



## **Comment on the Non-Ratified Provisions of the European Social Charter (Revised)**

**Vienna, 6 August 2026**

## **Introductory Remarks**

Caritas Austria welcomes the opportunity to comment on the report submitted by Austria on the non-ratified provisions of the European Social Charter (Revised). People come to Caritas for many different reasons – unemployment, loss of housing, financial difficulties or illness. Caritas supports people affected by these problems through comprehensive counselling, food, financial support, and services for people who are homeless or at risk of losing their housing.

Against this background, Caritas Austria comments on Articles 30 and 31 of the European Social Charter (Revised).

## **On Article 30 – Right to protection against poverty and social exclusion**

Austria has unfortunately still not ratified this provision. Although Austria is one of the richest countries in the world, poverty is also a reality here – we see this every day in our social counselling centres (*Sozialberatungsstellen*). Caritas social counselling is available across Austria as a point of contact for people at risk of poverty who find themselves in an existential crisis<sup>1</sup>. Through their daily contact with people in need, Caritas staff see recurring problems and needs that often stem from structural causes. In this sense, Caritas social counselling also acts as a kind of early-warning system for social developments, and as a point of reference for how vulnerable groups are affected and what they need.

Persistently high inflation and the rising cost of living in Austria continue to place many households under financial pressure. As a result, people who were previously able to manage without financial assistance are now turning to Caritas for support, while others require ongoing assistance. Across Austria, Caritas social counselling services continue to report a consistently high demand for support with housing and energy costs, as well as food assistance.

Caritas Austria acknowledges efforts by the Austrian federal government to ease the burden on people at risk of poverty. For example, a reduced electricity tariff (*Strom-Sozialtarif*) was introduced, and a Support Fund for Single Parents (*Unterstützungsfonds für Alleinerziehende*) was set up (a welcome step, though its design unfortunately has gaps). However, the austerity measures implemented or adopted by the Austrian federal government since 2025 (as part of the 2025/2026 and 2027/2028 two-year budgets) disproportionately affect households at risk of poverty. In particular, people with low incomes, women, and families are affected by

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<sup>1</sup> In 68 social counselling centres, across Austria around 44,000 people were advised and/or supported in 2025. Including household members who were also supported alongside the people advised, Caritas social counselling reached and supported a total of around 92,000 people. In total, the services provided by the social counselling centres supported 24,000 children and young people, either directly or as accompanying household members.

the austerity measures<sup>2</sup>. For example, the increase in unemployment insurance contributions for low-income earners reduces their disposable net income by several hundred euros per person each year. This measure particularly affects women, as they often work part-time and earn lower incomes due to the unequal distribution of unpaid care responsibilities. The renewed suspension of the indexation of family benefits (e.g. *Familienbeihilfe*) is also particularly problematic, as the resulting loss in value has a particularly strong impact on low-income families and families with several children.

In Austria, social assistance (*Sozialhilfe*) serves as the last social safety net. While the federal government is responsible for adopting the framework legislation (*Sozialhilfe-Grundsatzgesetz*), the detailed rules are determined by the federal states (*Bundesländer*). Caritas Austria considers the current social assistance system to be inadequate to guarantee a decent standard of living. In addition, the significant differences between the federal states result in varying benefit levels, eligibility criteria, and regulations.

Caritas Austria is currently concerned that several federal states are further tightening their social assistance laws, leading to substantial benefit cuts for recipients in some cases (e.g. in Styria and Upper Austria). The Austrian federal government announced in its 2025–2029 government programme that it will reform the Social Assistance Principles Act (*Sozialhilfe-Grundsatzgesetz*) in 2027. Negotiations are currently underway without the involvement of social organisations. The planned reform at the federal level is also characterised by a focus on cost savings, stricter eligibility criteria, and benefit cuts. From the perspective of Caritas Austria, social assistance must remain adequate to guarantee a decent standard of living, in order to prevent poverty and preserve social cohesion. A strong welfare state is essential to ensure that everyone can live with dignity.

According to the latest data, around 360,000 children and young people in Austria are at risk of poverty<sup>3</sup>. In its government programme, the Austrian federal government has set the goal of halving child poverty in Austria and has announced the introduction of a basic child income guarantee (*Kindergrundsicherung*) for all children. However, no draft proposals have been made public so far. Given the scale of child poverty in Austria, a basic child income guarantee is urgently needed. To achieve the government's stated objective, Caritas Austria believes that the basic child income guarantee should combine adequate income support with expanded public services in the areas of education, leisure, and healthcare. This integrated approach is essential to promote social mobility and sustainably overcome structural poverty.

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<sup>2</sup> The Austrian National Bank also concludes, in its analysis of the 2027/28 double budget (policy brief of 10 July 2026), that households with children and low incomes are particularly affected.

<sup>3</sup> Statistik Austria (2026): EU-SILC 2025

## On Article 31 – Right to housing

Unfortunately, Austria has not ratified this provision to date. Housing is far more than just having a roof over one's head. It is a fundamental human need that is closely linked to security, stability, social inclusion, health, and the ability to live with dignity. The importance of affordable housing becomes particularly evident when rising housing and energy costs place many people under severe financial strain. For low-income households, little income often remains after housing costs have been paid, leaving insufficient resources to cover other essential expenses such as food, education, and healthcare<sup>4</sup>.

Caritas Austria's practical experience shows that the current social assistance system (*Sozialhilfe*) is not adequate to guarantee a decent standard of living. In many cases, the level of social assistance is insufficient to adequately cover housing costs. As a result, social assistance recipients often receive additional housing support, although this is not available in every federal state (*Bundesländer*).

These additional forms of housing support vary considerably across the federal states. In some cases, they do not cover all types of housing (for example, in Lower Austria, housing benefits are only available for subsidised housing). In addition, housing benefits are often counted as income when calculating social assistance entitlements, meaning that recipients receive a corresponding reduction in their social assistance payments. It is therefore essential that a reform of the social assistance system (*Sozialhilfe-Grundsatzgesetz*) provides for comprehensive additional housing support whenever housing costs exceed the housing component of the social assistance benefit.

In addition to the high cost of housing in Austria, Caritas's practical experience shows that the lack of affordable housing is one of the greatest challenges for people affected by poverty. This imbalance between supply and demand can be seen in almost every federal state, and an expansion of subsidised housing construction is urgently needed.

It is welcome that Austria has now secured funding for the *Wohnschirm* until 2029. This support in the areas for housing, energy costs, and Housing First enables targeted support where the need is particularly high – for example, in cases of rent arrears, the risk of eviction, support for people experiencing homelessness on their path towards obtaining their own housing, or when energy supplies are being cut off. From Caritas Austria's perspective, however, it is crucial, that these essential needs are secured on a long-term, sustainable and reliable basis. When the programme *Wohnschirm* was extended, however, some short-term relief measures for specific groups during periods of particular crisis were also withdrawn. Should the cost-of-living crisis continue to intensify to the point of becoming an unbearable

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<sup>4</sup> Households at risk of poverty spend an average of 37% of their income on housing, compared with only 7% for high-income households (BMSPGK: Sozialbericht 2024, p. 58)

burden, or should further crises arise, Caritas Austria believes that additional targeted support measures will again be needed to provide rapid assistance to those affected.

Housing First programmes provide people with direct access to their own housing, combined with needs-based social work support before, during, and after moving in. Housing First addresses and ends homelessness and housing exclusion as a first step by supporting people in their own homes over the long term, helping them achieve stability and develop new perspectives. From Caritas Austria's perspective, the Housing First approach should therefore be sustainably established and secured across Austria as an essential measure to prevent and end homelessness and housing exclusion.

To ensure that Housing First programmes and other measures to prevent and reduce homelessness and housing exclusion are implemented effectively and according to people's needs, Austria needs a comprehensive, nationwide system for collecting data on homelessness and precarious housing. Policy decisions in this area should be based on reliable data. Currently, data are collected at different federal levels and using different methods, which means that the full extent and diversity of poverty, homelessness, and precarious housing are not adequately captured. The complexity of these issues and the changing nature of homelessness services require sufficient resources to collect high-quality data. Caritas therefore calls for adequate funding to establish continuous and harmonised data collection across Austria. This would improve the quality of reporting, reduce inaccurate conclusions, and provide a stronger basis for effective policies and measures.

## **Upper Austria**

From Caritas Austria's point of view, it is important to critically note that access to housing subsidies (*Wohnbauförderung*) in Upper Austria is limited and presents particular challenges for third-country nationals. In principle, third-country nationals are only eligible for housing subsidies after having maintained a lawful and continuous main residence in Austria for more than five years. In practice, the greatest barriers are the requirement to provide proof of sufficient periods of insurance and/or employment, the required German language skills, and compliance with income limits.

In practice, housing benefits (*Wohnbeihilfe*) often fail to achieve their intended purpose of providing support. On the one hand, housing benefits are counted towards social assistance payments; on the other hand, the maximum eligible rent threshold is set too low. Once this threshold is exceeded, there is generally no longer any entitlement to housing benefits.

## **Salzburg**

The Housing Needs Survey 2025 (*Wohnbedarfserhebung 2025*) conducted by the *Forum Wohnungslosenhilfe Salzburg* shows that housing insecurity is a significant issue in the province of Salzburg that cannot be ignored. Its key findings include a significant increase in the number of people experiencing homelessness (compared to the previous year, +26%). At the same time, “inadequate housing” (e.g. overcrowding and temporary housing arrangements) has also increased by 35%. This indicates that housing insecurity is increasingly shifting towards more severe and acute forms. Furthermore, the survey clearly shows that poverty and a lack of affordable housing are the main causes of housing insecurity. Illness, unemployment, or insufficient income are frequent contributing factors. However, by far the most common cause is the lack of affordability of housing, which leads to housing insecurity.

The findings of the *European Homelessness Counts 2025* for the city of Salzburg are consistent with this picture and demonstrate the need for measures to prevent homelessness and to achieve a sustainable end to housing insecurity and shortage. Sufficient access to affordable housing remains the key foundation for ensuring effective and sustainable homelessness support in the long term.