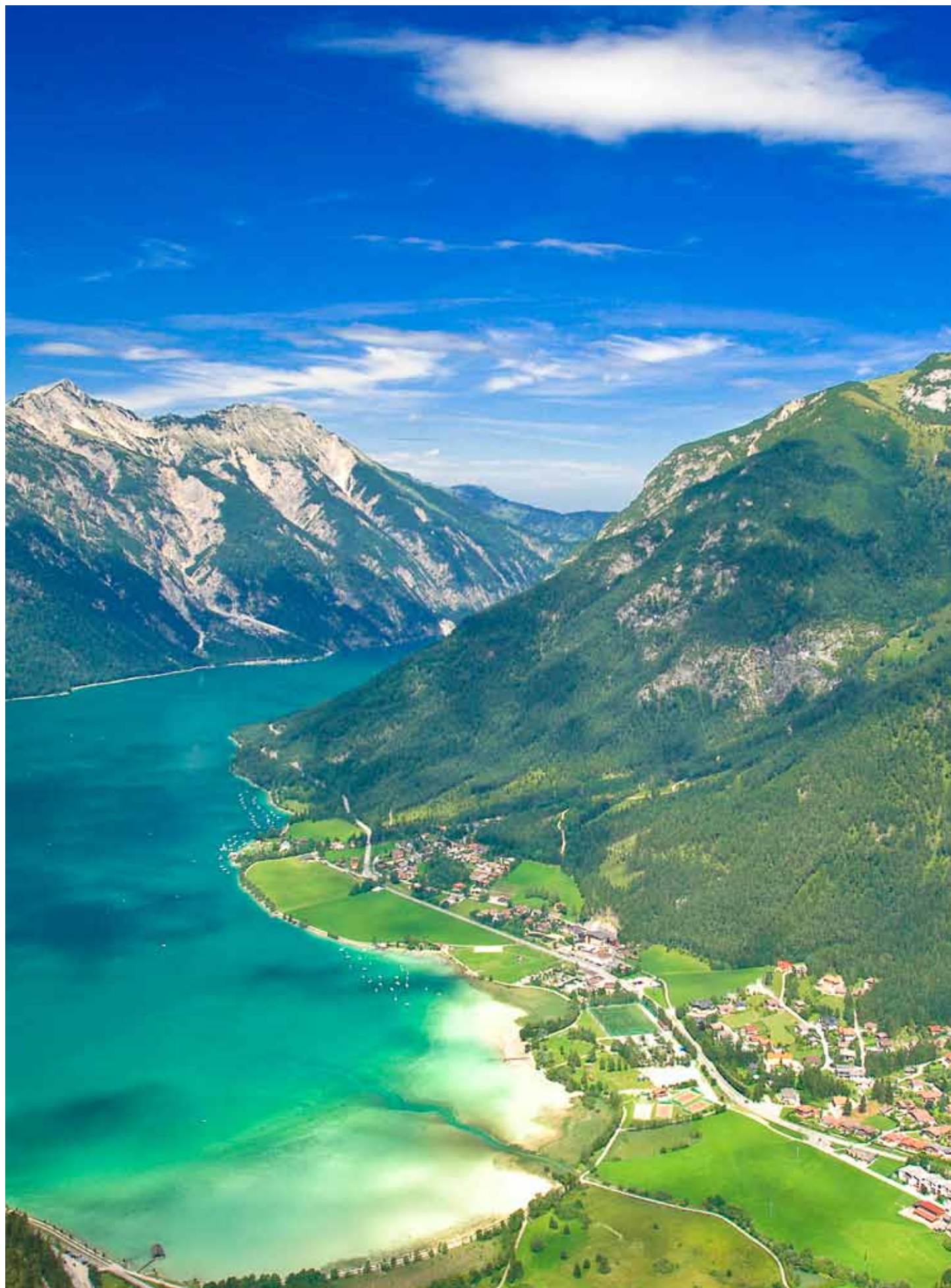


Tirol – a powerful land

Population, Labour Market,
Economic Performance and Companies



Content

04	Preface
05	Tirol – a powerful land
06	Population
09	Labour market
12	Economy
13	Economic performance
15	Export
17	Value creation
20	Industry
22	Commercial concerns
25	Establishment of companies
27	Tourism
31	Research
36	Energy



KRin Patrizia Zoller-Frischauf
Tirol Provincial Counsellor for Economy

Dr. Jürgen Bodenseer
President of the Chamber of Commerce Tirol

Preface

About global market leaders and top research performance in a prime leisure destination.

The brochure “Tirol – a powerful land” is not an image brochure. Of course, it does also promote our region through attractive pictures. But first of all it presents exciting figures and puts the Alpine country in perspective with the help of these figures.

Many people know our region mainly as a location for tourism. Quite rightly! After all, Tirol registers 44 million overnight stays per year and, therefore, accounts for more than one third of all overnight stays in Austria. But one should also know about the special economic and technological output in Tirol: It is the production of goods that has the highest share in gross value added. Tirolean industry, including global market

leaders like Swarovski, Plansee, Sandoz, Tyrolit and Med-El, generates the third highest export quota of all Austrian Federal States. The research quota of 3.14 percent makes Tirol one of the top four locations for research in Austria. You can now get to know all aspects of Tirol with this data pool. We wish you exciting insights!



Tirol – a powerful land

Tirol is a special location in every respect. Only 11.9 % of the at times alpine land surface is suitable for permanent settlement. Tirol, however, produces an economic output of more than 25 billion euros with about 369,000 people in paid work (self-employed, employed) on a settlement area of only 1,500 km². Internationally, the country is still strongly identified as a tourism stronghold. But there is much more behind the “label Tirol”.

For example: excellent research at eight academies and numerous other extramural research facilities; an unparalleled strong landscape of innovation resulting from a technological offensive which has been initiated by political measures; a close network of dynamic small and medium-sized companies which successfully work in future-oriented business sectors such as life sciences, medical engineering, renewable energies, IT or mechatronics; and a very ambitious cluster scene that helped to achieve an impressive collaboration performance.

The Tirolean location development is convinced that full force needs strong teams. The available data confirm this approach and are also the basis of the strategic decision to link Tirolean know-how in the sectors of health, technology and tourism even more closely in the future. The vision behind this approach? Tirol will become a “smart region” and the most demanded location in the Alpine world.



Population

Population growth

Since 2000 the population of Tirol has increased by 8.4 %, to a current level of almost 728,500 people.

Overall population proportion

Tirol represents 8.5 % of the population of Austria.

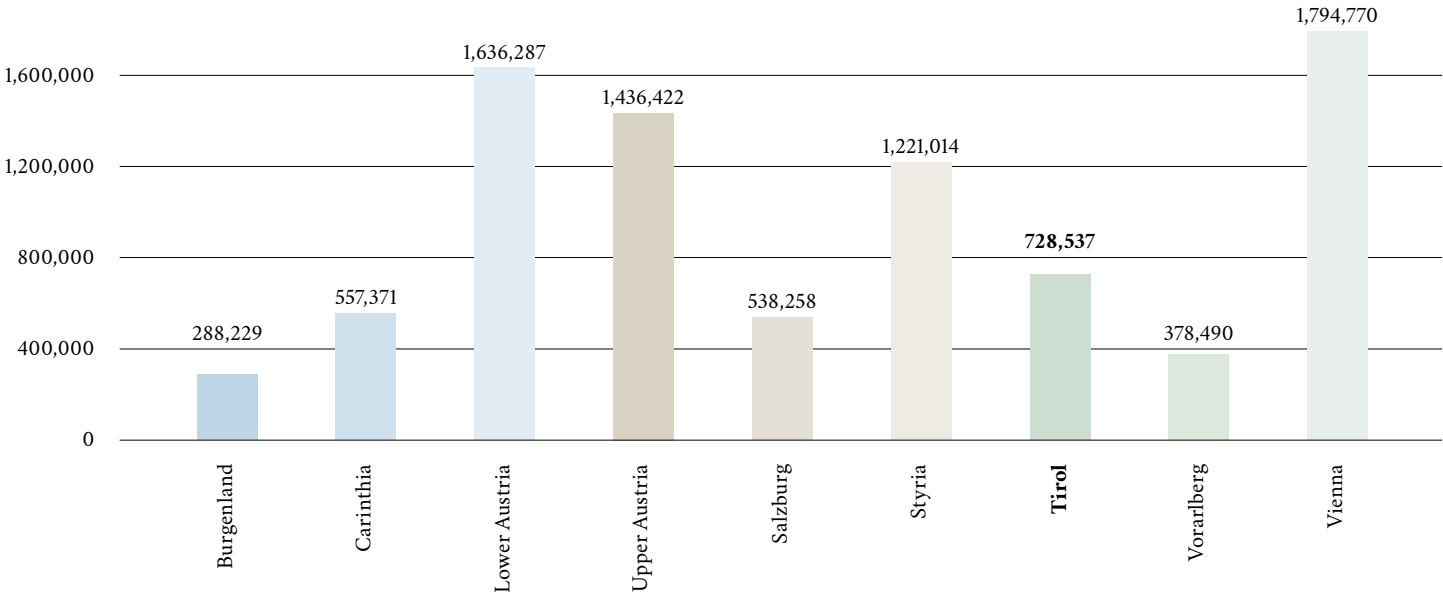
Demographic change

One major challenge for Tirol as an economic location is the demographic change. Over the next 25 years the number of people younger than 65 years will shrink from the present 452,481 people to 442,732.

2014 population figures

728,537 Tiroleans

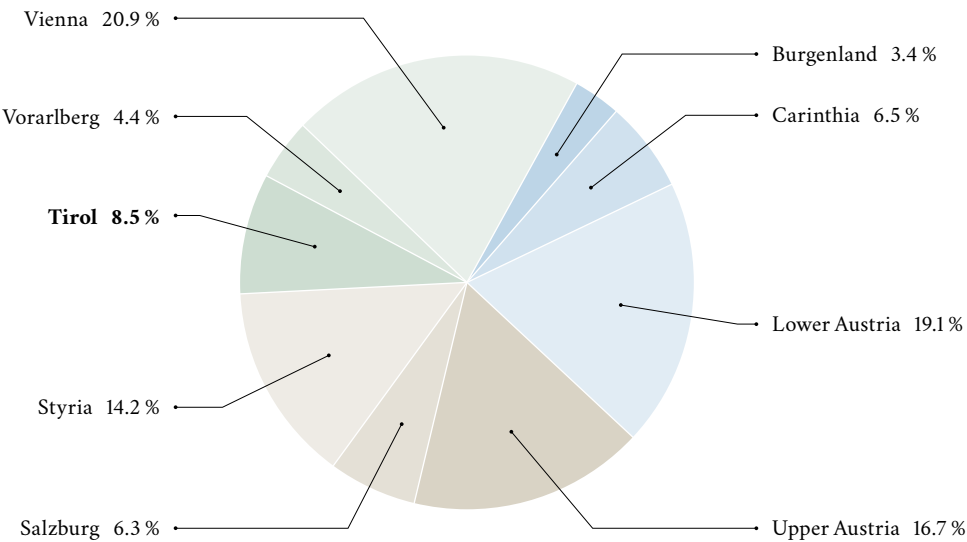
Austria as a whole 2014: 8,579,378



Source: Statistik Austria

Tirol's share of the total population of Austria, as a percentage (2014)

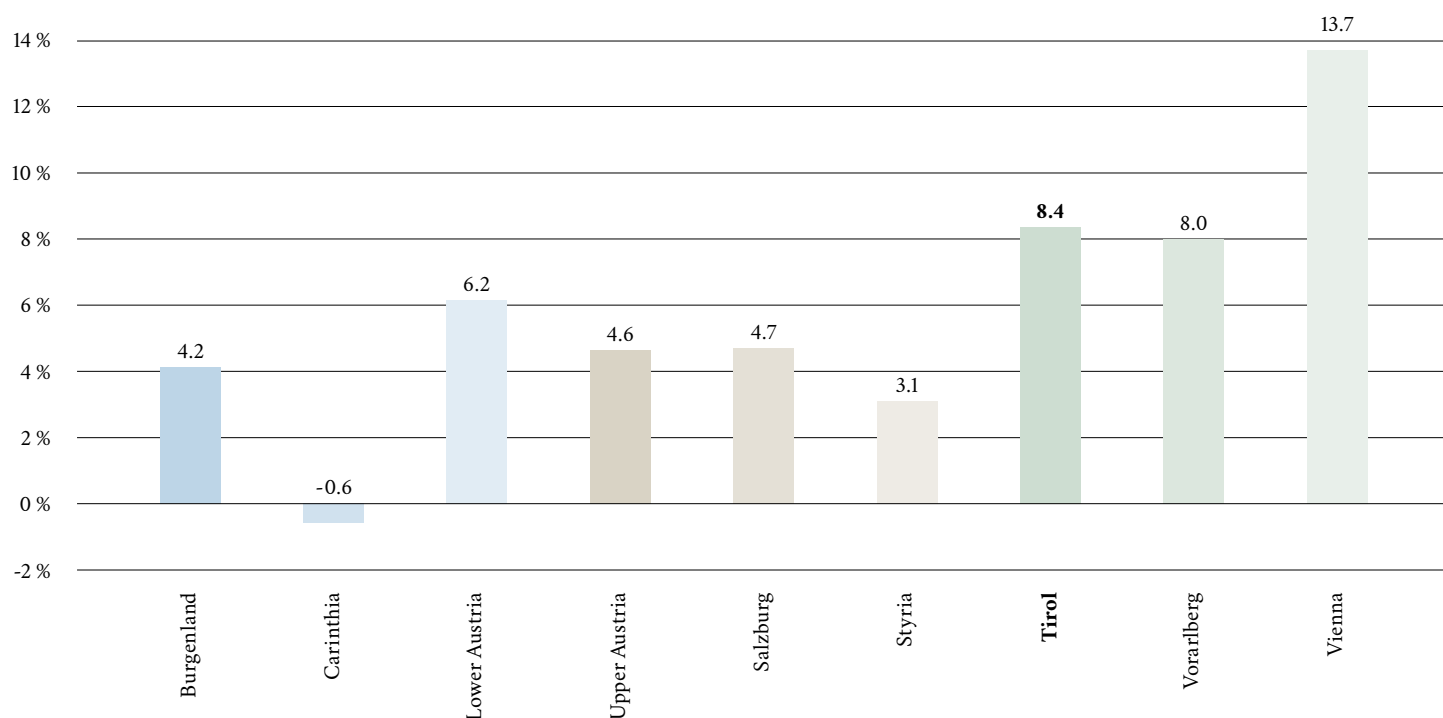
Tirol represents 8.5 % of the population of Austria



Source: Statistik Austria

Increases in population 2000 – 2014 in percent

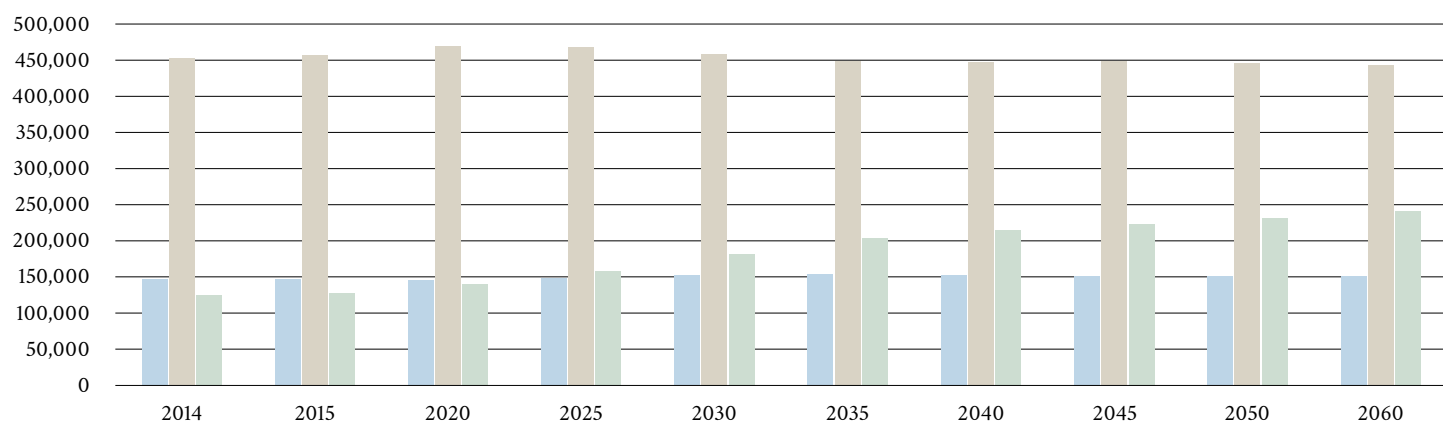
The population of Tirol has grown by 8.4 % since 2000



Source: Statistik Austria

Population structure of Tirol up to 2060

Demographic change as a challenge



Source: Statistik Austria



Labour market

Development in employment

The past few years have seen constant growth in employment in Tirol. One exception was the year 2009, when the financial crisis caused a (slight) reduction in employment during the year.

Growth in employment

There were a number of factors with regard to offers and availability which were responsible for the growth in

employment. On the one hand, there was the (still) increasing number of persons of employable age (15 – 60 age group), as well as the increase in the employment of women, and the increase in part-time work.

Making the labour market more flexible

With regard to demand, over the past few years both the economy in general and the public sector have been creating more jobs, and, at the same time, making them more flexible.

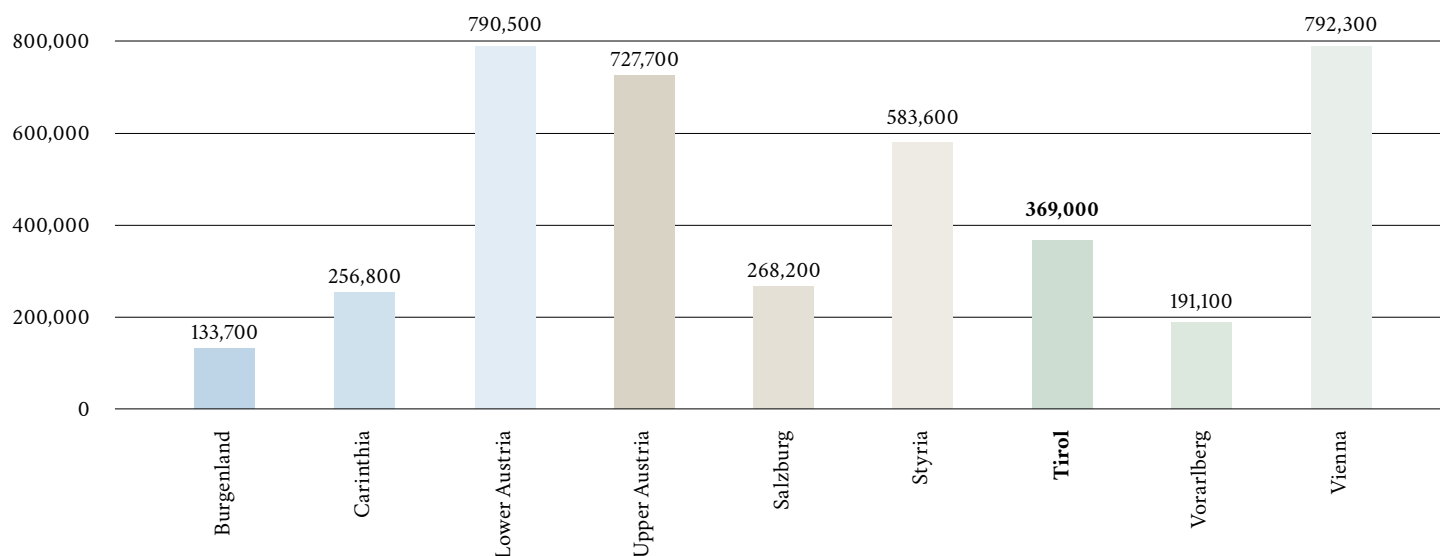
Unemployment rate

On an annual comparison, the unemployment rate in Tirol is consistently and clearly below the average for Austria as a whole. A determinant factor in this is, among others, the higher intensity of employment in the service sector (in particular in tourism).

Employment in absolute terms (ILO-concept)

369,000 employed persons in Tirol 2014

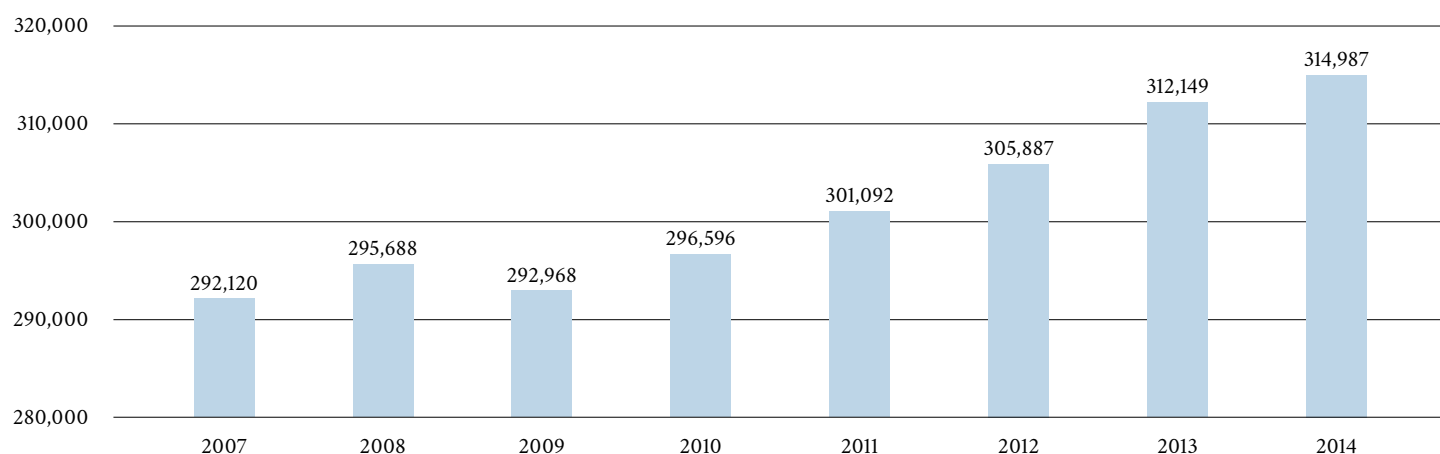
Austria as a whole 2014: 4,112,900



Source: Statistik Austria

Development in non-independent employment in Tirol since 2007

Nearly 315,000 non-independent employed persons in Tirol in 2014



In January 2011 the Main Association of Employment Statistics converted the employment statistics retroactively from 2008, and the changes in previous years in relation to 2007 are therefore distorted.

Source: AMS

Unemployment rate in percent (international method)
 Tirol's unemployment rate is clearly below the average for Austria as a whole





Economy

Economic performance

Export

Value creation

Industry

Commercial concerns

Establishment of companies



Economic performance

GDP per inhabitant

It is the Gross Domestic Product (GDP) per inhabitant which serves as the recognized yardstick for the economic performance of a region. In 2013, the GDP per inhabitant in Tirol stood at 40,000 €, which sets it above the average for Austria, at 38,100 €.

Tirol in a Europe-wide comparison

A comparison of the GDP per inhabitant in the 280 regions of the European Union (referred to as NUTS-2 Regions) shows clear differences: The highest per capita Gross

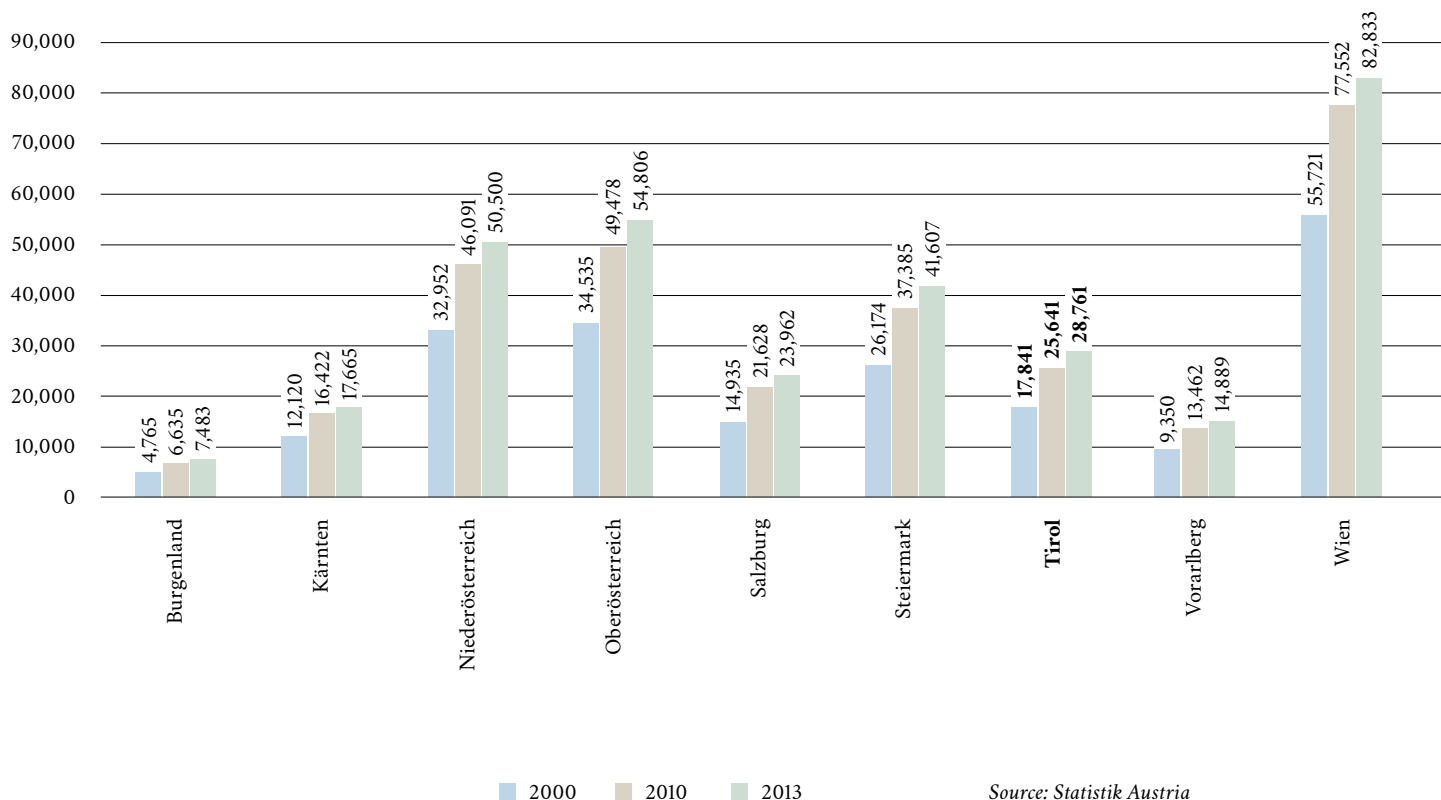
Domestic Product is achieved by the Region of Inner London (85,500 € or 337 % of the average), followed by Luxemburg (69,800 €), Brussels (55,500 €) and Hamburg (52,100 €).

In a comparison of all the European regions, Tirol holds place 31. Last in the table are the Bulgarian regions of Severozapaden (7,400 € or 29 % of the average) and Severen Tsentralen (8,200 € or 32.3 % of the average).

Source: Eurostat

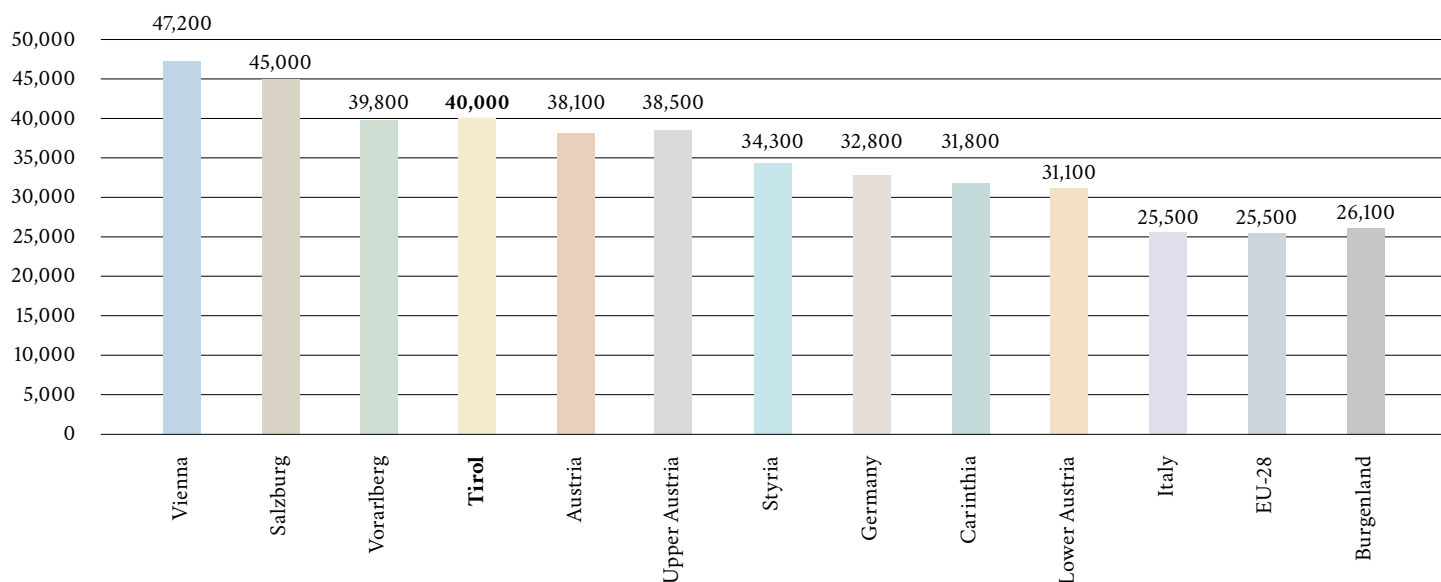
Nominal economic performance by Austrian Federal Provinces, in millions of €

Annual economic performance 2013 of over 28 billion euros (regional Gross Domestic Product)



Regional Gross Domestic Product by Austrian Federal Provinces, pro Tirolean in 2013

...which amounts to 40,000 euros "per Tirolean"!





Export

Tirol – An Export Economy

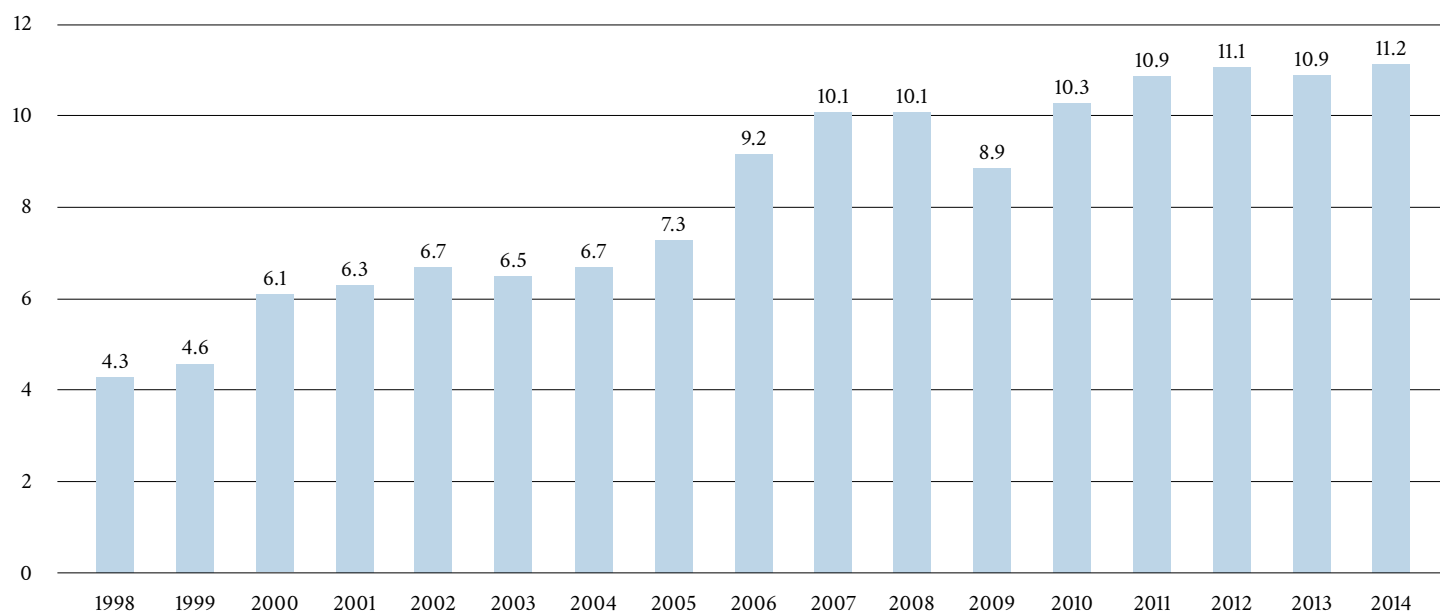
Tirol has a small and open regional economy. That means the economic performance of the region is heavily characterized by export business. In 2014, the Tirolean economy exported goods to the value of 11.2 billion euros – a new record.

Growth in exports

Since joining the European Union in 1995 Tirolean exports have more than tripled; from three billion euros to 11.2 billion euros. In 2014 28 % of the Tirolean exports went to Germany, 17 % to Switzerland/Liechtenstein and 10 % to Italy. In recent years the US American market has gained in importance: by now 5 % of the Tirolean exports go to the USA (about 600 million euros)

Tirolean export of goods in billion euro since 1998

Tirol is an export economy: 11.2 billion euro export of goods in 2014

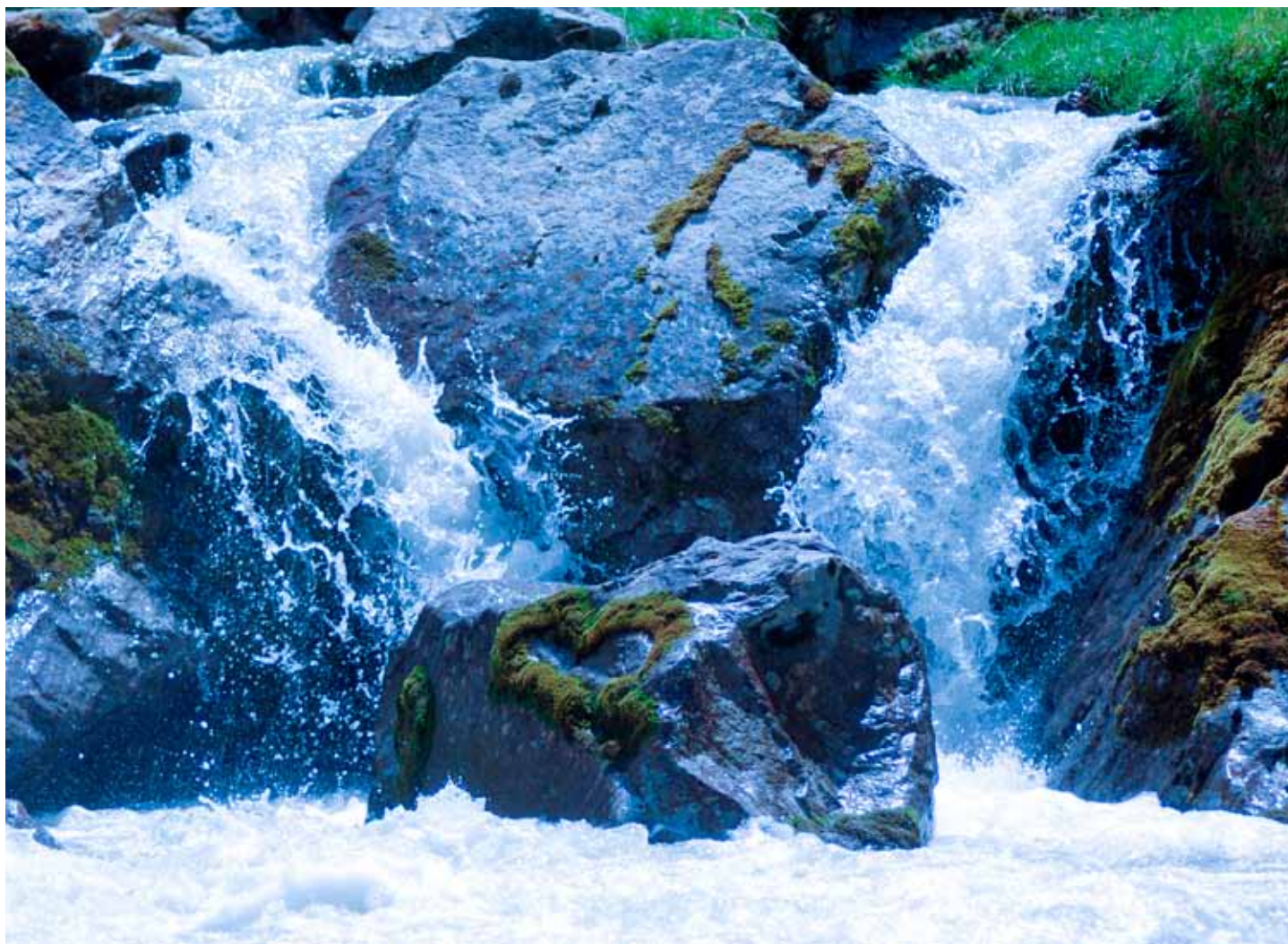


Source: Chamber of Commerce Tirol, 2014

Tirol's most important export markets 2014

		absolute figures (in million €)	in percent
1	Germany	3,079	27.5 %
2	Switzerland and Liechtenstein	1,742	15.6 %
3	Italy	1,152	10.3 %
4	France	653	5.8 %
5	USA	604	5.4 %
6	Russian Federation	276	2.5 %
7	United Kingdom	268	2.4 %
8	Czech Republic	180	1.6 %
9	China	178	1.6 %
10	Hungary	176	1.6 %
	Total exports	11,188	

Source: Chamber of Commerce Tirol, 2014



Value creation

Regional distribution and trends

42 % of the gross regional product of Tirol is generated in the “central” areas of Innsbruck City and Innsbruck Land, with the importance of the area of Innsbruck Land increasing for a number of years.

In the areas of Landeck and Kitzbühel the tourist economy predominates.

Value added structure

40 % of Tirol’s value added derives from the tertiary sector; the productive sector accounts for 28 % and the public sector for 16 %. As to the Austrian average, Tirol’s tertiary sector is very strong. The Austrian average for the tertiary sector amounts to about 36 % of the total value added. The accommodation and catering sector are especially dominant in Tirol (14 % of the gross value). In 2012 the total gross value of Tirol amounted to 25 billion euros.

Gross fixed capital formation

In 2012 gross fixed capital formation in Tirol accounted for around 6.7 billion euros. The real estate sector invested some 2.1 billion euros; the material goods production invested around 1.1 billion euros, accommodation and catering invested about 370 million euros.

Value creation in Tirol by economic sectors in percent (2012)

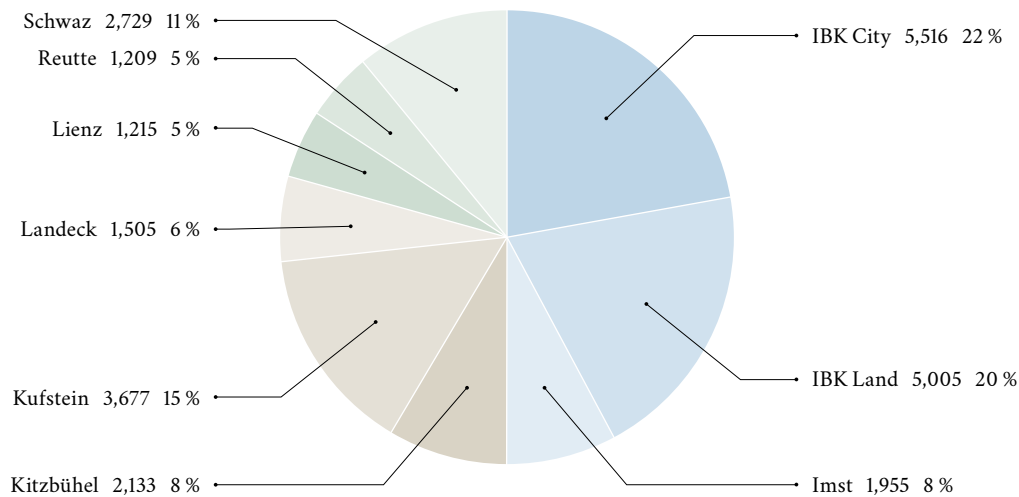
18 % of value creation comes from the material goods sector, and nearly 14 % from accommodation and catering



Source: Statistik Austria

Regional distribution of Tirol value creation (in million €)

Around 42 % of value creation is generated in the “Central Innsbruck” area

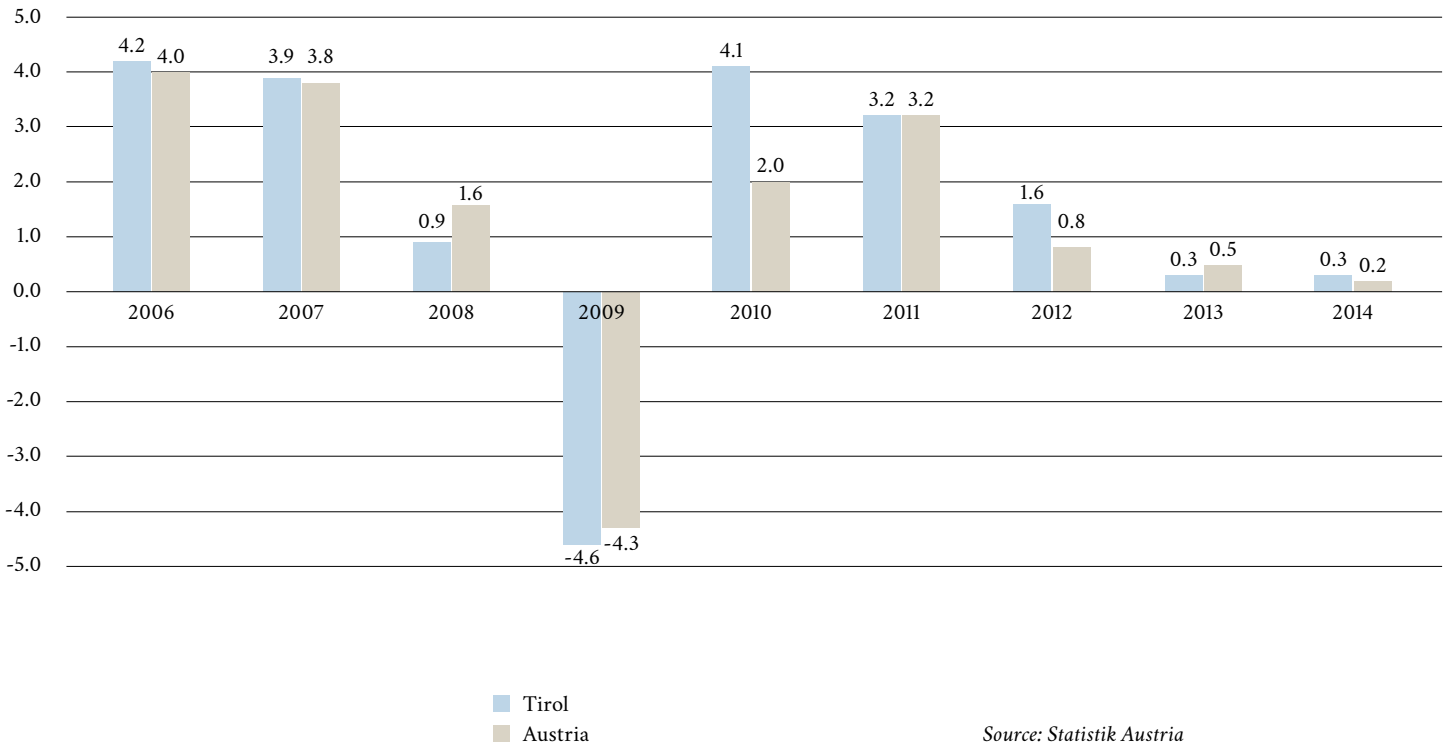


Notes: Conversion (estimated values) on a district level by Chamber of Commerce Tirol / Economic Policy and Strategy

Source: Data on the NUTS-3 Level from Statistik Austria

Changes in real gross value creation in percent

Tirolean economy has successfully overcome the international crisis.
A significant rebound in 2010 and 2011 was followed by an above-average economic growth of 1.6 percent in 2012.





Industry

Major pillar – Industry

With an established production of more than 9.5 billion euros, industry is a major pillar of support for Tirol as an economic region.

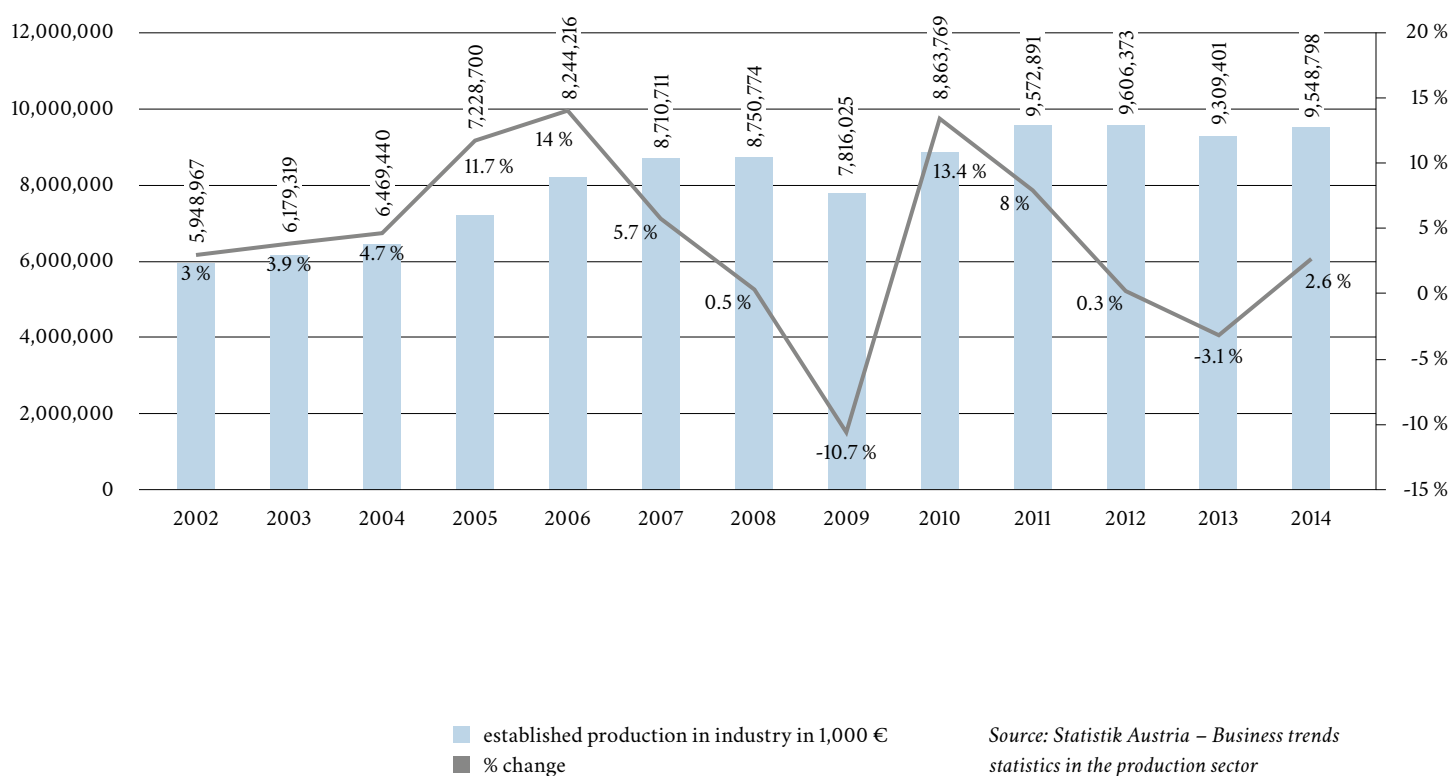
Export of Tirolean industrial products

Around 58 % of Tirol's industrial production is exported, representing goods to the value of 5.7 billion euros.

For some years now, Tirol has held third place in industrial exports among all of Austrian Federal Provinces, following Vorarlberg and Styria (Vorarlberg export quota: 79.2 % and Styria 70.2 %).

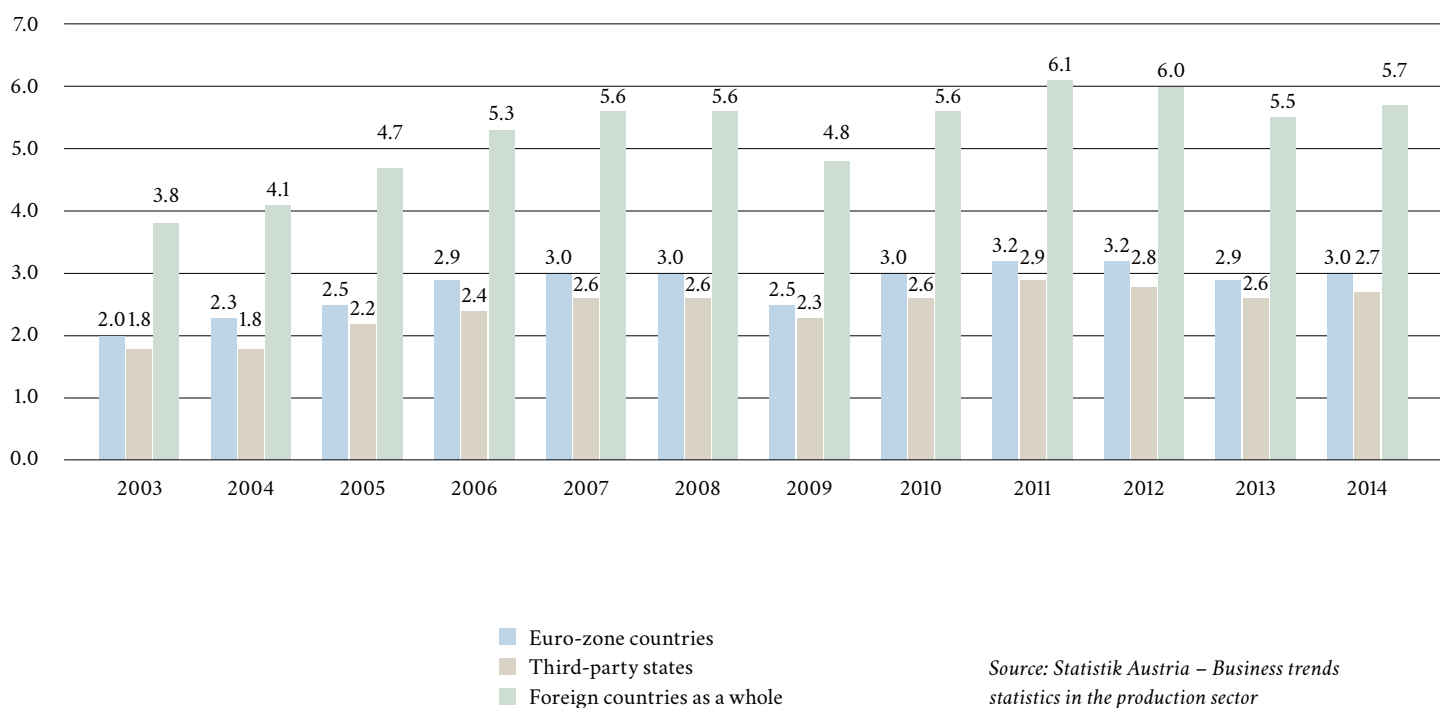
Business trends statistics for Tirol in the production sector

In 2014 Tirol's industry generated more than 9.5 billion euros



Direct exports from Tirol in billions of euros since 2003

Tirol's industry exports to the value of nearly 6 billion euros





Headquarter Durst Phototechnik Lienz

Commercial concerns

Sector mix

Tirol's commercial sector is dominated by small and very small businesses, and characterized by a balanced sector mix. 38 % of the businesses are engaged in the trade and crafts sector (16,151), followed by the industry branch with 9,069 and tourism with 8,460 enterprises respectively.

Medium-sized and large businesses

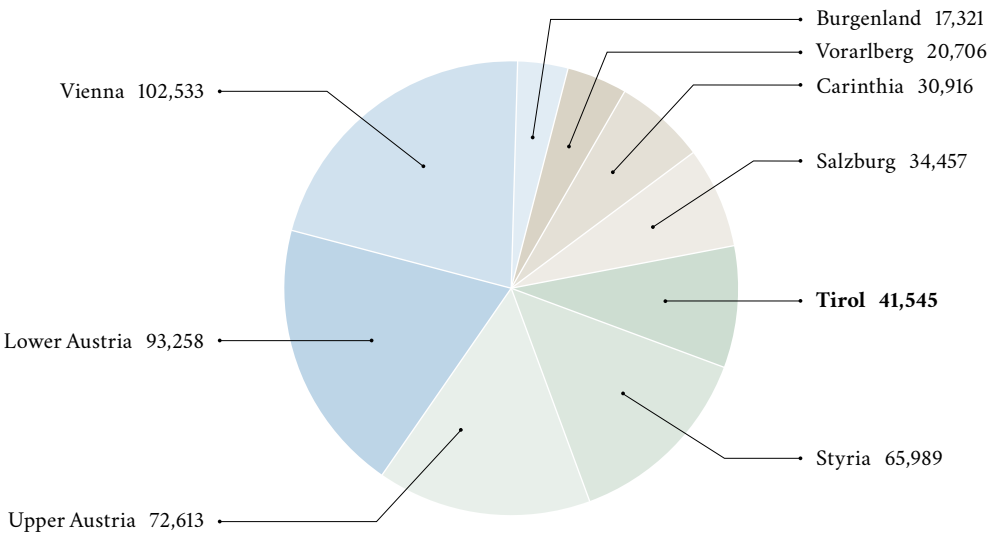
Only 1.5 % of the 42,453 businesses are medium-sized and large businesses (more than 50 employees). These, however, account for 50 % of the 232,891 wage earners employed in the industry.

Tirol businesses in family ownership

85 % of all Tirol companies are family businesses!

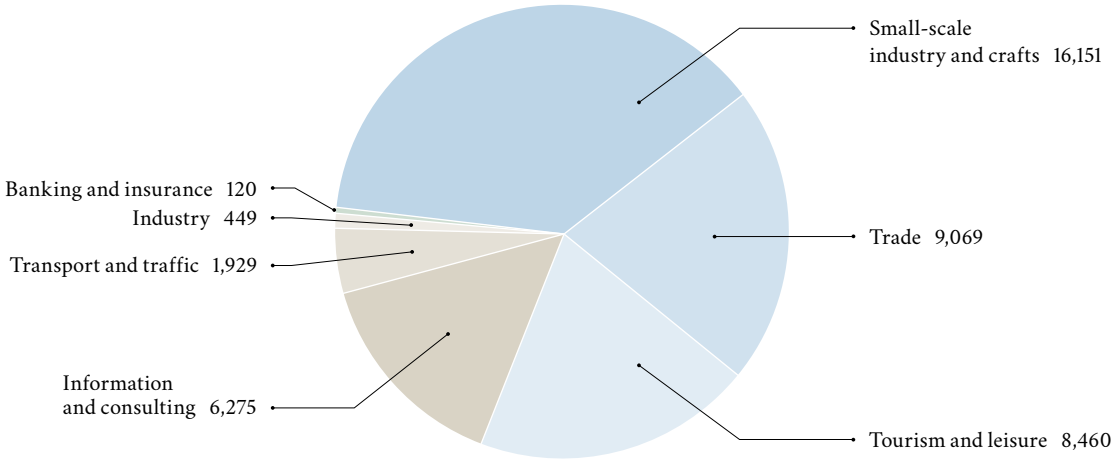
Active members of Chambers of Commerce, by Federal Province in 2014
 41,545 commercial concerns in Tirol

Active members of Chambers of Commerce as at
 31st December, 2014 in Austria: 479,338



Source: Membership statistics,
 Chamber of Commerce Tirol

Numbers of Tirol companies according to economic focus
 Wide range of sectors among Tirol companies



Source: Survey of income and program participation,
 Chamber of Commerce Tirol 2015

Size structure of the commercial sector in Tirol in 2015 (reference date 1st August, 2015)

In Tirol there are 101 large companies with a total of more than 60,000 employees

Commercial sector, size structure		Businesses			Non-independent employees		
		number	in %	% acc.	number	in %	% acc.
EPU	0 Employees	22,954	54.1 %	54.1 %			
KS	1 Employee	5,015	11.8 %	65.9 %	5,015	2.2 %	2.2 %
KS	2 Employees	2,913	6.9 %	72.7 %	5,826	2.5 %	4.7 %
KS	3 Employees	2,075	4.9 %	77.6 %	6,225	2.7 %	7.3 %
KS	4 Employees	1,514	3.6 %	81.2 %	6,056	2.6 %	9.9 %
KS	5 Employees	1,106	2.6 %	83.8 %	5,530	2.4 %	12.3 %
KS	6–9 Employees	2,614	6.2 %	90.0 %	18,982	8.2 %	20.5 %
KB	10–24 Employees	2,736	6.4 %	96.4 %	40,944	17.6 %	38.0 %
KB	25–49 Employees	877	2.1 %	98.5 %	30,115	12.9 %	51.0 %
MB	50–99 Employees	359	0.8 %	99.3 %	24,082	10.3 %	61.3 %
MB	100–249 Employees	189	0.4 %	99.8 %	29,452	12.6 %	74.0 %
GB	250–499 Employees	68	0.2 %	99.9 %	22,801	9.8 %	83.7 %
GB	500–999 Employees	22	0.1 %	100.0 %	13,954	6.0 %	89.7 %
GB	1,000 and more Employees	11	0.0 %	100.0 %	23,909	10.3 %	100.0 %
Total		42,453			232,891		

Source: Employee statistics,
Chamber of Commerce Tirol





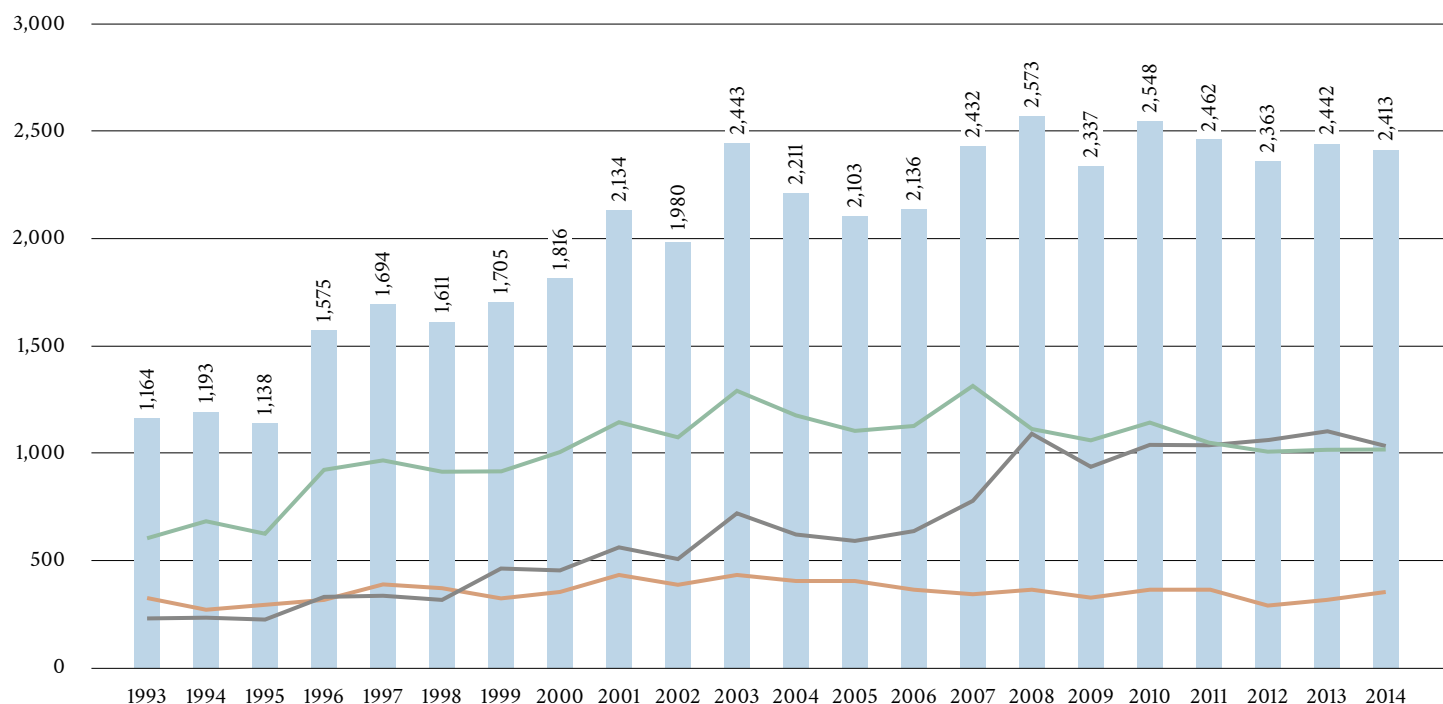
Establishment of companies

Entrepreneurial spirit on the rise

Since the mid-1990's, an increasing number of new businesses has been established in Tirol. This is associated in particular with the structural change taking place in the commercial sector, such as the greater number of single-person businesses and service sector companies.

New business establishment statistics in Tirol since 1993

Tirol demonstrates dynamic development in the establishment of businesses



	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
Women	233	234	224	331	338	319	465	457	560	510
Men	602	686	622	924	967	918	916	1,005	1,143	1,077
Legal persons	329	273	291	320	389	374	323	354	431	393

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Women	723	625	593	639	776	1,089	944	1,042	1,042	1,059	1,105	1,038
Men	1,290	1,180	1,105	1,131	1,313	1,117	1,061	1,142	1,052	1,012	1,016	1,021
Legal persons	430	406	405	366	343	367	332	364	368	292	321	354

Note: There is a break in the time sequence due to a change in the legal situation. In 2007 activity as an independent personal business was expressly regulated by the trade regulation ordinance (Gewerbeordnung), which led to a vigorous rise in the number of members and new establishments in 2008.

Source: New business establishment statistics, Chamber of Commerce Austria



Tirol – Stronghold of Tourism

Tirol can truly claim to be a stronghold of tourism. No other Austrian Province records so many guest overnight stays as Tirol.

Value creation from tourism

Tourism is a central pillar supporting the value creation chain of Tirol, and has helped many of the isolated valleys of the region to enjoy prosperity and gain an excellent infrastructure.

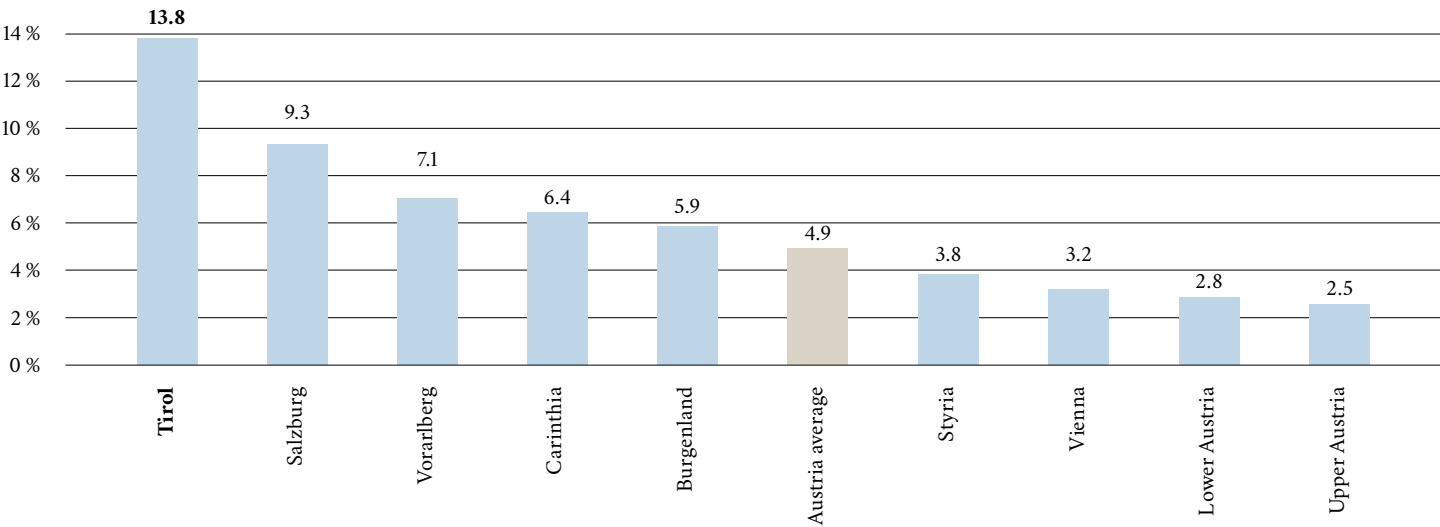
Tourism is also an important client for other sectors of the economy, such as construction and material goods production.

Tourism means stability

As well as this, tourism has repeatedly proved in the past to be an important “economic airbag”, providing stabilization even in difficult economic times, in particular with regard to the labour market.

Proportion of the sector of accommodation and catering in direct gross value creation, by Federal Province, in percent (2012)

Top place for Tirol when it comes to accommodation and catering
Tirol registers the highest tourism intensity in Austria



Source: Statistical database of Tirolean Government

Overall economic significance and integration of tourism in Tirol



Gross value added of tourism in Tirol (Tourism Satellite Account)

Gross value added of 4.5 billion euros results from the overall turnover of about 8.4 billion euros generated in the Tirolean tourism sector in 2014 (this not only includes overnight stays but also turnovers from museum admissions, shopping, transport, etc.) with an average

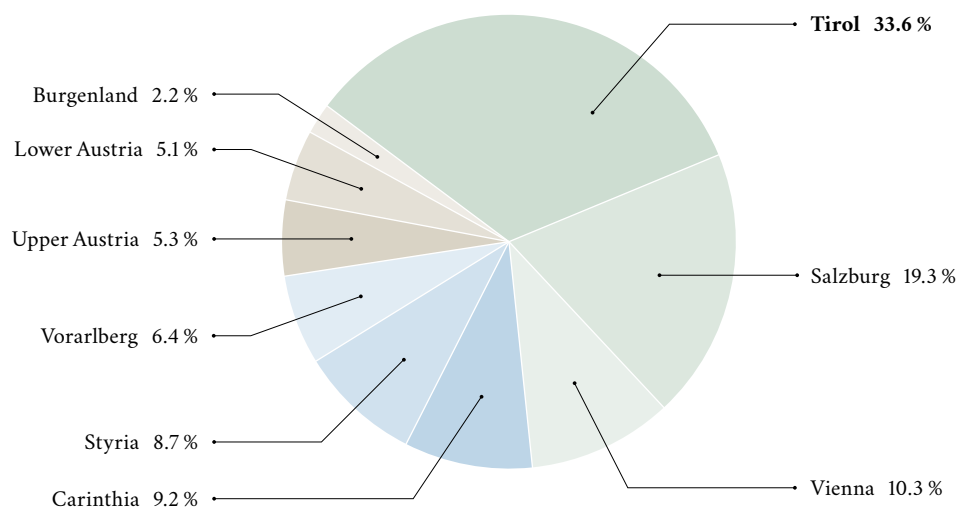
value added quota of 53.3 %. The tourism share in Tirol's total gross value added of 25.6 billion euros (2013) amounts to 17.6 % (2003: 15.4 %).

By way of comparison: in 2013 Austria's direct tourism gross value added totaled 18.2 billion euros, or 6.3 % of the overall gross value added.

Source: MCI Management Center Innsbruck and Statistik Austria

Ranking of the Austrian Federal Provinces by numbers of guest overnight stays in 2014

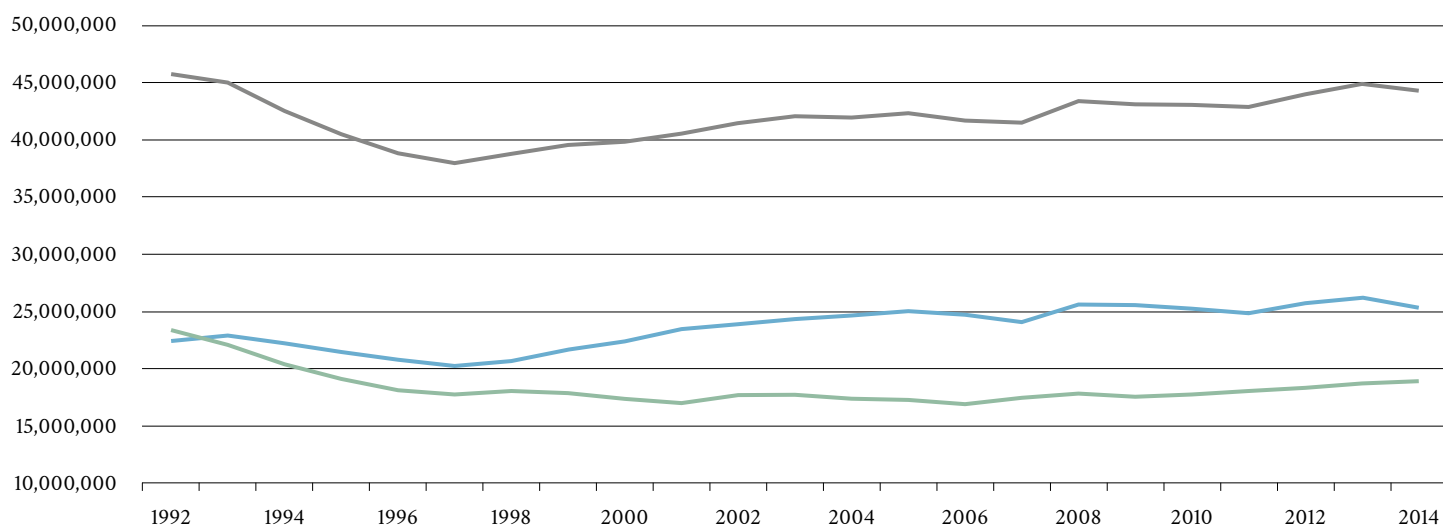
Tirol tourism Number One in an all-Austria comparison



Source: STATcube – Statistical database of Statistics Austria

Overnight stays in Tirol since 1992

Over 44 million guest overnight stays in Tirol in 2014

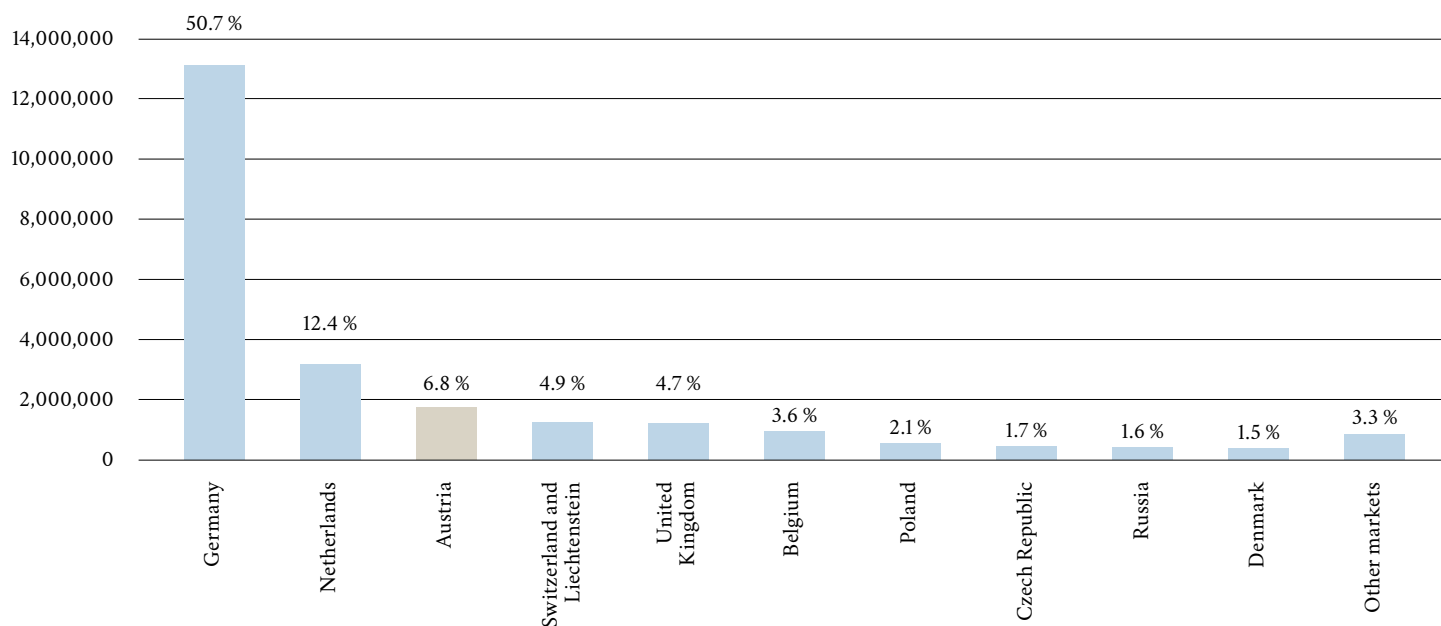


Overnight stay figures		
■ Winter	Winter 2014	25,368,026
■ Summer	Summer 2014	18,953,625
■ Total	year of tourism 2014	44,321,651

Source: Office of the Tirol State Government, Statistical database and tiris

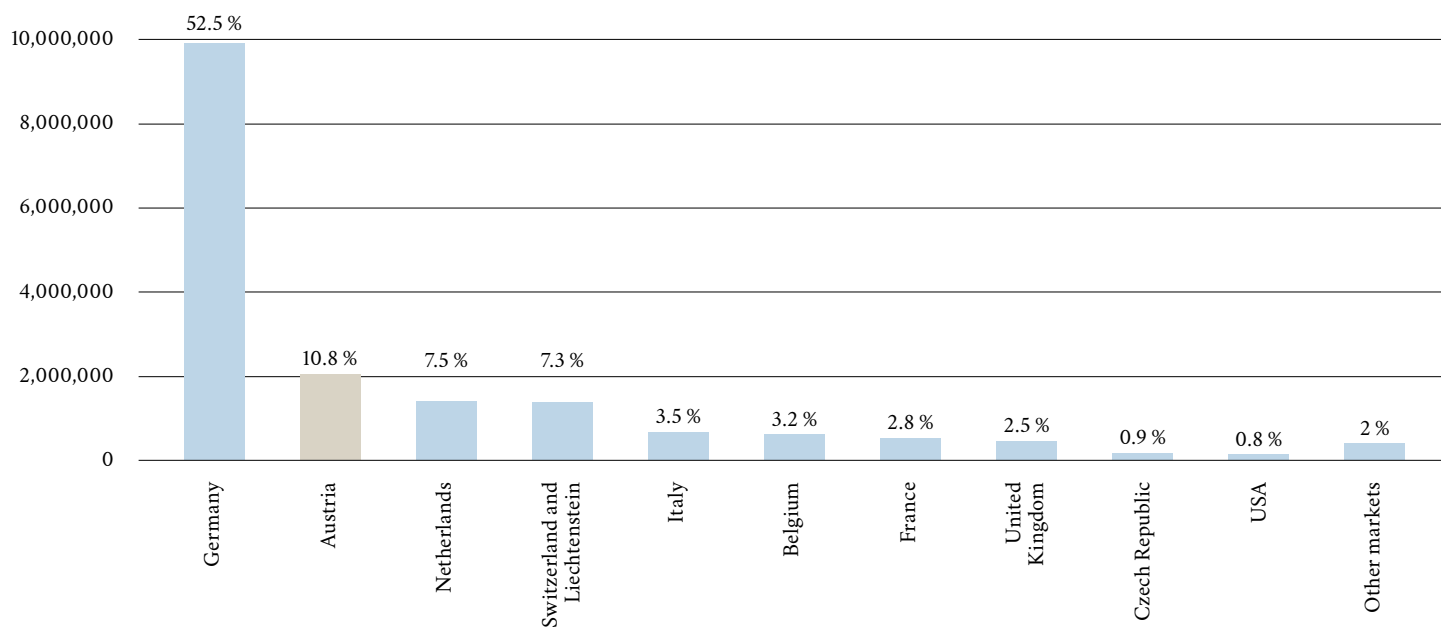
Top 10 source markets by overnight stays in winter 2014/15

Tourists in Tirol come predominantly from Germany, Austria, and the Netherlands



Source: Office of the Tirol State Government,
Statistical database and tiris

Top 10 source markets by overnight stays in summer 2014



Source: Office of the Tirol State Government,
Statistical database and tiris



Research

Research and development rate

Tirol's R&D rate of 3.14 % of the GDP ranks among the top Austrian locations for research and technology.

Research expenditure

Tirol ranks second in accumulated growth in an Austria-wide comparison of the entire gross domestic expenditures on R&D from 2002 – 2013. Tirol's expenditures on R&D increased within this period of time by 168 %. Tirol ranks third in an Austria-wide comparison of the entire gross domestic expenditures on R&D per capita with 1,265 euros. The Republic of Austria invests 379 euros per capita in Tirolean research, which makes Tirol the second strongest of the provinces.

Tirol – Location for research

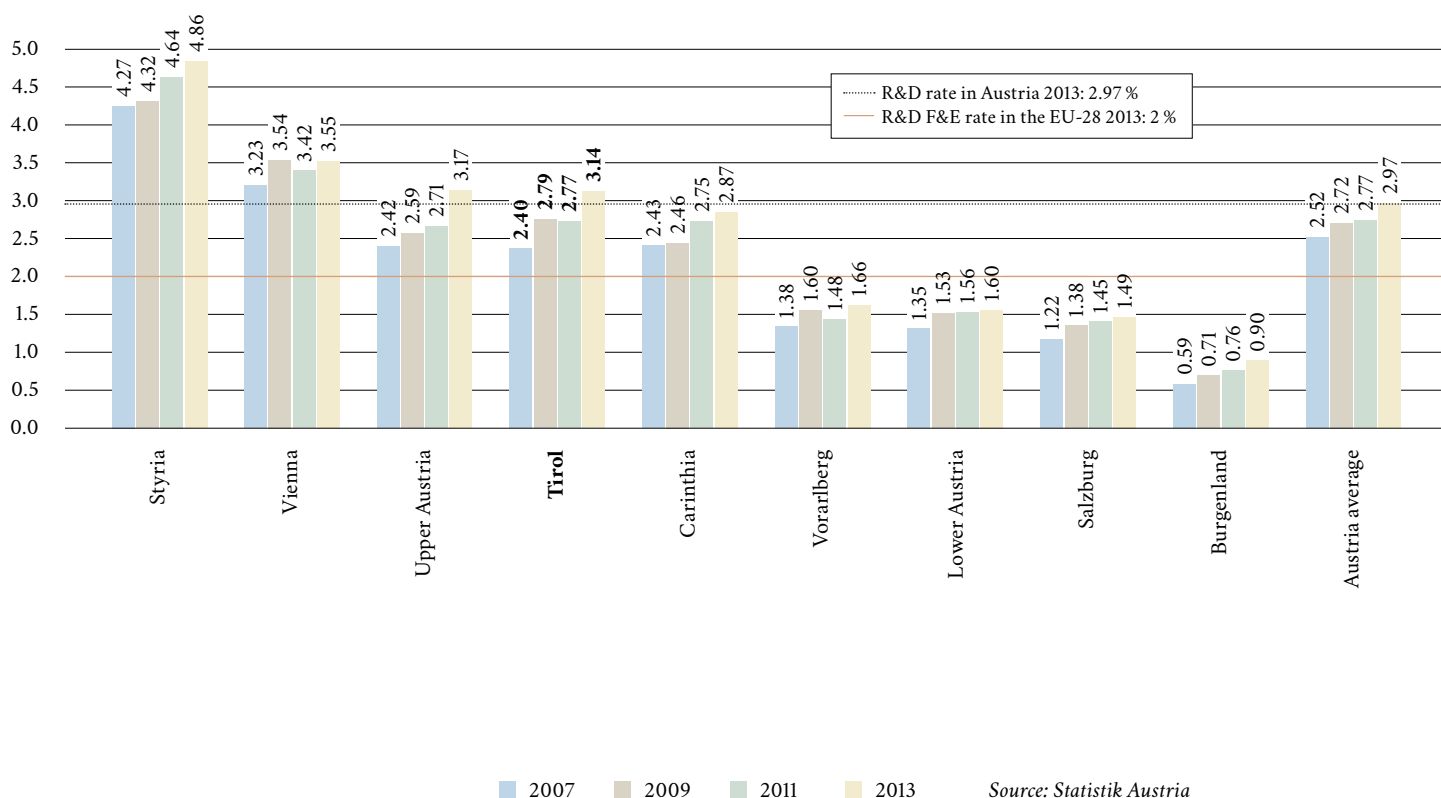
Basic research (23.6 % of the Tirolean R&D expenditures; second in an Austria-wide comparison) and very strong applied research (41.5 % of the Tirolean R&D expenditures) make Tirol such a successful centre for technological innovation. Tirol's strong position regarding applied research results from the close collaboration of businesses and science centres as well as of innovative enterprises and R&D institutions organized in six clusters. 34.9 % of Tirol's R&D expenditures (the lowest amount of all Austrian provinces) accounts for experimental development.

Protagonists

Tirol is home to three universities, 38 university hospitals, two universities of applied science, Management Centre Innsbruck, two colleges of education, five non-university R&D institutions, four Christian Doppler laboratories and 25 multi-year research collaborations of economy and research, COMET and K-Regio – competence centres of the state and of the province respectively. Tirol counted 5,472.5 people employed (full time equivalents) in research and development, 61 % are working for businesses.

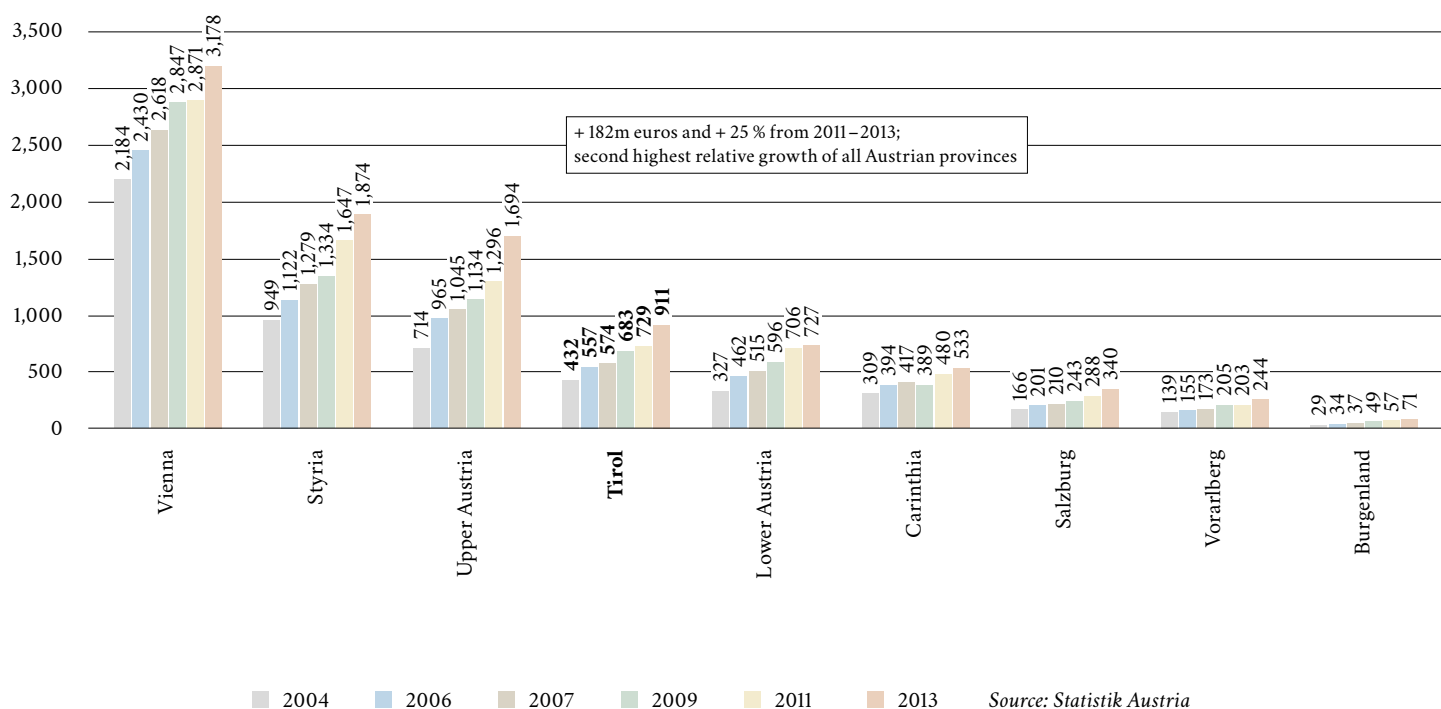
Regional research rate – development 2007–2013 in national comparison

Tirol's R&D rate of 3.14 % ranks it among the top regions in Austria and Europe



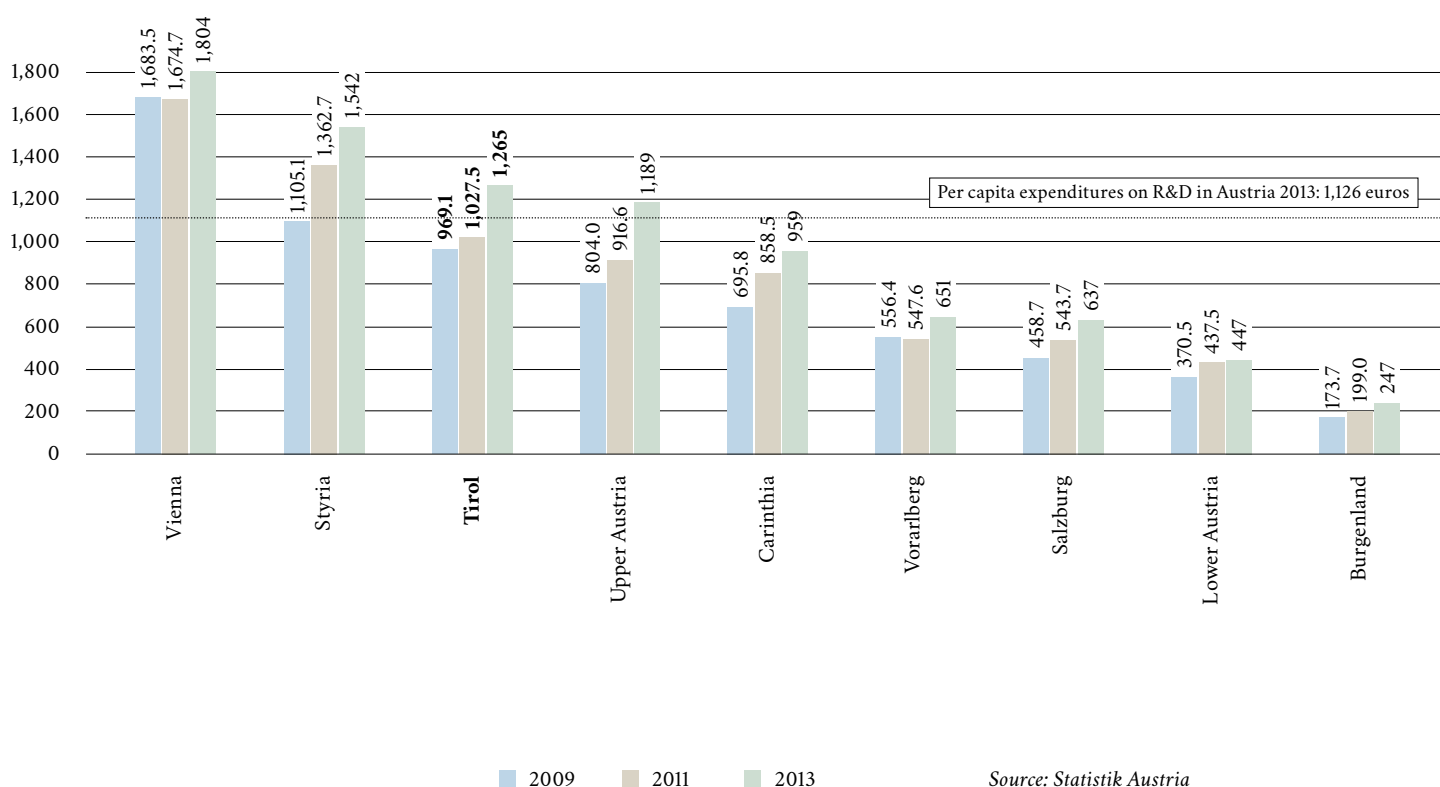
Total gross domestic expenditure on R&D in million euros – development 2004–2013 in national comparison

911 million euros expenditure on R & D in Tirol in 2013; An increase by 25 % is the second highest relative growth of all Austrian provinces



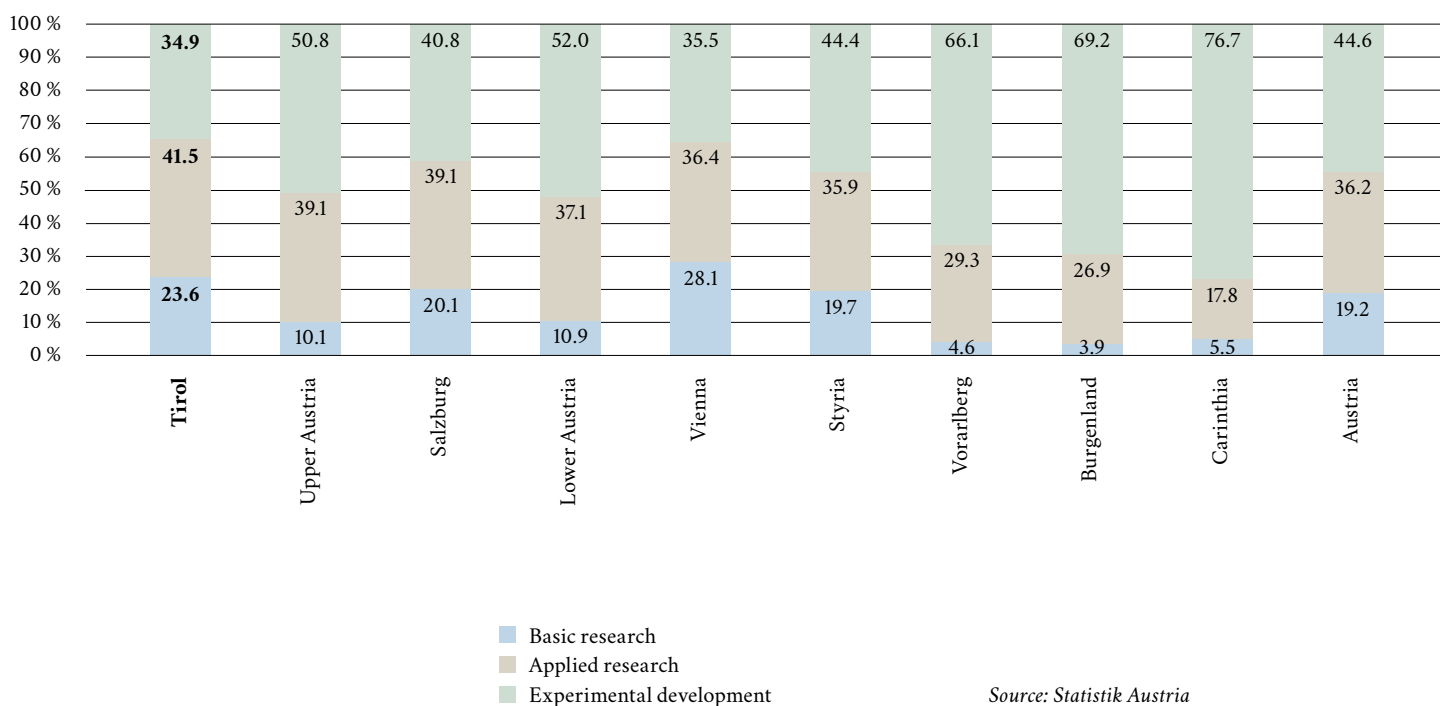
Gross domestic expenditure on R&D per capita – development 2009–2013 in national comparison

Tirol on third place regarding R&D expenditures per capita of the Austrian Provinces

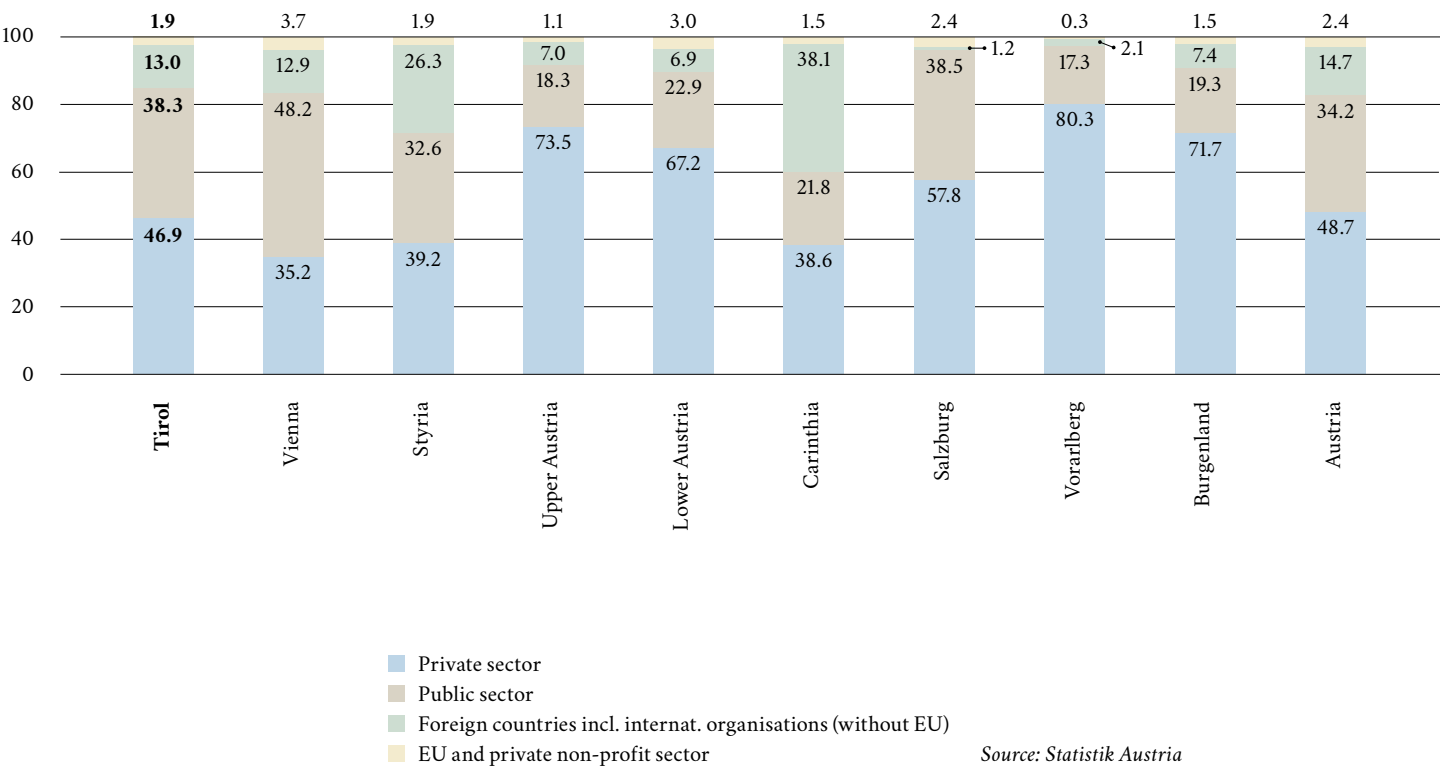


Gross domestic expenditure on R&D by types of research 2013 in national comparison

2013: Tirol's 41.5 % share in applied research is the highest nationally; 23.6 % in basic research is the second highest



Shares of the sectors in R&D funding of 2013 in national comparison
 Tirol: businesses finance the biggest part of the research expenditures compared to two other big university provinces, Vienna and Styria



Tirolean academics and students

More than 47,000 students in Tirol

Innsbruck, the capital of Tirol, is a major university town. Leopold Franzens University was already established in 1669 and is now the biggest and most important West Austrian research and educational institution with about 28,000 students and more than 4,500 employees.

The Medical school spun off in 2004 and has since then been established as independent Medical University of Innsbruck.

Tirol is home to eight academies and other renowned institutions such as UMIT, MCI or Kufstein University of Applied Sciences.

Universities and technical colleges are very important research partners of the Tirolean economy. They are also a substantial economic factor educating and providing highly trained professionals for the domestic economy.

Tirolean academies	Students	Graduates
University of Innsbruck	28,225	3,994
Medical University of Innsbruck	2,814	332
MCI Management Center Innsbruck	3,121	942
Kufstein University of Applied Sciences (accumulated)	2,000	3,339
UMIT Private Health and Life Sciences University	1,544	336
College of Education Tirol	9,046	945
University of Applied Sciences for Health	767	372
Edith Stein Catholic University College for Education	400	367
Total	47,917	10,627

Source: Particular college, university, institutes 2014/15





Energy

Tirol – strong in renewable energies

Presently, Tirol covers 41 % of its total energy demand with own resources, two thirds thereof are from hydraulic power and one third from other renewable energy sources (biomass, biogas, solar energy and environmental heat).

Tirol 2050 – energy-autonomous

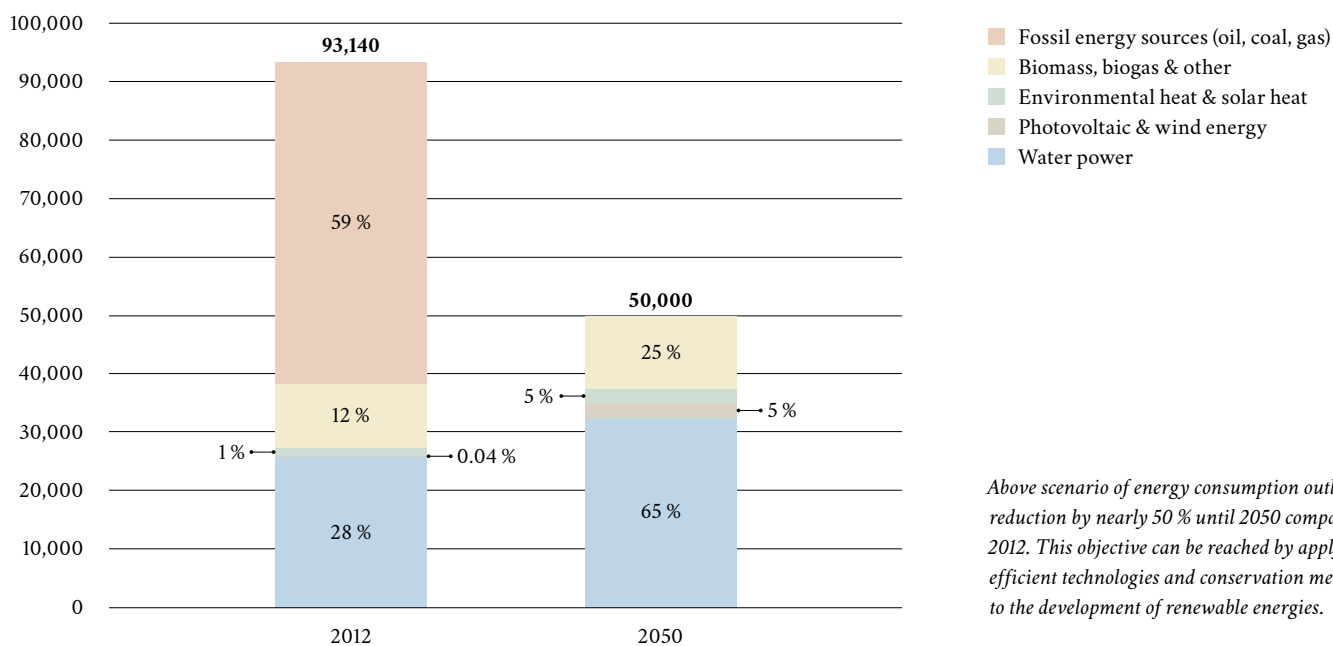
By 2050, the entire energy demand shall be covered by local renewable resources. The development potential of water supply will be made accessible through specific regional programmes. At the same time, generation of electricity from photovoltaics will increase significantly and geothermal heat, solar heat and biomass will gain in importance.

Low industry electricity price

The local industry profits from the comparatively low electricity prices and enjoys a decisive competitive advantage.

Development of final energy consumption in Tirol in TJ

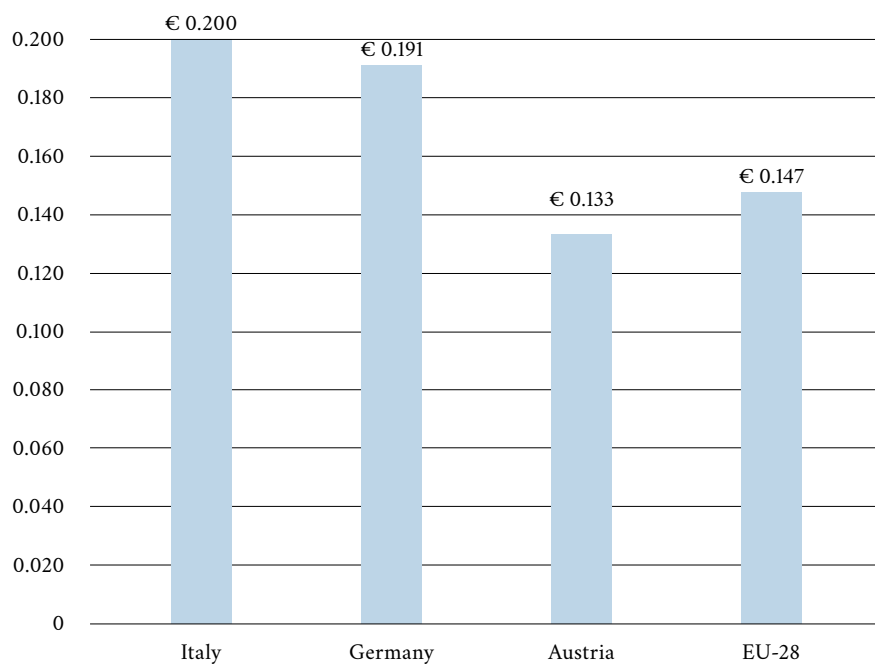
The future of Tirol energy



Above scenario of energy consumption outlines a reduction by nearly 50 % until 2050 compared to 2012. This objective can be reached by applying energy efficient technologies and conservation measures linked to the development of renewable energies.

Source: Statistik Austria,
Tirolean energy monitoring 2013

Electricity price for industrial customers compared to European states



The chart shows the 2013 electricity prices for industrial customers consuming 500 MWh to 2,000 MWh per year in selected countries.

Source: Oesterreichs Energie, Eurostat

Notes

Impressum:

Tirol Chamber of Commerce and Standortagentur Tirol, 2015

Responsible for content: Tirol Chamber of Commerce – Economic Policy and Strategy Department,
tel. +43.05.90905.1228, wirtschaftspolitik@wktirol.at; Standortagentur Tirol /Tiroler Zukunftsstiftung

Photos: Wirtschaftskammer Tirol (p. 4 left), Land Tirol (p. 4 right), Innsbruck Tourismus (p. 6), Profer & Partner, Lienz (p. 22),
Innsbruck Tourismus/Stefan Dauth (p. 27), Tirol Werbung (p. 28 left), Tirol Werbung/Laurin Moser (p. 28 right);

The information has been compiled with the greatest care, but no guarantees can be provided with regard to
content and correctness. The possibility of printing and typographic errors is reserved.

All rights reserved. Reproduction, even in extract, is only permitted with precise acknowledgement of source.



Standortagentur Tirol

Ing.-Etzel-Straße 17
6020 Innsbruck · Österreich
+43.(0)512.576262 *t*
office@standort-tirol.at *e*
www.standort-tirol.at *w*

Wirtschaftskammer Tirol

Abteilung für Wirtschaftspolitik und Strategie
Wilhelm-Greil-Straße 7
6020 Innsbruck · Österreich
+43.(0)5.90905.1228 *t*
wirtschaftspolitik@wktiro.at *e*
www.wko.at *w*