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Less perceived income losses in Q2/2023 than in previous year

Housing costs remain a major financial challenge

Vienna, 2023-10-03 – In the second quarter of 2023, 32% of people surveyed by Statistics Austria on the social effects of crisis reported income decreases in the last twelve months. A year earlier the figure was 37%. For around 17%, it was a challenge to cover living costs from their current income.

“In recent quarters, the share of people reporting a loss of income has declined. This trend also continued in the second quarter of 2023. Nevertheless, 17% of people still find it difficult to get by on their income. In addition, the outlook is gloomy: Around 60% expect the economic situation to deteriorate,” explains Statistics Austria Director General Tobias Thomas.

Decrease in perceived and expected income losses

In the second quarter of 2023, a total of around 23% of all 18- to 74-year-olds experienced an increase in household income in the last twelve months (see table 1). By contrast, 32% suffered a decrease in income in the last twelve months. The share of people with perceived income losses shows a declining trend compared to both the previous quarter and the quarter of the previous year (Q2/2022: 37%, Q1/2023: 33%). As in the previous year, high inflation was cited as the main reason for income losses.

A quarter of respondents expected their household income to be (much) less in the coming twelve months. The proportion of those who expect income losses in the future has also fallen compared with the previous quarter and the previous year (Q2/2022: 31%, Q1/2023: 27%). In comparison, 16% expected their household income to increase in the future.

17 % reported difficulties in making ends meet with household income

In the second quarter of 2023, 17% found it difficult or very difficult to cover the current expenses of their household with their income. This figure remains almost unchanged against the previous quarter and the previous year (Q2/2022: 16%, Q1/2023: 17%). People in low-income households (44%) and people in households affected by unemployment (42%) were particularly affected by expenditure burdens. Among single parents there has been a significant deterioration since the first quarter of 2023: Whereas at the beginning of the year 30% of people in single-parent households reported having difficulty making ends meet, the number in this group increased to 37% in the second quarter of 2023.

Around 28% were unable to pay unexpected expenses at the level of the-risk-of-poverty threshold of €1 370 (see information on methods) from their own resources. In particular people in households affected by unemployment (59%) and people in single-parent households (49%) described being unable to pay such expenses from their own resources without borrowing or paying in instalments.

Housing costs continue to prove a significant financial burden

The number of people who perceived housing costs as a heavy financial burden remained at a high level. In the second quarter of 2023, 22% of 18- to 74-year-olds described housing costs as heavy financial burden (see table 2). This share is unchanged compared with the previous quarter (Q1/2023: 22%) and remains above the level of the previous year (Q2/2022: 18%).

The number of people expecting housing cost payment difficulties in the next three months showed a decreasing trend. At the beginning of 2023, 24% of respondents expected payment difficulties with rent, home loans, ancillary housing costs or operating costs in the next three months, compared with 19% in the second quarter of 2023. This means that the proportion of people with expected payment difficulties is back at the previous year's level (Q2/2022: 19%).

Expectations regarding the economic situation improved, but remain pessimistic

Nearly half (46%) of 18 to 74-year-olds planned to reduce their spending on major purchases (e.g. furniture, car, travel) in the next twelve months (see table 3). This share decreased by around 3 percentage points compared to the beginning of this year (Q1/2023: 49%). 41 % planned to make the same amount of larger expenditures in the future, while 14% intended to spend somewhat or substantially more on larger purchases in the future.

With regard to the overall economic development in Austria, 60% of the respondents aged 18 to 74 expected the economic situation to deteriorate within the next twelve months (see table 4). In contrast, only 10% were optimistic about the future. Over the course of time, however, expectations regarding the economic situation in Austria have developed positively overall. In the previous year, the share of respondents who expected the Austrian economic situation to deteriorate was 80% and therefore 20 percentage points higher.

Detailed results and in-depth analyses can be found in the report "So geht's uns heute: Die sozialen Krisenfolgen im 2. Quartal 2023 – Schwerpunkt Zukunftserwartungen," issued jointly by IHS and Statistics Austria (in German only). The report is available on our [website](#) along with other detailed results.

Table 1: Financial Situation

Attribute		Q2/2022	Q3/2022	Q4/2022	Q1/2023	Q2/2023	
		in %				in %	in 1 000
Perceived change in income (last 12 months)	Increase	19.9	21.4	19.9	21.4	22.6	1 486
	Unchanged	43.1	42.8	44.5	45.6	45.8	3 009
	Decrease	37.1	35.9	35.6	33.0	31.7	2 084
Expected change in income (next 12 months)	Increase	14.8	15.5	16.9	15.7	15.5	1 020
	Unchanged	54.5	51.0	52.4	57.3	59.3	3 902
	Decrease	30.7	33.5	30.7	27.0	25.2	1 656
Making ends meet with the household income	With great difficulty	5.4	5.4	7.4	6.2	7.1	469
	With difficulty	10.2	10.9	9.8	10.3	10.0	655
	With slight difficulty	26.8	27.1	27.7	30.0	29.6	1 944
	With slight ease	34.1	35.3	35.0	32.4	33.1	2 176
	With ease	15.7	15.1	13.4	14.4	13.5	888
	With great ease	7.9	6.1	6.7	6.7	6.8	446
Able to pay for unexpected expenses	Yes	72.1	71.7	70.5	71.7	72.2	4 750
	No	27.9	28.9	29.5	28.3	27.8	1 827
Total		100,0	100,0	100,0	100,0	100,0	6 577

S: STATISTICS AUSTRIA, Survey "So geht's uns heute". – Data as of 07.08.2023.

Table 2: Burden of housing cost

Attribute		Q2/2022	Q3/2022	Q4/2022	Q1/2023	Q2/2023	
		in %				in %	in 1 000
Burden of housing cost	Heavy burden	17.9	22.2	23.6	22.2	22.2	1 458
	Some burden	63.7	63.3	63.8	65.7	63.7	4 191
	No burden	18.4	14.5	12.6	12.1	14.1	928
Expected difficulties paying for housing cost (in the next 3 months)	Yes	18.9	30.4	26.8	23.9	18.9	1 244
	No	81.1	69.6	73.2	76.1	81.1	5 334
Total		100.0	100.0	100.0	100.0	100.0	6 577

S: STATISTICS AUSTRIA, Survey "So geht's uns heute". – Data as of 7 August 2023.

Table 3: Planned purchases in the next 12 months

Attribute		Q2/2022	Q3/2022	Q4/2022	Q1/2023	Q2/2023	
		in %				in %	in 1 000
Planned big purchases (next 12 months)	Significantly less	18.5	26.6	26.4	22.3	21.2	1 394
	Little less	25.0	28.3	26.8	26.3	24.5	1 612
	Same	37.0	32.8	34.7	37.7	40.6	2 668
	Little more	14.1	8.5	8.6	9.9	10.3	679
	Significantly more	5.4	3.9	3.6	3.8	3.4	225
Total		100.0	100.0	100.0	100.0	100.0	6 577

S: STATISTICS AUSTRIA, Survey "So geht's uns heute". – Data as of 7 August 2023.

Table 4: Expected economic situation in Austria

Attribute		Q2/2022	Q3/2022	Q4/2022	Q1/2023	Q2/2023	
		in %				in %	in 1 000
Expected economic situation in Austria	Substantially worsen	38.0	46.6	35.9	23.1	21.1	1 389
	Somewhat worsen	42.1	37.7	41.4	40.3	39.1	2 575
	Remain about the same	13.6	11.3	16.5	25.4	29.5	1 943
	Somewhat better	5.8	3.9	5.6	10.7	9.5	624
	Substantially better	0.5	0.4	0.6	0.6	0.7	47
Total		100.0	100.0	100.0	100.0	100.0	6 577

S: STATISTICS AUSTRIA, Survey "So geht's uns heute". – Data as of 7 August 2023.

Information on methods, definitions: The seventh wave of the survey "So geht's uns heute" took place in May and June 2023. Approximately 3 300 respondents between 18 and 74 years participated in the survey. The study is co-financed by Eurostat and the Austrian Ministry for Social Affairs. Eleven other EU member states conduct similar pilot studies each quarter. The current results in Austria show the subjective public opinion of the second quarter of 2023. The study focuses on personally experienced income losses; the subjective coping with the cost of life, personal well-being, and happiness. The quarterly study aims to identify the social effects of developments in the current crisis as early as possible. The sample was drawn from the Austrian civil register. Register data was not used in order to depict changes in the public opinion in a timely manner. The questionnaire can be found [here](#).

Unexpected expenses in the amount of €1 370: This amount corresponds to the rounded at-risk-of-poverty threshold from EU-SILC 2021 (see also [standard documentation on EU-SILC 2021](#), page 32f; available in German only).

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

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