

ACOSS AND UNSW SYDNEY

POVERTY IN AUSTRALIA 2026: WHO IS AFFECTED

A POVERTY AND INEQUALITY PARTNERSHIP REPORT

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Glossary

ACOSS: Australian Council of Social Service

After housing costs income: Household disposable income remaining after current housing costs are deducted.

Composition of poverty: The share of all people in poverty who belong to a particular group.

Disposable income: Household income after income tax, including wages, social security payments and investment income.

Equivalised income: Household income adjusted for household size and composition so that living standards can be compared across different family types.

First Nations: People identifying as of "Aboriginal or Torres Strait Islander origin" in the HILDA survey. Note that the HILDA survey does not include people in remote communities, where a significant proportion of First Nations people live.

HILDA Survey: The Household, Income and Labour Dynamics in Australia Survey, the principal data source used in this report.

Income support household: A household in which more than half of gross income comes from government income support payments.

Labour force: People who are employed or unemployed and actively looking for work.

Median household income: The middle household income when all households are ranked from lowest to highest.

People with disability: Disability is treated differently in the HILDA survey than in the Survey of Income and Housing (the previous data source for this report), where there was a distinction between people with and without a "core activity" restriction. See footnote 14 for more information.

Poverty gap: The average amount by which the incomes of households in poverty fall below the poverty line, expressed in dollars or as a percentage of the line.

Poverty line: The income threshold used to identify poverty. This report primarily uses 50% of median household disposable income after housing costs.

Poverty rate: The percentage of people in a specified population group whose household income falls below the poverty line.

Foreword

This report is part of our Poverty in Australia series and the 30th report by the ACOSS & UNSW-led Poverty and Inequality Partnership. It expands our companion report, *Poverty in Australia 2026: Overview* to look at the uneven distribution of poverty and its concentration among particular groups of people in Australia, spotlighting which groups are most at risk of poverty and which groups are most likely to be experiencing poverty.

Behind every chart in this report are people managing the impacts of poverty. They are choosing what to go without every day, whether to skip meals or healthcare; whether to use their heating or cooling; how to afford opportunities for their children. This report reminds us that poverty in Australia is shaped by policy settings, and that we have the means to reduce poverty, including by lifting the lowest income support payments; committing to full employment; investing in decent employment services; building more social housing and reducing energy costs through renewable energy. We also need to change the way governments work, so that people affected by poverty are directly involved.

This report has been made possible through the generous support of our non-government organisation partners: 54 reasons (part of the Save the Children Australia Group); cohealth, a Victorian community health service; Jesuit Social Services (JSS); Life Without Barriers; Mission Australia; Settlement Services International (SSI); and The Smith Family. We are also grateful for the support of the David Morawetz Social Justice Fund, part of the Australian Communities Foundation, and John C H Mitchell OAM. We thank all these organisations and individuals for their commitment to this important research-for-impact partnership. We would like to acknowledge the leadership of Professor Attila Brungs, President and Vice-Chancellor of UNSW, and Professor Verity Firth, Vice-President Societal Impact, Equity and Engagement, together with the ACOSS Board, for their ongoing support of the Partnership.



Dr Cassandra Goldie AO, ACOSS



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Key findings

In 2022-23, one in seven people (including one in six children) lived below the poverty line.

- The poverty line based on 50% of median household income ranged from $584 per week for a single person to $1,226 per week for a couple with two children.
- More than one in seven people (14.2%) and one in six children (15.6%) lived below it, taking account of their housing costs. Over three million (3,706,000) people lived in poverty, including 757,000 children.

More than one in five people in the following households faced an elevated risk of poverty (20% or more)

- People in households whose main income was social security (50% of whom were in poverty comprising 1,894,000 people);
- People in households in which no member was employed fulltime. This includes:
  - those with no wage-earner where at least one member was unemployed (48% or 183,000 people);
  - those in which no member was in the paid workforce (40% or 408,000 people in working age households and 28% or 662,000 people in older households); and
  - those where at least one member was employed part-time (24% or 736,000 people);
- People in sole parent households (30% or 613,000 people, and 37% of children in those households or 436,000 children);
- Single people of working age without children (25% or 455,000 people) and those aged 65 years or more (40% or 399,000 people);
- People in older households aged 65 year or more (20% or 873,000 people) especially those renting (58% or 345,000 people);
- Public tenants (55% or 455,000 people) and private tenants (21% or 1,407,000 people);
- Adults with a disability (22% or 1,333,000 people);
- Adults belonging to a First Nations community (21% comprising 126,000 people); and
- Adults born outside Australia other than in a major English-speaking country (20% or 842,000 people)

People reliant on social security payments faced an elevated risk of poverty

Among people in households mainly reliant on income support payments, the risk of poverty was high where the main payment was:

- JobSeeker Payment (76% or 250,000 people),
- Youth Allowance (73% or 29,000 people),
- Parenting Payment (71% or 204,000),
- Disability Support Pension (56% or 362,000 people),
- Carer Payment (40% or 106,000 people) or
- Age Pension (35% or 574,000 people).

Executive summary

Complementing our recent 'Poverty in Australia (2025) Overview', this report sheds more light on the human face of poverty in Australia - who is most affected and why. It examines the extent of poverty at different stages of the life course from childhood to old age, among people in different types of families, those with disability and other characteristics, and in households with different income sources. It offers fresh insights into who lives in poverty and how it can be reduced.

The report uses a a poverty line of 50% of median household after-tax income (minus housing costs), and data from the Melbourne Institute's HILDA Survey for 2022-23.

We estimate the percentage of people in different types of households with income below the poverty line in 2022-23, the share of people in poverty belonging to different households, and the average gap between the incomes of people in poverty and the poverty line (depth of poverty) for key household types.

In 2022-23 one in seven people, including one in six children, lived below the poverty line.

The poverty line based on 50% of median household income ranged from $584 per week for a single person to $1,226 per week for a couple with two children.

One in seven people (14.2%) and one in six children (15.6%) lived below the poverty line after taking account of their housing costs. In total, there were 3,706,000 people in poverty including 757,000 children. This is much higher than in 2019-20, when 12.7% of people (one in eight) people were in poverty.[1]

People in households below the poverty line had incomes averaging $390 per week below the line (the 'poverty gap') after deducting their housing costs. The average poverty gap was 47% of the poverty line.

Half (50%) of people in households mainly reliant on government payments were in poverty, with those in households reliant on Jobseeker Payment, Youth Allowance and Parenting Payment facing the greatest risk.

- Among people in households relying mainly on income support, rates of poverty were especially high where the main payment was Jobseeker Payment (76%), Youth Allowance (73%), Parenting Payment (71%), and Disability Support Pension (56%).
- There were 1,894,000 people in poverty (including children) in households relying mainly on government income support, including 574,000 reliant on Age Pension, 362,000 reliant on Disability Support Pension, 250,000 reliant on Jobseeker Payment, 204,000 reliant on Parenting Payment, 106,000 reliant on Carer Payment, 29,000 reliant on Youth Allowance and 22,000 reliant on Veteran's pensions. They comprised half (51%) of all people in poverty.[2]

These estimates precede the Albanese government's increases in income support and Commonwealth Rent Assistance payments commencing in September 2023.[3]

[1] Note that for our 2019-20 estimates we relied on a different data source, the ABS Survey of Income and Housing. The Melbourne Institute estimated that 12.6% of people were in poverty in 2019 (immediately before the pandemic), using the same data set we have used for the current report (Melbourne Institute HILDA Statistical Report 2024; Productivity Commission 2024, Fairly equal? Economic mobility in Australia, Research paper, Canberra).

[2] Note that these are people in households mainly reliant on social security. A higher share of people in poverty would live in households where at least one person received a social security payment (many of which also had significant income from other sources such as wages).

[3] The impact of those payment increases was discussed in more detail in our Poverty in Australia, Overview report published last year.

Lack of fulltime paid employment was strongly associated with poverty among people of working age

- The risk of poverty was much higher in households of working age in which no one was in the labour force (31% comprising 1.070,000 people) or at least one person was unemployed (48% comprising 183,000 people) compared to those where at least one person was employed fulltime (6% comprising 1,034,000 people).
- Poverty was also high (24% comprising 736,000 people) in households reliant on *part-time employment* (where no one was employed fulltime).
- However, since there were many more people overall in households with at least one wage-earner, most people in poverty (1,770,000 people or 59% of people in poverty) lived in a household reliant on either a fulltime (1,034,000 people) or part-time wage-earner (736,000 people).[4]

One fifth of *private renters* and half of *social housing tenants* were in poverty compared with less than one in ten *homeowners.*

Australia's housing affordability crisis impacted most severely on people *renting privately* (21% of whom were in poverty) or in *social housing* (public or community housing - 55%):

- The high poverty rate among social tenants reflects the targeting of social housing towards people with deep disadvantage (such as disabilities, prolonged unemployment or domestic violence, combined with very low income).
- Home ownership offered a degree of protection against poverty, which was much lower among *homeowners with and without mortgages* (10% and 9% respectively).
- The risk of poverty among older people (65 years or more) increased almost four-fold if they rented their home - 58% compared with 15% for those owning or purchasing it.

Altogether 1,690,000 people in poverty were in home-owning or purchasing households compared with 1,407,000 who were renting privately and 455,000 in social housing.

Households whose highest income-earner was a woman had almost twice the level of poverty (20% compared with 11% for those whose highest income earner was male).

Since women had much lower incomes on average than men, they and family members relying on them (including women who never partnered and those affected by separation or death of a partner) were more vulnerable to poverty than households where the main income-earner was male:

- 1,884,000 people were in poverty in households where the highest earner was female while 1,822,000 were in households where the highest earner was male.

The overall rate of poverty among women and girls (15%) was also higher than among men and boys (14%) regardless of the gender of the main income-earner (based on household income).

[4] Many people in poverty in wage-earning households also receive income support payments or Family Tax Benefit.

Children in sole parent families were over three times as likely to live in poverty than those in partnered families.

Over one third of children in sole parent families (37%) were in poverty compared with one in ten (11%) in partnered families. This reflects the lower incomes of parents who care for a child alone, 88% of whom were women:

- The rate of poverty among children in sole parent families in 2022 was the highest over the 25 years of the HILDA survey.[5]

Overall, 757,000 children were in poverty, comprising 436,000 in sole parent families and 321,000 in partnered families.

The risk of poverty for all members of sole parent families (including adults) was 30% compared with 11% in partnered families with children.

Poverty was higher among younger and older people, especially older single people.

The average rate of poverty in 2022-23 was 16% among children under 15 years, 14% among young people 15-24 years, 12% among people aged 25-64 years, and 20% among older people (over 64):

- Among single older people, 40% lived below the poverty line.[6]
- Among people in poverty, 757,000 were children under 15 years, 462,000 were young people 15-24 years old, 1,615,000 were 25-64 years old, and 873,000 were over 64 years.

The profile of who is at greatest risk of poverty is consistent across data sources.

The evidence in this report is consistent with our previous reports identifying those at greatest risk of poverty – including people reliant on working-age income support payments, people who are unemployed, those who rent their homes, sole parent families and people with disability.[7]

[5] Laß I et al (2026), *The Household, Income and Labour Dynamics in Australia Survey: Selected Findings from Waves 1 to 23.* Melbourne Institute of Applied Economic and Social Research.
[6] In this report, the rate of poverty among older people in 2022 is substantially higher (20% overall and 40% for single older people) than in our previous report based on the ABS Survey of Income and Housing in 2019-20 (14% and 25% respectively). One reason for this is that in recent years the poverty line derived from the HILDA survey has been significantly higher than that derived from the ABS survey which was the data source for our last report. This particularly impacts measured poverty rates among older people since maximum Age Pension rates are generally close to the poverty line. Our poverty line for 2022-23 from the HILDA survey is $52 per week above the pension for a single person and $74 above that for a couple. Consequently, older people needed to receive at least that much income above and beyond the pension (from superannuation or other sources) to lift them above the poverty line. Increases in housing costs (which rose on average by 7% in 2022-23) also increased poverty compared with 2019-20 levels.
[7] See for example Davidson, P; Bradbury, B; and Wong, M (2023), Poverty in Australia 2023: Who is affected? Poverty and Inequality Partnership Report no. 20. Australian Council of Social Service and UNSW Sydney.

The solutions to poverty remain clear.

Broadly speaking, the evidence supports the following policies to reduce poverty, especially among those in deepest poverty:

- Lift the lowest income support payments (including Youth Allowance and Jobseeker Payment) to at least pension levels to reduce the deepest poverty. These payments must also be indexed to wages as well as prices.
- Introduce and improve supplements to cover essential costs above and beyond basic income support, including the extra costs of sole parenthood, disability and renting. Government must also substantially increase the Remote Area Allowance so it reflects remote costs.
- Commit to full employment based on targets which guarantee there are enough jobs and paid working hours overall for people who need them.
- Invest in decent employment services to end the entrenched economic exclusion of people such as those unemployed long-term, Aboriginal and Torres Strait Islander communities, people with disability and older people; and to improve access to decent jobs and careers for people entering or returning to paid work including young people, parents and carers.
- Substantially boost government funding to increase social housing supply to 10% of all housing, guided by nationally coordinated targets calibrated to address unmet housing need across jurisdictions, and negotiate with and incentivise state and territory governments to strengthen rental regulations to improve the affordability, security and quality of private rentals, including protections against excessive rent increases.[8]

[8] ACOSS (2026), *Budget Priorities Statement*. Sydney; ACOSS (2022), *Restoring full employment - Policies for the Jobs and Skills Summit*; ACOSS (2026), *Reform of employment services and mutual obligations*. Sydney; ACOSS (2026), *Boost social housing and curb investor tax breaks*. Sydney.

1. About this report

This is Part 2 of the Poverty in Australia 2025 report, following publication of our Poverty in Australia Overview in 2025. This report, from the Poverty and Inequality Partnership (PIP) between ACOSS and UNSW (Sydney), updates estimates of poverty from our seven previous reports.[9]

The purpose of this report is to break the overall figures down to show how rates of poverty vary among different demographic groups and people with different sources of income.

2. How poverty is measured in this report

For the purpose of this report, people are in poverty when their household's disposable income falls below a level considered adequate to achieve an acceptable standard of living. Rather than measure living standards directly (for example, by asking people whether they have to go without necessities), we set a benchmark for the adequacy of household incomes of one-half (50%) of the median or 'middle' household disposable income. This is the 'poverty line'. We also report the number of people who fall below a higher poverty line set at 60% of median household disposable income on the ACOSS/UNSW Sydney Poverty and Inequality Partnership website (though not in detail in this publication).[10]

In this way, we measure poverty by comparing the spending capacity of people with low incomes with that of 'middle Australia'. It does not follow that we are simply measuring overall inequality, or that poverty cannot be eliminated while income inequality exists. It can be eliminated by lifting the lowest incomes (including social security payments, paid working hours and minimum wages) to at least half the median level.

2.1 Poverty lines

People's spending power is affected by more than their incomes. This report also takes account of two factors that have a large impact on the ability of a household to live decently at a given level of income.

First, we adjust (or 'equivalise') disposable incomes to take account of *family size.* Clearly, a couple with two children needs more money to achieve the same living standard than a single person living alone. Poverty lines are adjusted in this way, as shown in Table 1. So, the 50% of median income poverty line for a single person was $584pw in 2022, and that for a couple with two children was $1,226pw.

[9] The companion publication, 'Inequality in Australia' profiles income and wealth inequality.

[10] For an outline of our views on how income-based poverty should be measured, see Davidson, P, Naidoo, Y., and Bradbury, B. (2025), *Poverty measurement: A Poverty and Inequality Partnership position paper,* Sydney: Australian Council of Social Service (ACOSS) and UNSW Sydney.
The 50% of median income poverty line is used by the OECD, while the higher 60% of median income poverty line is used by the European Union. We differ from the OECD approach by also subtracting housing costs from after-tax income. (Some of the published results from the OECD also use a different adjustment for household size). Australia does not currently have any official poverty measures, despite our obligation under the Sustainable Development Goals to 'by 2030, reduce at least by half the proportion of men, women and children of all ages living in poverty in all its dimensions according to national definitions'. See: https://www.un.org/sustainabledevelopment/poverty/.

Second, we take account of variations in the largest fixed cost of most low-income households: housing. At a given level of income, outright homeowners can achieve a much higher standard of living than most tenants or people with mortgages because their housing costs are lower. This is especially important when measuring poverty among older people. We take housing costs into account by subtracting them from disposable income before calculating the median income, generating a set of lower 'minus housing costs' poverty lines. So for example, the poverty line minus housing costs for a single person was $476 ($108pw less than the poverty line before housing costs are deducted).

The 'minus housing costs' poverty line is the amount of money needed to buy all other essentials after housing is paid for. The poverty status of each household is established by deducting its housing costs from its disposable income and comparing the remaining amount with the after-housing costs poverty line. We use the minus housing costs poverty lines based on 50% of median income as our primary poverty measure in this report (Table 1).

A household is defined to be in poverty if their after-tax income, minus their current housing costs, is below the '50% of median income minus housing costs' line shown here.[11]

Table 1: Poverty Lines by family type, 2022-23

	50% median income		60% median income	
	All income ($pw)	Minus housing costs ($pw)	All income ($pw)	Minus housing costs ($pw)
Single no children	$584	$476	$701	$571
Couple no children	$876	$714	$1,051	$856
Single with 1 child	$759	$619	$911	$742
Couple with 1 child	$1,051	$856	$1,261	$1,028
Single with 2 children	$934	$761	$1,121	$914
Couple with 2 children	$1,226	$999	$1,471	$1,199

Note: The main poverty line used in this report is 50% of median income, minus housing costs. Amounts correspond to household after-tax incomes, including social security payments and investment incomes as well as wages.
'All income' refers to poverty lines based on 50% or 60% of median household income for a single adult.
'Minus housing costs' subtracts average housing costs for each household type from the 'all income' poverty lines.

[11] Note that the minus-housing costs poverty lines cannot be compared directly with the income of a particular household (or with the level of social security payments) to assess whether people in that household live in poverty, without taking their housing costs into account.

2.2 Research outputs

We report the results of this research in three ways.

First, we report the percentage of individuals belonging to different groups (such as children) in households living below the poverty line. This gives us estimates of the rate of poverty for each group. Note that since poverty is a household measure, it is the income of the household – not the individual income of household members – that determines whether they live in poverty.

Second, we report the number of individuals living below the poverty line that belong to different groups. This allows us to profile people in poverty (for example, the percentage of all individuals in poverty who are children).

Third, we calculate 'poverty gaps' for people living below the poverty line. This tells us about the depth or severity of poverty: how far below the poverty line are those living in poverty? The poverty gap is expressed both in 2022 dollars per week and as a percentage of the poverty line.

In a departure from the method used in our previous reports, we do not exclude people in households reliant on income from self-employment or those with zero or negative incomes from the sample when measuring poverty.[12]

2.3 Data source

Until now the main data source for our poverty research was the biennial Survey of Income and Housing (SIH) undertaken by the Australian Bureau of Statistics (ABS). Regrettably, the 2022-23 SIH was not released by the ABS so the last available ABS income survey is for 2019-20 – the one we used for our Poverty in Australia Snapshot published in 2022.

The data source for this report is the Melbourne Institute's Household Income and Labour Dynamics in Australia (HILDA) survey, conducted during 2023, and with income data for the 2022-23 financial year.[13] Due to differences in the variables and definitions used in HILDA and the SIH, we have made the following adjustments to our reporting on poverty among different groups in the population in this report:

- The HILDA survey reports annual rather than weekly income (the basis for our poverty estimates derived from the SIH). This can affect our poverty estimates, for example where employment, income, housing, family or other status changes during the year.

[12] These exclusions were intended to improve the accuracy of poverty measurement by excluding households whose incomes may be under-reported. Due to improvements in the measurement of income from people who are self employed, this exclusion was no longer considered necessary.
[13] Data are now available for the 2023-24 year from the next wave of HILDA (release 24). However, we use the 2022-23 data here so the results here can be read in conjunction with our previous poverty report Poverty in Australia 2025 Overview. The overall poverty rates in the two HILDA releases are very similar, 14.2% in this release and 14.4% in the 2024 release.

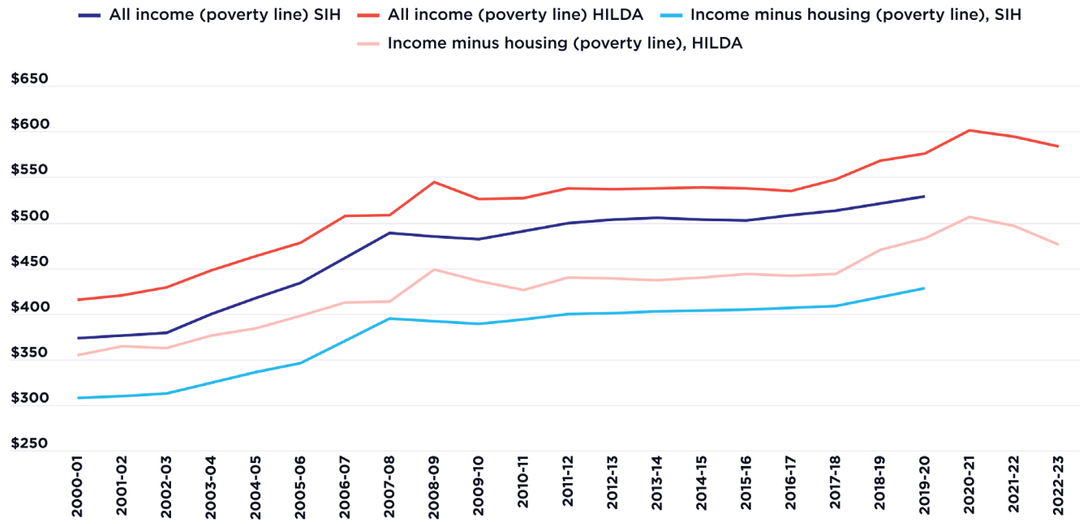
- For some groups (people with disability, place of birth and First Nations people) we estimate the number of adults in poverty (as distinct from all people), based on whether respondents to the HILDA survey had these characteristics.
- For the gender analysis we continue to estimate poverty among all females and males as well as in households where the highest income-earner is female or male. Since poverty estimates are based on household rather than individual income, this paints a clearer picture of the financial disadvantage faced by women.
- HILDA does not identify 'core activity restrictions' among people with disabilities,[14] so we no longer distinguish people with disability with and without a core activity restriction.
- Unlike the SIH, HILDA does distinguish people of "Aboriginal or Torres Strait Islander origin" and we use HILDA data to estimate poverty in those communities. Note however, that the HILDA survey does not include people in remote communities, where a significant proportion of First Nations people live.
- In this report, we classify people residing in community housing as public tenants, rather than private tenants as was the case in the reports using the SIH.
- We classify the family status of children as belonging to either partnered or sole parent families. Children living in extended family households are classified according to whether their immediate family is partnered or sole parent. (Children are included in a household if they usually live there, and do not live in another household more than half the time).
- We estimate poverty according to the labour force status of households rather than that of the 'household reference person' as HILDA does not nominate a reference person. Households are divided into mutually exclusive categories according to whether they include fulltime or part-time paid workers, people who are unemployed and/or people not in the labour force.
- As in our previous reports, we estimate the number of 'income support households' (households mainly reliant on government benefits) and rates of poverty within them according to the main payment received. However, in this report, households do not need to meet a minimum income threshold (previously $180 per week) to be classified in this way. Further, households whose main payment is Carer Payment or Veterans pensions are identified separately here, but not the previous report.

This means that while the headline results are the same as those in *Poverty in Australia 2025: Overview*, the rates of poverty and number of people in poverty reported here are not directly comparable with equivalent data in our earlier reports, though the overall incidence and population profile of poverty are similar.[15]

[14] The Australian Bureau of Statistics' Survey of Income and Housing, previously the data source for this report, allowed us to split people with disability into those with a 'core activity' restriction or limitation. The ABS defines this as people needing assistance in their daily lives in one or more of three core activity areas of self-care, mobility and communication because of a long-term health condition (lasting 6 months or more), a disability (lasting 6 months or more) or old age.
[14] The Melbourne Institute has recently released its annual HILDA Survey statistical report (Laß I et al (2026), *The Household, Income and Labour Dynamics in Australia Survey: Selected Findings from Waves 1 to 24;* Melbourne Institute) including estimates for poverty in 2023-24. While the overall poverty rate estimate is similar to our report (14%), the rates for some groups are different. Their poverty rate estimates for single person households (around 15% for single adults under 65 and 20% for single older people) are lower than in our report (25% and 40% respectively). This is likely due to the Melbourne Institute's use of a different equivalence scale (taking account of household size when setting poverty lines).

The 50% of median income poverty line derived from the HILDA survey has been higher than that based on the SIH survey for a number of years (see graph below). As a result, rates of poverty among groups whose incomes were close to the poverty line (such as people on the maximum rate of Age Pension) are higher when estimated using HILDA rather than the SIH.

Figure 1: Poverty lines from ABS Survey of Income and Housing and Melbourne Institute HILDA survey compared



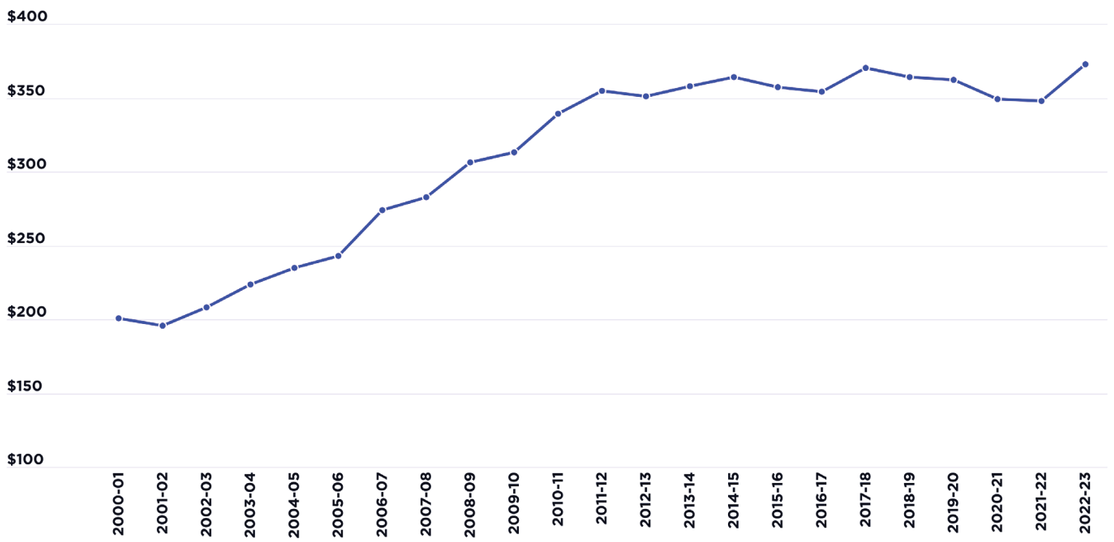
Sources: Melbourne Institute (2025), HILDA survey; ABS (2023), Survey of Income and Housing.

Further information on the methods used to produce the estimates in this report is contained in the Methodology Page of the poverty and inequality website.

As discussed in our previous report, another factor contributing to higher overall poverty rates in the 2022-23 HILDA data compared with previous years is strong growth in housing costs, which are taken into account when setting the 'income minus housing costs' poverty line (Figure 2).[16] After accounting for inflation, median housing costs (mainly mortgage payments and rents) rose sharply by $25 per week (7%) in a single year from $348 in 2021-22 to $373 in 2022-23. This reflects increases in both rents and mortgage interest expenses.[17]

[16] Davidson, P & Bradbury, B (2025), *Poverty in Australia Overview*. Australian Council of Social Service (ACOSS) and UNSW Sydney
[17] National Housing Supply and Affordability Council (2024), *State of the housing system*. Australian Government, Canberra.

Figure 2: Median housing costs



Source: Melbourne Institute (2025), HILDA survey.

3. People in poverty in 2022-23

After taking account of housing costs, on average in 2022-23 one in seven people (14.2%) and one in six children (15.6%) lived below the poverty line. Over three million (3,706,000) people lived in poverty, including 757,000 children.

Table 2 compares average rates of poverty in 2022-23 among different groups in the community (the percentage of people belonging to each group who are in poverty), the number of people in each group in poverty, and the composition of poverty (the percentage of people in poverty who belong to each group). Note that poverty is a household measure, so that in most cases the people in poverty shown here are members of households (including partners and children) living below the poverty line. The exceptions are our poverty estimates for people with disability, First Nations people and country of birth, where we only have data for the number of adults with those characteristics in poverty.

Table 2 does not include results using the higher 60% of median income poverty line.

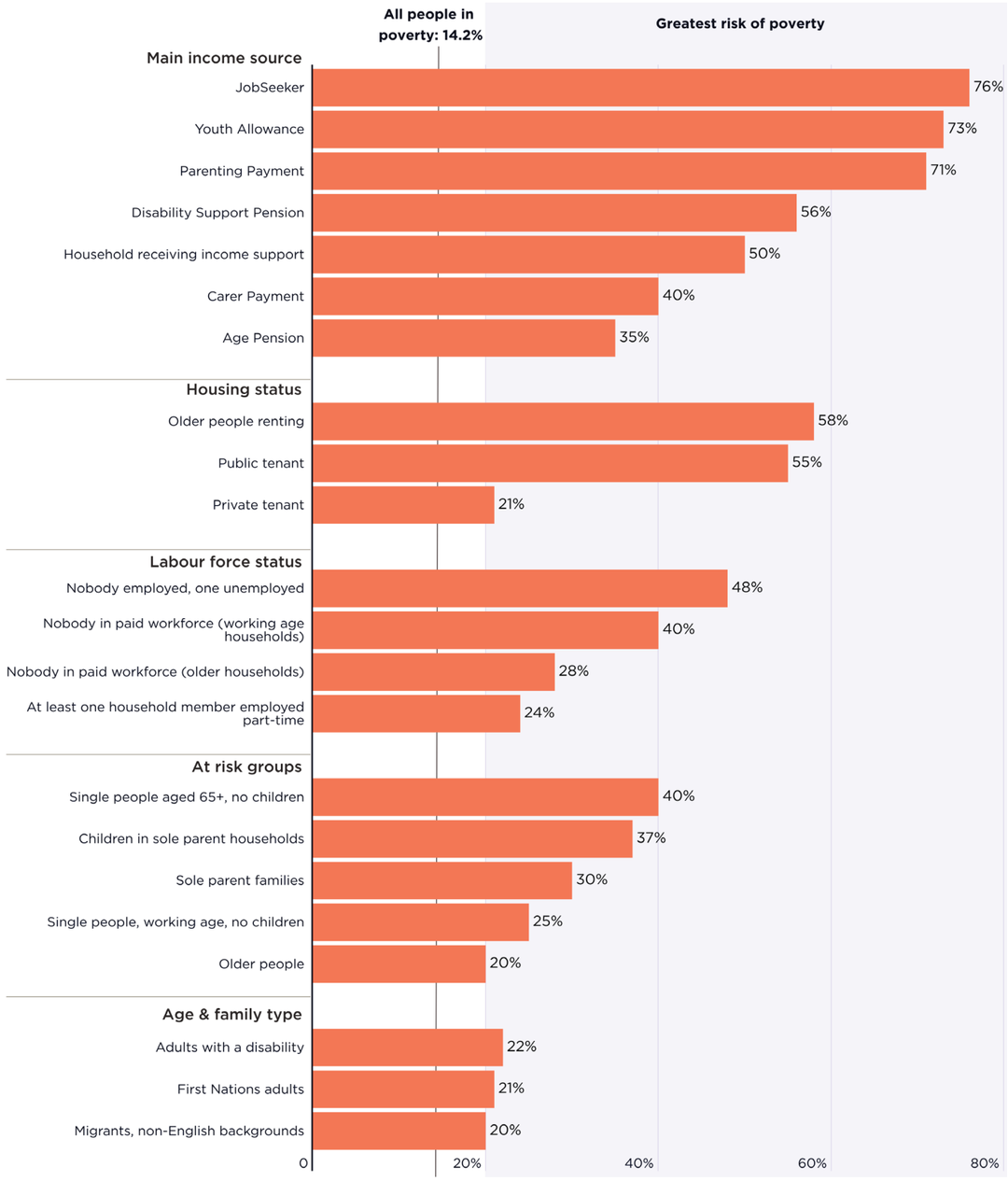
Table 2: Rates of poverty and number of people in poverty in 2022-23

	% of each group in poverty	Composition of poverty (no and %)
ALL PEOPLE		
All people	14.2%	3,706,000 (100.0%)
BY AGE		
Children under 15 years[1]	15.6%	757,000 (20.4%)
in sole parent households[2]	37.0%	436,000 (11.8%)
in partnered households[2]	10.9%	321,000 (8.7%)
Young people (15-24)[1]	14.1%	462,000 (12.5%)
Prime age (25-64)[1]	11.7%	1,615,000 (43.6%)
Older people (65+)[1]	20.4%	873,000 (23.5%)
renting[2]	57.9%	345,000 (13.6%)
owner(2)	14.7%	497,000 (9.4%)
BY GENDER		
Women/girls[1]	14.6%	1,922,000 (48.1%)
Men/boys[1]	13.7%	1,784,000 (51.9%)
BY GENDER OF HIGHEST EARNER		
Women[3]	19.6%	1,884,000 (49.2%)
Men[3]	11.0%	1,822,000 (50.8%)
BY FAMILY TYPE		
Single no children[2]	30.1%	854,000 (23.0%)
under 65 years[2]	24.9%	455,000 (12.3%)
65 years+[2]	39.6%	399,000 (10.8%)
Couple no children[2]	10.5%	604,000 (16.3%)
under 65 years[2]	6.8%	213,000 (5.8%)
65 years+[2]	15.0%	391,000 (10.6%)
Sole parent[2]	29.7%	613,000 (16.5%)
Couple with children[2]	9.6%	213,000 (28.5%)
Other households[2]	12.7%	578,000 (15.6%)
BY MAIN HOUSEHOLD INCOME		
Wages[2]	6.5%	1,241,000 (38.0%)
Social security[2]	49.5%	1,928,000 (48.0%)
Other[2]	17.2%	537,000 (14.0%)
BY PAYMENT TYPE IN HOUSEHOLDS MAINLY RELIANT ON SOCIAL SECURITY'		
JobSeeker Payment[2]	76.2%	250,000 (6.7%)
Youth Allowance[2]	73.1%	29,000 (0.8%)
Parenting Payment[2]	70.9%	204,000 (5.5%)
Disability Support Pension[2]	56.4%	362,000 (9.8%)
Carer Payment[2]	39.9%	106,000 (2.9%)
Age pension[2]	34.9%	574,000 (15.5%)
Veterans pensions[2]	27.2%	195,000 (0.6%)
Other payment[2,5]	54.1%	38,000 (1.0%)
In an income support household[2] ,(9)	49.7%	1,894,000 (51.1%)

	% of each group in poverty	Composition of poverty (%)
BY LABOUR FORCE STATUS OF HOUSEHOLD		
At least one employed fulltime[2]	5.9%	1,034,000 (34.2%)
No one employed fulltime, at least one employed parttime[2]	23.7%	736,000 (24.3%)
No one employed, at least one person unemployed[2]	48.0%	183,000 (6.1%)
No one in labour force, not all are 65+[2]	39.8%	408,000 (13.5%)
No one in labour force, all are 65+ [2]	27.8%	662,000 (21.9%)
BY HOUSING STATUS		
Owner without mortgage[2]	9.1%	577,000 (15.8%)
Owner with mortgage[2]	9.7%	1,113,000 (30.5%)
Private tenant[2]	21.4%	1,407,000 (38.5%)
Public or community tenant[2]	54.8%	455,000 (12.5%)
Other tenure[2]	17.4%	103,000 (2.8%)
BY DISABILITY STATUS (ADULTS)		
Disability[4]	21.6%	1,333,000 (45.8%)
No disability[4]	10.4%	1,577,000 (54.2%)
BY COUNTRY OF BIRTH (ADULTS)		
Australia[4]	11.9%	1,805,000 (62.0%)
Main English-speaking country[4,6]	12.5%	265,000 (9.1%)
Other country[4]	20.3%	842,000 (28.9%)
BY FIRST NATIONS STATUS		
First Nations[4]	21.0%	126,000 (4.3%)
Not First Nations[4]	13.4%	2,783,000 (95.7%)

Note: Values highlighted in yellow are poverty rates of 20% or more (rounded).
Income support households = Households in which over 50% of gross income is government cash benefits.
(1) Refers to individuals in the survey with this characteristic
(2) Refers to persons in households with this characteristic
(3) Refers to persons who are the highest income-earner in their household
(4) refers to adults with this characteristic
(5) Includes households receiving Family Tax Benefit only (e.g. low income wage-earning households);
(6) Canada, Republic of Ireland, New Zealand, South Africa, United Kingdom and United States of America
(7) Households in which more than half of income is from government benefits (including Family Tax Benefit) classified according to the main income support payment received. For 'composition', percentages with each payment add up to 'all income support households'.
(8) For disability, country of birth and Indigenous status, poverty rates are for adults only due to data limitations. The overall poverty rate for adults was 13.6%.
(9) An income support household is a household mainly reliant on social security payments including Family Tax Benefits.

Infographic: Groups at most risk of poverty



4. Poverty rates and numbers of people in poverty in 2022-23: detailed breakdowns by group

This chapter examines rates of poverty and numbers of people in poverty among different groups in the population in more depth. For readers who wish to compare poverty rates based on the higher 60% of median income poverty line, these data can be found at http://povertyandinequality.acoss.org.au

4.1 Age

Average rates of poverty in 2022-23

The average rate of poverty declines until people reach retirement age, then increases (Figure 3). However, the largest group living in poverty were people of working age (1,615,000 out of 3,706,000 people or 44% of those in poverty) as that was the largest age cohort in the overall population (Figure 4).

The rate of poverty among children (discussed in detail below) was higher at 16% (757,000 children) compared with the overall average rate of 14%.

Poverty among young people (15-24 years) was close to average at 14%, or 462,000 young people. Risk factors (especially among young people not living with their parents) include relatively high rates of unemployment and under-employment (inadequate paid hours). Further, many young people are out of the labour force while studying fulltime.[18]

Among people aged 25 to 64 years, the poverty rate was below-average at 12% (1,615,000 people), reflecting the higher earnings of this cohort.

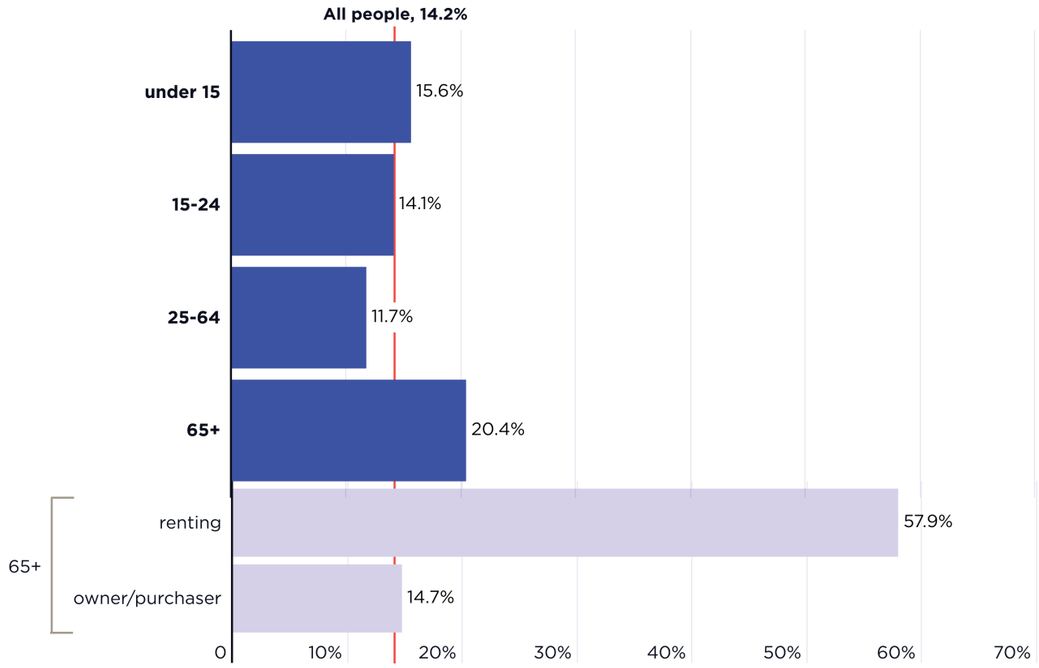
People aged 65 years and over had an average poverty rate of 20% (873,000 people). This is much higher the rate of poverty among older people in our previous report using 2019-20 data from the ABS Survey of Income and Housing (14%).[19] Among single older people, 40% lived below the poverty line, compared with 25% in our previous report. One reason for this is that the poverty line in the HILDA data used for the present report is higher than that derived from the ABS survey (see Section 2.3 above). It is also higher relative to Age Pension rates ($52 per week above the single pension rate and $74 per week above the partnered rate, not taking account of housing costs).[20] This means that older people needed more private income (such as superannuation or wages) to lift their income above the poverty line.[21]

[18] ABS (2026) Labour Force Australia, detailed. Foundation for Young Australians (2019), The new work reality. Melbourne.
[19] Davidson P, Bradbury B & Wong M (2022), Poverty in Australia – who is affected? ACOSS and UNSW Sydney.
[20] Davidson P, Bradbury B & Wong M (2025), Poverty in Australia – overview, ACOSS and UNSW Sydney.
[21] The maximum rate of the Age Pension has historically been close to the 50% of median income poverty line, before deducting housing costs (Harmer J 2009, Pension Review Report. Department of Families Housing Community Services and Indigenous Affairs, Canberra). Consequently, modest increases in pensions or the poverty line can bring large numbers of people into, or out of poverty when it is measured in this way.

A second reason for higher poverty among older people and others in 2022 compared with 2019 is increases in housing costs (see Section 2.3 above).[22]

As in our previous poverty reports, there was a stark difference in the rate of poverty among the five out of six older people who owned or were buying their home (15% or 497,000 people) and the one in six who rented (58% or 345,000 people). This is due to the much higher housing costs of older people who rent.[23]

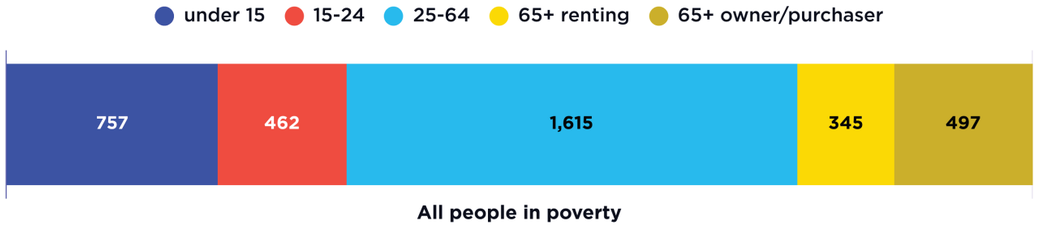
Figure 3: Rates of poverty by age in 2022-23 (% of people)



Note: 50% of median income poverty line, after subtracting housing costs.
Percentage of individuals of different ages in poverty.

[22] The impact of higher housing costs on poverty in recent years is discussed in our previous poverty report (Davidson P, Bradbury B & Wong M, 2025, ibid).
[23] AIHW (2020), Home ownership and housing tenure.

Figure 4: Number of people in poverty by age in 2022-23 (000's)



Note: 50% of median income poverty line, after subtracting housing costs.
Number of individuals of different ages in poverty.

4.2 Children

As indicated above, 757,000 children (16% of all children) were living in poverty in 2022-23 (Figure 5). Contributing factors include the impact of caring responsibilities on parents' employment participation, the direct costs of children (as measured using the equivalence scale), and the inadequacy of government financial assistance to families including income support and Family Tax Benefit.

The risk of poverty was highest for children in sole parent families (Figures 5 and 6):

- 37% of children in those families (436,000 children) were in poverty, more than three times the poverty rate for children in couple families (11% or 321,000 children).[24]
- The rate of poverty among children in sole parent families in 2022 was the highest over the 25 years of the HILDA survey.[25]

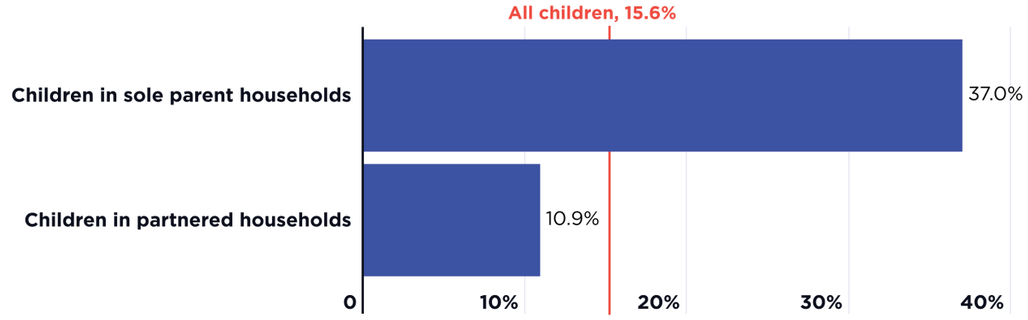
Factors contributing to higher rates of child poverty in sole parent families include reliance on a single parental income and lower employment levels among sole parents (due to a combination of their sole caring responsibilities, childcare availability, and limited family-friendly employment options). In June 2022, 31% of sole parents with a dependent child under 16 years were not employed compared with 5% of partnered families with children where neither parent was employed.[26] This means a higher proportion of sole parent families rely on social security payments, which generally sit below the poverty line.

The survey on which this report is based was conducted before the Albanese Government increased the age of youngest child at which a sole parent was disqualified from the Parenting Payment (and generally moved to the lower Jobseeker Payment) from 8 years to 14 years. Those relying on JobSeeker Payment are more likely to be living in poverty.[27]

The removal of the link between Family Tax Benefits and wage movements since 2009 – so that those payments were frozen in real terms - makes it more likely that child poverty will increase over time, all things equal.[28]

[24] In 2022, 18% of children were in sole parent families and 82% were in partnered families.
[25] Laß I et al (2026), The Household, Income and Labour Dynamics in Australia Survey: Selected Findings from Waves 1 to 23. Melbourne Institute of Applied Economic and Social Research.
[26] ABS (2019), Labour Force Status of Families, June 2023.
[27] See Davidson P, Bradbury B & Wong M (2025), Ibid,
[28] Economic Inclusion Advisory Committee (2026), 2026 Report to Government.

Figure 5: Rate of poverty among children under 15 years in 2022-23, by family type (% of children)



Note: 50% of median income poverty line, after subtracting housing costs. Percentage of children under 15 years in poverty in households with those characteristics. In our previous reports, children in 'other' households (e.g. multi-family households) were identfied separately. In the HILDA survey children are classified as belonging to partnered or sole parent households, depending on the status of the immediate family.

Figure 6: Number of children under 15 years in poverty in 2022-23, by family type (000's)



Note: 50% of median income poverty line, after subtracting housing costs. Number of children under 15 years in households with those characteristics. In our previous reports, children in 'other' households (e.g. multi-family households) were identified separately. In the HILDA survey children are classified as belonging to partnered or sole parent households, depending on the status of the immediate family.

4.3 Gender

Figure 7 shows that women were more likely to live in households below the poverty line than men (15% as against 14% for men) while Figure 8 shows that most people in poverty (1,922,000) were women and girls compared with men and boys (1,784,000).

This report adopts the conventional approach to poverty research and focusses on household incomes. While beyond the scope of this study, it is worth noting that if we focussed instead on differences in personal incomes between men and women, the gaps between them are likely to be much larger.[29]

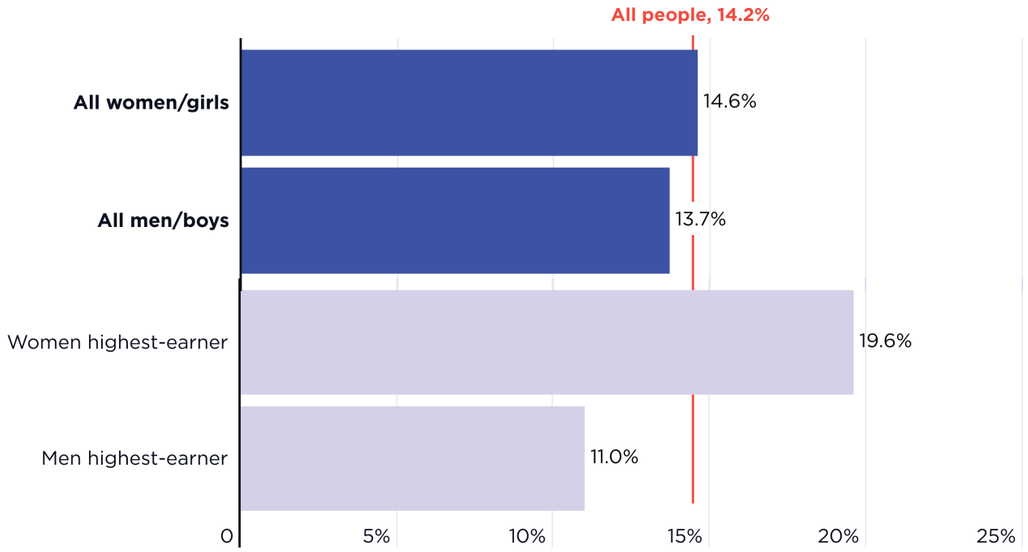
[29] See the detailed discussion of gender and poverty in our previous report Davidson P, Bradbury B & Wong M (2020), Poverty in Australia – Who is affected. Sydney.

Another way to compare the risk of poverty among men and women is to compare poverty in households where the main income-earner is male or female. If women have lower earning-capacity than men, we expect (all things equal) the risk of poverty to be greater in households where the highest income-earner is female.

Figure 7 shows that the difference between poverty rates for all individuals in households with male and female highest-earners is indeed much greater than that between men and boys and women and girls generally shown above. The poverty rate in households where the highest-earner was female was 20% compared with 11% where the highest earner was male.

Figure 8 shows that there were 1,884,000 people in poverty (both male and female) in households where the main earner was a woman compared with 1,822,000 people where the main earner was a man.

Figure 7: Rate of poverty in 2022-23, by gender (% of people)



Note: 50% of median income poverty line, after subtracting housing costs. Percentage of people (including children) in poverty in households with those characteristics.
HILDA does not report data on people who are gender-diverse. 'Female and male-headed' refers to the person with the highest income in the household.

Figure 8(a): Number of people in poverty by gender in 2022-23 (000's)



Figure 8(b): Number of people in poverty by gender of highest earner in 2022-23 (000's)



Note: 50% of median income poverty line, after subtracting housing costs. Number of people (including children) in poverty in households with those characteristics.
HILDA does not report data on people who are gender-diverse. 'Female and male-headed' refers to the person with the highest income in the household.

4.4 Family type

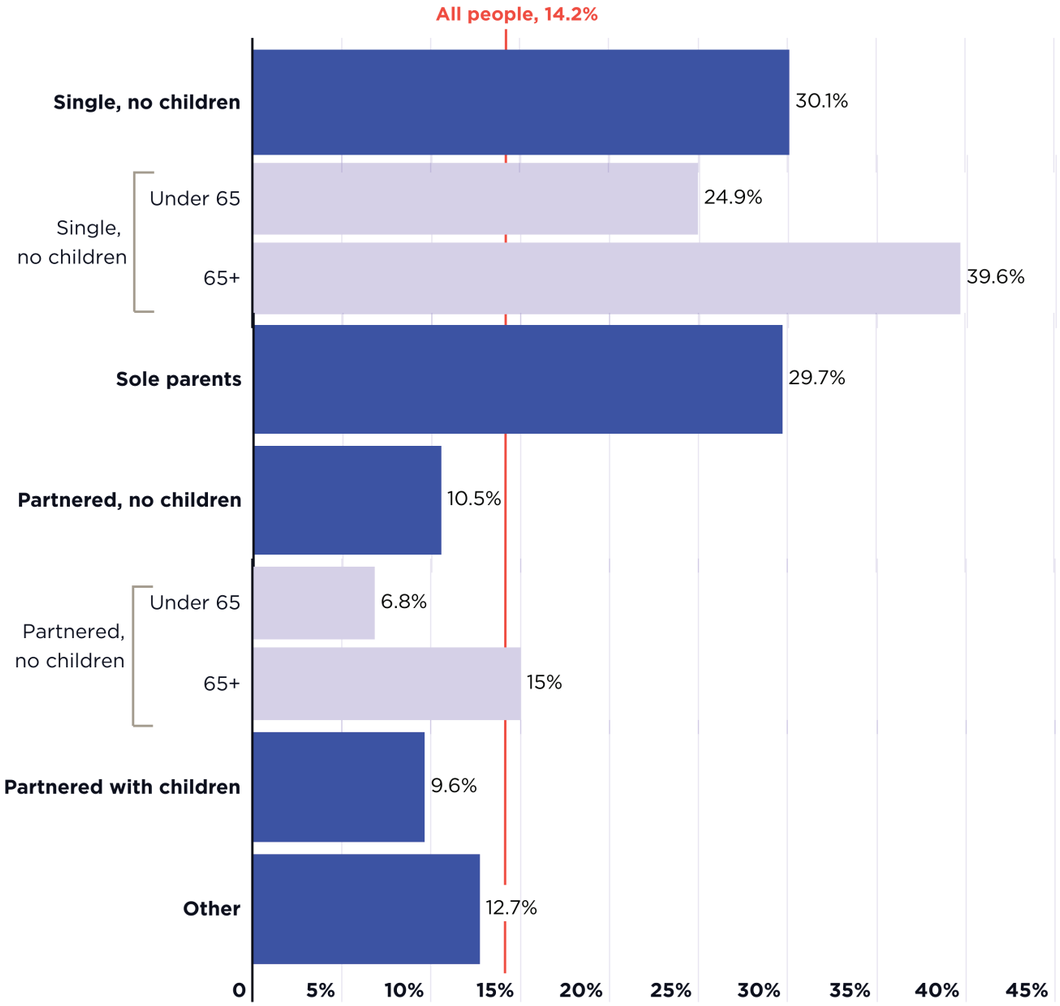
Figure 9 shows that, consistent with the higher rate of child poverty in sole parent families discussed above, those families as a whole faced a high rate of poverty, with 30% of all people (adults and children) in sole parent families living in poverty.[30] However, a greater number of people in poverty were found in partnered-with-children families (1,057,000 people compared with 613,000 people in sole parent families) due to the greater number of partnered-with-children families overall (Figure 10).

Single people living alone also had a high poverty rate (30%) reflecting their limited economies of scale in living costs (taken into account when we adjust incomes for household size), and their reliance on a single income. Single adults 65 years and older had a much higher rate of poverty (40%) than those aged 15-64 years (25%). This is much higher than the poverty rate among single older people in our previous Poverty in Australia report (25%). The reasons for this were discussed in *Section 4.1, Age* above.

30 For a detailed examination of the circumstances of sole parents and their children and the impact of government policies upon them, see Wilkins R, Buchler S & Baxter J (2025), The declining wellbeing of sole parents in Australia in the 21st century. Life Course Centre, University of Queensland, Working Paper No. 2025-20.

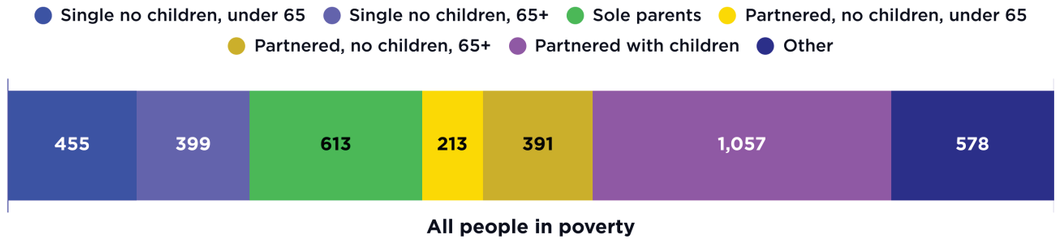
Poverty rates were lower among partnered families without children (7% among people of working age and 15% among older couples) due to their higher incomes and greater economies of scale compared with single people.

Figure 9: Rate of poverty in 2022-23 by family type (% of people)



Note: 50% of median income poverty line, after subtracting housing costs. Percentage of people (including children) in poverty in households with those characteristics. 'Other' households are mixed (e.g. multi-family) households.

Figure 10: Number of people in poverty in 2022-23, by family type (000's)



Note: 50% of median income poverty line, after subtracting housing costs. Number of people (including children) in poverty in households with those characteristics. 'Other' households are mixed (e.g. multi-family) households.

4.5 Main income source of household

Three sources of income are identified here: wage and salary, social security payments (including Family Tax Benefits and veterans payments) and other income (including superannuation and other investment income and self-employment).

People in households relying primarily on social security payments (where this was the highest source of income among the three categories above) were seven times as likely to experience poverty (50%) than those relying primarily on wages and salaries (7% - Figure 11).

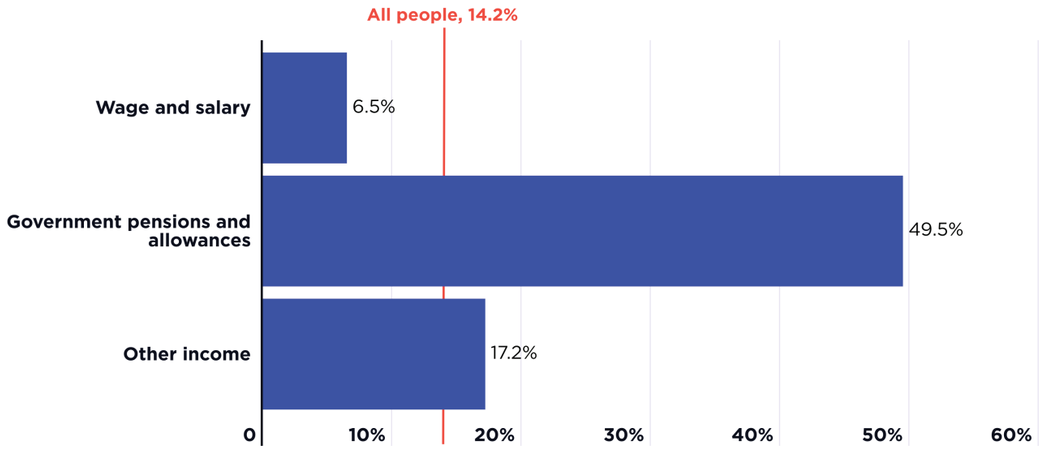
The high risk of poverty for households relying on social security reflects the low level of income support and family payments, which (as discussed later) generally sat below the poverty line. Minimum fulltime wages were generally above the poverty line, unless a single wage supported a couple or family with children.[31] However, the rate of poverty among households relying primarily on wages rose over the last decade from 5% in 2009 to 7% in 2019 and 2022, reflecting weak growth in wages and family payments compared to other components of income.[32]

Figure 12 indicates that almost half of people in poverty (48% or 1,928,000 people) were in households relying primarily on social security, while a substantial minority (38% or 1,241,000 people) were in households relying primarily on wages, reflecting the larger number of wage-earning households overall. The share of households in poverty whose primary source of income was wages and salaries has risen significantly over the last decade and a half, up from 31% in 2009-10.

[31] Fair Work Commission (2022): Statistical report, - Annual wage review 2021–22, Melbourne; Davidson P, Bradbury B & Wong M (2020), Poverty in Australia – Who is affected. Sydney. The living standards of households reliant on social security payments and minimum wages are also examined in depth in 'budget standards' research (Bedford M, Bradbury B & Naidoo Y 2023, Budget Standards for Low-Paid Families, University of New South Wales, Sydney).

[32] Treasury (2017): Analysis of wage growth, Canberra; Economic Inclusion Advisory Committee (2026), 2026 Report to Government.

Figure 11: Rate of poverty in 2022-23, by main household income source (% of people)



Note: 50% of median income poverty line, after subtracting housing costs. Percentage of people (including children) in poverty in households with those characteristics. 'Main household income' is the largest income source among the three categories listed here (wage and salary, government pensions and allowances, and other income). 'Other income' includes superannuation and investment income.

Figure 12: Number of people in poverty in 2022-23, by main household income source (000's)



Note: 50% of median income poverty line, after subtracting housing costs. Number of people (including children) in poverty in households with those characteristics. 'Main household income' is the largest income source among the three categories listed here (wage and salary, government pensions and allowances, and other income). 'Other income' includes superannuation and investment income.

(1) Poverty gaps by main income source

The poverty gap is a measure of the depth of poverty among those in poverty. It is the average gap between the incomes of households in poverty and the poverty line, after deducting housing costs. This is a different measure to the rate or risk of poverty. For example, a population group may face a relatively low risk of poverty (with few living below the poverty line), while those who are below the poverty line are in deeper poverty (their average poverty gap is relatively large).

Figure 13 shows the average poverty gap for households by main income source:

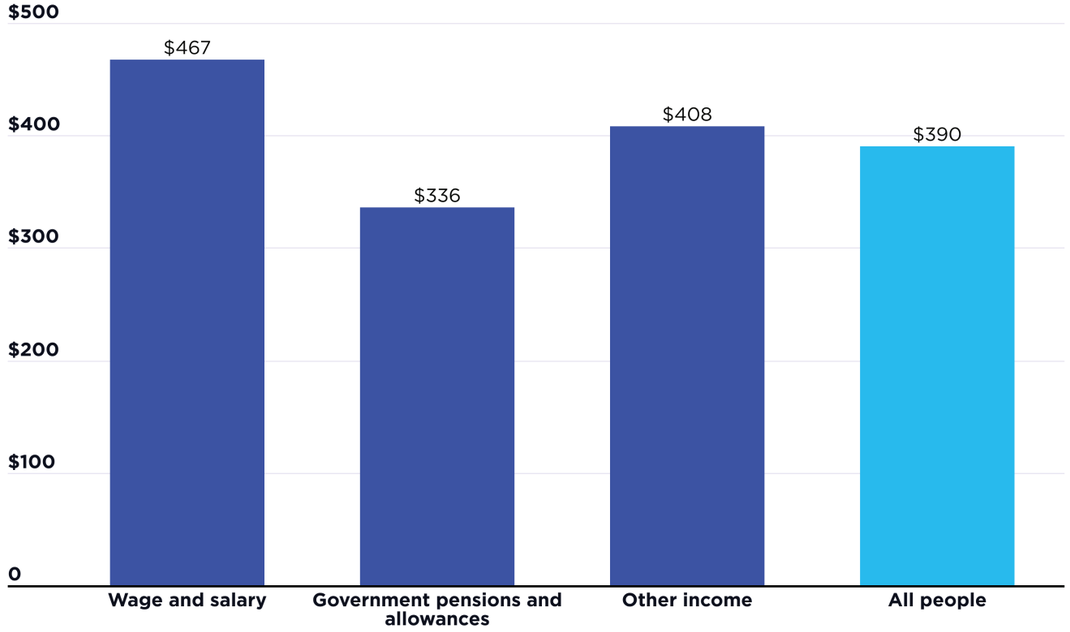
- Figure 13(a) shows average poverty gaps in dollars per week (in 2022 values). Since these figures are not equivalised (adjusted for household size) they are inflated by poverty gaps for larger households.
- Figure 13(b) shows the same poverty gaps as a percentage of the poverty line.[33] People in households below the poverty line had incomes averaging $390 per week below the line (the 'poverty gap') after deducting their housing costs. The average poverty gap was 47% of the poverty line.

Households in poverty that were primarily reliant on social security were on average $336 per week below the poverty line.

Average poverty gaps were higher for households relying primarily on wages ($467) or investment and other incomes ($408). A likely reason for this was that many of those households did not receive any social security payments and relied instead on their savings or other sources of support. As discussed above, rates of poverty among households relying primarily on wages or other incomes were much lower than for households relying primarily on social security.

When expressed as a percentage of the poverty line, poverty gaps were also higher for households relying primarily on wages or investment and other incomes (54% and 51% respectively) than for those primarily reliant on social security (41%).

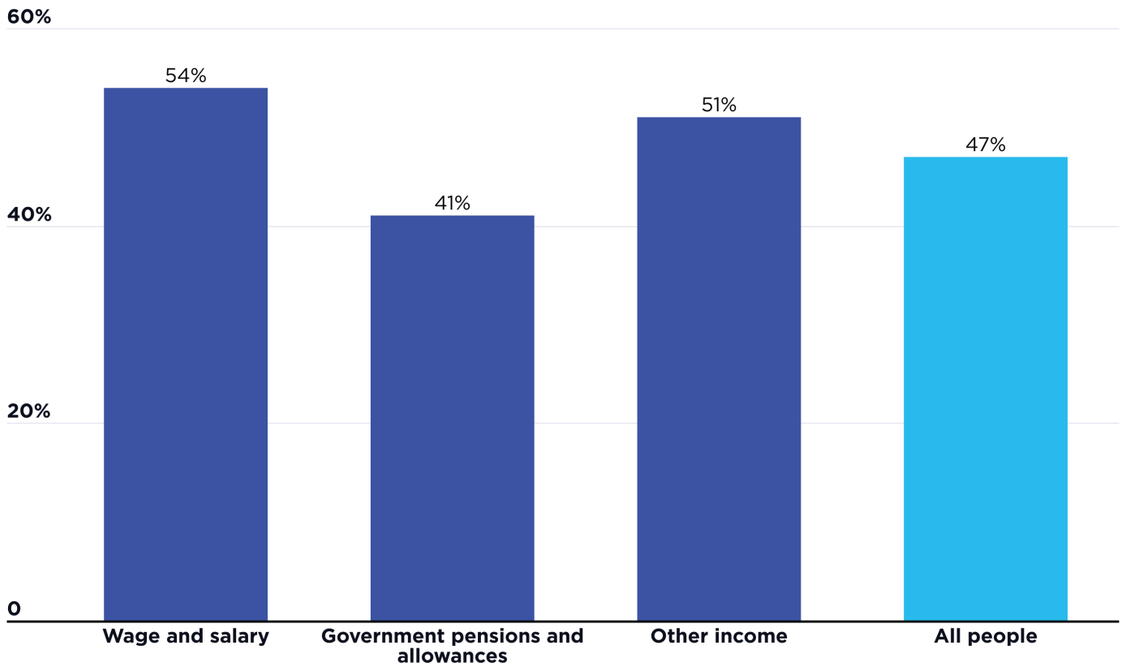
Figure 13(a): Average poverty gap in 2022-23, by main source of income ($pw)



Note: Average difference between the income of households in poverty and the poverty line. These figures are not equivalised (adjusted to household size), so average poverty gaps are inflated by the poverty gaps for larger households. 'Main household income' is the largest income source among the three categories listed here (wage and salary, government pensions and allowances, and other income).

[33] Unlike the poverty gaps expressed in dollars, these figures are equivalised.

Figure 13(b): Average poverty gap in 2022-23, by main source of income (% of poverty line)



Note: Average gaps between the income of people in poverty and the poverty line as a percentage of the poverty line, by main household income source. 50% of median income poverty line, after subtracting housing costs. 'Other income' includes superannuation and investment income. These figures are equivalised.

4.6 People mainly reliant on social security payments

Figures 14 and 15 show poverty rates and numbers of people in poverty among people in households mainly reliant on social security payments ('income support households').[34] This includes household members not on income support (for example children) but does not include all people receiving an income support payment (since some are in households that mainly rely on other incomes such as wages). This approach focuses attention on the adequacy of social security payments to prevent poverty in households that mainly rely on them.

In 2022-23 there were 3,815,000 people (including children) in income support households, of whom 1,894,000 (50%) were in poverty. In the analysis below, we classify these households according to the highest income support payment received (for example, Jobseeker Payment or Age Pension).[35]

[34] We define these as households in which over 50% of gross income is government cash benefits (including income support payments, Family Tax Benefit, and payments for veterans).
[35] Individuals in the same household may receive different income support payments, for example Disability Support Pension and Jobseeker Payment. Where the highest payment received is Family Tax Benefit and the household also receives an income support payment (such as Parenting Payment), the household is nevertheless classified according to the highest income support payment received. Where the household receives a different income support payment such as Special Benefit, or Family Tax Benefit but not an income support payment (e.g. a low wage-earning household), it is classified as 'other payment'.

The highest poverty rates among people in income support households were for those relying on Jobseeker Payment (76% or 250,000 people), Youth Allowance (73% or 29,000) and Parenting Payment (71% or 204,000 people), followed by Disability Support Pension (56% or 362,000), Age Pension (35% or 574,000 people) and Carer Payment (40% or 106,000).[36]

Higher poverty rates for JobSeeker Allowance, Youth Allowance and Parenting Payment are due largely to the lower maximum rates of those payments compared to age and disability pensions. In March 2023, the maximum single rate of Jobseeker Payment was $321 per week which was $211 below the single pension rate ($532) and $263 below the poverty line ($584).[37] People in households below the poverty line had incomes averaging $390 per week below the line (the 'poverty gap') after deducting their housing costs. The average poverty gap was 47% of the poverty line.

Further, the higher poverty rates for people relying on working age payments (including Disability Support Pension) compared to those on the Age Pension are due to a combination of lower private incomes (many people on Age Pensions also received investment income such as superannuation), higher housing costs (as discussed previously most older people owned or were purchasing their homes) and family composition (for example the costs of children in households reliant on Parenting Payment).

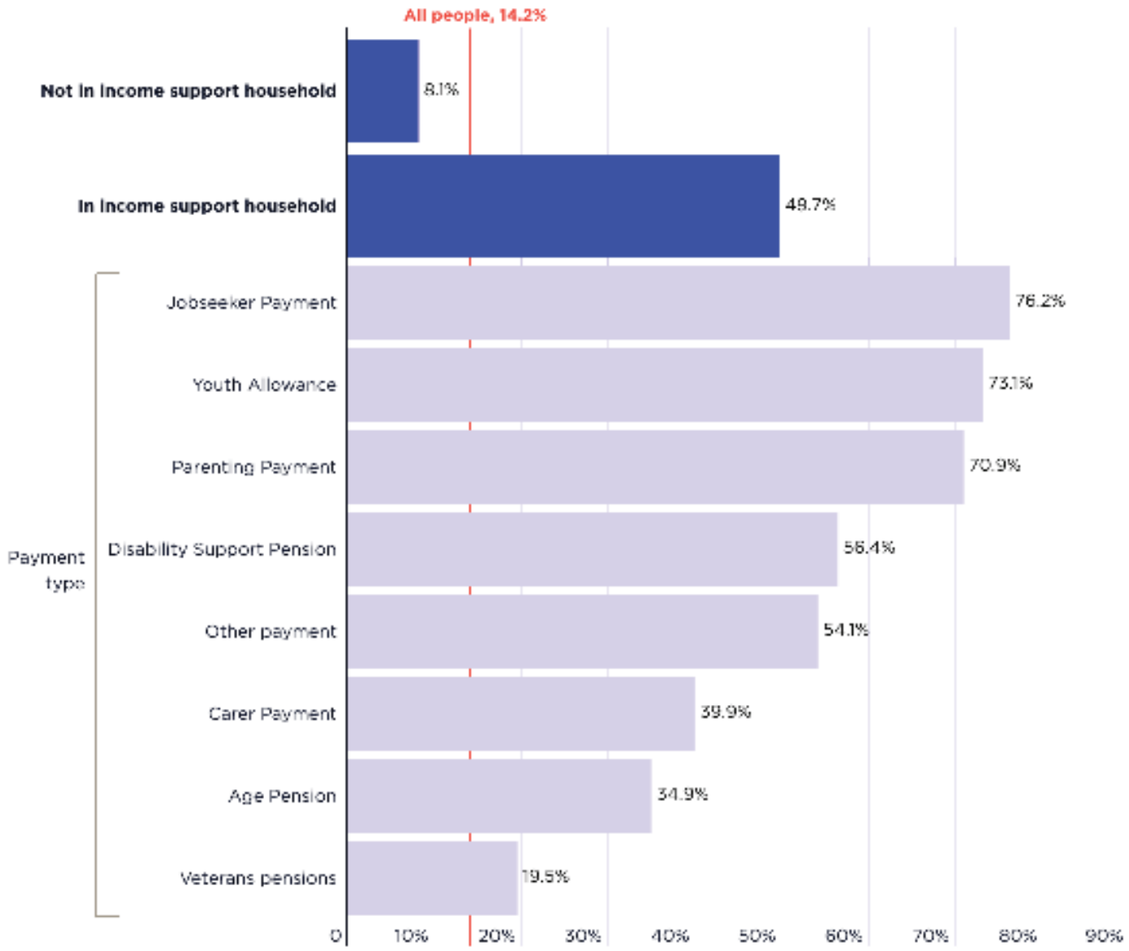
Nevertheless, the rate of poverty among people in income support households receiving the Age Pension (35%) was well above the poverty rate for the overall population (14%), and twice that reported in our previous poverty report using the 2019-20 ABS Survey of Income and Housing (17%). As discussed previously this is likely due to a combination of the higher poverty line derived from the HILDA survey and increases in housing costs since 2019. Maximum rates of the Age Pension have for many years been close to the 50% of median income poverty line, so that relatively small changes in the pension rate or the poverty line can make a large difference to poverty rates among people receiving that payment. In March 2023 the maximum single rate of Age Pension was $532 per week ($52 below the poverty line).[38]

Altogether, half (51%) of all people in poverty were in income support households (1,894,000).

A breakdown of people in poverty in income support households is in Figure 15. Of this group, over a third (30% or 574,000 people) relied on the Age Pension despite their lower rate of poverty compared with other income support payments. This is due to the relatively large number of people reliant on Age Pensions overall. Further, among people in income support households in poverty, 19% (362,000 people) relied on Disability Support Pension as their primary income support payment, 13% (250,000 people) relied upon Jobseeker Payment, 11% (204,000 people) relied upon Parenting Payment, 6% (106,000 people) relied upon Carer Payment, 2% (29,000 people) relied upon Youth Allowance and 1% (22,000 people) relied on Veteran's pensions.

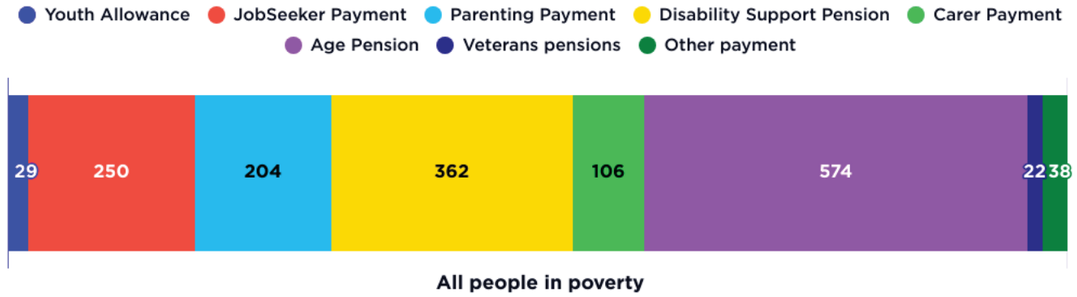
[36] These data were collected before the 2023 increases in rates of payment for Jobseeker and related payments and Commonwealth Rent Assistance, and extension of eligibility for Parenting Payment Single to parents whose youngest child was aged 8-13 years.
[37] For a detailed comparison of payment rates and poverty lines see Davidson P, Bradbury B & Wong M (2025), op.cit. Note that, as discussed in the analysis below of poverty among people with disability, our poverty measure does not account for the additional costs of disability.
[38] Davidson P, Bradbury B & Wong M, (2025), ibid.

Figure 14: Rate of poverty among people in 'income support households' by highest income support payment received in 2022-23 (% of people)



Note: 50% of median income poverty line, after subtracting housing costs.
'Income support households' are those in which over 50% of gross income is government cash benefits (including FTB). Percentage of people (including children) in poverty in households with those characteristics. The same household may receive more than one payment – they are classified here according to the highest income support payment received. 'Other income support payment' includes Special Benefit, Austudy Payment, Abstudy Payment, Widow Allowance, and households receiving Family Tax Benefit only (mainly low wage-earning households).

Figure 15: Number of people in poverty in 'income support households' by highest income support payment received in 2022-23 (000's)



Note: 50% of median income poverty line, after subtracting housing costs.
'Income support households' are those in which over 50% of gross income is government cash benefits (including FTB). Percentage of people (including children) in poverty in households with those characteristics. The same household may receive more than one payment – they are classified here according to the highest income support payment received. 'Other income support payment' includes Special Benefit, Austudy Payment, Abstudy Payment, Widow Allowance, and households receiving Family Tax Benefit only (mainly low wage-earning households).

(1) Poverty gaps by social security payment

As discussed, the 'poverty gap' is a measure of the depth of poverty among those living below the poverty line. It is the average gap between their income and the poverty line, after deducting housing costs. This is a different measure to the rate or risk of poverty. For example, a population group may face a relatively low risk of poverty (with few living below the poverty line) while those who are poor face deeper poverty (their average poverty gap is relatively large).

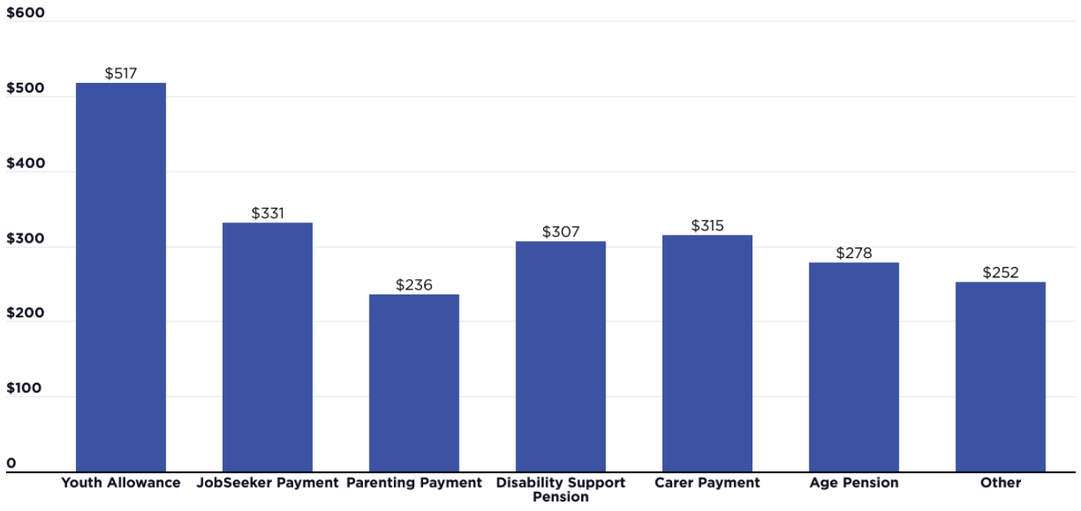
Figure 16 shows the average poverty gaps for people in income support households living below the poverty line, expressed in 2022 dollars per week. Note that these amounts are not adjusted for household size, so poverty gaps will generally be greater for large families.

In dollar terms in 2022-23, poverty was deeper (average poverty gaps were greatest) among people in income support households relying on Youth Allowance ($517), JobSeeker Payment ($331 per week), Disability Support Pension ($307) and Carer Payment ($315), relative to Age Pension ($278) and Parenting Payment ($236).[39]

As a percentage of the poverty line, average poverty gaps were 60% for those relying on Youth Allowance, 41% for those on Jobseeker Payment, 37% for those on Disability Support Pension, 34% for those on Carer Payment, 33% for those on the Age Pension and 24% for those reliant on Parenting Payment.

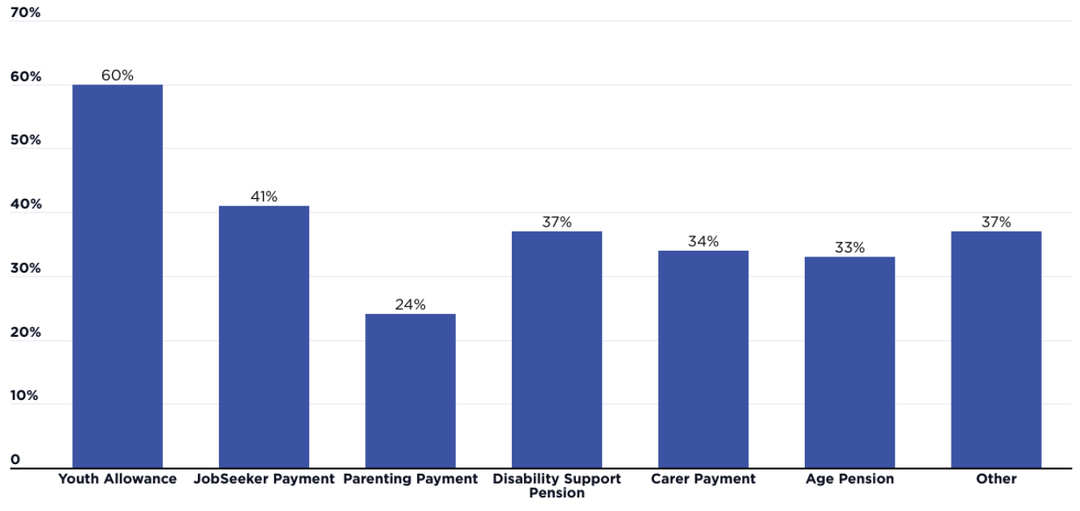
[39] Parenting Payment includes Parenting Payment Single for single parents and Parenting Payment Partnered for partnered parents.

Figure 16(a): Average poverty gap in income support households in 2022-23, by highest income support payment received ($pw)



Note: Average difference between the income of households in poverty and the poverty line. These figures are not equivalised (adjusted to household size), so average poverty gaps are inflated by the poverty gaps for larger households. Poverty line is 50% of median income, after subtracting housing costs.
'Income support households' are those in which over 50% of gross income is government cash benefits (including FTB). The same household may receive more than one payment – they are classified here according to the highest income support payment received. 'Other income support payment' includes Special Benefit, Austudy Payment, Abstudy Payment, Widow Allowance, and households receiving Family Tax Benefit only (mainly low wage-earning households).

Figure 16(b): Average poverty gap in income support households in 2022-23, by highest income support payment received (as a % of poverty line)



Note: Average difference between the income of households in poverty and the poverty line. Unlike figure 14A these figures are equivalised (adjusted to household size). Poverty line is 50% of median income, after subtracting housing costs.
'Income support households' are those in which over 50% of gross income is government cash benefits (including FTB). The same household may receive more than one payment – they are classified here according to the highest income support payment received. 'Other income support payment' includes Special Benefit, Austudy Payment, Abstudy Payment, Widow Allowance, and households receiving Family Tax Benefit only (mainly low wage-earning households).

Above-average levels of poverty among households that mainly rely on social security payments are due in large part to the level of those payments, which generally sit below the poverty line. This means that a household relying on social security usually needs additional (private) income such as part-time earnings to avoid poverty. How much additional income is needed depends on the difference between social security payments and the poverty line and their housing costs (which are taken into account in the poverty measure used in this study).

Our previous Poverty in Australia (Overview) report compared the maximum rates of social security payments available to hypothetical individuals and families with the poverty lines in the last two quarters of 2022-23.[40]

[40] Davidson P, Bradbury B & Wong M, (2025), op cit.

4.7 Labour force status

Figures 17 and 18 compare poverty rates among people according to the labour force status of household members over 14 years old. Households are divided into the following mutually exclusive categories – those in which:

- At least one member is employed fulltime;
- No member is employed fulltime but at least one member is employed part-time;
- No member is employed and at least one is unemployed;
- No member is in the labour force and all are 65 years or older;
- No member is in the labour force and not all are 65 years or older.

People of working age lacking paid employment face an elevated risk of poverty. Among people in households where none were employed and at least one person was unemployed, 48% (183,000 people) were in poverty in 2022-23.

Where no household member was in the labour force and no household member was 65 years or more, 40% (408,000 people) were in poverty. Many of these households relied on the Disability Support Pension, Parenting Payment, or Carer Payment.

Where no household member was in the labour force and at least one member was 65 years or older, 28% (662,000 people) were in poverty. Many of these households relied on Age Pensions. This is consistent with poverty rates among older people generally, discussed in Part 4.1 *Age*.

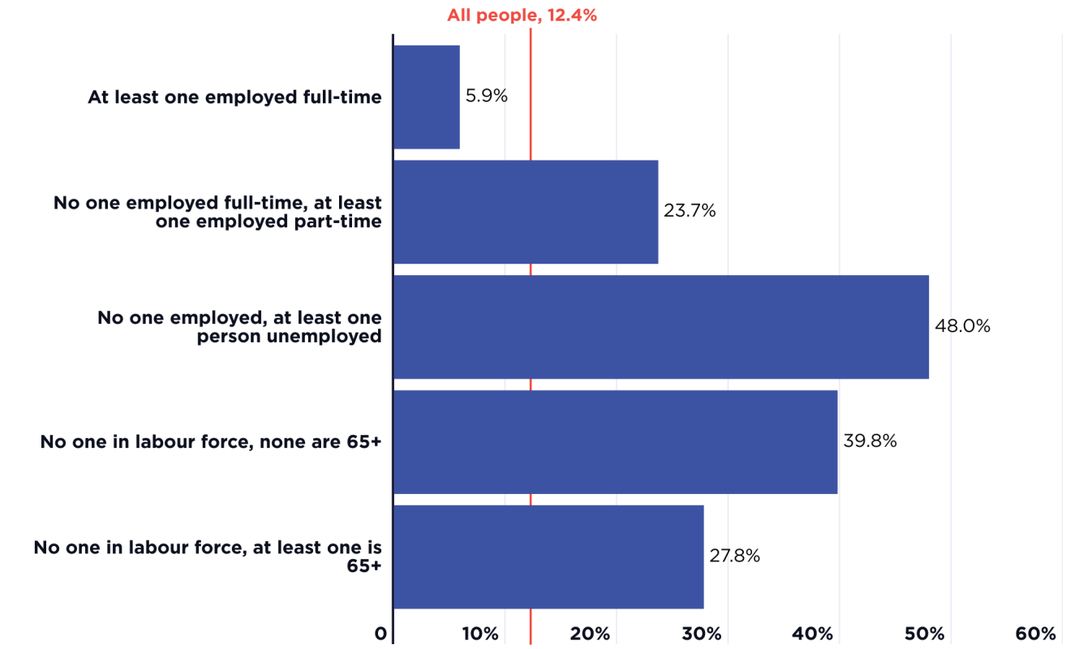
Poverty rates were much lower where the household reference person was employed fulltime (6% or 1,034,000 people). Since minimum wages were above the poverty lines for a single adult, those living below the poverty line in households with a reference person employed fulltime were likely to be couples or families with children relying on a single wage to support them.[41]

People in households relying on a single part-time wage were four times as likely as those relying on a fulltime wage to be in poverty (24% or 736,000 people). This reflects lower hours worked but also the fact that low-paid employment is more likely to be offered on a part-time rather than fulltime basis.[42]

While people in households with at least one employed member had relatively low rates of poverty, they comprised a majority (59%) of all people in poverty due to the relatively large number of wage-earning households overall. Many households living in poverty and receiving income from wages also received social security payments such as Family Tax Benefit, Parenting Allowance or Jobseeker Payment.

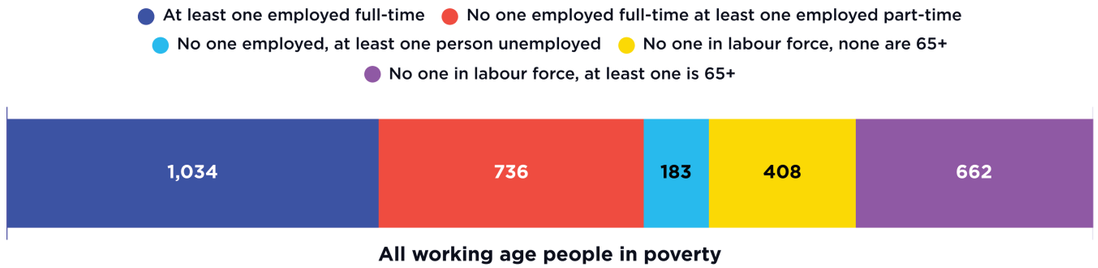
[41] Fair Work Australia (2023) op cit.
[42] In 2023, 19% of low-paid award-reliant workers (who were more likely to have low hourly pay) were employed for less than 20 hours a week and 36% for 20-35 hours per week, compared with 11% and 19% respectively among all employees (van Netten J & Lipp J (2025), Award-reliant employees in the household income distribution of employees: an update. Fair Work Commission).

Figure 17: Rate of poverty by labour force participation within households in 2022-23 (% of people)



Note: 50% of median income poverty line, after subtracting housing costs. Percentage of people (including children) in poverty in households with those characteristics.

Figure 18: Number of people in poverty by labour force participation within households in 2022-23 (000's)



Note: 50% of median income poverty line, after subtracting housing costs. Number of people (including children) in poverty in households with those characteristics.

4.8 Housing tenure

Housing is the largest fixed cost in most family budgets, so those with lower housing costs (especially those who own their homes outright) can achieve a higher standard of living than those on the same income with higher housing costs (especially tenants).[43] For this reason, we measure poverty after deducting housing costs from people's incomes.

As discussed in Section 2.3 Data Source, between 2021-22 and 2022-23 median housing costs rose by 7% (from $348 to $373 per week) after accounting for inflation, due to a combination of higher mortgage interest rates and increases in rents.[44]

Figures 19 and 20 show that in 2022-23 the risk of poverty was twice as great (21% or 1,407,000 people) for people in households renting privately than for home purchasers (10% or 1,113,000 people) and outright homeowners (9% or 577,000 people), reflecting the higher cost and/or lower incomes of people in private rental housing.[45]

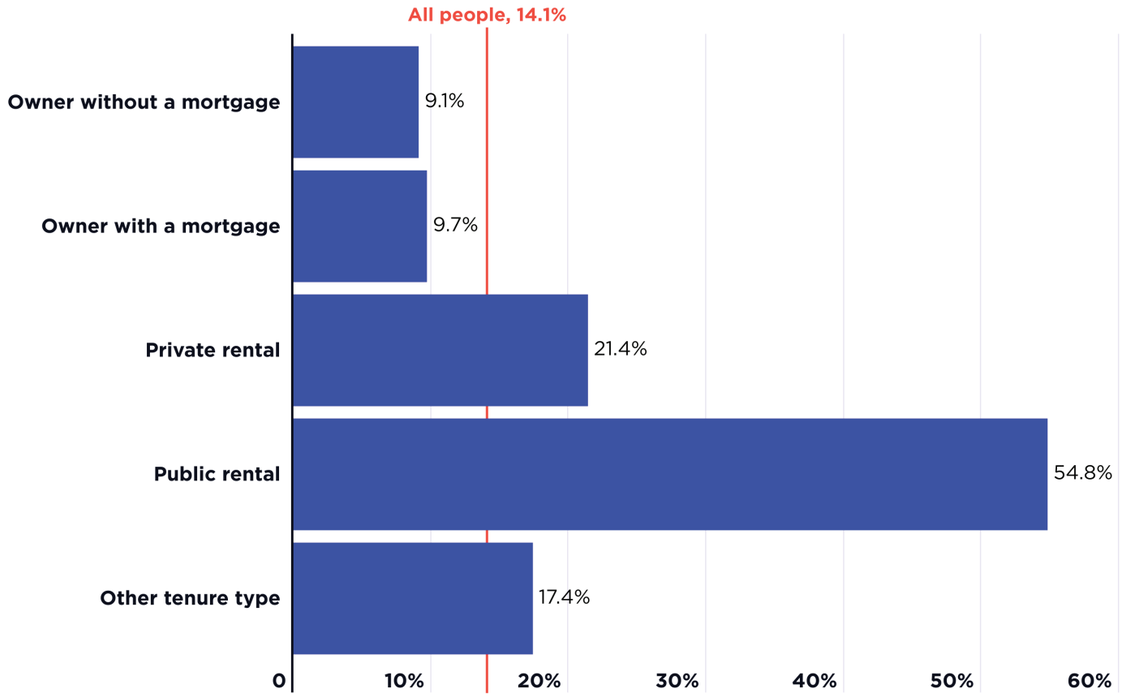
Poverty was even higher among people in public or community housing (55% or 455,000 people), mostly due to the lower incomes of this group. This reflects the stringent eligibility conditions for people to enter social housing.[46]

Half (51% or 1,862,000 people) of those in poverty were either renting privately or in social housing.

Commonwealth Rent Assistance (CRA) is targeted to people in private tenancies and community housing at greater risk of poverty but often fails to lift them out of it.[47]

[43] Bradbury B & Saunders P (2021), Housing costs and poverty: analysing recent Australian trends. Journal of Housing and the Built Environment, 15 September 2021.
[44] National Housing Supply and Affordability Council (2024), op.cit.
[45] The relatively small difference in poverty rates for those with and without a mortgage likely reflects the lower incomes of retirees (who are more likely to own their homes outright) compared with people of working age (who are more likely to have a mortgage).
[46] Public housing' refers to State-owned housing for people with low incomes while 'social housing' includes homes managed by community organisations for a similar target group. Both are classified as 'public housing' in the HILDA survey. Most new entrants to social housing have to demonstrate severe hardship or vulnerability (for example on grounds of disability, age, or domestic violence) to circumvent lengthy public housing waiting lists, as well as passing strict income tests (Australian Housing and Urban Research Institute 2026, Understanding the 'residualisation' of social housing.)
[47] Leishman C et al (2025), The impact of Commonwealth Rent Assistance on low-income privately renting parents and children. AHURI Final Report No. 446; Economic Inclusion Advisory Committee (2025) 2025 Report to Government. Canberra.

Figure 19: Rate of poverty by housing tenure in 2022-23 (% of people)



Note: 50% of median income poverty line, after subtracting housing costs. Percentage of people (including children) in poverty in households with those characteristics. 'Public rental' includes public and community housing.

Figure 20: Number of people in poverty in 2022-23 by housing tenure, and change in poverty (000's)



Note: 50% of median income poverty line, after subtracting housing costs.
Number of people (including children) in poverty in households with those characteristics. 'Public renter' includes public and community housing.

4.9 People with disability

People with disability face an above-average risk of poverty. Figures 21 and 22 show that the rate of poverty among adults with disability in 2022-23 was 22% (1,333,000 people).[48] Almost half (46%) of all adults in poverty - around 1.3 million out of 2.9 million people in poverty - had a disability. In contrast, only one in four (24%) people over 14 years in Australia – around five million out of 21 million adults – had a disability.[49]

The rate of poverty among people with a severe or profound disability (not available from HILDA data) is likely to be substantially higher.[50]

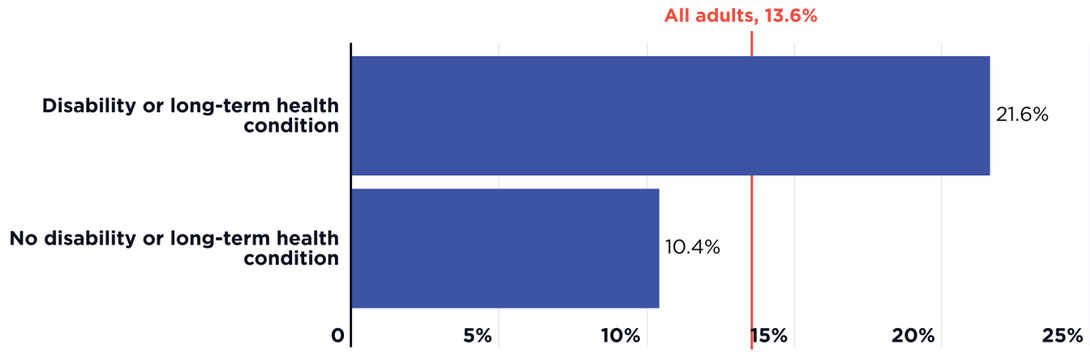
This research is likely to under-estimate deprivation among people with disability as it does not take account of the extra costs of disability when assessing whether people are living below the poverty line.[51] The costs incurred by those with disability can include adjustments to the home or workplace, costs of care, additional transportation costs such as taxis and medical and pharmaceutical costs.

One reason that people with disability have an elevated risk of poverty is their weaker employment prospects.[52] In 2022, 56% of people with disability of working age were employed, compared with 82% of people without disability. Consequently, 28% of people with disability received income mainly from government payments (compared with 5.0% for people without disability).[53]

Another factor is the level of income support payments. Over time, stringent workforce participation policies have diverted many people with disability from the higher Disability Support Pension to the lower JobSeeker Payment.[54]

[48] We measure poverty rates for adults with disability, which is different to the poverty measure we use elsewhere in this report (rates of poverty for all people, including children, in households living below the poverty line). For comparison, the poverty rate for adults was 13.6% which is less than the overall rate of poverty (including children) of 14.2%.
The poverty rate for all people in households mainly reliant on Disability Support Pension cited in Part 4.5 Social security was higher (53%) since that payment is limited to people with severe disabilities and is also income-tested against family income.
[49] Australian Institute of Health and Welfare (2026), *People with disability in Australia;* sourced from the Australian Bureau of Statistics (2024) Survey of Disability, Ageing and Carers.
[50] In 2022, 35% of adults with disability had 'severe or profound' disability (around 1.7 million adults). This means sometimes or always needing help with daily self-care, mobility or communication activities, having difficulty understanding or being understood by family or friends, or communicating more easily using sign language or other non-spoken forms of communication. (AIHW 2026, ibid)
[51] Saunders P (2007): The costs of disability and the incidence of poverty, Australian Journal of Social Issues, Vol. 42, No. 4, pp. 461-80; Li, J et al (2019), Inequalities in Standards of Living: Evidence for Improved Income Support for People with Disability. NATSEM, University of Canberra.
[52] ABS (2024), Disability, Ageing and Carers, Australia: Summary of Findings.
[53] AIHW (2026) op cit.
[54] In 2023, 40% of recipients of Jobseeker Payment and Youth Allowance (Other) had a partial work capacity (a disability that prevented them being employed for 30 hours a week or more). Under previous rules, most would have been eligible for the DSP. (Stainsby J & Davidson P 2024, Faces of unemployment. ACOSS. Sydney).

Figure 21: Rate of poverty among adults by disability status in 2022-23 (% of adults)



Note: 50% of median income poverty line, after subtracting housing costs.
Percentage of adults with those characteristics.

Figure 22: Number of people in households in 2022-23 where the highest income-earner had a disability (000's)



Note: Number of adults in poverty in households with those characteristics.

4.10 Country of birth

Figures 23 and 24 compare poverty rates among adults according to their country of birth.[55] The key distinction here is the lower poverty rate among migrants born in a major English-speaking country (13% or 265,000 adults), compared with those born elsewhere (20% or 842,000 adults). The rate of poverty was below-average among people born in Australia (12% or 1,805,000 adults).

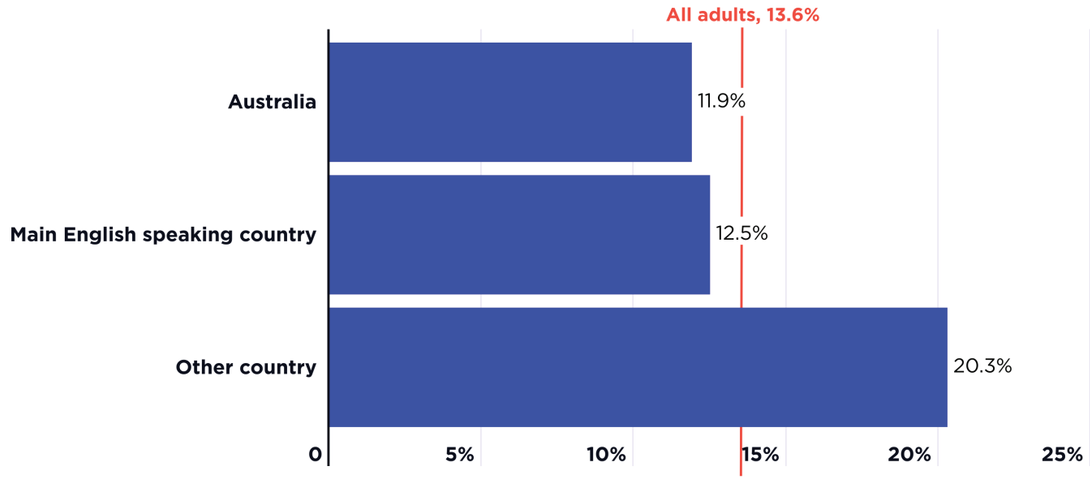
For more information on the experience of financial hardship among new migrants, see our recently published research (Bradbury B, Wong M, Phillips J. 2026, The first 10 years: Employment, incomes and poverty among migrants and refugees in Australia. Australian Council of Social Service (ACOSS) and UNSW Sydney).

Lower employment rates among migrants from non-English speaking countries likely contributed to their elevated poverty rate. For example, in December 2022, 42% of the civilian population born in Southern and Eastern Europe and 54% of those born in North Africa and the Middle East were employed compared with 73% born in the Americas (mostly North America), 71% born in Oceania (mostly New Zealand) and 66% born in Australia.[56] These differences in employment reflect a range of factors including access to labour market information and networks, discrimination in employment, and qualifications and their recognition.[57]

Nevertheless, the majority of adults in poverty were born in Australia (62%), due to the higher overall number of native-born adults.

[55] We measure poverty rates for adults by country of birth, which is different to the poverty measure we use elsewhere in this report (rates of poverty for all people, including children, in households living below the poverty line). For comparison, the poverty rate for adults was 13.6% which is less than the overall rate of poverty (including children) of 14.2%.
[56] ABS (2023), Labour Force, detailed December 2022.
[57] Social Security International (2026), Activate Australia's Skills. Sydney. Gamble H et al (2023), Migrants Skills Mismatch Analysis of Multi-Agency Data Integration Project (MADIP) data. Flinders University, Adelaide.

Figure 23: Rate of poverty among adults in 2022-23, by country of birth (% of adults)



Note: 50% of median income poverty line, after subtracting housing costs.
Percentage of adults in poverty in households with those characteristics.
'Main English-speaking country' = Canada, Republic of Ireland, New Zealand, South Africa, United Kingdom and United States of America.

Figure 24: Number of adults in poverty in 2022-23, by country of birth (000's)



Note: 50% of median income poverty line, after subtracting housing costs. Percentage of adults in poverty with those characteristics.
'Main English-speaking country' = Canada, Republic of Ireland, New Zealand, South Africa, United Kingdom and United States of America.

4.11 First Nations

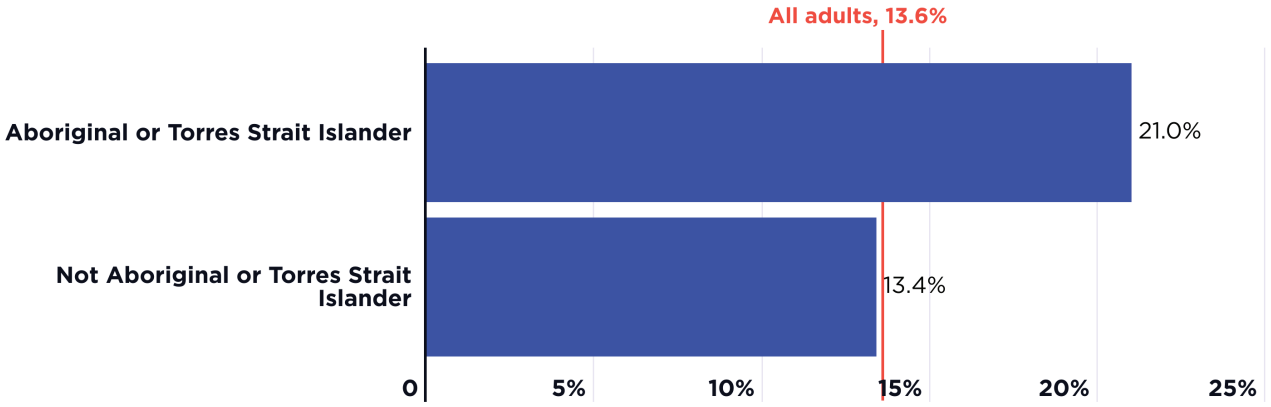
Figure 25 compares poverty rates among adults according to whether they are identified with a First Nations community. Adults identifying as Aboriginal or Torres Strait Islander people were over 50% more likely to live in poverty (21%) than other people in Australia (13%).[58]

[58] 'We measure poverty rates for adults by First Nations status, which is different to the poverty measure we use elsewhere in this report (rates of poverty for all people, including children, in households living below the poverty line). For comparison, the poverty rate for adults was 13.6% which is less than the overall rate of poverty (including children) of 14.2%.

This is likely to be an under-estimate as the HILDA survey did not include people living in remote areas, where a significant proportion of Aboriginal and Torres Strait Islander people live. While most First Nations people lived in cities and regional areas (85% in 2021), just under 1 in 6 (15%) lived in remote areas, which is a much higher proportion than non-Indigenous Australians (1.4%).[59] Based on 2016 census data, Markham and Biddle estimated that overall poverty rate for Aboriginal and Torres Strait Islander people was 31% while that in very remote communities was 54%.[60]

Figure 26 shows that in 2022 there were 126,000 adults of Aboriginal or Torres Strait Islander background in poverty, comprising 4.3% of the 2,950,000 adults in poverty. This is greater than their share of the overall adult population which was 3.8%.

Figure 25: Rate of poverty among adults in 2022-23, by First Nations status (% of adults)



Note: 50% of median income poverty line, after subtracting housing costs. Percentage of adults in poverty in households with those characteristics.

Figure 26: Number of adults in poverty in 2022-23, by First Nations status (000's)



Note: 50% of median income poverty line, after subtracting housing costs. Number of adults in poverty with those characteristics.

4.12 Location

Two thirds (66% or 2,427,000 people) of people in poverty lived in capital cities, reflecting the concentration of Australia's population in our largest cities.

[59] Australian Institute of Health and Welfare (2026), First Nations people.
[60] Markham F & Biddle N (2018), *Income, poverty and inequality – Census Paper 2*, Centre for Aboriginal Economic Policy Research, Australian National University, Canberra



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