

SPRING 2020 REFORM BAROMETER – AUSTRIA

European Semester - Overall assessment of 2019 cycle

| | To what extent do you agree with these statements: | | Detailed comments |
|----|---|-------------------|--|
| 1. | The National Reform Programme submitted by your Government (April 2019) is appropriate. | To a large extent | |
| 2. | The Commission's country specific recommendations for your country are appropriate. | To some extent | We endorse the commission's recommendation to reform the real estate tax. But we are strictly against the commission's recommendation to reintroduce other "Effective, well-designed wealth-related taxes" such as Net-wealth-taxes or inheritance taxes. The reformed Land-transfer-tax is already a good substitute for an inheritance tax. In addition to that, Austria has already imposed a capital gains tax on real estate and on equity. |
| 3. | The Commission assessment of reform implementation the year before is appropriate. | To a large extent | |
| 4. | The Commission assessment of excessive imbalances (in-depth review) is appropriate. | To a large extent | |

Assessment of Country Specific recommendations 2019 in detail

| | | Q1: The recommendation is: | Q2: implementation on effort is: | Detailed comments |
|-------|---|---|----------------------------------|--|
| CSR 1 | Ensure the sustainability of the health, long-term care, and pension systems, including by adjusting the statutory retirement age in view of expected gains in life expectancy. Simplify and rationalise fiscal relations and responsibilities across layers of government and align financing and spending responsibilities. | Extremely important | Mixed | |
| CSR 2 | Shift taxes away from labour to sources less detrimental to inclusive and sustainable growth. Support full-time employment among women, including by improving childcare services, and boost labour market outcomes for the low skilled in continued cooperation with the social partners. Raise the levels of basic skills for disadvantaged groups, including people with a migrant background. | Important and contrary to Federation Advise | Mixed | Contrary to Federation advise with regard to Commission's endorsement to introduce "Effective, well-designed wealth-related taxes" such as Net-wealth-taxes or inheritance taxes. The reformed Land-transfer-tax is already a good substitute for an inheritance tax. In addition to that, Austria has already imposed a capital gains tax on real estate and on equity. |
| CSR 3 | Focus investment-related economic policy on research and development, innovation, digitalisation, and sustainability, taking into account regional disparities. Support productivity growth by stimulating digitalisation of businesses and company growth and by reducing regulatory barriers in the service sector. | --- | --- | |

Reform Progress in your Member State in 2019

How would you assess reform progress in 2019, for the following broad areas:

| | |
|--|--------------|
| Taxation and Public Finances | Mixed |
| Business environment (regulation/access to markets) | Satisfactory |
| Labour market | Satisfactory |
| Innovation and skills | Satisfactory |
| Access to finance and Financial stability | Satisfactory |

Reform priorities for 2020

| | I. Policy Area | II. Concrete Recommendations | III. Are the proposed recommendations already in the agenda of your Government? |
|-------------------|--|-------------------------------------|--|
| Priority 1 | Tax Reforms | | yes |
| Priority 2 | Pension and health care reforms | | no |
| Priority 3 | Public Sector Efficiency | | yes |
| Priority 4 | Competition policy framework | | no |
| Priority 5 | Labour market mismatch and labour mobility | | no |