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# 336 000 people could not afford expenses of daily life in 2023

The share of people who are severely materially and socially deprived rose to 3.7%

Vienna, 2024-04-25 — In 2023, the proportion of people at risk of poverty or exclusion, at 17.7% of the total population, remained almost unchanged compared to the previous year (17.5%). However, the number of people in absolute poverty has increased: in 2023, 336 000 people in Austria said they could not afford the expenses of daily life, which are considered the minimum standard of living according to the EU definition. That is 3.7% of the population in private households (2022: 201 000 people or 2.3%), as the EU-SILC 2023 survey by Statistics Austria shows.

"In Austria, 3.7% of the population, or 336 000 people, were severely materially and socially deprived in 2023. Children and young people were much more frequently affected by absolute poverty than older people. Among the under 18-year-olds, the proportion of people with severe material and social deprivation was 5.3% – compared to 1.9% among older people aged 65 and over", says Statistics Austria Director General Tobias Thomas.

### 3.7% of the population are significantly materially and socially deprived

A person who states that they cannot afford at least seven of 13 EU-defined characteristics and activities of daily life is considered to be **severally materially and socially deprived** (absolute poverty measure). These range from facing unexpected expenses of €1 370 to one vacation per year and an adequately warm home. In Austria, this applied to 336 000 people (3.7% of the population) in 2023. The previous year, in 2022, 201 000 persons (2.3%) were affected by this absolute poverty measure (see Table 1).

## Younger people, families with single parents or three and more children are more often severely materially and socially deprived

88 000 children and youth were affected by absolute poverty (see Table 2), which means more than twice as many as in the previous year (2022: 36 000 people below the age of 18). With 5.3%, their share is also considerably higher than the one for persons aged 65 or older of whom 2 out of 100 people (1.9% or 30 000 persons) were restricted in their daily life expenses.

The highest risk for material and social deprivation by household composition was found for people in single-parent households. With a share of 15.3% they were more than four times more likely to be in a materially and socially deprived position than the average (3.7%). Families of two or more adults and three or more children were another disproportionally affected group with 8.5% being severely materially and socially deprived.

#### Risk of poverty threshold for single-person household at €1 572 per month

Besides this absolute poverty measure, the **household income** is another means to establish the living standard: In Austria, private households disposed of an average (median) income of €45 180 per year according to EU-SILC 2023 (EU-SILC 2022: €40 309). To make households of different sizes comparable, an equivalized net household income is calculated: the net available household income divided by the assumed

resource requirements. Hence, people in private households disposed of €31 443 (median) equivalized net household income per year (2022: €27 844).

1 338 000 people or 14.9% of the population had a household income below a threshold of 60% of this median, which means an income below €18 866 per year or €1 572 per month. They were therefore considered to be **at risk of poverty** according to EU-definition (2022: 1 314 000 people or 14.8%; not a statistically significant change). This figure does not indicate how households are actually getting by on their disposable income: Depending on their actual living situation, households can have a different living standard, for example whether they own or rent their home, whether or not they bear health or care costs, etc. Furthermore, when the median disposable income rises, more households may be considered at risk of poverty, even if their income has not changed.

### Absolute poverty and low household income are often related, but even in the middle-income group there are disadvantageous living conditions

Of the 336 000 people who could not afford a European minimum living standard, 58% (194 000 people) had a relatively low disposable household income. They were both severely materially and socially deprived and at risk of poverty according to their household income. But there were 142 000 people with an income above the poverty threshold who nevertheless showed disadvantageous living conditions. The opposite was also true: Of the 1 138 000 people who were at risk of poverty according to their household income, 194 000 (15%) were severely materially and socially deprived. The other 85% did not have a problem to afford common goods and activities.

### Low work intensity as risk factor of poverty: 5.7% of people under 65 affected

When the employment potential of a household is insufficiently utilized, this is another risk factor of social exclusion: 370 000 people under the age of 65 were living in a household that was only using **less than 20%** of its employment potential, that is, 5.7% of this age group. The value is nearly unchanged compared to last year (2022: 363 000 persons, 5.7%).

When a person is unemployed all year round then their risk to have a low household income and to be in absolute poverty are higher: More than half (56%) of those who were unemployed for 12 months or longer were at risk of poverty and over a quarter (28%) were severely materially and socially deprived. The financial disadvantages because of their unemployment could in many cases not be compensated for by the income of other household members.

### 17.7% in total were at risk of poverty or social exclusion in 2023

People living in households experiencing at least one of the three poverty and social exclusion risks discussed above are considered to be **at risk of poverty or social exclusion**. In other words, they are at risk of poverty or social exclusion if they are materially and socially deprived, i.e., affected by absolute poverty, or have less than 60% of the median income at their disposal, or they are only marginally integrated into working life. Statistics Austria surveys these indicators yearly in the context of the European Pillar of Social Rights of the European Commission (Europe-2030-strategy) and its poverty reduction targets.

According to the most recent survey on Income and Living Conditions (EU-SILC), risk of poverty or social exclusion affected 1 592 000 people (17.7% of the population in private households) – see Table 1. Thereof, 376 000 were children and young people under 18. Differences compared to last year are too small to be considered statistically significant.

However, because of its definition and the fact that relative and absolute poverty measures are combined, this figure does not indicate how many households are actually getting by on their disposable income. Moreover, if the median income increases, more households may be considered at risk of poverty or social exclusion even if their disposable income has not changed.

For detailed results and further information please refer to our website.

Table 1: Risk of poverty or social exclusion in Austria 2022 and 2023

Main and sub-indicators of the Europe 2030-definition	2022		2023	
	Number of people in 1 000	Share in %	Number of people in 1 000	Share in %
Severe material and social deprivation	201	2.3	336	3.7
Risk of poverty (low household income in relation to median)	1 314	14.8	1 338	14.9
Households with no or low work intensity <sup>1</sup>	363	5.7	370	5.7
Risk of poverty or social exclusion (in at least 1 out of 3 indicators)	1 555	17.5	1 592	17.7

S: STATISTICS AUSTRIA, EU-SILC 2022 and 2023.

Table 2: Severe material and social deprivation by age, sex, and for selected household types

Socio-demographic characteristics	Number of people in 1 000	Severe material and social deprivation		
		Number of peo- ple in 1 000	Share in total in %¹	Share in group in % (risk)
Age and sex				
Children and youth under 18 years	1 653	88	26	5.3
Women 18 years and above	3 747	143	42	3.8
Men 18 years and above	3 581	106	31	3.0
Selected household types				
Single-parent households	254	39	12	15.3
Families, 2 or more adults, 3 or more children	850	72	21	8.5
Total population	8 981	336	100	3.7

S: STATISTICS AUSTRIA, EU-SILC 2023.

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<sup>1)</sup> Only people aged between 0 and 64 years.

<sup>1)</sup> Share by sex and age sum up to only 99% due to rounding.