | | 1.1 | 0.2 | 0.2 | 0.2 | 0.2 |
| p.m. Cyclical component of unemployment benefits | | 0.7 | 0.1 | 0.2 | 0.1 | 0.1 |
| p.m. One-off expenditure included in the projections | | - | - | - | - | - |
| **Net nationally financed primary expenditure (before DRM)** | | **269.7** | **52.6** | **52.6** | **51.9** | **51.6** |
| **Net nationally financed primary expenditure growth** | | | | | | |
| **Rate of change in %** | | - | **2.2** | **2.1** | **1.6** | **1.8** |

1) Accrued revenue, not cash 2) Equals "Transfers from the EU" above
Sources: BMF

## Table 6: Budgetary projections - main variables

| | ESA Code | 2025 | 2025 | 2026 | 2027 | 2028 |
|---|---|---|---|---|---|---|
| | | bn € | in % of GDP | | | |
| **Net lending/borrowing, general government** | **B.9 (S.13)** | **-21.5** | **-4.2** | **-4.2** | **-3.5** | **-3.0** |
| Central government | B.9 (S.1311) | -15.2 | -3.0 | -3.0 | -2.7 | -2.3 |
| State governments (excl. Vienna) | B.9 (S.1312) | -2.3 | -0.4 | -0.7 | -0.5 | -0.4 |
| Local governments (incl. Vienna) | B.9 (S.1313) | -3.3 | -0.7 | -0.4 | -0.3 | -0.3 |
| Social security funds | B.9 (S.1314) | -0.6 | -0.1 | -0.1 | 0.0 | 0.0 |
| Primary balance | B.9 + D.41p | -13.2 | -2.6 | -2.4 | -1.6 | -0.9 |
| Structural balance | | - | -3.4 | -3.5 | -3.1 | -2.7 |
| Structural primary balance | | - | -1.8 | -1.7 | -1.1 | -0.6 |
| **Gross debt** | | **418.1** | **81.5** | **82.9** | **83.6** | **83.8** |
| Change in gross debt (in pp) | | 23.0 | 1.6 | 1.4 | 0.7 | 0.2 |
| **Contributions to changes in gross debt** | | | | | | |
| Primary balance | | - | 2.6 | 2.4 | 1.6 | 0.9 |
| Snowball effect | | - | -1.3 | -0.6 | -0.9 | -0.5 |
| Interest expenditure | | - | 1.6 | 1.8 | 1.9 | 2.1 |
| Growth | | - | -0.5 | -0.7 | -1.0 | -1.0 |
| Inflation | | - | -2.4 | -1.7 | -1.8 | -1.6 |
| Stock-flow adjustment | | - | 0.3 | -0.4 | 0.0 | -0.2 |
| p.m. Implicit interest rate on debt (in %) | | - | 2.0 | 2.1 | 2.2 | 2.4 |

Source: BMF

## Table 7: Budgetary projection ("No-policy change"-assumption)

| general government | ESA Code | 2025 | 2025 | 2026 | 2027 | 2028 |
|---|---|---|---|---|---|---|
| | | bn € | in % of GDP | | | |
| **Revenue** | | | | | | |
| Taxes on production and imports | D.2 | 71.9 | 14.0 | 13.9 | 14.0 | 13.9 |
| Current taxes on income, wealth, etc. | D.5 | 71.5 | 13.9 | 14.0 | 14.1 | 14.3 |
| Social contributions | D.61 | 83.0 | 16.2 | 16.2 | 16.1 | 16.1 |
| Other current revenue | (P.11+P.12+P.131) + D.39 + D.4 + D.7 | 34.2 | 6.7 | 6.7 | 6.6 | 6.6 |
| Capital taxes | D.91 | 0.1 | 0.0 | 0.0 | 0.0 | 0.0 |
| Other capital revenue | D.92 + D.99 | 1.0 | 0.2 | 0.2 | 0.2 | 0.2 |
| **Total revenue** | **TR** | **261.5** | **51.0** | **51.0** | **50.9** | **51.0** |
| **Expenditure** | | **bn €** | **in % of GDP** | | | |
| Compensation of employees | D.1 | 58.8 | 11.5 | 11.3 | 11.1 | 10.9 |
| Intermediate consumption | P.2 | 36.1 | 7.0 | 6.9 | 6.8 | 6.8 |
| Interest expenditure | D.41 | 8.3 | 1.6 | 1.8 | 1.9 | 2.1 |
| Social benefits other than social transfers in kind | D.62 | 102.8 | 20.0 | 20.2 | 20.1 | 20.1 |
| Social transfers in kind | D.632 | 24.2 | 4.7 | 4.8 | 4.7 | 4.7 |
| Subsidies | D.3 | 8.6 | 1.7 | 1.6 | 1.5 | 1.5 |
| Other current expenditure | D.29 + (D.4-D.41) + D.5 + D.7 + D.8 | 18.4 | 3.6 | 3.6 | 3.6 | 3.5 |
| Gross fixed capital formation | P.51g | 20.0 | 3.9 | 4.1 | 4.1 | 4.1 |
| Of which: Nationally financed public investment | | 19.9 | 3.9 | 4.1 | 4.1 | 4.1 |
| Capital transfers | D.9 | 5.6 | 1.1 | 0.8 | 0.8 | 0.8 |
| Other capital expenditure | P.52 + P.53 + NP | 0.2 | 0.0 | 0.0 | 0.0 | 0.0 |
| **Total expenditure** | **TE** | **283.0** | **55.2** | **55.2** | **54.7** | **54.5** |
| **Balance (general government)** | | **bn €** | **in % of GDP** | | | |
| Net lending/borrowing | B.9 | -21.5 | -4.2 | -4.2 | -3.8 | -3.4 |
| Primary balance | B.9 + D.41 | -13.2 | -2.6 | -2.4 | -1.8 | -1.4 |

Sources: BMF

## Table 8: Discretionary revenue measures

| **Title of the measure** | **ESA classification** | **2025** | **2026** | **2027** | **2028** |
|---|---|---|---|---|---|
| | | | **in mn €** | | |
| **Measures 13.05.2025 until 10.06.2026** | | | | | |
| Sum measures without changes compared to the APR 2026 | *div.* | 1,695.7 | 3,227.2 | 2,619.0 | 3,324.9 |
| Temporary reduction in mineral oil tax | *D.2* | | -66.0 | | |
| Other measures | *D.5/D.61/D.7* | 6.5 | 21.6 | 48.9 | 54.8 |
| **Measures 10.06.2026** | | | | | |
| Temporary reintroduction of agricultural diesel (National Emissions Certific | *D.2* | | -50.0 | -50.0 | |
| Prolongation of the special contribution of banks (stability tax) | *D.2* | | | 300.0 | 300.0 |
| Introduction of a parcel tax | *D.2* | | | 280.0 | 280.0 |
| Modernisation of gambling regulations | *D.2* | | | 20.3 | 120.5 |
| Increase in alcohol tax | *D.2* | | | 35.0 | 45.0 |
| Establishment of a substitute rule for calculating the standard consumption tax on motor vehicles imported from third countries | *D.2* | | | 15.0 | 5.0 |
| Reduction in non-wage labour costs - reduction in employer contributions to the FBEF | *D.2* | | | | -2,000.0 |
| Introduction mandatory FBEF-contributions f. employees over 60 y. | *D.2* | | | | 500.0 |
| Fraud prevention - third package of measures | *D.2* | | | | 70.0 |
| Expansion of information - Account Registry and Account Inspection Act | *D.2/D.5* | | 6.5 | 13.0 | 13.0 |
| Measures regarding climate-damaging subsidies and other subsidies | *D.2/D.5* | | | | 190.0 |
| Increase in dividend paymenmts of state-owned enterprises | *D.4* | | | 163.0 | 216.0 |
| Introduction taxation of private use of cars with zero $CO_2$ emissions | *D.5* | | | 110.0 | 190.0 |
| Reduction of the flat-rate acquisition cost for existing properties under the real estate income tax | *D.5* | | | 100.0 | 120.0 |
| Changes to the Family Bonus Plus | *D.5* | | | 50.0 | 130.0 |
| Tightening of rules on exit taxation | *D.5* | | | 20.0 | 25.0 |
| Elimination of social security contribution refunds in the farmers' social security system | *D.5* | | | 15.0 | 15.0 |
| General pension fund agreement | *D.5* | | | -5.0 | -5.0 |
| Temporary reduction in the declining balance depreciation for electric utility companies | *D.5* | | | | 210.0 |
| Introduction of a progressive corporate income tax rate | *D.5* | | | | 200.0 |
| Restriction on eligible assets for the investment-related profit exemption | *D.5* | | | | 200.0 |
| Upfront taxation option in the area of pension funds | *D.5* | | | | 200.0 |
| Suspension of the valorisation of the child deduction | *D.5* | | | | 40.0 |
| Elimination of the workplace allowance | *D.5* | | | | 15.0 |
| Unusual increase in maximum contribution basis | *D.5/D.61* | | | 228.8 | 287.7 |
| Redesign unemployment insurance contributions and further unemployment insurance measures | *D.5/D.61* | | | 189.0 | 279.0 |
| Elimination of the telework allowance | *D.5/D.61* | | | 58.3 | 88.3 |
| Incidence effect of the reductions in FBEF-contributions | *D.5/D.61* | | | | 300.0 |
| Introduction unemployment insurance contributions older employees and further social security/unemp. insur. measures | *D.61* | | | 92.0 | 116.0 |
| Increase in security contributions for particularly high pension benefits | *D.61* | | | 15.0 | 15.0 |
| Increase in the farmer's pension insurance contribution | *D.61* | | | 13.7 | 14.0 |
| Anonymous fixed penalty notice - harmonization of traffic fines | *D.7* | | | 29.9 | 29.9 |
| **Discretionary revenue measures (acc. to ESA)** | | **+1,702.2** | **+3,139.2** | **+4,360.8** | **+5,589.0** |
| **in % of GDP** | | **+0.3** | **+0.6** | **+0.8** | **+1.0** |
| Discretionary revenue measures 13.05.2025 until 10.06.2026 | | +1,702.2 | +3,182.7 | +2,667.8 | +3,379.6 |
| Discretionary revenue measures 10.06.2026 | | | -43.5 | +1,693.0 | +2,209.3 |
| **Dividends** | | +447.0 | +961.0 | +563.0 | +616.0 |
| **Discretionary revenue measures (excl. dividends)** | | **+1,255.2** | **+2,178.2** | **+3,797.8** | **+4,973.0** |
| **Incremental effect discretionary revenue measures before 13.05.2025** | | **+1,244.8** | **+672.0** | **+520.0** | **+350.0** |
| **Incremental effect discretionary revenue measures 13.05.2025 until 10.06.2026** | | **+1,255.2** | **+966.6** | **+46.1** | **+711.8** |
| **Incremental effect discretionary revenue measures 10.06.2026** | | | **-43.5** | **+1,573.5** | **+463.3** |
| **Incremental total effect discretionary revenue measures: DRM** | | **+2,499.9** | **+1,595.1** | **+2,139.6** | **+1,525.2** |

## Table 9: Discretionary expenditure measures

| Title of the measure | ESA classification | 2025 | 2026 | 2027 | 2028 |
|---|---|---|---|---|---|
| | | | in mn euro | | |
| **Measures 13.05.2025 until 10.06.2026** | | | | | |
| Sum measures without changes compared to the APR 2026 | | -4,142.6 | -5,030.3 | -5,724.6 | -5,920.6 |
| Abolition educational leave | *D.62* | -138.1 | -610.0 | -650.0 | -650.0 |
| Pension-related measures | *D.62* | | -344.6 | -893.8 | -1,250.2 |
| **Measures 10.06.2026** | | | | | |
| Expanding lifelong learning | *D.1* | | | 5.0 | 5.0 |
| Combating child and youth poverty | *D.1/D.7* | | | 60.0 | 65.0 |
| Proactive measures in education policy | *D.1/D.7* | | | 130.0 | 210.0 |
| Analog life | *D.1/D.7* | | | 20.0 | 20.0 |
| Daily physical activity in education - increase in funds | *D.1/D.7* | | | 10.0 | 15.0 |
| Labour market support measures | *D.1/D.7/P.2* | | | 170.0 | 100.0 |
| Proactive measures in the long-term care sector | *D.1/D.632/D.7/P.2* | | | 100.0 | 100.0 |
| Reduction in spending on health resort services | *D.1/D.632/D.7/P.2* | | | -50.0 | -75.0 |
| Industrial Electricity Price Act (ISPG) 2027-2029 | *D.3* | | | 175.0 | 175.0 |
| Adjustment wage subsidies for hiring long-term unemployed | *D.3* | | | -100.0 | -100.0 |
| Prolongation Securing Business Location Act (SAG) 2027-2029 | *D.3* | | | 75.0 | 75.0 |
| Pension adjustment 2027/2028 | *D.62* | | | -273.0 | -559.0 |
| Further measures in the area social security/unemployment insurance | *D.62* | | | -150.0 | -150.0 |
| Suspension of the valorisation of income-independent family and social benefits 2028 | *D.62* | | | | -162.9 |
| Empowering women | *D.632/D.7* | | | 5.0 | 5.0 |
| Saving within the system | *D.7* | | | -5.0 | -5.0 |
| Efficiency improvements diplomatic representation network | *D.7/P.2* | | | -5.0 | -10.0 |
| Contribution education - Postponement of the equipment initiative | *P.2* | | | -30.0 | -50.0 |
| Additional consolidation contribution ÖBB-Infrastruktur AG | *P.5* | | | -55.0 | -285.0 |
| **Sum expenditure measures 13.05.2025 until 10.06.2026** | | **-4,280.8** | **-5,984.9** | **-7,268.3** | **-7,820.7** |
| **Sum expenditure measures 10.06.2026** | | | | **82.0** | **-626.9** |
| **Total sum expenditure measures (acc. to ESA)** | | **-4,280.8** | **-5,984.9** | **-7,186.3** | **-8,447.7** |
| **in % of GDP** | | **-0.8** | **-1.1** | **-1.3** | **-1.5** |

Source: BMF

## Table 10: Net expenditure growth (detailed representation)

| | 2024 | 2025 | 2026 | 2027 | 2028 |
|---|---|---|---|---|---|
| | | | bn € | | |
| **1. Total expenditure** | **273.2** | **283.0** | **291.8** | **299.2** | **306.8** |
| 2. Interest expenditure | 7.3 | 8.3 | 9.4 | 10.6 | 11.7 |
| 3. Cyclical unemployment expenditure | 0.0 | 0.7 | 0.9 | 0.7 | 0.5 |
| 4. Expenditure funded by transfers from the EU | 1.0 | 0.8 | 0.7 | 0.4 | 0.4 |
| 5. National co-financing of EU programmes | 1.0 | 1.1 | 1.2 | 1.2 | 1.2 |
| 6. One-off expenditure (levels, excl. EU funded) | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| **7. Net nationally financed primary expenditure (before DRM) (1-2-3-4-5-6)** | **263.9** | **272.2** | **279.6** | **286.3** | **293.0** |
| 8. DRM (excl. one-off revenue) | | 2.5 | 1.6 | 2.1 | 1.5 |
| **9. Net nationally financed primary expenditure (after DRM) (7-8)** | | **269.7** | **278.0** | **284.2** | **291.5** |
| | | | **rate of change in %** | | |
| **11. Net expenditure growth ($9/7_{(t-1)}$)** | | **2.2** | **2.1** | **1.6** | **1.8** |

Notes: Recurrent expenditure on unemployment benefits is defined as actual expenditure (COFOG 10.5) less expenditure on NAWRU unemployed persons. Discretionary revenue measures (line 8) are shown as an incremental change.
Source: BMF

## Table 11: Defence expenditure

| Defence | ESA Code | 2021 | 2021 | 2022 | 2023 | 2024 | 2025 | 2026 | 2027 | 2028 |
|---|---|---|---|---|---|---|---|---|---|---|
| | | bn € | in % of GDP | | | | | | | |
| Total defence expenditure | COFOG 2 | **2.4** | **0.6** | **0.6** | **0.6** | **0.7** | **0.7** | **0.9** | **0.9** | **0.9** |
| Defence investment | COFOG 2, P.51g | 0.3 | 0.1 | 0.1 | 0.1 | 0.1 | 0.2 | 0.3 | 0.3 | 0.3 |

Source: BMF

## Table 12: Contingent liabilities

| in % of GDP | 2024 | 2025 | 2026 |
|---|---|---|---|
| Public guarantees | 12.9 | 11.9 | 11.7 |
| of which: central government[1)] | 9.8 | 9.1 | 9.0 |
| of which: linked to the financial sector[2)] | 0.2 | 0.1 | 0.1 |
| of which: state and local governments | 1.8 | 2.8 | 2.7 |
| of which: linked to the financial sector[2)] | 0.7 | 0.7 | 0.6 |

1) Guarantees for exports without double count of funding guarantees.

Without liabilities for EFSF as well as without liabilities for euro coins towards Austrian Mint. SURE and EGF included from 2020. According to ESA 2010, liabilities for SchiG, ÖBB according to BFG as well as those of ÖBB Infrastruktur AG and ÖBB Personenverkehr AG according to EurofimaG are included in the public sector and will here not be included in order to avoid double count. Forecasts are based mainly on statistical values resulting from percentage change in history and are not based on political decisions.

2) Without double count of liabilities for KA Finanz AG, HETA, immigion and Kärntner Ausgleichszahlungsfonds or bank deposit insurance.

Rounding differences may occur.

Sources: BMF, State governments, STAT, WIFO

## Table 13: Revenue from and expenditure financed by RRF grants

| in mn € | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 | 2026 |
|---|---|---|---|---|---|---|---|
| **Revenue from RRF grants** | | | | | | | |
| RRF grants as included in the revenue projections[1)] | | 418.1 | 875.3 | 982.8 | 506.5 | 351.8 | 373.9 |
| Cash disbursements of RRF grants from EU | | 450.0 | - | 742.1 | - | 2137.0 | 632.1 |
| **Expenditure financed by RRF grants** | **85.5** | **332.7** | **875.3** | **982.8** | **506.5** | **351.8** | **373.9** |
| **Total current expenditure** | **6.7** | **204.9** | **352.3** | **204.3** | **213.1** | **133.8** | **90.0** |
| **Total capital expenditure** | **78.8** | **127.8** | **523.0** | **778.4** | **293.3** | **218.1** | **283.9** |
| Gross fixed capital formation | 78.8 | 96.0 | 121.3 | 179.8 | 130.7 | 104.8 | 46.5 |
| Capital transfers | 0.0 | 31.8 | 401.7 | 598.6 | 162.6 | 113.2 | 237.4 |
| **Other costs financed by RRF grants** | | | | | | | |
| Reduction in tax revenue | - | - | - | - | - | - | - |
| Other costs with impact on revenue | - | - | - | - | - | - | - |
| Financial transaction | - | - | - | - | - | - | - |
| **One-off capital transfers from retroactive revisions in expenditure (and other costs) financed by RRF grants** | | | | | | | |
| One-off capital transfers from the EU (D.9r, levels) | | | | | | - | - |
| One-off capital transfers to the EU (D.9p, levels) | | | | | | - | - |

1) RRF grants in 2021 include grants for 2020. Rounding differences may occur.

Sources: BMF, STAT

Table 14: Comparison of macroeconomic and budgetary forecasts

| | 2025 | 2026 | 2027 | 2028 |
|---|---|---|---|---|
| **Real GDP Growth, in %** | | | | |
| WIFO - April 2026 | 0.6 | 0.9 | 1.3 | 1.2 |
| EK - Spring 2026 | 0.6 | 0.6 | 0.9 | - |
| OeNB - March 2026 | 0.7 | 0.5 | 1.0 | 1.1 |
| IHS - April 2026 | 0.6 | 0.5 | 0.8 | - |
| **Inflation (HICP), in %** | | | | |
| WIFO - April 2026 | 3.6 | 2.7 | 2.4 | 2.1 |
| EK - Spring 2026 | 3.6 | 3.0 | 2.5 | - |
| OeNB - March 2026 | 3.6 | 2.7 | 2.3 | 2.1 |
| IHS - April 2026 | 3.6 | 2.9 | 2.4 | - |
| **Unemployment rate (Eurostat), in%** | | | | |
| WIFO - April 2026 | 5.7 | 5.8 | 5.5 | 5.3 |
| EK - Spring 2026 | 5.7 | 5.8 | 5.6 | - |
| OeNB - December 2025 | 5.6 | 5.7 | 5.6 | 5.5 |
| IHS - April 2026 | 5.7 | 5.7 | 5.6 | - |
| **General government net lending/borrwing in % of GDP** | | | | |
| BMF - June 2026 | -4.2 | -4.2 | -3.5 | -3.0 |
| WIFO - April 2026 | -4.2 | -4.1 | -4.0 | -4.2 |
| EK - Spring 2026 | -4.2 | -4.1 | -4.1 | - |
| OeNB - December 2025 | -4.5 | -4.2 | -4.2 | -4.4 |
| IHS - April 2026 | -4.2 | -4.2 | -4.1 | - |
| Austrian Fiscal Advisory Council - Autumn 2025 | -4.4 | -4.1 | -4.1 | -4.2 |
| **Gross debt in % of GDP** | | | | |
| BMF - June 2026 | 81.5 | 82.9 | 83.6 | 83.8 |
| WIFO - April 2026 | 81.5 | 83.4 | 84.6 | 86.4 |
| EK - Spring 2026 | 81.5 | 83.4 | 84.9 | - |
| OeNB - December 2025 | 81.9 | 83.8 | 85.2 | 86.8 |
| IHS - April 2026 | - | - | - | - |
| Austrian Fiscal Advisory Council - Autumn 2025 | 81.7 | 83.2 | 84.7 | 86.2 |

Direct comparability may be limited due to different definitions.

Sources: BMF, WIFO, EK, OeNB, IHS, Austrian Fiscal Advisory Council

Table 15: Country specific recommendations

See: European semester – documents under https://www.bundeskanzleramt.gv.at/agenda/europapolitik/europaeisches_semester.html

## List of Tables

## List of References


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