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Energy poverty 2021: 2 % cannot afford heating costs

3.2 % of households in Austria had higher-than-average energy costs on a low income in 2020

Vienna, 2022-11-16 – In 2021, 81 000 households stated that they could not afford to keep their homes adequately warm. This concerns around 2 % of all households in Austria. Additionally, households burdened by higher-than-average energy costs while also living on a low income are also considered energy-poor. In 2020, this applied to around 123 800 households (3.2 %). Both aspects of energy poverty feature in a study by Statistics Austria.

"Even before the massive rise in energy prices, 81 000 households in Austria stated that they could not afford to heat their homes adequately. Additionally, around 123 800 households were faced with higher-than-average energy costs while their incomes were low. Energy poverty particularly frequently affects those living alone and households with people who have completed compulsory schooling or less. Currently, however, energy prices are putting more and more households under financial pressure: In the second quarter of 2022, 9.2 % of all households stated that their heating costs were unaffordable," says Statistics Austria Director General Tobias Thomas.

Smaller and educationally disadvantaged households are more likely to be unable to afford heating costs

2 % of all households in Austria could not afford to keep their homes adequately warm in 2021. This concerned 3.3 % of one-person households. Households with persons who had completed compulsory schooling or less were also affected to an above-average extent, at 5.7 %, as were households living in rented accommodation, at 3.3 %.

67 % of (according to this definition) energy-poor households lived in smaller apartments (up to 80 square meters) compared to 43 % of the non-energy-poor households. Households in apartments up to 80 square meters were also disproportionately likely (3.1 %) to be unable to keep their apartments warm.

<u>Quarterly data on income development and personal well-being</u> show an upward trend: In the fourth quarter of 2021, 6.6 % of households reported that they could no longer afford to keep their home adequately warm, and in the second quarter of 2022, 9.2 % of households could no longer afford to do so.

123 800 low-income households are particularly burdened by high energy costs

In 2020, 123 800 households with comparatively low incomes (3.2 % of all households) also had above-average energy costs. According to this definition of energy poverty, households with no more than compulsory schooling (7.5 %), one-person households (6.5 %) and households with persons aged 75 and over (4.8 %) were again disproportionally affected. About 55 % of energy-poor households with high energy costs lived in buildings built before 1960, which is only the case for 29 % of households not affected by energy poverty. Accordingly, households in older buildings were disproportionally affected by energy poverty at a rate of 5.8 %. On the other hand, only 0.7 % of inhabitants of buildings constructed after 1991 were energy-poor.

The consumption of this group of energy-poor households for heating is 34 % higher than that of non-energy-poor households. In contrast, energy-poor households use 31 % less energy for hot water and 13 % less energy for cooking than non-energy-poor households.

Detailed results and further information on the study "Dimensions of Energy Poverty in Austria" can be found on our <u>website</u>.

Energy poverty in Austria

Data Source	Microcensus Energy 2019/2020	EU-SILC 2021
Definition	Households with higher-than-average expenses for energy and living	Households unable to keep their homes adequately warm
Households affected by energy poverty	Average of all households: 3.2 %	Average of all households: 2.0 %
Disproportionally affected groups:	Compulsory schooling or less: 7.5 %	Compulsory schooling or less: 5:7 %
	Single person households: 6.5 %	Single person households: 3.3 %
	Aged 75 and older: 4.8 %	Aged 75 and older: 2.2 %
	Apartment in multiple dwelling unit: 3.2 %	Apartment in multiple dwelling unit: 3.0 %
	Small apartment up to 80 m ² : 3.5 %	Small apartment up to 80 m²: 3.1 %
	Rented apartment (not owned): 4.0 %	Rented apartment (not owned): 3.3 %
	Year of construction before 1960: 5.8 %	Year of construction 1961–1990: 2.6 %

Q: STATISTICS AUSTRIA, Microcencus Energy 2019/2020 - Energy poverty, EU-SILC 2021

Information on methodology, definitions: The current study (commissioned by e-control) takes a close look at energy-poor households for the fourth time. Energy poverty can be defined both by high energy costs combined with low income and by a forced reduction of energy consumption due to low income. Thus, more than one indicator is needed to measure energy poverty. The report uses two main indicators for a closer look at "energy poverty: high costs" and "energy poverty: adequate heating not affordable". Additionally, several energy poverty indicators discussed at the national and international level are calculated and compared. As the results show, the group of affected households strongly depends on the definition and the threshold levels of the indicators. If the thresholds are set too narrowly or if too many criteria have to be met, low case numbers do not allow for a clear distinction of household groups that are particularly affected.

For this report, income data from administrative data and from the EU-SILC 2021 income survey (EU Statistics on Income and Living Conditions, contains income information for 2020) were linked with data from the Microcensus Energy 2019/2020 (Microcensus Special Module Household Energy Use). Based on the Microcensus Energy data, it was possible to identify households that have an income below the at-risk-of-poverty threshold and – at the same time – are faced with above-average energy costs. A second group considered in the study are households who could not afford an adequate amount of energy for heating (Can you afford to keep the entire dwelling adequately warm?) according to the EU-SILC 2021 dataset. This indicator allows for the analysis of households that use less energy than they would actually like or need. The two approaches to energy poverty largely affect different households, but these are often found in similar socio-demographic groups. The two datasets were also used to calculate other possible energy poverty indicators and to briefly analyse their differences and overlaps.

All results in this report are presented at the household level. Current cost-of-living developments, in particular energy price increases for private households, could not be taken into account for the in-depth analyses due to data availability.

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

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