

INEQUALITIES IN AUSTRIA

REDUCING RISING INEQUALITIES REQUIRES POLICY COHERENCE AND STRONG POLITICAL MEASURES

Lisa Maria Weinberger, ÖKOBURO - Alliance of the Environmental Movement

Income and wealth

Austria ranks 8th among OECD countries in terms of GDP per capita (2015)¹ and 10th among 38 countries in the OECD income inequality index.² With a Gini coefficient of 0.28%, the top 20% of the population earns about four times as much as the bottom 20%.³

18% of the Austrian population (around 1.5 million people) are at risk of poverty or marginalization⁴ and 4% are "significantly materially deprived"⁵. Women (especially over 65 years) are more at risk of poverty than men.⁶ A quarter of the population in poverty are children.⁷ They tend to be the children of non-national migrants, unemployed people, single (female) parents or people on precarious incomes. These are the groups most left behind and also the most underrepresented, both politically and economically.

Gender

Women are at the highest risk of poverty. In Austria, where people are living longer and having fewer children, long-term care falls mainly on women, with four fifths of older persons cared for in family environments.⁸ In 2017, 29% of women, in comparison to 3% of men, were not in employment because of caring responsibilities.⁹

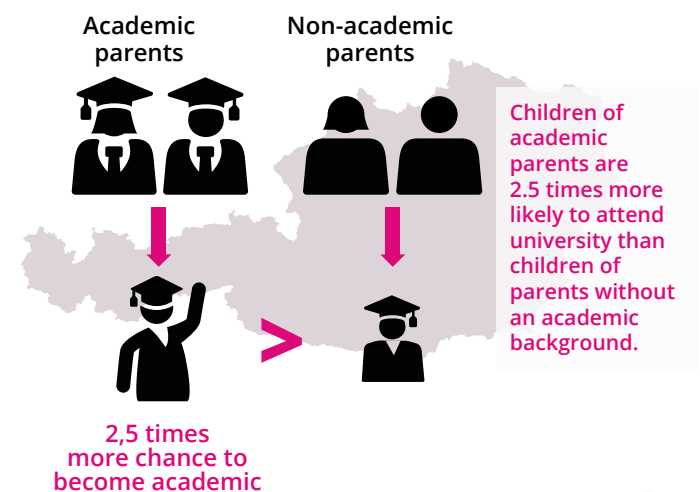
Working women parents also have the greatest difficulty maintaining a work-life balance. 48% of women, in comparison to 12% of men, worked part-time in 2017.¹⁰ This has a significant effect on women's pensions and leads to inequality of income and wealth between men and women, leaving women with less political and economic power.

Cuts in government budgets for social services disproportionately affect women. In 2017 and 2018 the government substantially cut funding for protection against domestic violence such as advice and protection centres.¹¹

Inequality at the international level

Austria's Official Development Assistance (ODA) currently stands at 0.3% (€1.11 billion) of GDP¹² with only 0.22% counting as "genuine aid"¹³. Reallocations within the aid budget, with greater emphasis on disaster relief,¹⁴ results in less aid reaching the poorest countries. Austria has been criticised for its banking secrecy and tax treaties with potentially negative impacts on developing country partners.¹⁵ There has been limited enforcement of prohibitions on foreign bribery.¹⁶

EDUCATION INEQUALITY IN AUSTRIA



Refugees and asylum

Since the height of the so-called refugee crisis in 2015, when 88.349 asylum applications were filed,¹⁷ Austria has taken measures to reduce the inflow of refugees, has cut refugee benefits and has increased forcible returns of refugees. Positive decisions on applications for refugee status rose from 500 cases per year in 2013 to 3.500 in 2016 and 2.900 in 2017¹⁸ but are now falling. Austria did not sign the UN Global Compact on migration,¹⁹ agreed in July 2018 by all UN member states with the exception of the United States, which aims to improve global co-operation on migration.²⁰

Causes

Structural causes for inequality in Austria are strongly linked to education and employment, disadvantaging women and minorities the most. Although young Austrian women have a better education than their male peers, women earn 23% less than men and own around 40% less private wealth than the comparable male single household.²¹

Asylum seekers and migrants from outside the European Union are significantly disadvantaged. Asylum-seekers have limited access to employment until they are granted asylum.²² The recognition of qualifications of non-EU migrants is very restrictive. From 2020, non-national children will be separated at school if they do not meet language requirements.²³ As the Austrian welfare system is employment-centred, this doubles the risks of poverty and social exclusion for migrants.²⁴

Good practices

The risk of poverty and/or social exclusion decreased in Austria between 2011 and 2016 and is currently at 18%, below EU average of 22%.²⁵ Austria has a well-developed social market economy with a

comprehensive system of social security and welfare which reduce the risk of poverty from 44% to 14%.²⁶ There is high-quality social housing,²⁷ a free and public school system as well as affordable public transportation. Austria has one of the highest rates of financial expenditure on health among OECD countries and ensures access to health care for all residents of Austria and other EU countries.²⁸

Recommendations

Austria should have a whole-of-government strategy to implement the SDGs, addressing policy coherence for sustainable development and including the broad participation of civil society.²⁹ Political measures, especially regarding gender equality, minority rights, the promotion of diversity, redistribution of wealth and power and social protection, need to be encouraged and implemented.

Specific measures include:

- Extend social benefits to all Austrian residents including vulnerable groups such as non-EU migrants
- Raise ODA to 0.7% and allocate to the poorest countries
- Increase representation of women and other vulnerable groups in politics and private sector
- Protection against prejudice, discrimination and marginalization of vulnerable groups and minorities, in particular refugees
- Increase diversity in the education sector
- Introduce gender-specific statistics on violent offenses and increase prevention measures for victims of domestic violence
- Introduce alternative living facilities and case and care management arrangements
- Extend affordable high-quality childcare

To read the full national report and the comprehensive Europe-wide report with all references, please visit: www.sdgwatcheurope.org/SDG10

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- ⁵ Definition of significant material deprivation according to EU-SILC: Essential goods/areas of life are unaffordable (e.g. washing machine, mobile phone, ability to keep apartment adequately warm).
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- ¹⁷ The numbers of asylum applications in the previous years as well as in 2016 were as follows: Austria: 17.503 in 2013; 28.064 in 2014; 42.285 in 2016. See also Ministry of the Interior, Asyl. Statistiken, <https://www.bmi.gv.at/301/Statistiken/start.aspx> (20.02.2019).
- ¹⁸ See Eurostat, Asylum quarterly report, https://ec.europa.eu/eurostat/statistics-explained/index.php/Asylum_quarterly_report#-Decisions_on_asylum_applications (20.02.2019).
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