

Transit Trade

Austria's historical trade experience with the eastern region of Europe from the time of the Austro-Hungarian Empire, as well as the country's position today as a neutral state on the border between East and West, have provided the basis for the development of an important form of foreign trade, transit and switch trade in Austria.

Initially, the main aim after World War II was to explore and service the COMECON countries as potential markets for Western exports and also to find buyers in the West for Eastern-produced goods, which could then be paid for in convertible currency.

Today, this type of trade has been extended to other regions of the world, particularly among developing countries. In 1982, transit exports amounted to approximately Can \$2.35 billion and represented 13 per cent of global Austrian exports, and in total were greater than Austria's domestic exports to Eastern Europe (10 per cent). While this has proven lucrative for the Austrian trading community it has also facilitated sales for many foreign exporters.

Table 1. Transit trade in 1982

Total transit exports (Can \$ million)	\$2,360
Percentage to:	
Eastern Europe	40%
Third World	21%
Yugoslavia	16%
Western Countries	33%
(Federal Republic of Germany)	(12%)
Total transit imports (Can \$ million)	\$2,070
Value added (net domestic earnings)	\$ 290

Many Austrian traders are members of the Austrian Transit Traders' Association. The Vienna transit trading community can provide a useful additional source of export leads for Canadian exporters.