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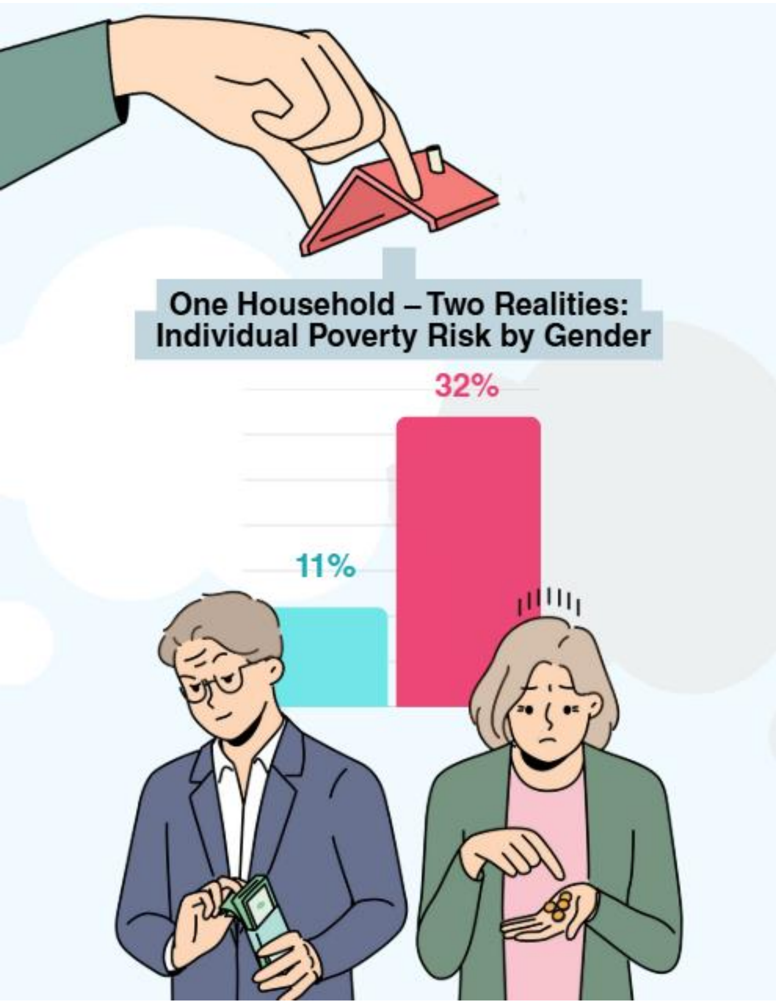
Executive Summary: Hidden Poverty? A Look Behind the Household Facade

Executive Summary based on a study by Katrin Gasior (saspri) commissioned by Caritas Austria, October 2025.

A person in Austria who lives in a household with a total income above the at-risk-of-poverty threshold is usually considered financially secure - even if they have little or no income of their own. But is that really the case? The study "Hidden Poverty? The Poverty Risk of Non-Sole-Living Women in Austria" by Katrin Gasior on behalf of Caritas Austria examined this issue more closely. The result: The poverty risk of women in Austria is strongly underestimated, especially when they live together with other people. The economic imbalance between women and men in shared households is enormous. When household communities in Austria are examined more closely, it is evident that the poverty risk of women (32%) is about three times higher than that of men (11%).



1 in 3 non-sole-living women in Austria is at risk of poverty without the income of other people in the household.

This means that in crisis situations, such as separation, job loss, or illness, a third of these women in shared households are at risk of slipping below the at-risk-of-poverty threshold from one day to the next. The economic imbalances shape power dynamics and often determine who makes decisions and manages resources in the shared household. This often leads to the financial dependence of women. This can also make it harder for them to escape a violent relationship.

Poverty is female because unpaid work is female.

The fact that women in shared households have a poverty risk three times higher than men is not a coincidence - t's systemic. A central reason for this is the unequal distribution of paid and unpaid work. Women in Austria continue to take on the majority of care work - from childcare to caring for relatives. Consequently, they can pursue paid employment to a lesser extent. Over half of women in shared households work less than 35 hours. In contrast, for men, this figure is only 7%. While women are clearly at a disadvantage in terms of existential security, the study also shows that with a similar extent of employment, the imbalance between the sexes is significantly reduced: for weekly working hours of 20 to 34 hours, 19% of men and 23% of women are at risk of poverty.

With the founding of a family, women's poverty risk increases significantly and with greater intensity for each child. The opposite is true for men. The founding of a family can quickly become a poverty trap for women: the more children live in a household, the greater the gap between the poverty risks of women and men.

In households with three or more children, women's poverty risk (65%) is already more than five times higher than that of men (12%). This imbalance is primarily due to entrenched gender roles. The fact that women take on the majority of care work has a lasting effect to their economic disadvantage. Men, on the other hand, benefit from founding a family, as other studies have also shown. They are systematically rewarded in the labor market, are considered more trustworthy, and their individual at-risk-of-poverty rate decreases.

Social and tax benefits perpetuate imbalances instead of compensating for them.

The study's results finally show that while the welfare state works, it does not work equally for everyone. Currently, social and tax benefits reduce the poverty risk of men in household communities by 24%. For women, this value is only 21%. Many social benefits are oriented toward earned income. As a result, the effects of the traditional role distribution and the resulting income differences are perpetuated. It is also telling that for women in marginal part-time work, the Austrian tax and social system only reduces the poverty risk by 6%. However, family benefits are of far greater importance for the financial security of non-sole-living women: particularly for mothers of young children, significant effects are shown, with a reduction in the poverty risk of 15%.

The individual poverty risk for women has only slowly decreased over the last ten years - and this primarily through their own efforts, not through social and tax reforms. Overall, the individual poverty risk of women in shared households decreased by four percentage points between 2014 and 2024. However, this is not due to the social and tax system, as the study shows - on the contrary: political reforms of the past ten years have even led to a slight deterioration for non-sole-living women overall. The improvements are primarily due to the fact that the poverty risks for female pensioners are currently lower than they were ten years ago. This, in turn, is related to long-term effects in the labor market: women are better educated today, and they also work more consistently and more often.

Conclusion

In times of growing fiscal constraints, it is particularly important to examine planned measures not only for their general distributional effects but especially for their gender-specific effects. Because the results of the current study by Katrin Gasior (saspri) on behalf of Caritas Austria clearly show:

1. Political reforms of the last ten years have tended to increase the poverty risk of non-sole-living women rather than reduce it. The moderate improvements are primarily due to other factors, such as the changed poverty situation of older women.

2. The individual perspective on poverty makes it visible that even women in couple households are disadvantaged by structural imbalances in working hours, care work, and income distribution. Their poverty risk in Austria is strongly underestimated.

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Methodological Notes

The study is based on an evaluation of EU-SILC data on income and living conditions of Austrian households. The focus is on women aged 18 and over who live with at least one other adult (non-sole-living). With the EUROMOD model, individually available net incomes were calculated by assigning income and tax benefits to individual people in the household. The assignment of individual income and tax benefits was made to the receiving person, and other income sources were divided among those entitled. The incomes were subsequently equivalized. Finally, the poverty risk was calculated using the standard definition (equivalized net income below 60% of the median income in Austria). To determine changes in the individual poverty risk over the past 10 years, values for 2014, 2019, and 2024 were calculated. The results on the effects of tax and social reforms on changes in the poverty risk are based on a decomposition.

Find more information about poverty in Austria and the Caritas studies:

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