

Press release: 13 142-170/23

More new employer enterprises in 2021

Around 82% of the employer enterprise births come from the services sector

Vienna, 2023-08-29 — According to Statistics Austria, 17 007 new employer enterprises were created in Austria in 2021. That's around 6% more than in the year before (2020) and 5% less than in the pre-Corona year 2019. Measured against the total number of active employer enterprises in 2021, the enterprise creation rate was 7.0% and was thus as high as in the year before. In the same period, 15 707 employer enterprises disappeared from the market; the enterprise closing rate was 6.5%.

On average, each new employer enterprise in 2021 created 2.1 jobs (see table 1), whereby the statistics on employer business demography cover both enterprises that already had employees at the time of foundation and enterprises that only became employers in the course of the year 2021. Most new employer enterprises (4 394 or 25.8%) were founded in Vienna. Lower Austria (16.4%) and Upper Austria (13.9%) ranked second and third. With 8.1%, Vienna also recorded the highest enterprise creation rate (see table 2). The most common legal form of all new employer enterprises was the sole proprietorship (59.0%), and nearly all new employer enterprises (96.3%) had between one and four employees in the year of birth.

Most of the new employer enterprises originated in wholesale and retail trade

Around 82 % of the new employer enterprises in 2021 were located in the services sector. By economic branches, most newly-created employer enterprises were found in wholesale and retail trade (3 164), professional, scientific and technical activities (2 262), construction (2 136) as well as in accommodation and food service activities (1 891). The highest employer enterprise creation rates were in real estate activities (10.2%), followed by other service activities (10.1%) and the sectors education (9.6%) and information and communication (9.5 %). The lowest shares of newly founded employer enterprises were recorded in the economic branches of mining and quarrying (1.3%), water supply; sewerage, waste management and remediation activities (2.6%) and manufacturing (4.6%, see table 1).

Knowledge- and research-intensive enterprise births most frequently without employees

45.6% or 16 113 of the total of 35 371 new enterprises in Austria in 2021 were knowledge- and research-intensive companies. The vast majority of these (90.4%) had no employees and therefore did not belong to the employer enterprises. 9.1% of knowledge- and research-intensive enterprise births had one to four employees in the year of their creation; 0.4% had five to nine employees and 0.2% had ten or more employees (see table 3).

For detailed results or further information on the statistics on employer business demography, please refer to our <u>website</u>.

Table 1: Enterprise birth rates and persons employed 2021 per employer enterprise birth by economic branches

	Section (ÖNACE 2008)	Employer enter- prise births 2021	Enterprise birth rate in %	Persons employed per employer en- ter-prise birth
	Total	17 007	7.0	2.1
В	Mining and quarrying	3	1.3	_
С	Manufacturing	844	4.6	2.1
D	Electricity, gas, steam and air conditioning supply	59	6.2	1.7
E	Water supply; sewerage, waste management and remediation activities	29	2.6	-
F	Construction	2 136	7.8	2.3
B-F	Industry and construction	3 071	6.4	2.2
G	Wholesale and retail trade; repair of motor vehicles and motorcycles	3 164	6.4	2.0
Н	Transportation and storage	852	8.5	2.3
I	Accommodation and food service activities	1 891	5.4	2.5
J	Information and communication	875	9.5	1.7
K	Financial and insurance activities	374	7.3	1.7
L	Real estate activities	869	10.2	1.4
М	Professional, scientific and technical activities	2 262	7.5	1.9
N	Administrative and support service activities	1 147	10.1	2.4
Р	Education	268	9.6	1.7
Q	Human health and social work activities	1 051	5.5	2.2
R	Arts, entertainment and recreation	372	9.2	1.7
S	Other service activities ¹	811	8.3	1.8
G-S	Services sector ¹	13 936	7.2	2.0

S: STATISTICS AUSTRIA, Employer business demography statistics 2021.

Table 2: Employer enterprise births and enterprise birth rates 2021 by federal provinces

Federal province	Employer enterprise births 2021	Enterprise birth rate in %		
Total (Austria)	17 007	7.0		
Burgenland	541	7.0		
Carinthia	1 164	7.2		
Lower Austria	2 791	6.9		
Upper Austria	2 369	6.6		
Salzburg	187	6.1		
Styria	2 222	7.0		
Tyrol	1 638	6.4		
Vorarlberg	701	6.2		
Vienna	4 394	8.1		

S: STATISTICS AUSTRIA, Employer business demography statistics 2021.

¹⁾ Without division 94 "Activities of membership organisations". – In the case of cells marked with a dash, the values behind them are suppressed due to legal confidentiality regulations.

Tabelle 3: Knowledge- and research-intensive enterprise births 2016 to 2021 by employee size classes

Fundama sina alam	Knowledge- and research-intensive enterprise births						
Employee size class	2016	2017	2018	2019	2020	2021	
Total	23 798	21 677	21 050	18 206	15 770	16 113	
0 employees	21 966	19 954	19 475	16 725	14 729	14 563	
1–4 employees	1 449	1 363	1 275	1 134	788	1 462	
5–9 employees	253	242	199	252	174	60	
10 and more employees	130	118	101	95	79	28	

S: STATISTICS AUSTRIA, Business demography statistics 2021.

The following economic activities of ÖNACE 2008 are included: sections J, K, M and O to R, divisions 19 to 30, 33, 50, 51, 78 and 80 as well as groups 18.2 and 32.5. – From 2021, due to EU requirements, companies will be assigned to the size category "1–4 employees" even if the annual average of employees is rounded to zero.

Information on methodology, definitions: Employer business demography statistics are compiled on the basis of administrative data and the business registers of Statistics Austria. The database is adjusted for false employer enterprise births (creations) and false employer enterprise deaths (closures). A real employer enterprise birth (creation) occurs when only one enterprise is involved and a combination of production factors – especially employment – is created. Two types of "employer enterprise births" can be distinguished: a) an enterprise is newly founded in year t and already had at least one employee in the year of birth; b) an enterprise already exists before year t, was not an employer enterprise in the preceding two years but has at least one employee in year t for the first time. The number of employer enterprise births is the sum of these two entrepreneurial populations. Mergers, break-ups or restructurings for example are no real employer births; nor is a pure change of economic activity, legal form or location regarded as a new employer enterprise, even if new jobs are created. The definition of an employer enterprise death (closure) is similar. Accordingly, a real employer enterprise closure is given if a) an enterprise with at least one employee is closed; b) an enterprise has employees for the last time at time t. The employer enterprise birth rate is calculated as the share of new employer enterprises in the total number of employer enterprises active on the market.

Knowledge- and research-intensive enterprise births are defined on the basis of Eurostat's <u>High-technology and knowledge-based services aggregations</u>. The analysis is based on the statistics of <u>general business demography</u>. Included are activities according to sections J, K, M and O to R, divisions C 19 to C 30, C 33, H 50, H 51, N78 and N 80 as well as groups C 18.2 and C 32.5 of ÖNACE 2008.

With reference year **2021**, there was a changeover in the business demography statistics to meet the requirements of <u>Regulation (EU) 2019/2152</u> on <u>European business statistics (EBS Regulation)</u>. The main methodological changes were the switch to the **statistical enterprise** as the new unit of measurement, full **harmonisation** with the structural business statistics, minor changes in coverage, and an **adjusted method** for calculating the **annual average of employment** according to EU requirements.

If you have any questions on this topic, please contact:

Valerie Mayr-Birklbauer, phone: +43 1 711 28-7448 | e-mail: <u>Valerie.Mayr-Birklbauer@statistik.gv.at</u> Hanna Freundl, phone: +43 1 711 28-7992 | e-mail: <u>Hanna.Freundl@statistik.gv.at</u>

Media owner, producer and publisher:

STATISTICS AUSTRIA | Federal Institution under Public Law | Guglgasse 13 | 1110 Vienna | www.statistik.at Press: phone: +43 1 711 28-7777 | e-mail: presse@statistik.gv.at

© STATISTICS AUSTRIA