Decline in turnover in industry and construction in January 2024

Turnover 8.0% below January of the previous year; slight increase in employment and hours worked

Vienna, 2024-02-29 – Turnover in industry and construction fell by 8.0% in January 2024 compared with January of the previous year, according to flash estimates by Statistics Austria. The index of hours worked increased by 0.3% in the same period, the index of persons employed by 0.2%.

"Turnover in the manufacturing sector continued to deteriorate at the start of 2024, albeit not as sharply as recently. According to a flash estimate, industry and construction generated 8.0% less turnover in January 2024 than in January of the previous year. For almost a year now, the economic trend has been in decline. Nevertheless, there was a slight increase of 0.2% in persons employed in January and the volume of work rose by 0.3%," says Statistics Austria General Director Tobias Thomas.

Considering the industrial and the construction sector separately, the flash estimates for **January 2024** showed a decrease of the turnover index in industry (−7.8%), as well as in construction (−10.2%) compared to the same month of the previous year. The index of hours worked increased in industry (+1.0%), in construction it fell by 2.4% compared to January 2023. The index of persons employed showed a slight increase in industry (+0.7%), in construction it fell by 1.8% (see table 1).

Industry and construction in November 2023

In **November 2023,** a total of 81 834 **enterprises** in the entire **industry and construction sector** reported a turnover of € 36.8 bn (−8.6% compared to November 2022). At the same time, the number of employees decreased by 0.2% to 1 036 169. The 42 878 Austrian **construction** enterprises achieved a turnover of € 6.6 bn in November 2023. This corresponds to a nominal decrease of 6.8% compared to November 2022 (see table 2).

Decrease in industry production in November 2023

Compared to November 2022, sold production in industry (sections B to E of ÖNACE 2008) decreased nominally by 9.2% to € 29.8 bn in **November 2023,** which was mainly due to the substantial decline of electricity, gas, steam and air conditioning supply (−16.2% to € 7.9 bn). Manufacture of basic metals (−16.2% to € 1.9 bn), manufacture of wood and of products of wood and cork, except furniture (−15.0% to € 0.9 bn) as well as manufacture of fabricated metal products, except machinery and equipment (−11.2% to € 1.7 bn) also featured relevant reduction. By contrast, manufacture of motor vehicles, trailers and semi-trailers (+7.9% to € 1.8 bn) remained strong (see table 3).

For **detailed results** or more information on short-term statistics in Austria and on our flash-estimates in industry and construction please refer to our website. The Economic monitor of Statistics Austria provides an overview of the economic development in Austria with about 80 business indicators. Additionally a more detailed presentation and description of the most important nominal short-term statistics data is also available.

Table 1: Short-term business statistics indicators (final, preliminary and flash estimates at t+30 days for January 2024); turnover index, index of persons employed and index of hours worked in industry and construction (base year 2021); ÖNACE 2008

2023/24	Total (ÖNACE B–F)	Compared to the same month of the previous year	Industry (ÖNACE B–E)	Compared to the same month of the previous year	Construction (ÖNACE F)	Compared to the same month of the previous year
Turnover index[1] November[2]	121.7	-10.1	120.7	-10.3	127.8	-9.0
Turnover index[1] December[3]	111.5	-14.1	110.7	-14.5	116.3	-11.5
Turnover index[1] January[4]	106.3	-8.0	113.0	-7.8	63.6	-10.2
Index of persons employed[1] November[2]	100.5	-2.8	101.0	-1.9	98.8	-5.6
Index of persons employed[1] December[3]	100.5	0.0	102.4	0.1	94.8	-0.2
Index of persons employed[1] January[4]	99.1	0.2	102.8	0.7	87.5	-1.8
Index of hours worked[1] November[2]	104.0	-4.2	104.4	-3.2	102.9	-7.1
Index of hours worked[1] December[3]	85.7	-3.2	88.1	-3.1	78.8	-3.4
Index of hours worked[1] January[4]	93.9	0.3	100.5	1.0	74.1	-2.4

S: STATISTICS AUSTRIA. Annual average 2021 = 100.

1) Unadjusted. − 2) Results after 70 days. − 3) Results after 40 days. − 4) Flash-estimates after t+30 days.

Table 2: Enterprises' results – November 2023

Structure of OENACE 2008 [1]	Enterprises	Employees	Gross earnings in m. Euro	Turnover in m. Euro	Turnover-changes nom. in % [2]	Turnover-changes wd. a. in % [3]
	End of November 2023		November 2023			
Industry	**38 956**	**726 222**	**4 639.7**	**30 192.3**	**−9.0**	**−9.0**
Manufacturing	31 547	673 788	4 272.0	21 587.6	−6.7	–
Electricity, gas, steam and air conditioning supply	4 547	29 578	243.5	7 939.3	−15.9	–
Water supply; sewerage, waste management and remediation activities	2 862	22 856	124.2	665.4	9.1	–
Construction	**42 878**	**309 947**	**1 861.1**	**6 581.0**	**−6.8**	**−6.7**
Industry and construction in total	**81 834**	**1 036 169**	**6 500.9**	**36 773.3**	**−8.6**	**−8.6**

S: STATISTICS AUSTRIA.

1) rounding differences not compensated. − 2) Nominal changes compared to the same period of the previous year. − 3) Working-day adjusted changes compared to the same period of the previous year.

Table 3: Key branches of industry – value of sold production sold – November 2023

Structure of OENACE 2008	Sold production in million Euros	Sold production - changes in % [1]
	November 2023	
Industry	**29 770.2**	**−9.2**
Electricity, Gas, steam and air conditioning supply	7 858.2	−16.2
Manufacture of machinery and equipment n.e.c.[2]	2 853.8	−4.1
Manufacture of food products	2 068.1	1.7
Manufacture of basic metals	1 877.2	−16.2
Manufacture of motor vehicles, trailers and semi-trailers	1 758.9	7.9
Manufacture of fabricated metal products, except machinery and equipment	1 693.9	−11.2
Manufacture of electrical equipment	1 299.8	−7.8
Manufacture of computer, electronic and optical products	967.6	−8.3
Coking and mineral oil processing	935.3	−7.7
Manufacture of wood and of products of wood and cork, except furniture	890.7	−15.0

S: STATISTICS AUSTRIA.
1) Nominal changes compared to the same period of the previous year. – 2) n.e.c.: Not elsewhere classified.

Information on methodology, definitions: The main results presented here are based on the one hand on the primary statistical data of the short-term statistics survey in industry and construction and on the other hand on a model-based approach to data supplementation. The latter tries to integrate the characteristic relationships of the monthly business survey and to make efficient use of the information from the various administrative sources. In that way, the **structure of the population (thus 100%)** of the short-term statistics in industry and construction can be presented at activity level as a combination of primary data, secondary data and model-based calculation. Detailed methodological descriptions can be found on our website under Further documentation (available in German only).

The **enterprise** results are based on all single- and multiple-operational enterprises that can be classified in industry and construction. Data of so-called **establishments** show the results of those establishments whose main area of activity is in industry and construction; irrespective of the economic focus of the enterprises above the establishments.

Flash-estimates of economic activity Flash-estimates are based on reported data already available 30 days after the end of the reference month as well as on historical movements and correlations of individual variables. Furthermore, the correlation of data from early reporting units and late reporting units is considered. The model is based on the assumption that missing reports show a similar development as the data of the reports already received from the companies.

The term industry in this context corresponds to manufacturing excluding construction (ÖNACE 2008 – sections B to E) and also includes commercial enterprises. Thus, this term is not identical with the term industry according to the classification system of the Austrian Federal Economic Chamber.

Quality of the flash estimates: An essential aspect for the quality of the estimates is the automatic outlier detection and correction procedure. 30 days after the end of the reference period about 60% of all reports have been received, however, standard data editing procedures are not completed at this early stage of data processing. Therefore, reported data considerably differing from standard reports have to be corrected automatically. The outlier detection is based on a RegArima-model. The sensitivity of this outlier detection procedure was heuristically calibrated such, that not too many correctly reported values were replaced, and most incorrect reports were eliminated as well.

Thus, the quality of the t+30 estimate depends, on the extent to which the most significant erroneous reports could be identified and corrected. Furthermore, the underlying model assumes a correlation of early and late reported data. This dependence did not change significantly in the observation period 2013-2020. Structural breaks caused by crises such as the Corona pandemic could cause problems in the identification of outliers (suddenly occurring zero values that are recognized as outliers and replaced). Furthermore, due to the current situation, follow-up reports and major revisions cannot be ruled out.