

2021

**LOW PAY**  
COMMISSION

AN COIMISIÚN UM PÁ ÍSEAL

# Recommendations for the National Minimum Wage



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## **Primary aim:**

**To have a minimum wage that provides an incentive to work, is set at a rate that is both fair and sustainable, and helps as many people as possible, without a significant adverse effect on competitiveness or a significant negative effect on employment.**

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## Overview

There is international variance in the mechanisms used to set minimum wages. Since 2015, the Low Pay Commission (LPC) has set down the issues and principles which it considers as of particular importance in terms of the concept of a minimum wage, and the approach most suited in an Irish context. By and large these issues and principles remain the same in 2021.

The OECD carried out a review of the role of minimum wages following the economic crisis. They highlight some underlying principles of the role of minimum wages and advise: “use minimum wages as a tool to raise wages at the bottom of the wage ladder but accompany them with other tax and benefit measures to effectively fight poverty in and out of work”<sup>1</sup>. Thus, minimum wages alone are not sufficient as a poverty alleviation strategy. Coordinated policies in areas such as housing, childcare, healthcare, education, training and transport are also required.

The Low Pay Commission is of the view that:

- **A National Minimum Wage (NMW) provides the best model for Ireland to establish a ‘pay floor’ below which no-one should be expected to work**

The rate should be simple and straight-forward. The Commission continues to believe that, in a small country such as Ireland, regional rates would prove unduly complex and could not be targeted sufficiently (e.g. people often live and work in different areas and as such have different housing costs, for example.)

- **When setting the NMW the LPC should, among a range of factors, take cognisance of the level of the minimum wage relative to median pay.**

In order to avoid growth in income inequality and to limit the employment effects of the minimum wage, changes in the value of the minimum wage should take cognisance of the median rate of pay of employees. There are a number of reasons for doing this. Firstly, a comparison of the minimum wage to the median wage provides an indication of how much of an impact a given minimum wage is likely to have. Secondly, this comparison provides a benchmark for making

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<sup>1</sup> OECD Employment Outlook 2015. (2015). *OECD Employment Outlook*. [online] OECD. Available at: [https://read.oecd-ilibrary.org/employment/oecd-employment-outlook-2015\\_empl\\_outlook-2015-en](https://read.oecd-ilibrary.org/employment/oecd-employment-outlook-2015_empl_outlook-2015-en) [Accessed 22 Jun. 2021].

comparisons over time and across countries. Thirdly, the median wage may provide a useful reference point when deciding what a reasonable minimum wage should be.

- **Any changes to the National Minimum Wage must take place on an incremental basis to avoid negative impacts on jobs and on Ireland’s competitiveness, particularly given the backdrop of the COVID-19 pandemic.**

Ireland’s current NMW is already amongst the highest in the EU in absolute terms, and a negative impact on competitiveness could undermine the growth that has been achieved in recent years. However commissioned research indicates that previous minimum wage increases recommended by the Low Pay Commission have had little effect on employment, while reducing wage inequality.<sup>2</sup>

- **Decisions in relation to changes to the National Minimum Wage must be made on a clear evidence base.**

The Minimum Wage (Low Pay Commission) Act 2015 charges the members of the Commission with making its recommendations based on a set of clearly identified criteria (see following Chapter).

Thus, in making our recommendation for the minimum wage we have had regard to the matters which the Minimum Wage (Low Pay Commission) Act 2015 sets down for consideration, and we have taken account of the following:

- The pandemic has caused significant disruption for both employers and employees;
- While the future is uncertain, economic forecasts predict a strong recovery in 2022;
- Low pay sectors such as hospitality have been badly affected by the pandemic and full recovery may take some years;

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<sup>2</sup> Redmond, P., K. and McGuinness, S. (2021). *The impact of the 2016 minimum wage increase on average labour costs, hours worked and employment in Irish firms* [online] Available at: [https://www.esri.ie/system/files/publications/RS118\\_1.pdf](https://www.esri.ie/system/files/publications/RS118_1.pdf) [Accessed 22 Jun. 2021].; McGuinness, S. and Redmond, P. (2018). *Estimating the effect of an increase in the minimum wage on hours worked and employment in Ireland*. [online] Available at: <http://www.esri.ie/publications/estimating-the-effect-of-an-increase-in-the-minimum-wage-on-hours-worked-and-employment-in-ireland/> [Accessed 22 Jun. 2021].

- Commissioned research that indicates that previous minimum wage increases recommended by the LPC had little effect on employment, while reducing wage inequality;
- While Brexit has caused some difficulties, a hard Brexit has been avoided;
- The cost of housing, childcare and transportation continue to be significant issues for minimum wage and low paid workers – these issues however cannot be resolved by NMW increases alone;
- Annualised inflation, as of May 2021, is 1.9% and is also forecast to be 1.9% in 2022.

### Recommendations:

In light of its conclusions as outlined above, the Commission recommends the following:

1. That the rate of the National Minimum Wage for an experienced adult worker be fixed at a rate of €10.50 per hour.
2. The removal of the anomaly created by the sudden increase in the rate of employer's PRSI from 8.8% to 11.05% on weekly earnings of €398. The members of the Commission have, since its establishment, been consistently of the view that this issue needs to be addressed. It has reached a critical juncture given this year's recommended increase in the National Minimum Wage and we stress the need for the Government to address this issue as part of this year's Budget.
3. That the complex interaction of tax, welfare and secondary benefits be examined in order to eliminate poverty and employment traps, and ensure that workers are not trapped in low pay. This issue is further considered in Chapter 7.
4. That access to state supports and in-work income supports is examined to ensure that all groups, including migrant workers, can access these without difficulty when required.
5. That, post-pandemic, work recommences on the recommendation made by the Commission in previous years that "provision should be made for the display of basic entitlements in all places of employment where the minimum wage is in operation." See Chapter 3 for more information on this recommendation.
6. That means tests, earnings thresholds and income disregards for social welfare supports and secondary benefits are adjusted to reflect any change in the rate of the National Minimum Wage.

The recommendation on the hourly rate is supported by six of the nine Members of the Commission.

The recommendation is not supported by the employer representative Members of the Commission, who favoured an increase closer aligned to forecasted inflation. The employer representative Members noted: their concerns in relation to the challenges facing sectors where minimum wage is more prevalent, especially hospitality, retail, beauty & hair industry; further labour costs which will also impact these sectors including auto enrolment and mandatory sick pay; that these sectors are more vulnerable in circumstances of a fourth wave and more prolific emerging variants.

The Low Pay Commission is conscious that its recommendation on the hourly rate was made during a period of significant uncertainty.

In considering the appropriate recommendation on the hourly rate the Commission took particular note of the projections in the Government's Stability Programme Update for 2021.

The Commission notes that actual performance and outturn for 2022 may be better or worse than that considered by them during discussions on the hourly rate.

During 2022 the Commission will review the level of actual outturn and economic performance against the projections in the Stability Programme Update. This analysis will inform its recommendations for the 2023 National Minimum Wage.

Recommendations 2, 3, 4, 5 and 6 are supported unanimously by all nine Members of the Commission.

# Chapter 1 Introduction

## National Minimum Wage (Low Pay Commission) Act 2015

Under the legislation establishing the Low Pay Commission, the National Minimum Wage (Low Pay Commission) Act 2015, the duty of the Commission is determined as being to

*“... make recommendations to the Minister regarding the national minimum hourly rate of pay that—*

*(a) is designed to assist as many low paid workers as is reasonably practicable,*

*(b) is set at a rate that is both fair and sustainable,*

*(c) where adjustment is appropriate, is adjusted incrementally, and*

*(d) over time, is progressively increased,*

*without creating significant adverse consequences for employment or competitiveness.”*

Our remit, and the legislation, require that the Commission give consideration to a range of issues in coming to a decision on a recommendation to the Minister for an appropriate rate for the national minimum wage (NMW). Some of the issues are, essentially, matters of fact, while others necessitate an element of assessment and appraisal, and considered judgement.

The particular issues the Commission is obliged to have regard to in considering its recommendation are —

(a) changes in earnings during the relevant period,

(b) changes in currency exchange rates during the relevant period,

(c) changes in income distribution during the relevant period,

(d) whether during the relevant period—

(i) unemployment has been increasing or decreasing,

(ii) employment has been increasing or decreasing, and

(iii) productivity has been increasing or decreasing,

both generally and in the sectors most affected by the making of an order,

(e) international comparisons, particularly with Great Britain and Northern Ireland,

(f) the need for job creation, and

(g) the likely effect that any proposed order will have on —

(i) levels of employment and unemployment,

(ii) the cost of living, and

(iii) national competitiveness.

The legislation requires the Commission in making its recommendation to have regard to these factors in the period since the most recent making of a National Minimum Wage Order. The last Order in relation to the minimum wage was made on October 8th 2020 and it took effect from January 1<sup>st</sup> 2021. This review therefore looks particularly at developments since October 2020, insofar as data is available, or at developments in the period between the data used in the making of the recommendations in 2020 and the latest available data (as of June 22<sup>nd</sup> 2021). As will be discussed throughout the report, various issues arise regarding data quality due to the coronavirus pandemic.

### The Low Pay Commission

The remit of the Low Pay Commission (LPC) is to recommend levels for the minimum wage rates that will help as many low-paid workers as possible without any significant adverse impact on employment or the economy. The recommendations that the LPC provides are based on the best available evidence.

The Commission comprises of eight members and an independent Chairman. There are members who have an understanding of the interests of employers, particularly small to medium-sized employers and those operating in traditionally low pay sectors, and who possess a good knowledge and understanding of the specific issues faced by Irish businesses, particularly in relation to labour costs, and competitiveness. There are members who have an understanding of the interests of employees, especially the impact of living on the minimum wage and the sectors where low pay and minimum wage workers are concentrated. There are also academics that have particular knowledge or expertise in relation to economics, labour market economics, statistics, and employment law, as well as proven competence in analysing and evaluating economic research and statistical analysis.

The term of office of a member of the Commission is three years from the date of appointment. A person may not be a member of the Commission for more than two consecutive terms of office but is otherwise eligible for re-appointment.

**Table 1.1: Current Commission Members**

<b>Current Commission Members</b>	
Dr Donal de Buitléir	<b>Chair</b>
Caroline Fahey	Social Policy Analyst
Vincent Jennings	Chief Executive Officer, Convenience Stores and Newsagents Association
Michael Taft	Economist, SIPTU
Fionnuala Ní Bhrógáin	Head of Organising, Communications Workers' Union
Mary Mosse	Former Lecturer in Economics, School of Business, Waterford Institute of Technology
Sinead Mullins	Senior Employer Relations Executive, IBEC
Tom Noonan	Former Chief Executive, The Maxol Group
Frank Walsh	Associate Professor, University College Dublin

The Secretariat for the Commission is provided by the Department of Enterprise, Trade and Employment. (Kevin Daly, Principal Officer and Head of the Low Pay Commission Secretariat, Claire Pyke, Assistant Principal, Oisín Gilmore, Administrative Officer and Chris Smith, Executive Officer).

### 1.1. Acknowledgements

We are also grateful to the individuals and organisations that gave presentations to the Commission and supported our work, including Douglas Sutherland (OECD), Tim Butcher (UK Low Pay Commission), Christine Aumayr-Pintar (Eurofound), Paul Redmond (ESRI), Brendan O'Connor (Department of Finance), Barra Roantree (ESRI) and Robert Sweeney (TASC).

We give our deepest thanks to all the individual employees and employers, as well as representative groups, who gave their time to meet the Commissioners in online Oral Hearings in May 2021.

We also wish to thank the Secretariat, Kevin Daly, Claire Pyke, Oisín Gilmore and Chris Smith, for greatly facilitating our work throughout the year. We would like to thank Oisín Gilmore for drafting this report. We would like to thank Frank Walsh and Riddhima Vishwakarma for their contributions to the report. And we would like to thank Jim Dalton (CSO), Aoife Doyle (Eurofound), Fergal Ramsay (Department of Social Protection) and Barra Roantree (ESRI) for their help with data issues and other queries.

Finally, we would like to thank Patricia King, General Secretary of ICTU, and Gerry Light, General Secretary, Mandate Trade Union, who left the Commission in October for the years they served on the Commission.

## 1.2. The Work of the Commission

### Meetings

The Commission met on seven occasions since September 2020 and received a significant number of submissions from various groups and individuals with an interest in National Minimum Wage (NMW) issues through its annual consultation process and in general correspondence. The Chairman and members of the Commission also met directly with a wide range of stakeholders online in May and June 2021. This enabled the Commission to get as broad an understanding as circumstances permitted of the issues relating to the minimum wage. All meetings have been held online due to the ongoing pandemic.

### Research

Two studies were published as part of the LPC/ESRI Joint Research Programme in 2021. “The Impact of the 2016 Minimum Wage Increase on Average Labour Costs, Hours Worked and Employment in Irish Firms” by Paul Redmond and Seamus McGuinness was published in February and “A Comparative Assessment of Minimum Wage Employment in Europe” by Paul Redmond, Bertrand Maître and Seamus McGuinness was published in April.<sup>3</sup>

The Low Pay Commission has also awarded research bursaries for two independent pieces of research. Kevin Devereux, Xin-yang (Lucy) Liu and Zuzanna Studnicka at University College Dublin (UCD) are researching ‘Local Labour Markets and Wages Across Occupations in Ireland’. Michaél Collins and Philip J. O’Connell also at UCD are researching ‘Low Paid Older Workers: a quantitative and qualitative profile of low pay among workers aged over 55’. Research on both of these projects is on-going.

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<sup>3</sup> Redmond, P., K. and McGuinness, S. (2021). *The impact of the 2016 minimum wage increase on average labour costs, hours worked and employment in Irish firms*. [online] Available at: [https://www.esri.ie/system/files/publications/RS118\\_1.pdf](https://www.esri.ie/system/files/publications/RS118_1.pdf) [Accessed 22 Jun. 2021]; Redmond, P. & Maître, B. & McGuinness, S. & Maragkou, K. (2021). *A comparative assessment of minimum wage employment in Europe*. [online] Available at: <https://doi.org/10.26504/rs123> [Accessed 22 Jun. 2021].

## **Data**

In the course of our work the Commission examined data from a wide range of sources, and reviewed a broad variety of reports, papers and commentary. For statistical purposes the Commission relied principally on data from the CSO, Eurostat, OECD, ESRI, ECB, the Department of Finance, and the National Competitiveness and Productivity Council. In this regard, the research partnership with the Economic and Social Research Institute (ESRI) is ongoing and continues to greatly enhance the body of data and research available in this area.

The LPC/ESRI research partnership is governed by a Steering Committee comprised of two Commissioners and two senior members from the ESRI (the membership of the steering committee is set out in Appendix A.5. In addition, in light of the central importance of data to the effective functioning of the LPC, the Central Statistics Office (CSO) has, at the request of the Commission, nominated an independent member to the Steering Committee to assist in relation to technical and data matters.

Starting in 2016 a question relating to the National Minimum Wage has been included in the Labour Force Survey (LFS), formerly the Quarterly National Household Survey (QNHS). This has provided the Commission with up-to-date data as to the number of people on the NMW as well as certain worker characteristics such as age, gender, nationality and sector of employment.

While significant progress has been made in terms of data since the establishment of the Commission, there remain substantial gaps in the data which should ideally be available for the Commission on which to base its recommendations. In particular the Commission, as previously highlighted, is of the view that data needs to be collected and made available relating to firm level profitability, productivity and employee hourly earnings.

An issue of further concern is the existence of several conflicting measures of the median wage.<sup>4</sup>

## **Living Wage**

In January 2021 the Tánaiste and Minister for Enterprise, Trade and Employment asked the Low Pay Commission to begin examining the issues around the commitment in the Programme for Government to “progress to a living wage over the

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<sup>4</sup> See Appendix A.1.

lifetime of the Government”. He asked the Commission to make recommendations on the best approach to achieving the commitment within the lifetime of the Government as part of its work programme for 2021.

The Low Pay Commission has agreed a contract with researchers from the National University of Ireland, Maynooth (NUIM) to conduct detailed background research into the structure and implications of introducing a living wage in Ireland. The Commission intends to provide a report on these matters to the Tánaiste in the second half of this year. The terms of reference for this study are contained in appendix A.6.

## **Universal Basic Income**

In January 2021, the Tánaiste and Minister for Enterprise, Trade and Employment requested the Low Pay Commission to examine the commitment in the Programme for Government to “request the Low Pay Commission to examine Universal Basic Income, informed by a review of previous international pilots, and resulting in a universal basic income pilot in the lifetime of the Government”.

The terms of reference for a study on Universal Basic Income have been agreed by the Commission and are set out in Appendix A.7.

Under the terms of the Low Pay Commission/ESRI Research Partnership Agreement, the ESRI has been asked to undertake this study.

### **1.3. The Consultation Process and Oral Hearings**

#### **Consultation Process**

In February and March 2021, the Commission invited submissions from the public regarding the National Minimum Wage. In an effort to increase the level of engagement with individuals on the National Minimum Wage an advertising campaign was undertaken on social media and radio. Social media advertisements were published on Twitter, LinkedIn, Facebook and Instagram in a number of different languages, to increase the reach of the campaign. There was also a targeted emailing of both business-interest and employee-interest groups.

It was noted that all comments, observations, and submissions would be published subject to the Freedom of Information Act, 2014. The Commission received 85 submissions in 2021 in contrast with the 142 submissions received in 2020 and the 65

submissions received in 2019 (see Appendix A.4 for a full list of submissions). Of these 85 submissions, 61 were from individual workers, 1 was from an individual employer and 23 were from interest groups.

While the restrictions imposed by the pandemic meant that the Commission could not hold its traditional oral hearings and face-to-face meetings with interested parties, virtual meetings were held with representatives from a number of groups that had made submissions to the Commission or worked in areas of particular interest to the Commission. Research days were also held virtually, at which papers which the Commission deemed relevant to its work were presented by the Department of Finance, Eurofound, the OECD, the UK Low Pay Commission, the ESRI and TASC.

### **Stakeholder Views – Public Consultation**

As with previous years, the submissions which the Commission received in response to its public consultation fell into distinct categories.

Those from groups representing employer interests were generally opposed to any further increase in the National Minimum Wage this year, while some supported an increase in line with inflation. The devastating and ongoing effects of the pandemic, and the uncertainty around the reopening of the economy and future restrictions, were cited by a majority of respondents. A significant number of respondents suggested that reforms of the tax and welfare systems should be considered before any changes to the National Minimum Wage are made. Proposed initiatives, such as statutory sick pay and pension auto-enrolment schemes were also cited by a number of respondents who urged the Commission to consider the numerous demands on employers at this time. Some employer representative groups expressed the view that public policy issues affecting the cost of living are a matter for government and responsibility should not be shifted to the employer.

The vast majority of the 61 submissions made by individuals were in favour of increasing the National Minimum Wage. A significant number of these respondents recommended increasing the rate to a living wage. Reference was made to the cost of living in numerous submissions. Several respondents urged the Commission to consider the role and work of lower-paid workers during the pandemic when making their recommendations.

Groups, such as trade unions and non-governmental organisations, representing employees generally expressed the view that increases in the National Minimum Wage are required. The contribution of lower-paid workers during the pandemic was

referenced by a number of these organisations. The suggestion that the National Minimum Wage should be increased to a living wage was made by a number of these groups who also made reference to the cost of living. The trade union movement highlighted that any recommendation will be implemented in January 2022, when the economy should be expanding.

## **Oral Hearings**

In May 2021 the Commission conducted oral hearings, on a virtual basis. These sessions included a student representative body and students on minimum wage and low pay, migrant workers, representatives of a social advocacy group and representatives of the hair and beauty, hospitality and retail sectors.

Students shared their experiences of the difficulties living on a minimum wage and trying to balance the competing demands of work and study. A student representative body outlined their suggestion that the National Minimum Wage moves to a living wage, that subminimum rates and the apprentice exemption be abolished so that all workers including younger people and apprentices be paid the minimum wage. They also highlighted their belief that many employed on work placements and internships are unpaid, despite their legal entitlement to the National Minimum Wage.

Migrant workers shared their experiences of moving to Ireland to take up work, and of living on low pay. They spoke about the difficulties they experience in trying to access state benefits, such as medical cards and housing supports, and navigating what can be seen as complicated systems which require a large amount of supporting information. Similar concerns were expressed in relation to some employers not abiding by the law around workers' rights. Concerns were also expressed regarding the difficulties in the enforcement of migrant workers' employment rights, with further concerns expressed about a fear that seeking to enforce these rights could lead to negative consequences. It was noted that a large proportion of migrant workers continued to work during the pandemic, and this led to childcare and health concerns.

A national advocacy group outlined their work in the calculation of a Living Wage.

Representatives of the hair and beauty sector outlined the devastating impact of the ongoing closures introduced in response to the pandemic. They outlined the growth of a black market economy in the sector and the difficulties experienced in losing staff to this black market. Social welfare supports, and this black market, were identified as acting as a disincentive to working and being paid legitimately. The representatives

expressed their concerns at being able to meet any increases in the National Minimum Wage.

Representatives of the retail and hospitality sectors also referenced the devastating impact of the pandemic. They noted that the uncertainty around reopening arrangements adds hugely to the difficulties facing the sector. The impending introduction of initiatives such as statutory sick pay and pension auto enrolment was also mentioned as additional costs facing employers. The additional costs facing employers upon reopening, including the repayment of warehoused debt, was highlighted as a significant concern. Again this year, the Commission was informed that many employees are effectively inhibited from working more than a certain number of hours or days as this will affect their social welfare payments. The loss of supports, which are relied upon and valued by low paid employees, can act or are perceived to act as disincentives to work. Repercussive pay claims from staff earning above the National Minimum Wage due to National Minimum Wage increases are expected by some employers and the Commission was told that further substantial increases would be difficult to bear.

### **Additional hearings**

Given the unprecedented conditions arising from the pandemic, in June 2021 the Commission conducted a further set of meetings with representatives of employees and employers in the hospitality and retail sectors, given the large number of lower paid workers working in these sectors.

Representatives of a leading fashion retailer shared with the Commission their experience of the pandemic. They outlined the effect of recent closures and their experiences of reopening across different jurisdictions, noting that in-store sales remained below pre-pandemic levels. They highlighted their concern for the future of the traditional high street, noting how a thriving high street can benefit several businesses. The representatives also advised the Commission as to their internal arrangements relating to pay.

A retail workers' union shared with the Commission what they saw as the challenges and opportunities facing the retail sector. They shared their projections for the performance of the sector and advocated for an increase in the National Minimum Wage.

Officials from Fáilte Ireland met with the Commission to advise on the status and recovery of the tourism sector. They highlighted the value of the sector to the Irish

economy. They shared projections for the recovery of domestic and international tourism and for tourism employment that had been produced by the Irish Tourism Industry Confederation (ITIC), an employer's association that represents the interests of the Irish tourism industry. These projections anticipate that a full recovery from the pandemic in the tourism industry in Ireland will not occur until 2025.

Union officials representing employees in the hospitality and accommodation sector shared their view on the challenges facing the sector. They shared their concerns as to the conditions of employment for some workers, and the need to improve these conditions and paths for career progression within the sector, to ensure the attractiveness of the hospitality sector as a career. They advocated for a substantial increase in the National Minimum Wage which they believed would boost productivity and morale and decrease staff turnover.

At these meetings officials from the Revenue Commissioners and Department of Finance also outlined the provisions of the tax debt warehousing schemes.

#### 1.4. Conclusions

The Commission continues to build on its evidence-based approach to making its recommendations each year. The stakeholder views submitted as part of the consultation process and the evidence heard through oral hearings remain a key pillar of this approach. The research days also continue to be a key support to the Commission in its work.

## Chapter 2 The Minimum Wage in Ireland

This chapter provides an overview of the National Minimum Wage in Ireland and the changes in the rates over the years. It also details international comparisons of the minimum wage.

### 2.1 The Introduction of the National Minimum Wage

The National Minimum Wage (NMW) was introduced in Ireland in 2000 as a social policy commitment to protect workers considered to be most vulnerable and at risk of exploitation and to protect against poverty. The Government of the time also recognised that, as a social policy issue, the National Minimum Wage (NMW) had significant economic implications. The stated purpose of the legislation was *“to protect those workers who are vulnerable and prone to being exploited, especially women and young people”* while also having regard to the need *“to protect employment and competitiveness”*.

The National Minimum Wage Commission was established in 1998 to advise the Government on the best way to implement a national minimum wage. It recommended that the minimum wage should be measured against the median earnings of all employees, and that the initial rate for the national minimum wage should take into account employment, overall economic conditions and competitiveness. These principles remain central to the Low Pay Commission’s deliberations today.

### 2.2 The Establishment of the Low Pay Commission

In its Statement of Government Priorities 2014-2016, the Government, as part of its commitment to ensure that the economic recovery was felt by low and middle-income working families, committed to establishing the Low Pay Commission on a statutory basis. The Commission is an independent, non-political body that takes specified economic and social considerations into account in order to make annual recommendations to the Government about the appropriate level of the minimum wage and related matters.

The establishment of the Low Pay Commission put in place an independent body that, taking specified economic and social matters into account, advises the government on the National Minimum Wage and related matters. The particular role of the Commission is to ensure that any recommendation it makes to Government is evidence-based, utilising agreed data, carrying out research and consultations with employers, workers and their representatives and taking written and oral evidence

from a wide range of organisations. This is to ensure that any suggested changes to the National Minimum Wage have minimum adverse impact on employment and competitiveness.

Prior to the establishment of the Low Pay Commission under the National Minimum Wage Act 2000, the hourly rate of pay was declared by Order by the Minister and could be reviewed with reference to prevailing national economic agreements or upon recommendation by the Labour Court.

### 2.3 The National Minimum Wage

Since the introduction of the national minimum wage in 2000, the NMW has been adjusted twelve times, with eleven increases and one reduction. The rate changes are given in Table 2.1 below. The adult rate currently stands at €10.20.

**Table 2.1: The Adult Minimum Wage Rate in Ireland 2000-2021**

Date	Irish Minimum Wage
1 April 2000	€5.58 (£4.40)
1 July 2001	€6.00 (£4.70)
1 October 2002	€6.35 (£5.00)
1 February 2004	€7.00
1 May 2005	€7.65
1 January 2007	€8.30
1 July 2007	€8.65
19 January 2011	€7.65
1 July 2011	€8.65
1 January 2016	€9.15
1 January 2017	€9.25
1 January 2018	€9.55
1 January 2019	€9.80
1st February 2020	€10.10
1st January 2021	€10.20

The National Minimum Wage is the lowest average hourly rate that can be paid by an employer to an employee. There are a number of exceptions to the requirement to pay NMW. These are set out below.

The Act does not apply to:

- (a) a person who is a close relative of the employer (i.e., the spouse, civil partner, father, mother, grandfather, grandmother, step-father, step-mother, son, daughter, step-son, step-daughter, grandson, grand-daughter, brother, sister, half-brother or half-sister of an employer),

- (b) a person taking part in a statutory apprenticeship (e.g., an apprentice printer, plumber, carpenter/joiner, electrician), or to
- (c) Non-commercial activity or work engaged in by prisoners under the supervision of the governor or person in charge of the prison concerned.

## 2.4 Sub Minima Rates

The Commission undertook a review of the Sub-Minima rates as part of its work programme and recommended, in 2017, abolishing the training rates and simplifying the youth rates by moving to age related as opposed to experience-based rates. The Commission’s recommendations were accepted by Government and were introduced as part of the Employment (Miscellaneous Provisions) Act 2018. The Commission commissioned research by the ESRI and consulted widely on this matter before making their recommendations.

The following age-based rates apply:

**Table 2.2: Current rates of the NMW**

	Category of Worker	Effective from 1 Jan 2021	% of minimum wage
Adult Rate	Experienced adult worker	€10.20	100 %
Age-based Rates	Aged under 18	€7.14	70 %
	Aged 18	€8.16	80 %
	Aged 19	€9.18	90 %

Source: See Appendix A.1 for details regarding the calculation of the minimum wage.

## 2.5 Board and Lodgings

If an employee receives food (known as board) and accommodation (known as lodgings), from an employer, this may be taken into account in the minimum wage calculation. Current maximum rates which may be taken into account are as follows:

- €0.91 per hour worked for board only,
- €24.10 for lodgings only per week, or €3.45 per day

These rates came into effect from 1 January 2021 and are reviewed annually in the context of recommendations on the national minimum wage rate.

## 2.6 International Comparisons

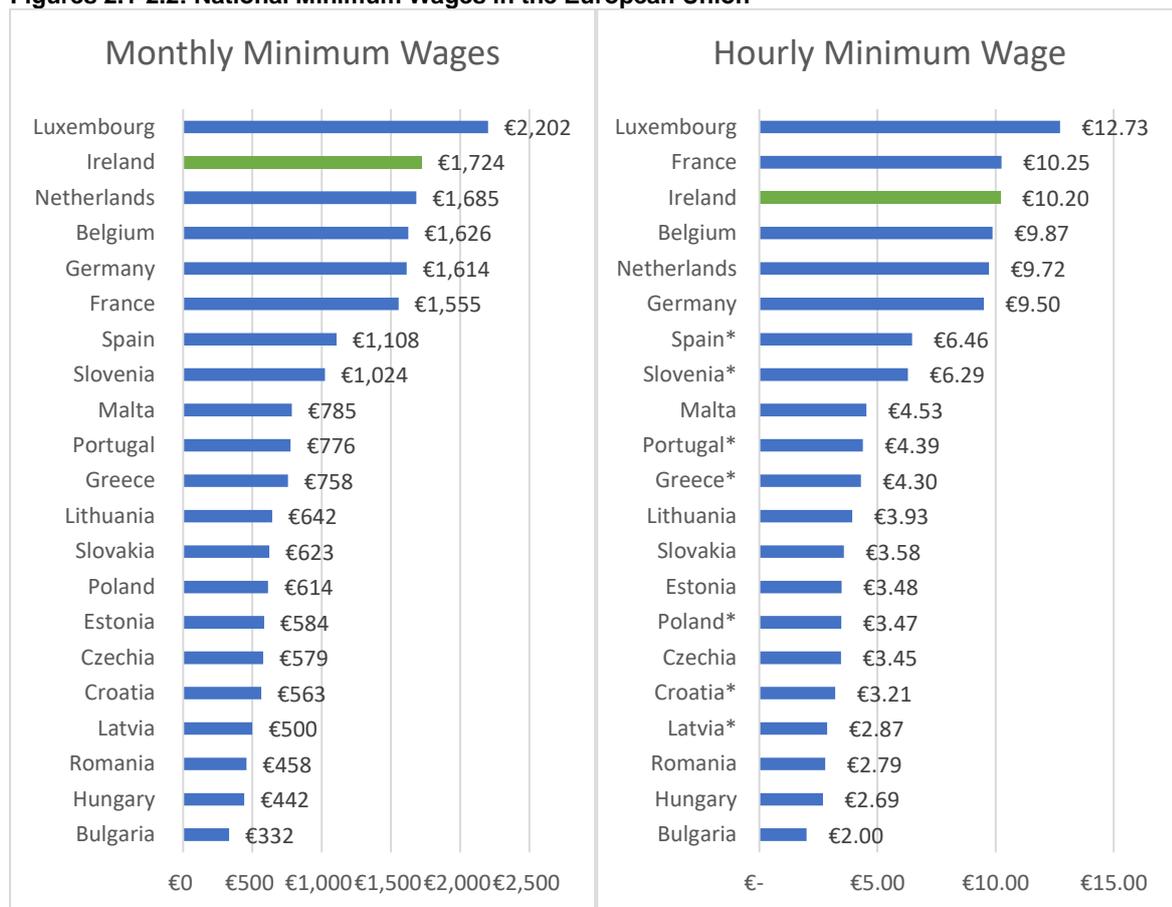
Cross-national comparisons of minimum wage rates can be problematic. Clearly, the most fundamental problem is equivalence – are we comparing like with like (i.e., when purchasing power and tax & social transfer systems are factored)? Another issue relates to local and regional differences within national boundaries. Intra-country variations make inter-country comparisons challenging. Regional variations in national minimum wages are well established and well documented.

Currently, 21 out of the 27 EU member states have National Minimum Wages (Denmark, Italy, Austria, Cyprus, Finland and Sweden are the exceptions, although these countries do have centrally bargained minimum wages across a number of sectors). Comparing minimum wages across countries is not without difficulties as many technical issues emerge, including different methods of calculation (hourly, monthly etc.). Eurostat provide a breakdown of minimum wages per month<sup>5</sup> throughout the EU. These rates are displayed in Figure 2.1 below. Eurofound provides a breakdown of minimum wages per hour. These are is displayed in Figure 2.2 below.

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<sup>5</sup> Not all countries set their minimum wages in comparable monthly terms. Therefore, Eurostat harmonises these wage rates by making country specific adjustments. For Ireland hourly minimum wages are converted to monthly minimum wages as follows: (hourly rate x 39 hours x 52 weeks) / 12 months. These country specific adjustments are detailed here: [https://ec.europa.eu/eurostat/cache/metadata/en/earn\\_minw\\_esms.htm](https://ec.europa.eu/eurostat/cache/metadata/en/earn_minw_esms.htm)

**Figures 2.1-2.2: National Minimum Wages in the European Union**



Source: Monthly minimum wages: Eurostat data [earn\_mw\_cur] (Data are for January 2021). Hourly Minimum Wages: Eurofound *Minimum Wages in 2021: Annual Review*, p.9. For countries marked with \*, rates have been converted to hourly rate by considering the average number of usual weekly hours of work (Eurostat dataset [lfsa\_ewhun2]) and 4.33 weeks of work per calendar month. This conversion is based on the average of hours worked among all employees, so it could result in an underestimation of minimum wage hourly rates in countries where working hours among minimum wage workers are below the national average, particularly if they have been reduced during the Covid-19 crisis.

While in terms of gross monthly rates of the NMW, Ireland is in second position in the above list, while in terms of gross hourly rates, it is in third position. When adjusted for purchasing power standards (PPS)<sup>6</sup> Ireland falls to sixth place among EU countries for 2021 (see Figure 2.3 below).

<sup>6</sup> The purchasing power standard is an artificial currency unit. Theoretically, one PPS can buy the same amount of goods and services in each country. However, price differences across borders mean that different amounts of national currency units are needed for the same goods and services depending on the country. PPS are derived by dividing any economic aggregate of a country in national currency by its respective purchasing power parities. Purchasing power parities are obtained by comparing price levels for a basket of comparable goods and services that are selected to be representative of consumption patterns in the various countries (this includes housing, based on actual and imputed rents, as well as childcare). The PPS calculation in Table 2.4 was performed by Eurostat.

As of April 1<sup>st</sup> 2021, the UK hourly minimum wage for those above 23 years of age is £8.91 an hour. Using an exchange rate of 0.85560 (see Table 4.4 below) this yields a minimum wage of €10.41.

**Figure 2.3: Monthly minimum wages in purchasing power standards in January 2021**



Source: Eurostat data [earn\_mw\_cur]

An important metric to analyse the minimum wage is its relationship to the median earnings. A full discussion of estimating this metric is given in Appendix A.1.

It is also worth stating at the outset that there are problems with all estimates for 2020 due to the COVID-19 pandemic. This has given rise to both data collection challenges and compositional changes in the labour force.<sup>7</sup> The data collection challenges are discussed at the beginning of Chapter 3 and the compositional issues are discussed in greater depth throughout Chapter 5 on the Irish Labour Market. The primary issue that the compositional challenge poses is that a disproportionately large number of workers who lost employment due to the COVID-19 pandemic were located in industries in which there is a high proportion of low or minimum wage workers. As a result, increases in the average wage may be a result of the changing composition of

<sup>7</sup> See chapters 3 and 5 below.

who is in employment and not as a result of actual increases in individual workers wages.

**Table 2.3: Estimates of 'Bite' – NMW as % of Median**

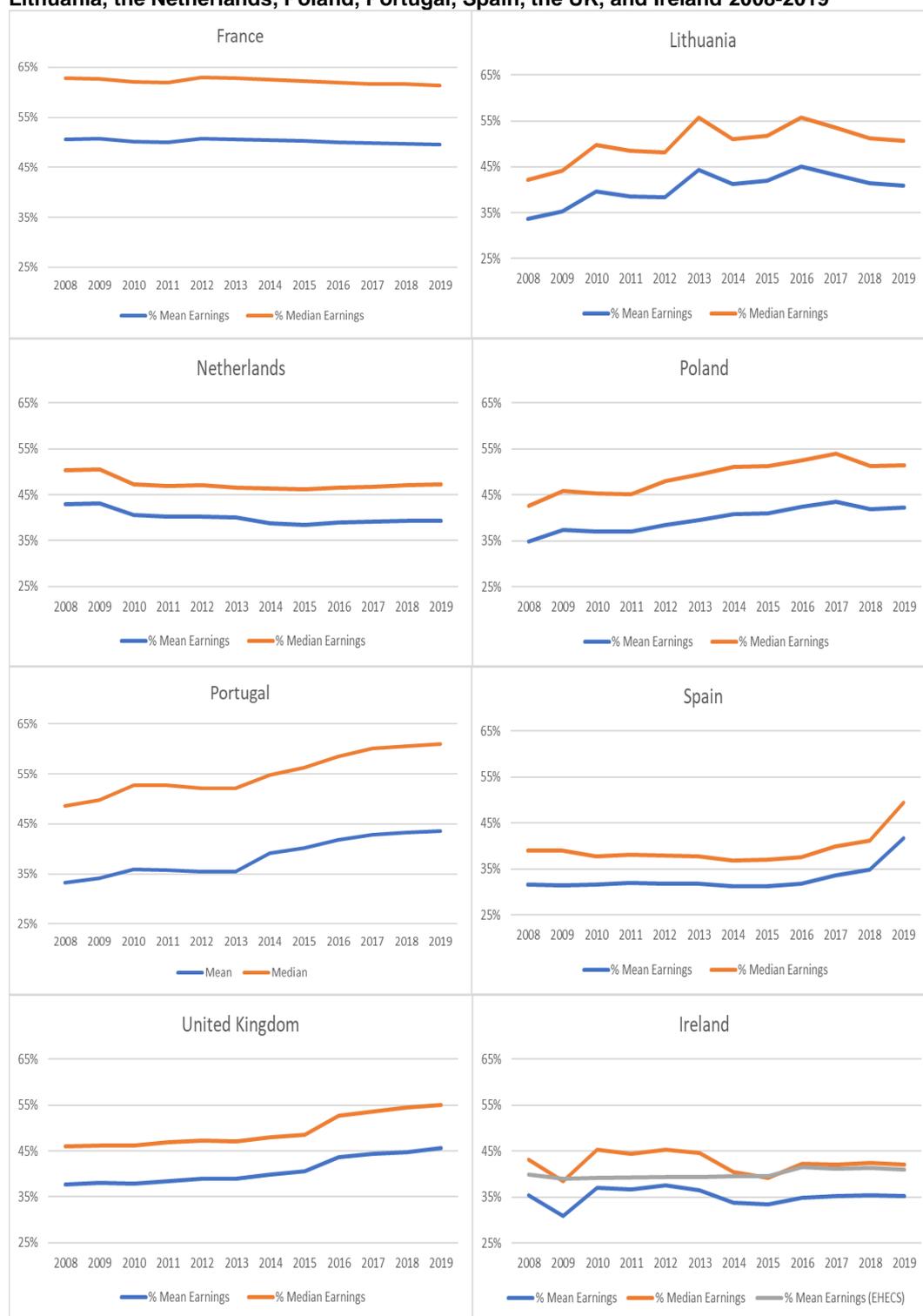
	Median Hourly Earnings €	Low Pay Threshold (66%)	NMW	Bite (%)
2018	€17.97	€11.86	€9.55	53%
2019	€18.60	€12.28	€9.80	53%
2020	€19.49	€12.86	€10.10	52%

Source: Appendix A.1

The proposed rate for 2022 of €10.50 as a percentage of the 2020 estimated median hourly earnings would be 53.9%.

The OECD's annual median earnings data is useful to analyse international trends. The figures below show how these have developed in France, Lithuania, the Netherlands, Poland, Portugal, Spain, the UK, and Ireland. These trends show that in these countries, minimum wages have generally been increasing relative to median earnings. Of these countries, France, Ireland and the Netherlands stand out. In France the "bite" of the minimum wage has remained stable but at a high level. In the Netherlands the "bite" of the minimum wage has declined marginally. And, in Ireland despite the general economic recovery, the bite has remained fairly stable. Given Ireland's relatively high minimum wage as described in Figure 2.1, the relatively low "bite" of the minimum wage shown in Figures 2.4 to 2.13 below is largely due to Ireland having relatively high mean and median wages.

**Figure 2.4-2.11: Minimum Relative to Mean and Median Earnings of Full Time Workers in France, Lithuania, the Netherlands, Poland, Portugal, Spain, the UK, and Ireland 2008-2019**

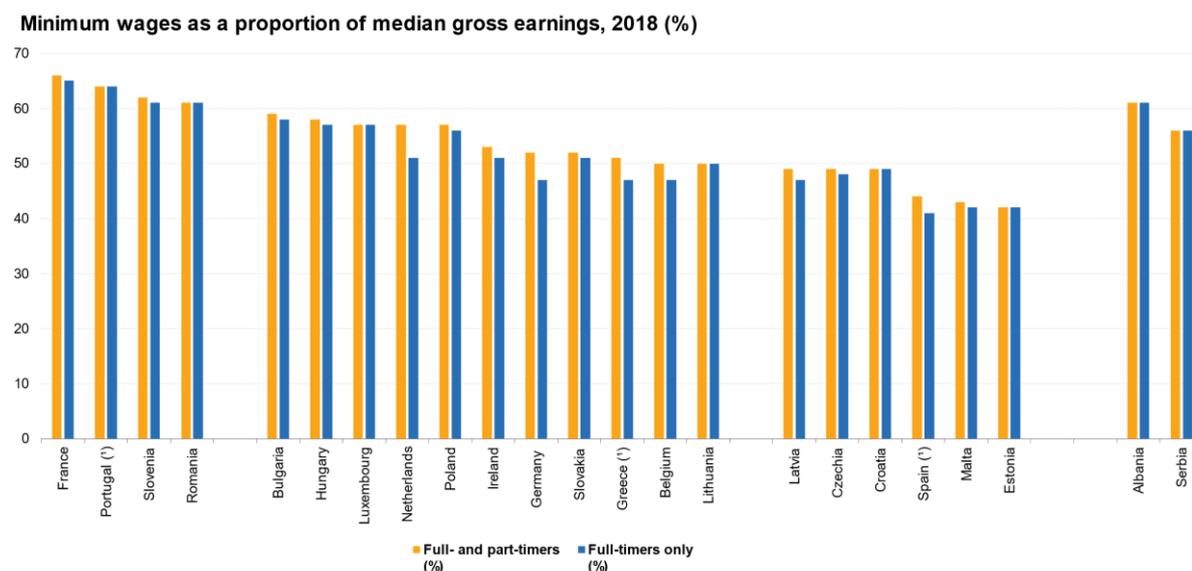


Source: OECD iLibrary Database on Earnings, CSO

It should be noted that there are strong reasons to believe that the OECD figures significantly understate the “bite” of Ireland’s minimum wage by significantly overestimating both Ireland’s median and mean earnings. (This is discussed in Appendix A.1.) Therefore, the graph for Ireland above contains a series relating the

minimum wage to mean earnings, as estimated in the Earnings, Hours and Employment Costs Survey (EHECS)<sup>8</sup>. As can be seen the EHECS mean earnings (grey line) results in a higher bite than the OECD mean earnings. But, while this series changes the level of the “bite” for Ireland it does not contradict the observation that as a percentage of the average wage the minimum wage has hardly changed in Ireland over the last 13 years.

**Figure 2.12: Minimum Relative to Median Earnings across the EU**



Median earnings refer to the level of earnings, which divides the employees into two equal groups: half earn less than the median and half earn more. Data refer to the gross monthly earnings covering the wages and salaries earned by fulltime and part-time employees in the reference month (October 2018 in most countries) before any tax and social security contributions are deducted.  
 (\*) The levels mentioned in the table are calculated excluding 13th and 14th month to be consistent with the monthly earning based on SES 2018  
 Source: Eurostat, Structure of Earnings Survey 2018 and Minimum wages; special calculation made for the purpose of this publication data are not available in Eurostat's online database

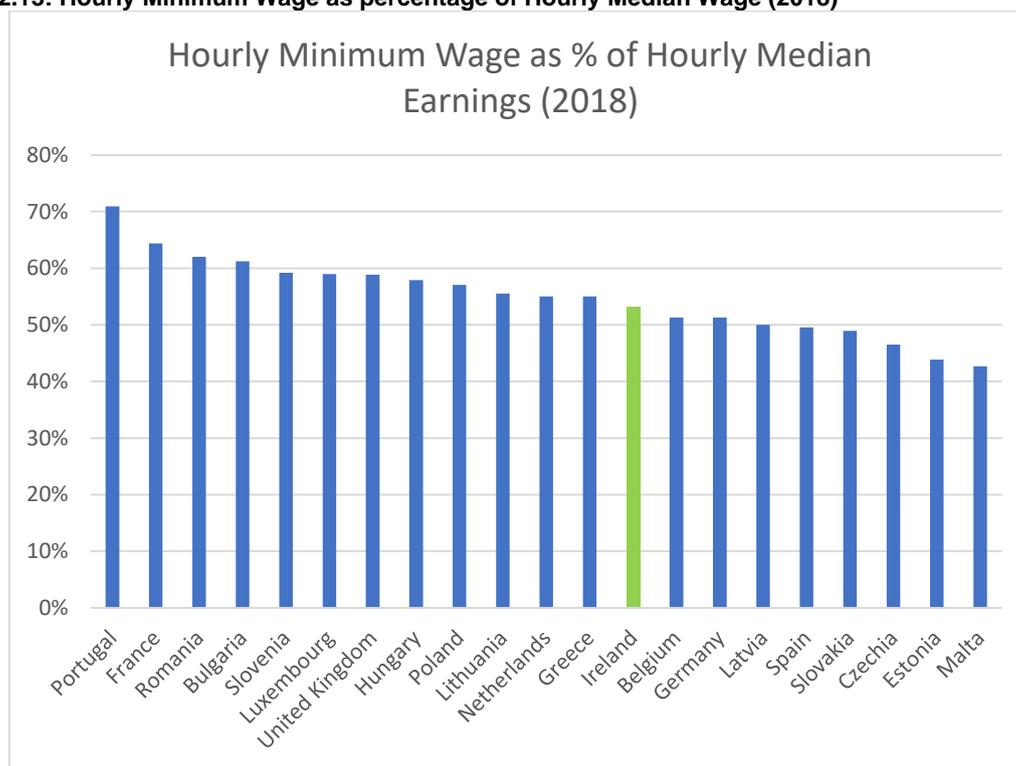
The data in the Structure of Earnings Survey conducted across the EU for Eurostat is a more reliable dataset for Ireland’s minimum wages. This shows the 21 member states of the EU that have statutory minimum wages, along with two candidates’ states (Albania and Serbia). As can be seen, despite having the second highest monthly minimum wage in the EU, as a proportion of median earnings, Ireland’s minimum wage is the 10th highest out of the 21 member states of the EU with statutory minimum wages.

As can be seen from the above graph, the inclusion or exclusion of part-time workers has a smaller effect on Ireland’s relative performance on this metric than it has on many other countries (Germany, Greece, the Netherlands etc.)

<sup>8</sup> As discussed in Appendix A.1, due to the method used in the Earnings, Hours and Employment Costs Survey it is not able to generate an estimate of the median wage. Therefore, only a mean wage estimate is given here.

Figure 2.13 below presents the same evidence as Figure 2.12 above but calculated for the hourly not the monthly minimum earnings as percentage of hourly median earnings for 2018. As can be seen, of the 21 member states with statutory minimum wages, Ireland has the 13<sup>th</sup> highest hourly minimum wage as a percentage of the hourly median earnings. It should be noted that Ireland has the joint fourth highest hourly median earnings in the EU.<sup>9</sup> However, in PPS terms (see footnote 5 above), Ireland has the 9<sup>th</sup> highest hourly median earnings.<sup>10</sup>

**Figure 2.13: Hourly Minimum Wage as percentage of Hourly Median Wage (2018)**



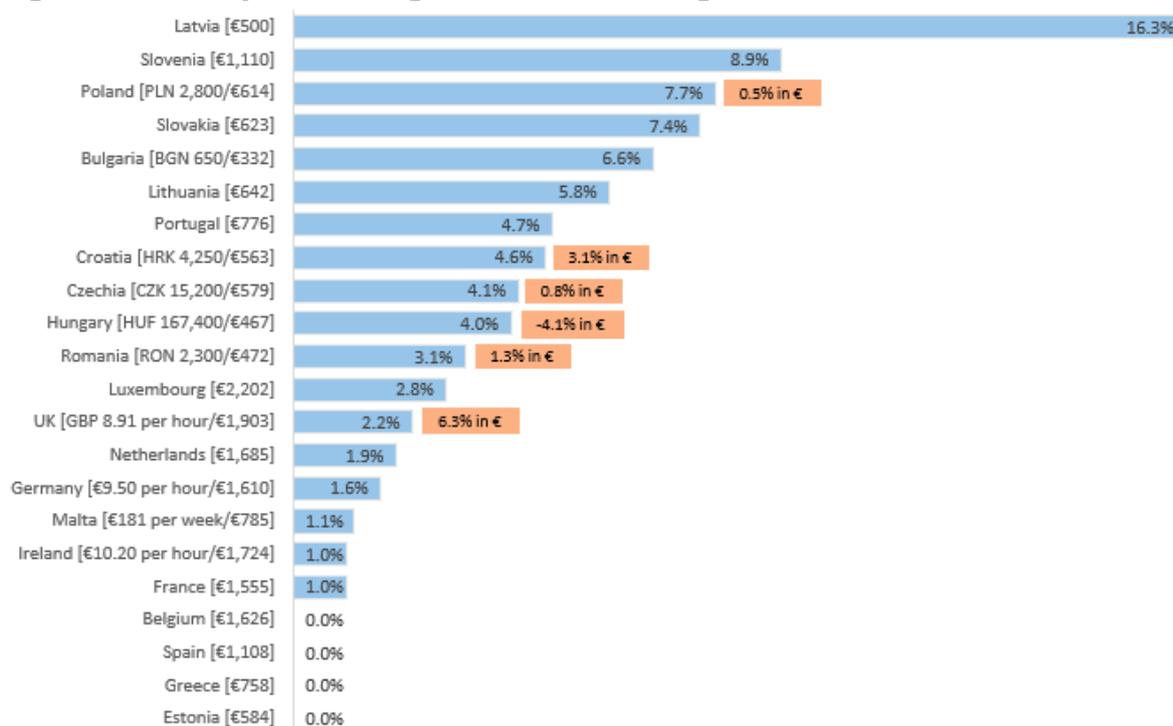
Source: Hourly wage data from Eurofound *Minimum wages in 2019: Annual review*. Median wage from 2018 Structure of Earnings Survey [earn\_ses\_pub2s] released in 2020.

In addition to having different minimum wages in absolute levels, in terms of the bite, and in terms of medium run trajectory, countries have differed in their approach to changing the minimum wage during the coronavirus pandemic. The graph below shows the changes in the NMW in 21 EU states with a statutory minimum wage and also in the UK.

<sup>9</sup> Demark (€27.24), Luxembourg (€19.58) and Sweden (€18.17) have higher median hourly earnings. Both Belgium and Ireland have the same median wage (€17.97). Both Norway and Iceland, which are not EU member states but participate in the Structure of Earnings Survey, also have higher median hourly earnings than Ireland (€26.30 and €22.95 respectively).

<sup>10</sup> Demark (19.24), Germany, (16.13), Belgium (15.65), Luxembourg (15.13), Sweden (14.70), the Netherlands (14.34), Finland (13.89) and Austria (13.64) have higher median hourly earnings than Ireland (13.54). Ireland is marginally above the eurozone average (13.51). Both Norway and Iceland, which are not EU member states but participate in the Structure of Earnings Survey, also have higher median hourly earnings than Ireland (17.41 and 14.14 respectively).

Figure 2.14: Statutory minimum wages in 2021 – Levels and growth rates



Source: Eurofound (2021) “Minimum wages rise again, but the pandemic puts a brake on their growth”

Estonia, Greece, Spain and Belgium did not increase the minimum wage for 2021.

In 2020 the Irish Low Pay Commission recommended a 10 cent increase in the minimum wage for 2021.

Of course, cross country comparisons are challenging because of the major differences in characteristics between countries which are not accounted for. For example, none of the above considerations take into account the major differences in the treatment of minimum wage workers across countries under the tax and social security system.

## 2.7 Setting the National Minimum Wage

Across the EU a number of different systems are used when setting the rate of the National Minimum Wage. In Ireland, the UK<sup>11</sup>, Germany, France and Malta expert committees are used to recommend the rate, albeit the systems which they use may

<sup>11</sup> The National Living Wage was introduced by the UK Chancellor in July 2015 for workers aged 25 and over. The UK LPC was tasked with recommending a path for the Living Wage to reach 60% of the UK median wage by 2020. This was achieved. The UK LPC has now been tasked with recommending a path for the Living Wage to reach 66% of the UK median wage by 2024. For the other rates, which cover workers aged under 25 and apprentices, the UK LPC are asked to recommend rates which ‘help as many low-paid workers as possible without damaging their employment prospects’.

vary (for instance, indexation is used in France, Germany and Malta). The recommended rate is based on tripartite agreement in a number of countries (such as Spain and Croatia) while others are reached by agreement among social partners (such as Luxembourg and Estonia) or occasionally via a unilateral government decision (e.g. Greece). In many countries some combination of these methods is used to reach the recommended rate. Appendix A.11 contains a diagram outlining the various setting mechanisms across the EU.

It is worth noting that there is currently a proposal for a European Directive on adequate minimum wages that lays down a framework which countries will have to follow in agreeing a minimum wage. This is discussed in more depth below in Appendix A.10.

## 2.8 Conclusions

The €10.20 hourly minimum wage is the third highest minimum wage in Europe. However, adjusted for the cost of living, Ireland drops to having the sixth highest minimum wage. And as a proportion of hourly median earnings, in the most recent figures, Ireland has the 13<sup>th</sup> highest hourly minimum wage.

## Chapter 3 National Minimum Wage Statistics

Since its establishment in 2015, the Low Pay Commission has identified a number of gaps in the data relating to the National Minimum Wage that would ideally be available on which to base its conclusions and recommendations. In this context, the Commission reached agreement with the Central Statistics Office (CSO) in 2016 to include a question on the NMW in its Quarterly National Household Survey (QNHS), now called the Labour Force Survey (LFS). This question commenced in Q2 2016 and forms the basis of the data presented in this chapter. (A full breakdown of CSO NMW statistics can be found in Appendix A.13.)

COVID-19 has had a number of significant effects on the data for this year. Firstly, it had an impact on how data was collected for the LFS in 2020.<sup>12</sup> Secondly, the high degree of churn in employment in 2020 due to COVID-19 has a bearing on these tables as the NMW was only asked of employees. Finally, as explained in the next section of this chapter, the LFS figures for national minimum wage workers for this year might conceal a high level of underemployment.

Unlike previous years, throughout this chapter figures are given for both Q4 2020 and Q4 2019. This should allow readers to see where there have been large deviations due to COVID and to see if the figures reported here deviate unrealistically from pre-pandemic levels.

Overall, due to the fluctuating effects of COVID-19 on the Labour Market, it is quite difficult to evaluate any possible trends in the data at the moment and therefore caution should be exercised in dealing with this year's statistics.

### 3.1 Hidden Unemployment or Underemployment of Minimum Wage Workers

#### During the Pandemic<sup>13</sup>

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<sup>12</sup> With the onset of COVID-19, all face-to-face interviewing for the LFS was suspended from March 2020 and so all interviews for the LFS for the remainder of 2020 were carried out by telephone. Households selected to be included in the LFS sample receive introductory letters by post asking them to contact a dedicated number in the CSO to schedule an interview. This resulted in a decrease in the final sample of households in Q2-Q4 2020 compared to say the same quarters in 2019 but has also impacted the sample in some other ways. For example, the survey was capturing less persons who are in private rented accommodation and more of those in owner occupied accommodation. While the CSO does adjust for this non-response to ensure the robustness of the overall headline estimates, the effect of this is somewhat reduced below that level.

<sup>13</sup> All of the analysis here was conducted by Frank Walsh using microdata from the Labour Force Survey. He notes: "I am grateful to the CSO for providing access to the data. Any errors are mine."

As outlined below, there are a few reasons to believe that there may be a large number of workers in employment but underemployed as a result of the COVID-19 pandemic. That is, where the employment relationship is much less productive because of the pandemic and may well be dependent on subsidies. Indeed, an important part of the labour market policy response to the pandemic has been to try and maintain the employment relationship in these circumstances. There is some information in the labour force survey which indicates that minimum wage workers are more affected by this type of hidden unemployment than workers above the minimum wage. This is documented below. This may partly explain the surprising fact that the share of minimum wage workers has not fallen substantially in 2020 despite the fact that sectors where minimum wage workers are concentrated were most severely affected by the pandemic.

The Labour Force survey contains a variable on work status which allows us to calculate the share of employees who have a job but were not at work during the reference week<sup>14</sup>. This is tabulated against the minimum wage for the years 2017-2020 for the third and fourth quarters of the year in Table 3.1 below. A dramatic rise can be seen in the share of employees who have a job but are absent in the second half of 2020 compared to the second half of the previous years, especially for workers at the minimum wage. The increase is 11.9 percentage points for minimum wage workers and 3.4% for workers above the minimum wage.

**Table 3.1: Share of Employees Absent from work during survey week<sup>15</sup>**

	Paid the Minimum Wage	Paid Above the Minimum Wage
2020	18.5%	12.9%
2019	6.6%	9.5%
2018	6.0%	10.2%
2017	6.5%	10.0%

Source: Analysis of *Labour Force Survey* Microdata. Quarters three and four of 2020.

While the increase in workers who have a job but are not at work in the survey week in the second half of 2020 is consistent with the kind of hidden unemployment or underemployment described earlier, there is additional evidence that this is what is causing the jump in employed workers who are absent from work during the survey week. The CSO added a question to the labour force survey in 2020 which is documented here for the final two quarters of that year. This asked workers who were absent from work during the survey week whether their absence was due to COVID-19 measures<sup>16</sup>.

<sup>14</sup> i.e. the week the CSO survey took place.

<sup>15</sup> The number of workers below the minimum wage is too small to be able to reliably estimate the share of workers with a job who are absent during the survey week.

<sup>16</sup> While the question was asked in the 2<sup>nd</sup>, 3<sup>rd</sup> and 4<sup>th</sup> quarters the sample covered changed slightly in the third. Given this and other changes that occurred between the 2<sup>nd</sup> and 3<sup>rd</sup> quarter the sample has been limited here to the final two quarters of the year.

Table 3.2 below tabulates the share of workers at and above the minimum wage who answered yes to this question:

**Table 3.2: Share of Employees Absent During Survey week Due to Covid 19 Measures<sup>17</sup>**

Paid the Minimum Wage	Paid Above the Minimum Wage
13.9%	4.3%

Source: Analysis of *Labour Force Survey Microdata*. Quarters three and four of 2020.

Almost 14% of workers paid the minimum wage answer that they are absent during the survey week because of Covid. This is more than three times the share of workers above the minimum wage who are in this category. One additional question from the labour force survey gives some limited information. In a separate question to the one documented in Table 3.2, workers who were absent from work during the survey week because of Covid 19 give one of the following reasons for their absence:

Reason for not having worked at all though having a job:

- Slack work for technical or economic reasons
- School education or training
- Own illness, injury or temporary disability
- Parental leave
- Holidays
- Compensation leave (within the framework of working time banking or an annualised hours contract)
- Other reasons (e.g. personal or family responsibilities)

It is not possible to present data on shares in each of these categories because for minimum wage workers, the cell sizes for workers who say they were absent from work because of Covid 19 are too small since the majority of workers are in the other category. This is interesting in that the fact that the number of observations in categories such as own illness are too small to report indicates that worker illness due to covid is not behind the large share of minimum wage workers who are absent due to COVID-19.

While the tables above indicate that the Covid pandemic led to substantial under-employment of workers, and especially minimum wage workers during the second half of 2020, it might be better to think of this as evidence that this is quantitatively substantial, rather than taking the numbers in the tables above as a precise measure of this under-employment. It may well be that the hours worked or other dimensions of work effort of workers who are employed were affected by the pandemic. If so, this would not show up in the tables above. Of course, it is important to stress that all of the analysis above is for employees. The pandemic led to widespread job loss and

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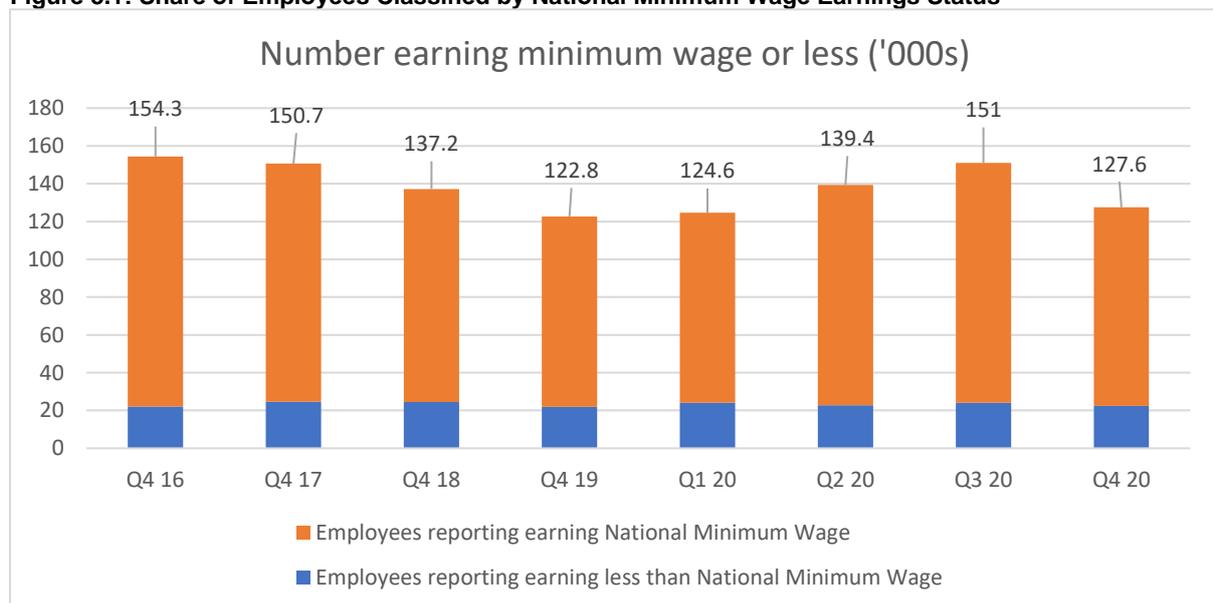
<sup>17</sup> The number of workers below the minimum wage is too small to be able to reliably estimate the share of workers with a job who are absent during the survey week.

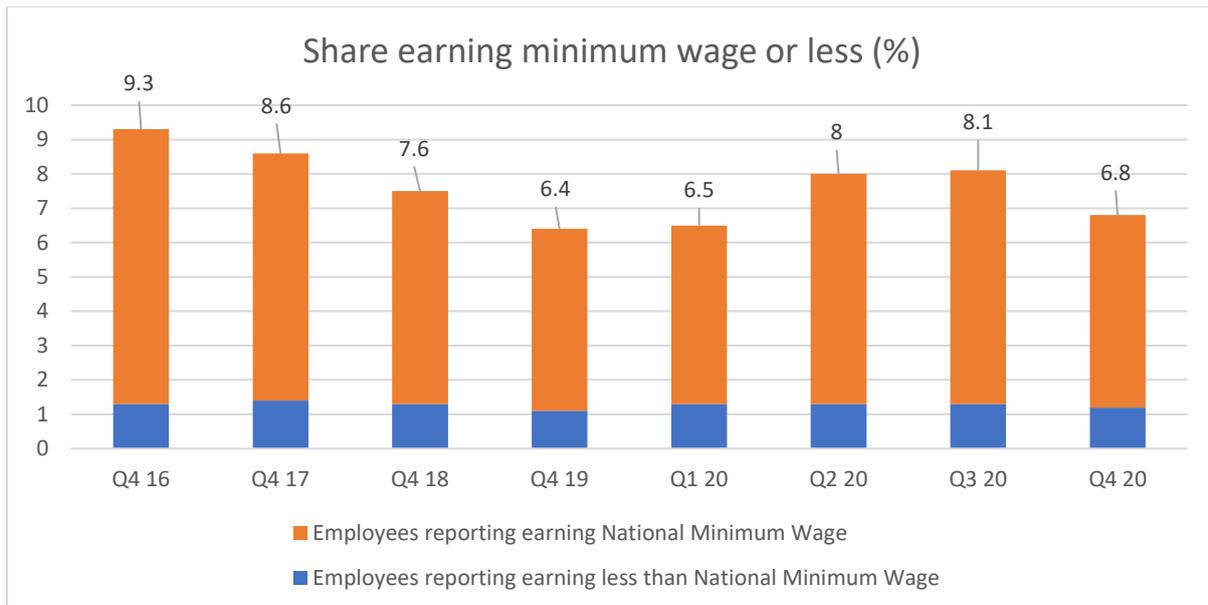
unemployment which is not reflected in the analysis presented here. It might be concluded from the analysis presented here that it is advisable to be particularly careful comparing data from 2020 with previous years. Comparing simple statistics such as the number or share of minimum wage workers may give a misleading picture as the degree of under-employment appears to have changed dramatically across these categories during the pandemic.

### 3.2 National Minimum Wage Trends

Since the minimum wage question was added to the Labour Force Survey, it has greatly improved the data available on the National Minimum Wage. Therefore, it is important to analyse the trends since 2016. Figure 3.1 shows that the numbers of workers earning the minimum wage or less, has declined from 154,300 in Q4, 2016 to 127,600 in Q4, 2020. The share of workers on the minimum wage or less as a percentage of the total labour force has reduced from 9.3% in Q4, 2016 to 6.8% in Q4, 2020. Over the last year both the share of workers and the absolute number on or below the minimum wage has stayed more or less stable despite the coronavirus, with relatively little change between Q4, 2019 and Q4, 2020.

**Figure 3.1: Share of Employees Classified by National Minimum Wage Earnings Status**





Source: Labour Force Survey

In relation to the gender, age and nationality breakdown of NMW employees, relatively little change has occurred since Q4 2016. However, some changes are worth noting: the number of non-Irish born individuals on the NMW has reduced since Q4 2016. As can be seen from the data in Table 3.3, this appears to have been driven by a reduction in the number of people from the EU 15-28 on the NMW, or less. The share of workers earning the minimum wage or less aged between 15-19 has declined, while the share aged between 20-24 has increased. The share aged between 35-54 has fluctuated between 20% and 30%.

**Table 3.3: Share of employees aged 15 years and over classified by gender, age and nationality and National Minimum Wage earnings status<sup>18</sup>**

	Q4 16 (%)	Q4 19 (%)	Q4 20 (%)
<b>Share of employees reporting earning National Minimum Wage or less by gender</b>			
Male	45.5	45.8	43.5
Female	54.5	54.2	56.5
<b>Share of employees reporting earning National Minimum Wage or less by age group</b>			
15-19	22.4	24.9	18.7
20-24	25.5	29.8	28.8
Total 15-24 (Youths)	47.9	54.7	47.4
25-34	21.6	18	17.6
35-44	13.7	10.9	13.3
45-54	9.8	9.7	13.2
55-59	[3.3]	[3.4]	*
60-64	[2.3]	*	*
65+	*	*	*

<sup>18</sup> In this and further tables, estimates for numbers of persons or averages where there are less than 30 persons in a cell the samples are too small to give reliable estimates. Therefore, the estimates are not produced but marked with an \*. Parentheses [] indicate where there are 30-49 persons in a cell, estimates are considered to have a wider margin of error and should be treated with caution.

<b>Share of employees reporting earning National Minimum Wage or less by nationality</b>			
Irish nationals	75.6	83.3	80.7
Non-Irish born nationals (including EU 28)	24.4	16.7	19.3
<b>of which</b>			
United Kingdom	*	*	*
EU15 excl. Irl and UK	*	*	*
EU15 to EU28	11.5	[5.1]	*
Other	10.2	[7.2]	*

Source: Labour Force Survey

Across the four quarters of 2020, an average of 112,225 employees reported earning the NMW. On average in 2020, 135,624 employees reported earning the NMW or less. There has been a slight increase of workers earning the minimum wage between Q4 2019 and Q4 2020.

**Table 3.4: Employees reporting earning the NMW ('000s)**

<b>Indicator</b>	<b>Q4 19</b>	<b>Q1 2020</b>	<b>Q2 2020</b>	<b>Q3 2020</b>	<b>Q4 2020</b>	<b>Average (2020)</b>
Earning less than the NMW	21.9	24.2	22.8	24.2	22.4	23.4
Earning the NMW	100.8	100.4	116.6	126.8	105.1	112.2
Earning the NMW or less	122.8	124.6	139.4	151	127.6	135.7
Earning more than NMW	1,787.40	1,789.40	1,600.50	1,705.30	1,745.10	1710.1
Not stated	107.8	95.3	158.6	112.6	94.5	115.3
Total employees	2,018.10	2,009.20	1,898.50	1,968.90	1,967.10	1960.9

Source: Labour Force Survey

On average over the four quarters of 2020, NMW employees accounted for 5.7% of all employees. Similar to previous years the number of NMW employees varied significantly across quarters in 2020. Over the first three quarters the numbers earning the NMW increased before decreasing again over the final two quarters. Some of this variation is due to seasonal factors, while some of this may be due to the impact of the coronavirus pandemic on sectors employing low wage workers. (This is discussed at more length below in Chapter 5: The Irish Labour Market.)

In terms of gender, the table below shows that on average, females (54.5%) were more likely to be in receipt of the NMW than males (45.5%). The ratio of male to female NMW employment was remarkably stable since 2016, when this measure started to be taken. It has rarely deviated substantially from an annual average around 55% female to 45% male.

**Table 3.5: Gender breakdown of employees earning the NMW or less (2020)**

Period	Male		Female	
	Number ('000s)	Proportion (%)	Number ('000s)	Proportion (%)
Q4 16	70.2	45.5	84.1	54.5
Q4 17	73.3	48.6	77.4	51.4
Q4 18	61.3	44.7	75.9	55.3
Q4 19	56.2	45.8	66.6	54.2
Q1 20	54.2	43.5	70.3	56.5
Q2 20	64.4	46.2	75	53.8
Q3 20	64.6	42.8	86.4	57.2
Q4 20	55.5	43.5	72	56.5

Source: Labour Force Survey

### 3.3 Sectors of Employment

Table 3.6 below provides the average number of NMW employees by certain sectors as well as the proportion of NMW workers in these sectors. These sectors have sufficient numbers of employees with stated earnings of the NMW or less for the CSO to report on. Note that there is a high degree of seasonality in these figures and in some sectors, such as Agriculture, Forestry and Fishing, the number working on minimum wage both in absolute and relative terms is higher during the summer.

**Table 3.6: Employees earning the NMW or less by Sector**

Sector	Average Number of employees earning the NMW or less ('000s)		Proportion of employees within each sector earning the NMW or less (%)	
	Q4 2019	Q4 2020	Q4 2019	Q4 2020
Accommodation & Food	36.8	27.1	24.5	24.6
Wholesale & Retail	35.2	43.1	13.7	15.8
Agriculture, forestry and fishing	[4.2]	[5.4]	[15.1]	[21.5]
Administrative & Support Services	[5.3]	*	[6.3]	*
Construction	[6.1]	*	[6.4]	*
Industry	[6.1]	[11.8]	[2.4]	[4.4]
Human health & Social Work	8.4	12.3	3.2	4.7
Other NACE Sectors <sup>19</sup>	10.6	[7.1]	13.8	[11.2]

Source: Labour Force Survey

The two sectors with the greatest number of NMW employees are the *Accommodation and Food* and the *Wholesale and Retail* sectors. There have been substantial changes in the sectoral distribution of NMW employees during 2020. While in Q4 2019, 36,800 employees in the *Accommodation and Food* sector were on minimum wages, by Q4 2020 this had reduced to 27,100. In contrast, in the *Wholesale and Retail* sector the

<sup>19</sup> "Other NACE sectors" refers to NACE sectors R to U i.e. Arts, Entertainment and Recreation (R), Other Service Activities (such as repair of computers and personal/household goods), and Activities as Households as Employers (U) which includes households as employers of domestic personnel.

number of workers on the NMW increased from 35,200 to 43,100. While in 2019 the *Accommodation and Food* sector was the largest NMW employer, in 2020 the *Wholesale and Retail* sector was the largest employer of minimum wage workers reflecting the impact of the pandemic on the economy. (The sectoral impact of the pandemic is discussed at more length below in section “5.3: Employment by Sector”.)

Since 2016, the *Accommodation and Food* and the *Wholesale and Retail* sectors combined have consistently accounted for more than 50% of NMW workers.

It is worth noting that while the absolute number employed on the NMW declined in the *Accommodation and Food* sector, the proportion of workers in the sector on the NMW remained stable at close to 24.5% in both Q4 2019 and Q4 2020. Likewise, the proportion of workers on the NMW in the *Wholesale and Retail* sector changed little. This indicates that it was not a change in the relative proportion of workers on the NMW in these sectors that drove the change in the distribution of NMW workers between them. Rather it was most likely an effect of the coronavirus pandemic with the total closure of much of the *Accommodation and Food* sector, while the *Wholesale and Retail* sector remained partially open.

Other sectors that have a significant proportion of NMW workers include the *Administrative and Support Services*, *Health* and the *Construction* sector. However, there were challenges estimating the numbers in these sectors this year because of the low number of respondents.

### 3.4 Regions of Employment

The region which had the highest proportion of employees earning the NMW or less in 2020 was the Mid-West (11.4%). The Southern region (10.0%) and the South East (11.0%) also had high shares of workers earning the NMW or less, well above the state average of 6.8%. The Mid-West region had 9.5% of employees earning the NMW or less. In contrast in Dublin (4.0%), the West (6.2%) and the Mid-East (6.0%) there were significantly lower proportions of employees earning the NMW or less. With the exception of the Border region where there was a significant decline in the employees earning the NMW or less, and the Mid-West where there was a significant increase, the number and proportion of employees earning the NMW in Q4 2019 and Q4 2020 was quite similar when looked at by region.

**Table 3.7: Average proportion of employees earning the NMW or less within regions**

Region	Average proportion of employees within the region earning the NMW or less (%)		Average Number of employees earning the NMW or less within each region ('000s)	
	Q4 2019	Q4 2020	Q4 2019	Q4 2020
Northern and Western	9.3	7.1	28.9	22
Border	12.4	8.3	17	11.1
West	6.8	6.2	11.9	10.8
Southern	7.7	10	44.7	57.3
Mid-West	6.5	11.4	10.9	18.3
South-East	9.2	11	14.2	16.4
South-West	7.5	8.5	19.6	22.6
Eastern and Midland	4.8	4.9	49.1	48.4
Dublin	4	4	24.8	23.8
Mid-East	5.7	6	16.1	16.8
Midland	7.6	[7]	8.2	[7.8]
<b>Total</b>	<b>6.4</b>	<b>6.8</b>	<b>122.8</b>	<b>127.6</b>

Source: Labour Force Survey

### 3.5 Age and Nationality

In terms of the age profile of NMW workers, young people (15-24 years) remain the most highly represented group amongst NMW workers. While this age group makes up 10.6% of all employees, it constitutes 47.4% of employees earning the minimum wage. Amongst employees aged 15-24 years almost a third (30.5%) are on the NMW; in comparison 3.9% of employees in the 45-54 age group earn the NMW.

However, it should be noted that while NMW workers are disproportionately young, the majority (52.6%) of workers on the NMW are older than 24.

**Table 3.8: Share of employees by NMW status and age group (Q4 2018)**

	Share of employees reporting earning National Minimum Wage or less (%)		Share of total employees (%)		Share of total employees in each age group earning the NMW (%)		Number of employees earning the NMW or less ('000s)	
	Q4 19	Q4 20	Q4 19	Q4 20	Q4 19	Q4 20	Q4 19	Q4 20
15-19	24.9	18.7	3	2.2	53.8	56.9	30.6	23.8
20-24	29.8	28.8	9.1	8.4	21.1	23.4	36.5	36.7
Total 15-24 (Youths)	54.7	47.4	12	10.6	29.2	30.5	67.1	60.5
25-34	18	17.6	23.1	22.5	5	5.3	22	22.4
35-44	10.9	13.3	28.4	28.8	2.5	3.1	13.4	17
45-54	9.7	13.2	21.8	22.9	2.9	3.9	11.9	16.9
55-59	[3.4]	*	7.8	8.3	[2.8]	*	[4.1]	*
60-64	*	*	4.9	4.9	*	*	*	*
65-74	*	*	2	2	*	*	*	*
Total	100	100	100	100	6.4	6.8	122.8	127.6

Source: Labour Force Survey

Previous research found that a disproportionate number of non-Irish nationals earned the NMW. However, this difference has declined significantly over time. In Q4 2020 17.6% of workers are non-Irish nationals but 19.3% of NMW workers are non-Irish nationals. In fact, in Q4 2019, the disproportion disappeared with relatively fewer (16.7%) of non-Irish national workers on the NMW compared with the proportion of all employees (18%).

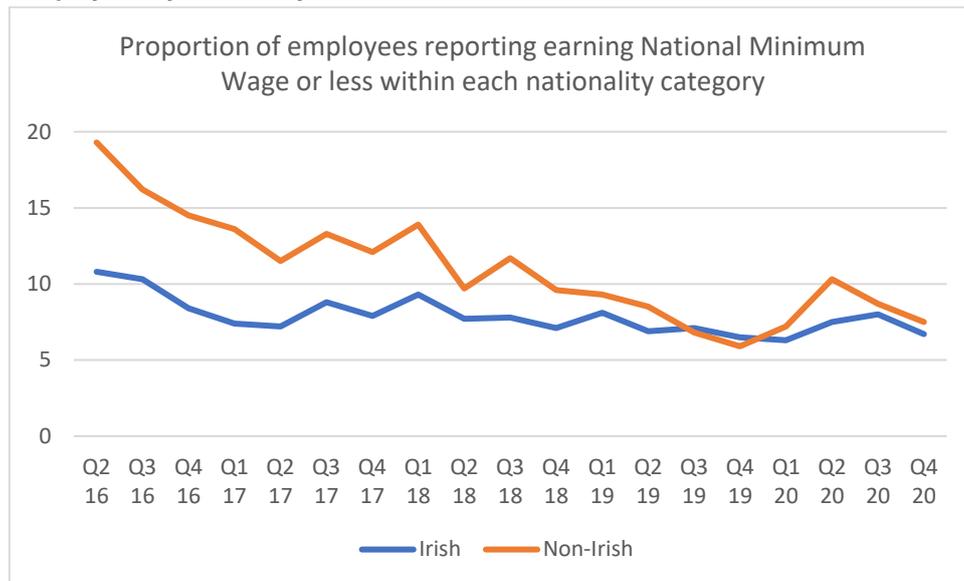
**Table 3.9: Employees by Nationality and NMW status 2020**

Nationality	Share of NMW Employees (%)		Share of all Employees (%)	
	Q4 19	Q4 20	Q4 19	Q4 20
Irish nationals	83.3	80.7	82	82.4
UK nationals	*	*	2.7	2.5
EU15 excluding Ireland and the UK	*	*	2.8	2.8
EU15-28	[5.1]	*	5.6	5.6
Other	[7.2]	*	6.6	6.7

Source: Labour Force Survey

The decline in the proportion of employees reporting earning the National Minimum Wage in each nationality category is shown in Figure 3.2 below. As can be seen in 2016 when the CSO started to collect data on NMW workers, the proportion of NMW workers as a percentage of workers with non-Irish nationality was nearly twice that of workers with Irish nationality. In the intervening years, these number have converged and today there is little difference between them.

**Figure 3.2: Employees by Nationality and NMW status 2016-2020**



Source: *Labour Force Survey*

### 3.6 Employment Status and Hours of Work

Data from the LFS (Q4 2020) continues to support the findings of previous research that NMW workers are more likely to work in part time roles (54.3% of NMW employees work part-time compared to 17.8% of all employees).

**Table 3.10: Share of part-time and full-time employees by NMW status (Q4 2018)**

Full and part-time status\National Minimum Wage status	Q4 19 (%)	Q4 20 (%)
<b>Employees reporting earning National Minimum Wage or less</b>		
Full-time	40.1	45.7
Part-time	59.9	54.3
Total	100	100
<b>All Employees</b>		
Full-time	79.7	82.2
Part-time	20.3	17.8
Total	100	100
<b>Proportion of employees reporting earning National Minimum Wage or less within each category</b>		
Full-time	3.2	3.8
Part-time	19	20.7
Total	6.4	6.8

Source: *Labour Force Survey*

NMW workers are also likely to work shorter hours. On average 32.7%, of NMW employees in 2018 worked 19 hours or less compared to 7.7% of the total workforce. NMW workers are also over-represented among those on variable hours. In contrast, employees on the NMW are underrepresented among people working 35-44 hours – 31.3% of NMW workers reported working such hours compared to 62.2% of all employees (see table 3.11 below).

**Table 3.11: Employees by hours worked and NMW status (2018 average)**

Hours of work	Share of NMW employees		Share of all employees	
	Q4 19 (%)	Q4 20 (%)	Q4 19 (%)	Q4 20 (%)
1-9 hours	12.6	10.3	2.4	1.8
10-19 hours	24.5	22.4	6.7	5.9
20-29 hours	17.8	19.6	11.6	11.1
30-34 hours	[5.8]	[7]	6.7	7
35-39 hours	15.6	16.1	33.1	35.1
40-44 hours	12.9	15.2	25.8	27.1
45+ hours	*	*	10.7	10.1
Variable hours	8.1	[4.7]	3	2

Source: *Labour Force Survey*

### 3.7 Data on Earning Below the National Minimum Wage

In Q4 2020 22,400 employees reported earning less than the NMW. These numbers have changed little since 2016, generally fluctuating between 22,000 and 25,000 employees.

**Table 3.12: Average number of employees reporting earning less than the NMW**

Quarter	Employees reporting earning less than the NMW ('000s)
Q4 2016	22.1
Q4 2017	24.6
Q4 2018	24.5
Q4 2019	21.9
Q1 2020	24.2
Q2 2020	22.8
Q3 2020	24.2
Q4 2020	22.4

Source: *Labour Force Survey*

The Labour Force Survey NMW module also provides data on reasons why employees are being paid less than the NMW. Under legislation, an employee can now only be paid below the NMW due to certain aged based sub-minima rates. However, it should also be noted that the legislation does not apply to those working for a close relative, those taking part in a statutory apprenticeship or those engaged in prison work.

**Table 3.13: Reasons for Employees earning below the NMW**

Reason for earning below NMW	Number ('000s)		Share (%)	
	Q4 19	Q4 20	Q4 19	Q4 20
An age-related rate	10.2	9	46.6	40.1
Participating in an apprentice programme	[4.7]	*	[21.3]	*
Other reason (From Q3 2019)	[4.4]	[6.6]	[20.1]	[29.4]

Source: *Labour Force Survey*

40.1% of employees earning less than the minimum wage provided age related as their reason for earning below the national minimum wage. A proportion of the remaining 59.9% could be due to family relationships or apprenticeships, but it is also possible that some proportion are as a result of non-compliance.

### 3.8 Housing and Minimum Wage Workers

Housing costs comprise an important element of the cost of living. The following section highlights some findings in a note helpfully prepared for the Commission by Frank Walsh, School of Economics, University College Dublin.<sup>20</sup>

Table 3.14 below shows the employees by minimum wage status disaggregated by type of occupancy. This data is aggregated over a three-year period 2017-2019 and over eleven occupancy types (described in Appendix A.2).

<sup>20</sup> This note is attached as *Appendix A.2 Housing and Minimum Wage Workers* below.

**Table 3.14: Share of Occupancy Types by Minimum Wage Status (2017-2019)<sup>21</sup>**

	Less than Minimum Wage	At the Minimum Wage	Above the Minimum Wage
Owner occupied	70.8%	55.3%	70.3%
Rented	27.4%	43.9%	28.7%
Other			1.0%

Source: Appendix A.2

As can be seen, a disproportionate number of minimum wage workers are renters, and do not live in owner-occupied housing. 43.9% of minimum wage workers rent, against 28.7% of workers earning above the minimum wage.

Interestingly, this disproportion largely disappears for workers earning below the minimum wage. As noted above the majority of workers earning below minimum wage do so either due to being aged 19 or under or because they are employed as an apprentice. Therefore, it is likely that many of these workers are living with parents or guardians.

Table 3.15 below decomposes renters by nationality and into the share of employees in each minimum wage category who are renting from the local authority vs those in private rental accommodation.

**Table 3.15: Share of Occupancy Types in Local Authority vs Private Renting by Minimum Wage Status and Nationality**

	Less than Minimum Wage	At the Minimum Wage	Above the Minimum Wage
<b>Full Sample</b>			
Rent from Local Authority	10%	13%	5%
Private Renting	17%	31%	24%
<b>Irish</b>			
Rent from Local Authority	11%	14%	5%
Private Renting	10%	13%	13%
<b>Non-Irish</b>			
Rent from Local Authority	8%	11%	5%
Private Renting	50%	67%	55%

Source: Appendix A.2

Looking at Irish workers, the shares of employees below or at the minimum wage who are in local authority rentals is over twice as high as workers paid more than the minimum wage at 11%, 14% and 5% respectively. Interestingly, for Irish workers the difference in shares of renters across minimum wage status largely disappears for

<sup>21</sup> Note that many minimum wage workers living in owner occupied accommodation are not necessarily the owners of this accommodation. For example, they might live with family members who own the house.

private rentals. 10%, 13% and 13% of Irish employees who are respectively below at or above the minimum wage are in private rental accommodation. The differences between Irish and non-Irish employees are striking. The share of non-Irish in local authority housing is much lower for non-Irish workers across all minimum wage categories (although non-Irish minimum wage workers are twice as likely to be in local authority housing compared to non-Irish paid above the minimum wage). The share of migrants in private rental accommodation is much higher than for natives across all minimum wage types and the highest share is for minimum wage workers where two thirds of migrants are in private rental accommodation. While it is arguably unsurprising that migrants are less likely to be in local authority housing or own their own home, the fact that two thirds of minimum wage of Irish workers is striking.

### 3.9 Compliance and the National Minimum Wage

Compliance with the National Minimum Wage is a topic of particular concern to the Commission. Evidence heard by the Commission during oral hearings over successive years suggests that compliance and enforcement are real issues regarding the National Minimum Wage in Ireland. The anecdotal evidence provided to the Commission indicates that compliance is more likely to be an issue among vulnerable sections of society. The Commission has heard evidence that undocumented workers, who tend to be non-Irish born, are particularly vulnerable to exploitation in this regard. In addition, the Commission has heard repeated evidence from undocumented workers who are being exploited and have fear of seeking help and thus have little or no recourse to legal remedies or permission to apply for work permits to regularise their situation. The Commission is concerned that non-compliant employers are undermining compliant employers, and are gaining an unfair advantage over their competitors by not paying the NMW and other statutory entitlements.

Due to the nature of non-compliance, accurate data as to the numbers affected is difficult to obtain. Addressing this, and the wider challenges around undocumented workers, goes beyond the remit of the Commission and requires a more coordinated response by Government. Despite this, the main data which the Commission can use to gain a measure of the scale of the problem are statistics from the Workplace Relations Commission (WRC) on the number of national minimum wage breaches recorded during inspections and data from the CSO's Labour Force Survey (LFS) as to the number of people currently being paid less than the national minimum wage. Both of these sources have limitations but they do provide some measure of the number of employees paid below the NMW.

### 3.10 Workplace Relations Commission Enforcement

The Workplace Relations Commission is responsible for enforcing national minimum wage legislation in Ireland. Its 2020 annual report provides statistics on the number of inspections carried out and the number which resulted in NMW breaches.

In 2020, out of a total of 3,613 breaches, 187 were related to the national minimum wage breaches, representing 5% of all legislative breaches. Previously in 2019 there were 238 national minimum wage breaches recorded out of a total of 3,113 legislative breaches detected, representing 8% of the total.<sup>22</sup>

Overall the WRC inspected 7,687 employers in 2018 (of which 5,202 were unannounced inspections), with 1,760 inspections uncovering breaches (representing 23% of all inspections).

Inspection activity is generally focused on sectors where non-compliance is suspected or as a response to complaints received regarding alleged non-compliance by specific employers. However, the approach and scope of inspections in 2020 required a different and innovative response due the restrictions and challenges posed by the COVID pandemic.

In line with the Health Services Executive (HSE) and Government advice regarding non-essential services at the time, on-site employment-rights related inspection activity (including unannounced inspections) by WRC inspectors was suspended in March 2020. However, inspection activity continued to be progressed on a remote basis by inspectors, both in relation to current inspections and new desktop inspection activity.

A major focus of the WRC in 2020 was with regard to the enforcement of the National Return to Work Safely Protocol, which supported employers and employees in putting measures in place to prevent the spread of COVID-19 in the workplace when restrictions eased. WRC Inspectors carried out onsite inspections in support of the RWSP and combined this work with their primary statutory employment-related work.

The WRC also reports that 5 employers were convicted in summary proceedings in the District Court in 2020 for breaches of the National Minimum Wage.

The WRC annual report also includes statistics on the number of complaints received by the Adjudication Service, which investigates disputes, grievances and claims that

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<sup>22</sup> Secretariat communication with WRC.

individuals or small groups of workers make under employment and equality legislation, including pay issues. Over the course of 2020, a total of 8,103 complaint applications were received. These applications comprised 18,969 specific complaints, i.e. an average of over two separate employment legislation issues within each application. There were 4,117 specific complaints made to the Adjudication Service were in relation to pay, and of these 190 were in received under the National Minimum Wage Act (2000).

### 3.11 Low Pay Commission Recommendations and Points of Action

In its 2017, 2018 and 2019 reports and recommendations on the National Minimum Wage the Commission stressed the importance of compliance when it comes to the NMW. In all three reports Commission unanimously recommended that: “provision should be made for the display of basic entitlements in all places of employment where the minimum wage is in operation.”

The Commission argued that such a notice would help to “create and foster a culture of compliance with regard to the NMW, and improve awareness of minimum wage, and employment rights entitlements more generally”. Anecdotal evidence of non-compliance which the Commission has heard in oral hearings would suggest that in many cases employees are not aware of their rights and entitlements under existing legislation and as such are more open to exploitation. Furthermore, the evidence presented to the Commission highlighted that this issue is of particular concern as it relates to migrant workers.

In 2019 the Commission and the Workplace Relations Commission agreed to set up a working group on the issue of compliance. Resulting from this in early 2020, a poster was designed to be issued by the WRC which was to be displayed on a voluntary basis in all places of employment where the minimum wage is in operation.

The launch of this poster was postponed due to the outbreak of the coronavirus pandemic. **The Commission recommends that, post-pandemic, work recommences on the promotion of the poster.**

### Conclusions

The data on employees earning the national minimum wage collected by the CSO as part of the Labour Force Survey remains of vital importance to the work of the Commission. While COVID-19 has required a more cautious interpretation of these

statistics this year, the remarkable decline in employment in certain sectors of the economy comes out clearly.

## Chapter 4 The Economic Context

### 4.1. The Economic Context

This chapter examines trends and developments in a range of factors which provide an overview of how the Irish economy is performing, and which have been considered in facilitating our analysis on the National Minimum Wage. Due to the great degree of uncertainty about the scale and pace of recovery post-pandemic, the discussion of economic forecasts is largely separated for discussion in Chapter 6.

### 4.2. An Overview of the Global Economy

The global coronavirus pandemic has been the defining event for the world economy since early 2020. Globally, over three million people have died from the virus. Across the globe radical restrictions were introduced to contain the virus and delay its spread. The economic consequence of these restrictions has been substantial with world economic output shrinking by -3.3% according to the International Monetary Fund (IMF). In contrast, world economic output showed positive growth every year during the great financial crisis, with the exception of 2009 when output declined by 0.1%.

The economic impact of the virus was particularly large for countries that rely on tourism and commodity exports. And the recovery in 2021 is taking place at very different paces partly due to the different paces with which vaccines are being rolled out.

The IMF is predicting global growth of 6% in 2021 before moderating to 4.4% in 2022.

Within Europe the economic impact of the virus was even larger than globally. Across the EU27 the economy contracted by -7.4%, and in the Eurozone it was higher still at -7.8%. The European Commission's Spring Forecast, released on May 12 2021, predicts growth in 2021 of 4.2% in the EU27 and 4.3% in the Eurozone, and growth in 2022 of 4.4% for both areas. This 4.4% forecast for 2022 is a significant increase from its last forecast, released in February 2021, which forecast growth in 2022 of 3.0% for both the EU27 and the Eurozone.

### 4.3. An Overview of Irish Economic Performance

In contrast with most countries Ireland experienced GDP growth in 2020 of 3.4%. However, that headline figure conceals radically differing sectoral outcomes.

As can be seen in Table 4.1 below, nearly all sectors of the economy contracted in 2020. The Distribution, Transport, Hotels and Restaurants, Professional, Admin and

Support Services, and Construction sectors all experienced economic contractions of between 10-20%, while the Arts, Entertainment and Other Services sector contracted by 54.4%. These are extremely large and highly disruptive reductions in output.

**Table 4.1: Gross Domestic Product by Sector, 2020**

<b>Gross Domestic Product by Sector, 2020</b>		
	<b>Amount €m</b>	<b>Annual % change</b>
Industry (excl. Construction)	133,724	15.2
Information and Communication	52,556	14.3
Public Admin, Education and Health	33,570	-1.1
Distribution, Transport, Hotels and Restaurants	30,932	-16.7
Professional, Admin and Support Services	29,626	-15.5
Real Estate Activities	19,898	-1.7
Financial and Insurance Activities	19,456	-1.2
Construction	7,502	-12.7
Agriculture, Forestry and Fishing	3,672	-1.6
Arts, Entertainment and Other Services	1,942	-54.4
Gross Domestic Product	356,981	3.4
1Series not additive, Taxes less Subsidies on Products not shown in table.		
2Constant Market Prices, chain linked annually and referenced to year 2018.		

Source: CSO, Quarterly National Accounts Q4 2020

The economic impact of the lockdown restrictions was not felt equally across the economy. While some businesses simply had to close for the entirety of the pandemic, others were able to operate at reduced capacity, or may have been able to open during periods when restrictions were lifted. In sectors where work could be done remotely, which includes a lot of office-based business, the pandemic had a relatively small impact on economic activity. Indeed, in some sectors, the pandemic actually contributed to strong growth figures. The Information and Communication sector benefited from the growth in remote work and online activity arising from the pandemic and experienced a 14.3% growth in output. Ireland's relatively large pharmaceutical sector also grew substantially.

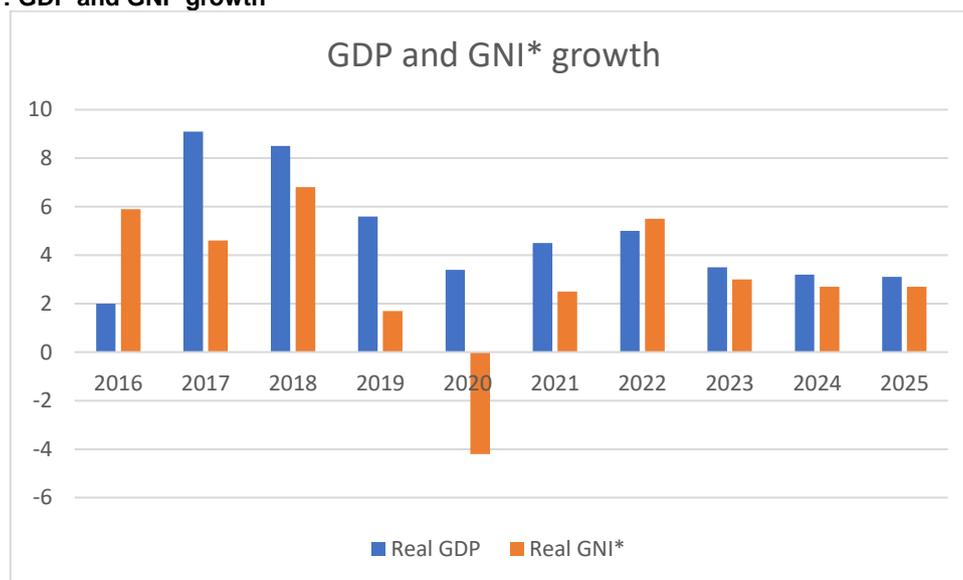
However, as is by now widely appreciated, there are major problems with evaluating Ireland's economic performance by looking at GDP figures. An alternative measure that has been developed to chart the development of the Irish economy is Modified Gross National Income (GNI\*).

Due to the small, open nature of the economy and the strong presence of multinational companies, the Economic Statistical Review Group, which was convened by the CSO, have recommended that this indicator is used to analyse the Irish economy. The CSO

note that GNI\* is “designed to exclude globalisation effects that are disproportionately impacting the measurement of the size of the Irish economy”<sup>23</sup>.

Figure 4.1 below presents GNI\* growth rates for 2016-2025. (The figures for 2021-2025 are forecasts developed by the Department of Finance and discussed in chapter 6.) As can be seen GNI\* was negative in 2020 indicating that the economy contracted by -4.2%.

**Figure 4.1: GDP and GNI\* growth**



Source: Compiled by LPC Secretariat from CSO Annual figures and Department of Finance, *Stability Programme Update 2021*

The Department of Finance is predicting that GNI\* growth will return in 2021. However, due to the substantial uncertainty around the future development path of the Irish economy and its implications for setting the national minimum wage, for this years report, this topic has been separated from this chapter. Economic forecasts for Ireland are fully discussed in Chapter 6 “Exiting Lockdown”.

#### 4.4. Tax Receipts

Tax receipts serves as an important indicator of the economy’s performance overall.

While it might have been expected that tax receipts would have declined significantly due to the economic problems arising from the coronavirus pandemic, they have proven remarkably robust.

<sup>23</sup> CSO (2017). *National Income and Expenditure 2017*. [online] Central Statistics Office, Ireland. Available at: <https://www.cso.ie/en/releasesandpublications/ep/p-nie/nie2017/mgni/> [Accessed 22 Jun. 2021].

According to the Department of Finance Fiscal Monitor for December 2020, tax revenues of €57,165 million were collected in 2020 by the end of December. This was only a 4% decrease from the €59,314 million that were collected in 2019. Despite a significant fall in VAT, presumably caused by a reduction in personal consumption due to the pandemic, receipts held up well. Income tax receipts, the largest source of exchequer tax receipts only fell by 1%. And the fall in VAT was partially counterbalanced by an increase in Corporation Tax, presumably arising from the strong performance of the IT and Pharmaceutical industries.

Table 4.2 below outlines the performance of various tax sub-heads by the end of December last year, and provides a year-on-year comparison.

**Table 4.2: Exchequer Returns March 2020 compared to profile, and year-on-year difference.**

Exchequer Tax Receipts	End-Dec 2019 Outturn €m	End-Dec 2020 Outturn €m	Y-on-Y Change €m	Y-on-Y Change %
Income Tax (including USC)	22,934	22,711	-224	-1%
VAT	15,118	12,424	-2,694	-18%
Corporation Tax	10,888	11,833	945	9%
Excise	5,940	5,448	-493	-8%
Stamps	1,515	2,090	575	38%
Capital Gains Tax	1,075	951	-124	-12%
Motor Tax	962	939	-23	-2%
Capital Acquisitions Tax	533	494	-39	-7%
Other Tax Heads	349	276	-73	-21%
<b>Total</b>	<b>59,314</b>	<b>57,165</b>	<b>-2,149</b>	<b>-4%</b>

Source: Department of Finance, *Fiscal Monitor (incorporating the Exchequer Statement)*, December 2020

Figures available for early 2021 provide an even more encouraging picture. As can be seen in Table 4.3, returns are up this year by 9%. While by the end of May 2020 €21,703 million had been collected in tax, €23,679 million has been collected thus far this year. This is particularly striking given that level five restrictions were in place for the first few months of 2021, while there were no restrictions in place for the first two and a half months of 2020.

**Table 4.3: Exchequer Returns May 2020 compared to profile, and year-on-year difference.**

Exchequer Tax Receipts	End-May 2021 Outturn €m	End-May 2020 Outturn €m	Y-on-Y Change €m	Y-on-Y Change %
Income Tax (including USC)	10,166	9,143	1023	11%
VAT	6,978	5,720	1258	22%
Corporation Tax	2,940	3,466	-526	-15%
Excise	2104	1898	206	11%
Stamps	595	612	-17	-3%
Motor Tax	402	403	0	0%
Customs	195	119	76	64%
Capital Gains Tax	119	214	-94	-44%
Other Tax Heads	179	128	51	78%
<b>Total</b>	<b>23,679</b>	<b>21,703</b>	<b>1,977</b>	<b>9%</b>

Source: Department of Finance, *Fiscal Monitor (incorporating the Exchequer Statement)*, May 2021

#### 4.5. Insolvencies

Deloitte<sup>24</sup> publish quarterly insolvency data, which shows that the total number of corporate insolvencies recorded in Ireland in 2020 was 575, representing a marginal increase of just 1% from 2019, when the total number recorded was 568. It is possible that this figure is artificially low with companies avoiding insolvency due to the temporary pause on redundancy legislation and the financial supports being given through TWSS, the EWSS and other schemes.

#### 4.6. Exchange Rates

It is also necessary to consider the effect of changes in exchange rates.

Compared to June 2020, the Euro has weakened against the sterling (-5.28%) and has strengthened against the dollar(+6.07%).

**Table 4.4: Euro exchanges rates**

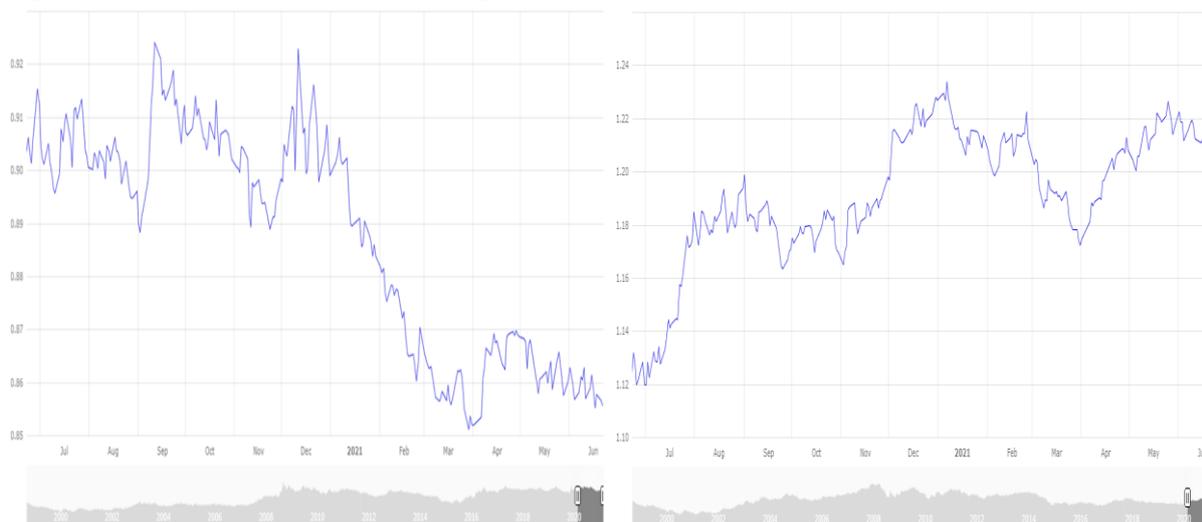
	€ vs. US \$	€ vs. ST £
22/06/2020	1.1213	0.90328
22/06/2021	1.1894	0.85560
% Change	6.07%	-5.28%

Source: ECB, Euro Foreign Exchange Rates

<sup>24</sup> Deloitte Ireland. (2021). *Marginal increase for corporate insolvencies in 2020 despite economic challenges* [online]. Available at: <https://www2.deloitte.com/ie/en/pages/finance/articles/Marginal%20increase%20for%20corporate%20insolvencies%20in%202020%20despite%20economic%20challenges%20-%20Deloitte.html> [Accessed 22 Jun. 2021].

The figures below display the volatility in the daily exchange rates for the euro against the US dollar and UK sterling over the past 12 months.

**Figure 4.2: Euro to GBP and USD exchange rates, June 2020 until June 2021**



**Euro to British £ June 2020 to June 2021**

**Euro to US \$ June 2020 to June 2021**

Source: ECB, Euro foreign exchange reference rates.

#### 4.7. Harmonised Index of Consumer Prices (HICP)<sup>25</sup>

The Harmonised Index of Consumer Prices (HICP) for Ireland shows that inflation increased by 1.9% across all items – in the 12 months to May 2021. The most notable increases occurred in the *Housing, water, electricity, gas and other fuels; Health and Transport* categories (with a 6.3%, 4.2% and 3.7% increase recorded in the past 12 months respectively). The biggest decreases can be seen in *Clothing and Footwear* (down 2.2% in the past year).

<sup>25</sup> The methodology now adopted for the construction of the national CPI is identical to that recommended for the HICP. Thus, the two indices only differ in respect of the coverage of certain goods and services and the treatment of insurance. The following items, constituting approximately 6.2% of the Irish CPI expenditure weighting (at rebase 2016), are excluded from the HICP: mortgage interest; building materials; motor car tax; motorcycle tax; motor car insurance (non-service); contents insurance (non-service); dwelling insurance; union subscriptions; and local property tax.

**Table 4.5: Harmonised Index of Consumer Prices, May 2021**

	EU HICP (Base 2015=100)	Monthly rate of change in HICP (%)	Annual rate of change in HICP (%)
Food and non-alcoholic beverages	92.4	-0.2	-1.1
Alcoholic beverages, tobacco and narcotics	113.5	-0.4	1.8
Clothing and footwear	85.9	0	-2.2
Housing, water, electricity, gas and other fuels <sup>26</sup>	117.9	0.5	6.3
Furnishings, household equipment and routine household maintenance	83.4	0.4	-0.5
Health	108	-0.1	4.1
Transport	101	0.3	3.7
Communications	85.7	0	-1.8
Recreation and culture	99	0.5	0.8
Education	112.7	0	0.2
Restaurants and hotels	114.2	0.3	2.9
Miscellaneous Goods and Services	96.2	0.5	-0.5
All-items HICP	103	0.2	1.9

Source: CSO; EU Harmonised Consumer Price COICOP Division Indices - May 2021 Ireland

Although, price inflation remained very low and even negative in 2020, prices have begun to rise quickly in 2021. Projections for the future are that that prices will increase over the following year, returning Ireland to mild inflation. These expectations are based on a number of temporary and one-off factors, such as higher oil prices, and a pick-up in demand as the economy re-opens. Headline HICP of 1.1% for this year is projected by the Department of Finance and 1.9% for next year. (For a comparison with other forecasts see Table 6.7 below.)

**Table 4.6: Price Developments, per cent change**

	2020	2021	2022	2023	2024	2025
GDP deflator	-0.5	0.4	1.8	1.5	1.6	1.6
Personal consumption deflator	1	1.6	2.8	1.8	2	2
Harmonised index of consumer prices (HICP)	-0.5	1.1	1.9	1.5	1.6	1.9
Core HICP inflation <sup>^</sup>	-0.1	0.7	1.7	1.5	1.6	1.9
Export price deflator (goods and services)	-1.9	0.4	1.3	1.2	1.2	1.3
Import price deflator (goods and services)	-0.4	1	1.3	1.3	1.3	1.3
Terms of trade (good and services)	-1.5	-0.6	0	0	0	0

Source: Department of Finance, Stability Programme Update 2021

The GDP deflator, a wider measure of price changes in the economy, is forecast to grow by 0.4% this year and 1.8% next year, with negative contributions from the terms of trade and positive contributions from the personal consumption deflator. A personal consumption deflator of 1.6% is forecast for this year and 2.8% next year.

<sup>26</sup> Housing costs under the HICP refer to rental costs and do not include mortgage costs.

## 4.8. Competitiveness

This section examines the available evidence in relation to Ireland's competitiveness.

### **Global Competitiveness Report 2019**

The World Economic Forum Global Competitiveness Report 2020 edition “does not provide country rankings, due to missing data from various international organizations as well as the need for new thinking regarding the economic recovery after the COVID-19 shock.”<sup>27</sup> However, as last year's report was prepared in response to the pressing questions of the unfolding coronavirus pandemic, the WEF Global Competitiveness Report 2019 was not closely examined. Therefore, Ireland's 2019 performance in this year's report is examined here<sup>28</sup>.

The WEF Global Competitiveness Index is an annual yardstick for policymakers to look beyond short-term and reactionary measures and to instead assess their progress against the full set of factors that determine productivity. These are organized into 12 pillars: Institutions; Infrastructure; ICT adoption; Macroeconomic stability; Health; Skills; Product market; Labour market; Financial system; Market size; Business dynamism; and Innovation capability.

In 2019 Ireland was ranked 24th out of 141 countries, this is down one position relative to its position in 2018. Ireland is ranked as the 9th most competitive economy in the Euro area and the 11th most competitive in the EU 27.

Out of the twelve overarching pillars that are used to compile the index, Ireland has improved in 4 of them since the 2018 report. Ireland scores well in relation to the Institutions pillar (11th), the Labour Market pillar (6th) and the Business Dynamism pillar (10th). Areas where Ireland does not score as well, and the National Competitiveness Council (NCC) remark need to be focused on, include infrastructure (40th), financial system (42nd), market size (44th) and ICT adoption (49th).

The UK is ranked as the 9th most competitive country. Table 4.7 gives rankings for Ireland and the United Kingdom over the last number of years.

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<sup>27</sup> Shwab, K. and Zahidi S. (2020). *Global Competitiveness Report - Special Edition 2020: How Countries are Performing on the Road to Recovery*. [online]. World Economic Forum. Available at: [http://www3.weforum.org/docs/WEF\\_TheGlobalCompetitivenessReport2020.pdf](http://www3.weforum.org/docs/WEF_TheGlobalCompetitivenessReport2020.pdf) [Accessed 22 Jun 2021], p.9.

<sup>28</sup> Shwab, K., (2019). *The Global Competitiveness Report*. World Economic Forum [online]. Available at: [http://www3.weforum.org/docs/WEF\\_TheGlobalCompetitivenessReport2019.pdf](http://www3.weforum.org/docs/WEF_TheGlobalCompetitivenessReport2019.pdf) [Accessed 22 Jun 2021].

**Table 4.7: Ireland and the UK's rankings in the Global Competitive Index over time**

	2015-2016	2016-2017	2017-2018	2018-2019	2018-2019
Ireland	24	23	24	23	24
United Kingdom	10	7	8	8	9

Source: *The Global Competitiveness Report 2019*

The most competitive EU countries are Netherlands (4<sup>th</sup> globally), Germany (7<sup>th</sup> globally) and Sweden (8<sup>th</sup> globally). The report highlights the important role that human capital, innovation, resilience and agility play as drivers of competitiveness.

### **IMD World Competitiveness Yearbook 2020**

An alternative competitiveness ranking is provided by the IMD World Competitiveness Yearbook<sup>29</sup>. Originally the “World Competitiveness Report” was co-published by the WEF and IMD. But subsequently it developed into two publications, the WEF Global Competitiveness Report and the IMD World Competitiveness Yearbook. While conceptually there are many similarities between the two reports, methodologically there are some differences. Most important are two differences. Firstly, the IMD World Competitiveness Yearbook looks at a larger number of criteria to the Global Competitiveness Report. Secondly, while the WEF Global Competitiveness Report puts a lot of its methodological emphasis on survey data, the IMD World Competitiveness Yearbook focuses on what it calls “hard data”. Due to these methodological differences, the IMD World Competitiveness Yearbook only covers 63 countries while the WEF Global Competitiveness Report covers 141.

Of the 63 countries in the IMD World Competitiveness Yearbook 2020, Ireland is ranked 12th in overall competitiveness. Ireland’s ranking in 2017 was 6th, in 2018 12th and in 2019 7th.

It is ranked 12th for economic performance, 13th for government efficiency, 5th for business efficiency and 23rd for infrastructure. In the subcategories below that it ranks first in terms of the performance of its domestic economy and in terms of attitudes and values, and its lowest rankings are for international investment and prices.

### **The Real Effective Exchange Rate**

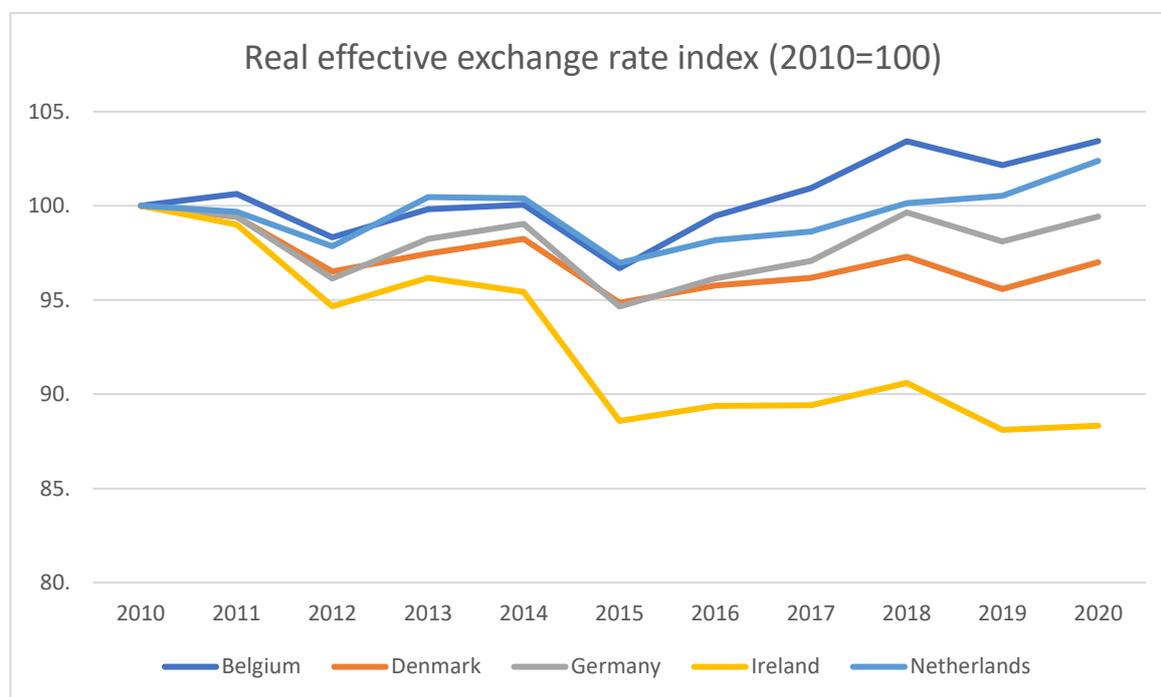
Another metric capturing competitiveness of the economy highlighted by the CSO is the Real Effective Exchange Rate (REER). As they outline, the REER “... *aims to assess a country’s price or cost competitiveness relative to its principal competitors in international markets. A negative value means improving country competitiveness*

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<sup>29</sup> IMD. (2021). *The IMD World Competitiveness Yearbook (WCY)* [online]. Available at: <https://www.imd.org/centers/world-competitiveness-center/rankings/world-competitiveness/> [Accessed 22 Jun. 2021].

relative to its principal trading partners. A positive value means real appreciation and a loss of country competitiveness relative to principal trading partners”.

**Figure 4.3: Real Effective Exchange Rate (2010=100)**



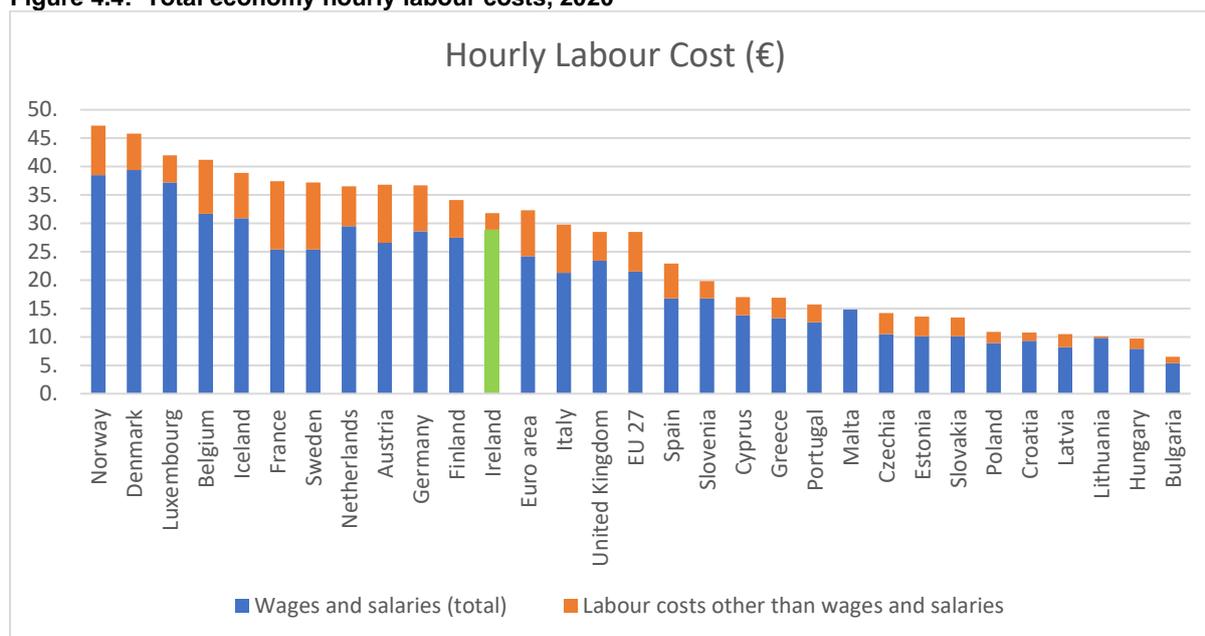
**Source:** Eurostat (TIPSER13)

The figure above based on Eurostat data compares the development of the REERs for Ireland and a selection of other EU states (Belgium, Denmark, Germany and the Netherlands). It demonstrates that while other countries experienced a mild decline in their REERs in the first half of the last decade followed by an increase, Ireland’s REER declined substantially in the first half of the decade and has not experienced any noticeable increase since then. This indicates that Ireland’s cost competitiveness has increased substantially relative to our European neighbours over this period.

#### 4.9. Labour Costs

Figure 4.4 shows the hourly labour costs in the EU and EEA states in declining order of magnitude. This figure also divides labour costs into two components: wages and salaries and other labour costs. (Romania is excluded as it does not provide this breakdown and the figure for the UK is for 2019 not 2020.)

Figure 4.4: Total economy hourly labour costs, 2020



Source: Eurostat (LC\_LCI\_LEV)

Irish labour costs are broadly in line with the euro area average. The total hourly labour cost was €33.20 both in Ireland and as an average across the eurozone<sup>30</sup>.

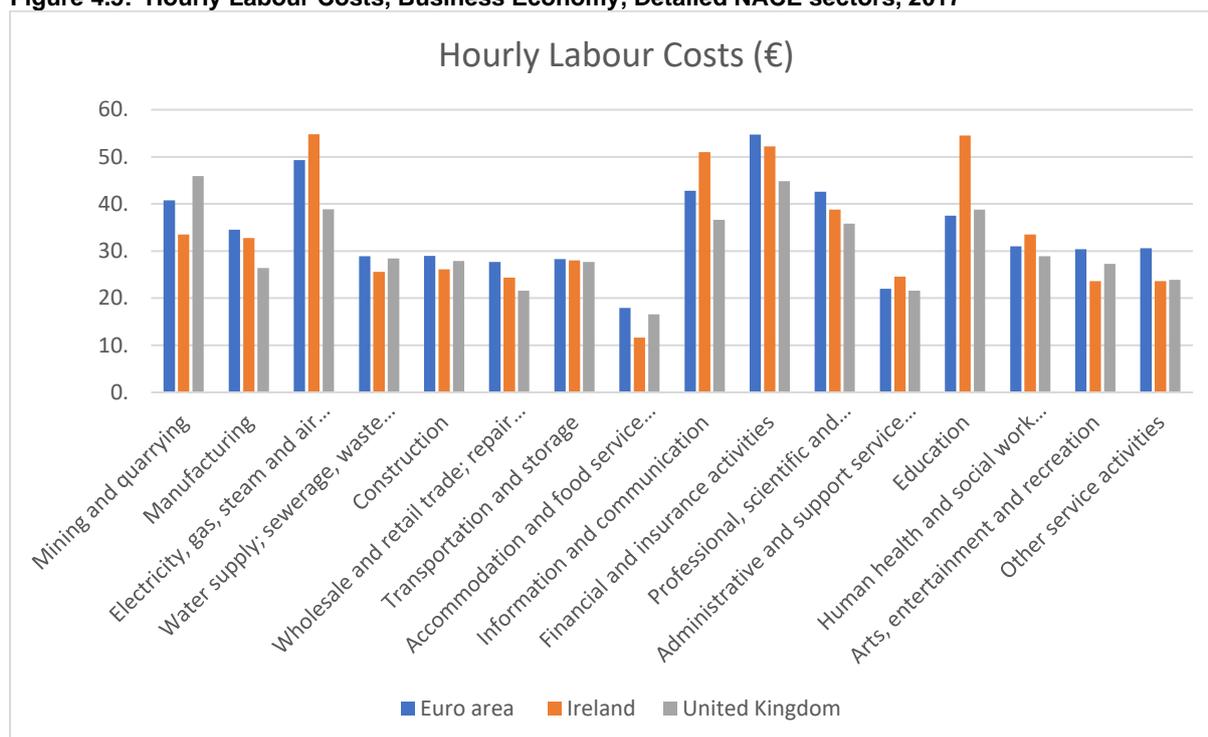
Ireland has lower hourly labour costs than 11 other EU/EEA member states (Norway, Denmark, Luxemburg, Belgium, Iceland, France, Sweden, Netherlands, Austria, Germany and Finland). The low level of “labour costs other than wages and salaries”, which is driven by Ireland’s relatively low level of social insurance contributions (Employer and Employee PRSI), contributes significantly to Ireland’s low hourly labour costs<sup>31</sup>. In terms of “wages and salaries” alone, Ireland ranks 7<sup>th</sup> not 12<sup>th</sup>.

Figure 4.5 below shows the hourly labour cost in Ireland, UK and the euro area by sector. Labour costs vary significantly across sectors. In Ireland, labour costs are highest in the “*Electricity, gas, steam and air conditioning supply*”, “*Information and communication*”, “*Financial and insurance activities*” and “*Education*” sectors. In these sectors hourly labour costs are between €50-55. By some margin the lowest hourly labour costs are in “*Accommodation and food service activities*”, where a substantial proportion of workers are minimum wage workers. Hourly labour costs in this sector are only €11.60. As can be seen in Figure 4.7., hourly labour costs in this sector are substantially lower than in Ireland than they are in the UK or on average across the Eurozone.

<sup>30</sup> The apparent difference in the figure between Ireland and the Euro area in total labour costs is due to a rounding error that arises from adding wages and salaries and other labour costs.

<sup>31</sup> Pay related pensions and greater access to other forms of social insurance are generally provided in countries with higher PRSI contributions. In Ireland these benefits have to be provided for separately.

**Figure 4.5: Hourly Labour Costs, Business Economy, Detailed NACE sectors, 2017**

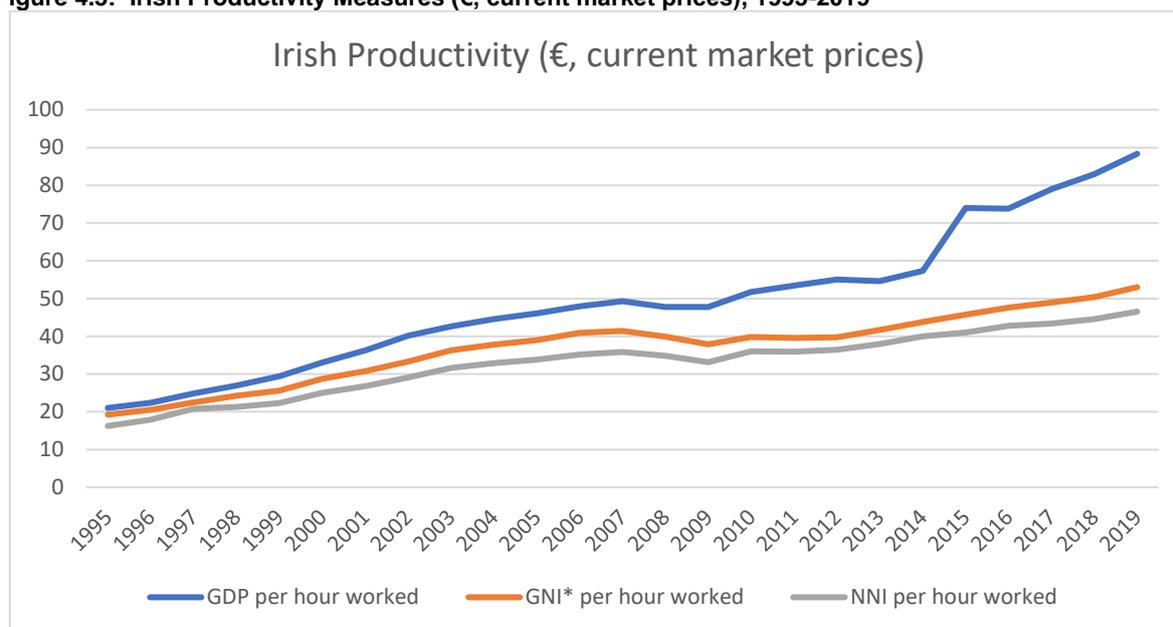


Source: Eurostat (LC\_LCI\_LEV)

#### 4.10. Productivity

It is notoriously difficult to measure aggregate productivity in Ireland. Standard measures such as GDP per hour worked are not accurate because of multinationals declaring earnings in Ireland that may not arise from production within Ireland. Therefore, as above, a preferred measure is modified GNI\* (modified gross national income) per hour worked. However, a problem with GNI\* is that it is a measurement developed specifically for Ireland to account for the peculiarities of Irish national income accounting. Other countries do not calculate GNI\*, therefore it does not allow for international comparisons. A comparable figure to GNI\* is Net National Income (NNI). NNI is a measurement of national income equal to GDP after adjustment for net factor income from abroad and capital depreciation. In Figure 4.5 GDP per hour worked, GNI\* per hour worked and NNI per hour worked are displayed.

**Figure 4.5: Irish Productivity Measures (€, current market prices), 1995-2019**



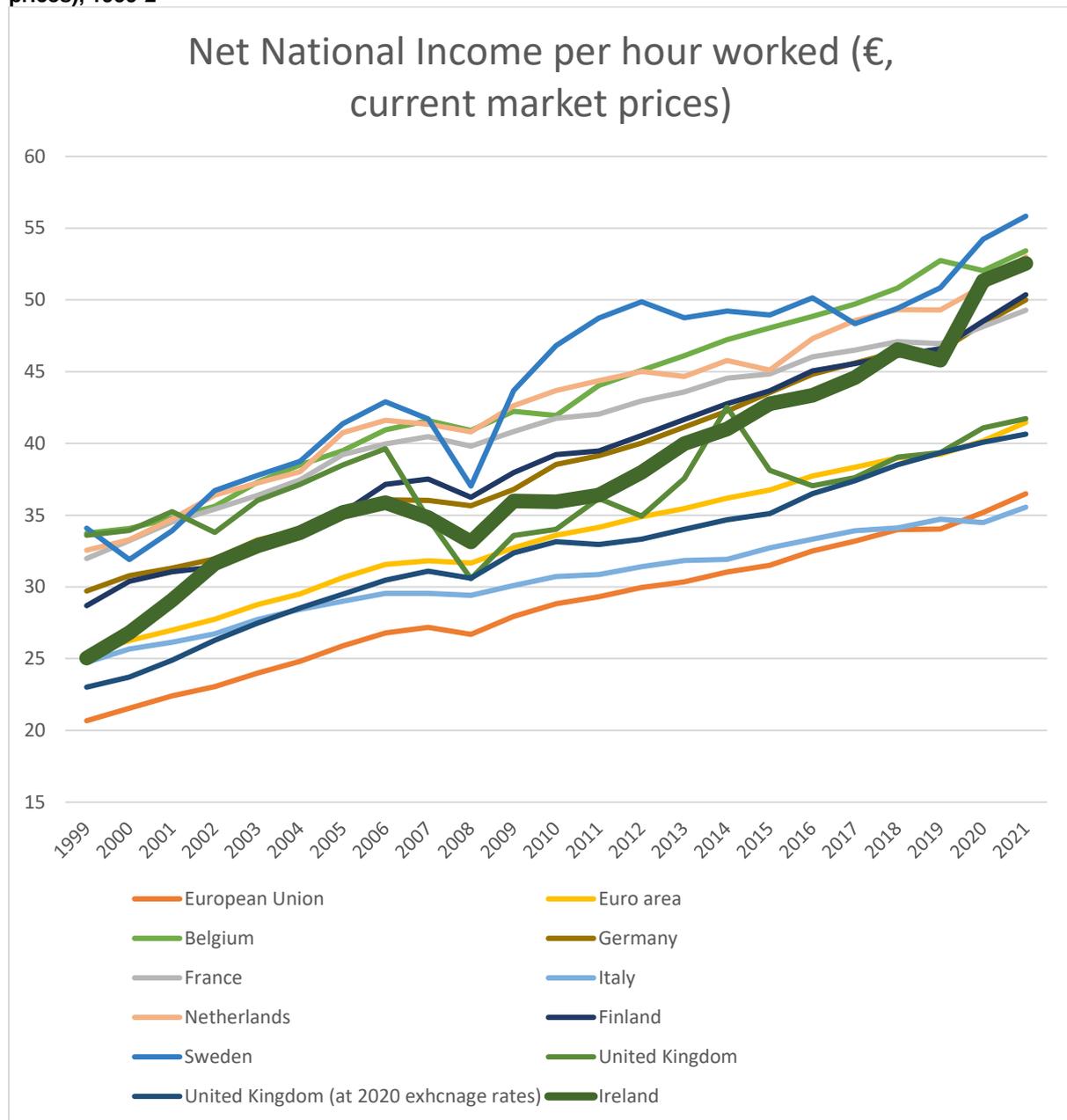
Source: LPC Secretariat calculation. GDP and GNI\* figures are from CSO. NNI and total hours worked are from European Commission AMECO data.

As can be seen, GDP per hour worked accelerates away from the other two measures of productivity after 2009, with a large and sudden increase in between 2014 and 2015. Both GNI\* and NNI however track each other closely. Both show a stable increase up to 2006, after which there is little growth until 2012. After this period these series show a relatively stable growth rate, with GNI\* reaching €53 per hour worked and NNI reaching €47 per hour worked.

Figure 4.5 displays Net National Income in Ireland compared with other European countries. Ireland is the thick green line. These figures are Euro figures in current market prices. The significant drop in the series for the UK between 2006 and 2008 is a result of exchange rate fluctuations, as can be seen from the series that is included showing UK NNI with 2020 exchange rates projected back. EU member states with lower NNI per hour worked are excluded from the graph.

As can be seen, Ireland performs well in terms of productivity growth and goes from hourly productivity comparable to the Eurozone average in 2000 to having one of the highest productivity levels in the European Union, comparable to Belgium, the Netherlands, Germany or Sweden.

**Figure 4.6: Net National Income per hour worked in Ireland and other European countries (€, current market prices), 1999-2**



Source: LPC Secretariat calculation on the basis of European Commission AMECO data.

## Chapter 5 The Irish Labour Market

The Irish labour market has experienced very high levels of disruption due to the coronavirus pandemic. This section looks at employment and unemployment, and labour market indicators by sector and region. It also looks at changes in earnings and the income distribution, including income inequality.

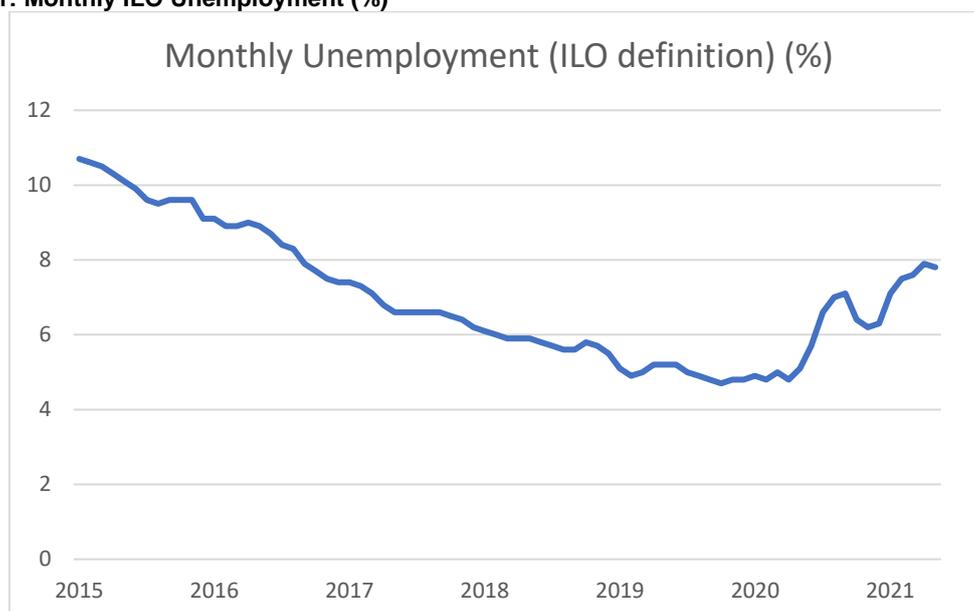
### 5.1 Employment and Unemployment

The coronavirus has had an unprecedented impact on the labour market, especially in terms of its impact on employment and unemployment.

There are substantial challenges in assessing the impact of the pandemic on the labour market, not least because established headline figures often do not pick up what is happening in the economy.

For example, Figure 5.1 below gives the headline monthly unemployment figures using the standard ILO definition.

**Figure 5.1: Monthly ILO Unemployment (%)**



Source: CSO, Labour Force survey

According to these figures, unemployment in May 2021 stood at 7.8%, the highest figure since the start of the pandemic, but only 3.0% up from the February pre-pandemic figure of 4.8%.

Of course, this fails to pick up much of what has actually happened in the labour market over the last year and a half. These small changes are only so small because of the method of data collection.

The CSO has released a Technical Note<sup>32</sup> to explain what is happening with these figures. They write:

*...if those "laid-off" due to COVID-19 indicate in the LFS that they have an assurance or expectation of a return to work within a period of 3 months, or receive greater than or equal to 50% of their wage or salary from their employer, then those persons should be classified as "In Employment" on an ILO basis.*

*If an individual "laid-off" due to COVID-19 does not indicate an expectation or assurance of return to work with their employer, then they are asked two further questions in the LFS questionnaire to determine their ILO status.*

*The two questions assess the individual persons availability for starting work within the next two weeks and whether the person has been actively seeking work within the past four weeks. If the answer to both questions is "Yes" then the individual is classified as "Unemployed" i.e. they are out of work, are available for work and actively seeking work.*

*On the other hand, if the answer to either of these two questions is "No" then the person is not deemed to be unemployed but "Inactive" and as such outside of the Labour Force.*

This measure does not count the large numbers that have lost employment or had their employment significantly reduced due to the COVID-19 pandemic. Therefore, it is necessary to set to one side the standard ILO unemployment estimates and consider "COVID-19 Adjusted Estimates".

Very substantial income supports have been introduced for those out of work due to the COVID-19 pandemic. However, how they should be counted for the purpose of estimating unemployment is complicated.

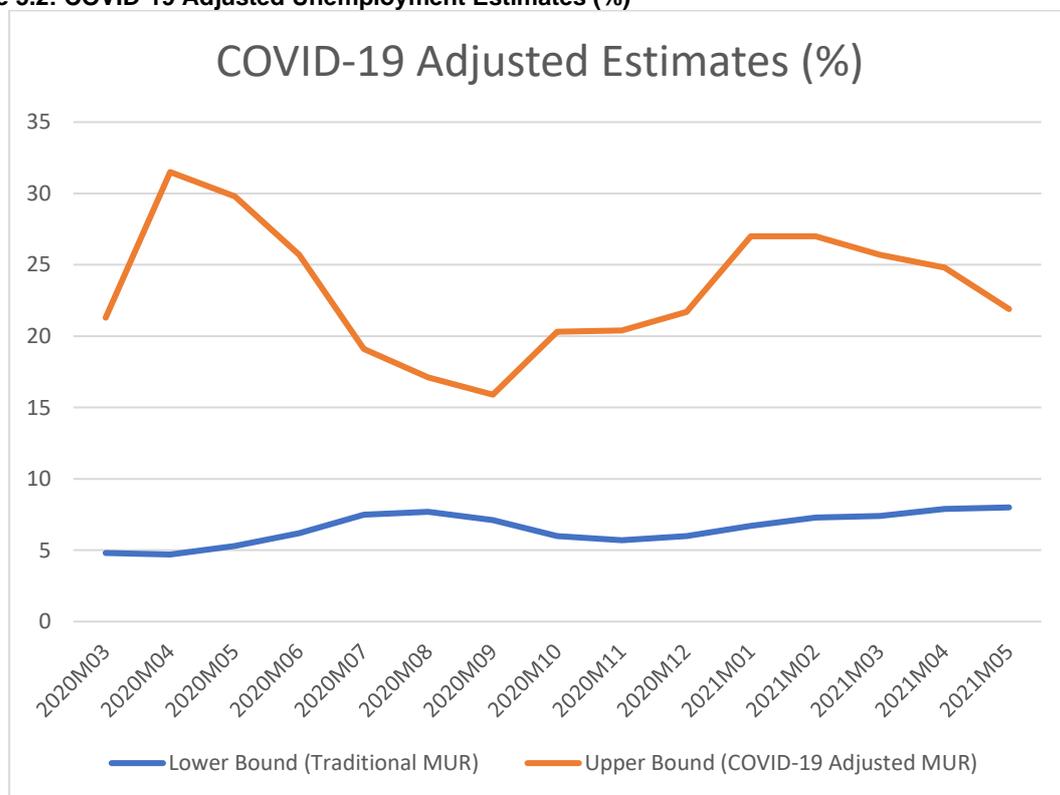
There have been two major income support schemes introduced during the pandemic. The first is the Pandemic Unemployment Payment (PUP). This is a payment made to those who lost their employment due to the pandemic.

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<sup>32</sup> CSO (2020). *Monthly Unemployment and COVID-19 Adjusted Estimates August 2020 Technical Note*. [online] Central Statistics Office, Ireland. Available at: <https://www.cso.ie/en/methods/labourmarket/monthlyunemployment/monthlyunemploymentandcovid-19adjustedestimatesaugust2020technicalnote/> [Accessed 22 Jun. 2021].

The second is a wage subsidy scheme that has been altered significantly during the course of the pandemic. The aim of the scheme was to encourage employers to keep employees on the books, to keep employers in business despite reduced revenue arising from the pandemic. By subsidising employers wage payments, the scheme was intended to reduce the burden of keeping employees in employment, despite reduced revenue, and thereby maintaining a link between employers and their employees during the pandemic. Originally the scheme was the Temporary Wage Subsidy Scheme (TWSS) and was paid to employees through their employers' payroll system. This was replaced by Employment Wage Subsidy Scheme (EWSS) and was paid to employers to subsidise their labour costs on the basis of the number of employees they had and their wage rates.

**Figure 5.2: COVID-19 Adjusted Unemployment Estimates (%)**



Source: CSO, Labour Force Survey (MUM02)

The above graph shows the traditional monthly unemployment rate and a COVID-19 adjusted monthly unemployment rate. The COVID-19 Adjusted Measure of Unemployment is calculated by adding all persons in receipt of the PUP for the last week of the reference month who are not already included on the Live Register for that month on to the non-seasonally adjusted volume of unemployed persons for that month. In simple terms the COVID-19 adjusted rate is based on the assumption that all those in receipt of the PUP in the last week of the reference month would have been classified as “unemployed” if the payment did not exist.

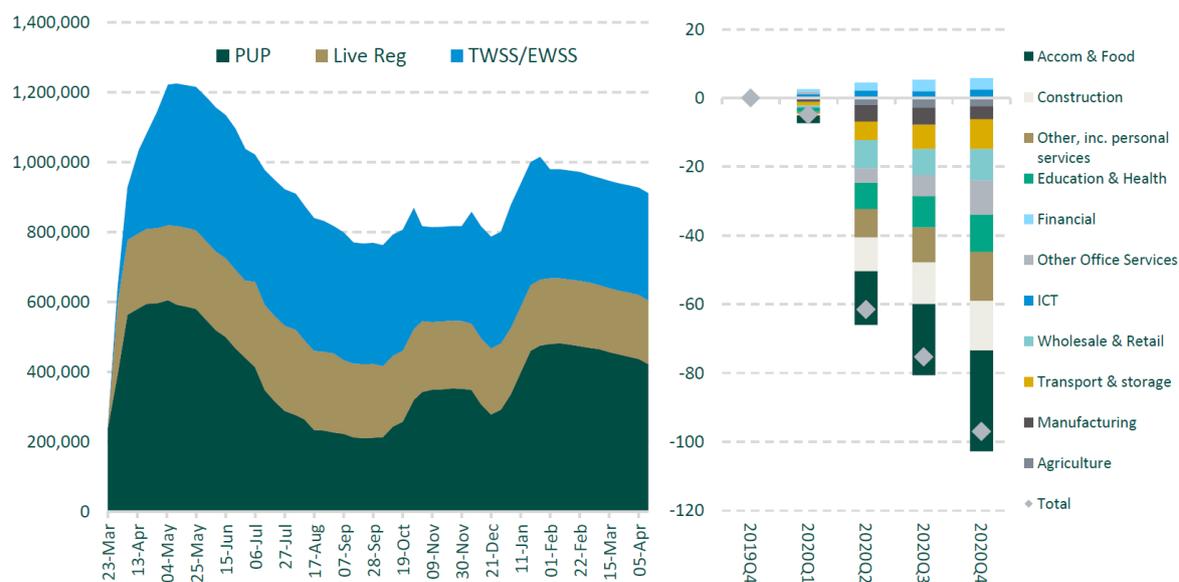
Of course, this is not necessarily the case. The standard ILO estimate of unemployment measures those available for and looking for work. It is normally quite different to the number on the live register in receipt of unemployment supports. It is unlikely that all those on PUP would be classified as available for and looking for work in the absence of the payment. Therefore, the CSO recommends seeing the COVID-19 adjusted rate as an upper bound estimate of unemployment and the traditional rate as a lower bound.

It is worth noting that those in receipt of the TWSS or the EWSS, having an attachment to their employer, are not included in the calculation of the COVID-19 Adjusted Measure of Unemployment.

Nevertheless, the COVID-19 adjusted rate shows the dramatic change that came with the arrival of COVID-19. While in February 2020 the unemployment rate was 5.0%, two months later 31.5% of the labour force was either unemployed or in receipt of the PUP. As restrictions were lifted in the summer of 2020, the number counted in traditional employment rose slightly but the number on the PUP dropped by nearly half. In September 2020, the COVID adjusted rate was down to 15.9%. Unfortunately, as the virus returned in the Winter of 2020, the number went up again. And with the second complete lockdown after Christmas, the COVID Adjusted rate was up to 27.0% in January 2021. The monthly figure for May 2021 remained over 20% at 21.9%.

If instead of trying to estimate the number of unemployed focus is directed to the number on income supports, the results are even more striking. Figure 95.3 (a) below shows the number of workers on the live register, on PUP and on the TWSS/EWSS. By mid-May 2020 it was over 1.2 million workers. The labour force in Q2 2020 was 2,341,200. This produced a figure that 51% of the labour force was receiving some form of state support.

**Figure 5.3: (a) Income supports (b) Hours worked, change from peak (millions)**



Source: Department of Finance, *Stability Programme Update 2021*

An alternative measure of decline in employment that has been looked at by various statistical agencies internationally is the decline in hours worked. As can be seen in figure 5.3 (b), which provides a four-quarter moving average, the numbers of hours worked have declined dramatically over the last year, with nearly a 100 million fewer hours worked in the average quarter of 2020 than in Q4 2019. In fact, without the mild increase in hours worked in ICT and Finance, more than 100 million fewer hours would have been worked, with the largest reductions in *Accommodation and Food* and *Construction*.

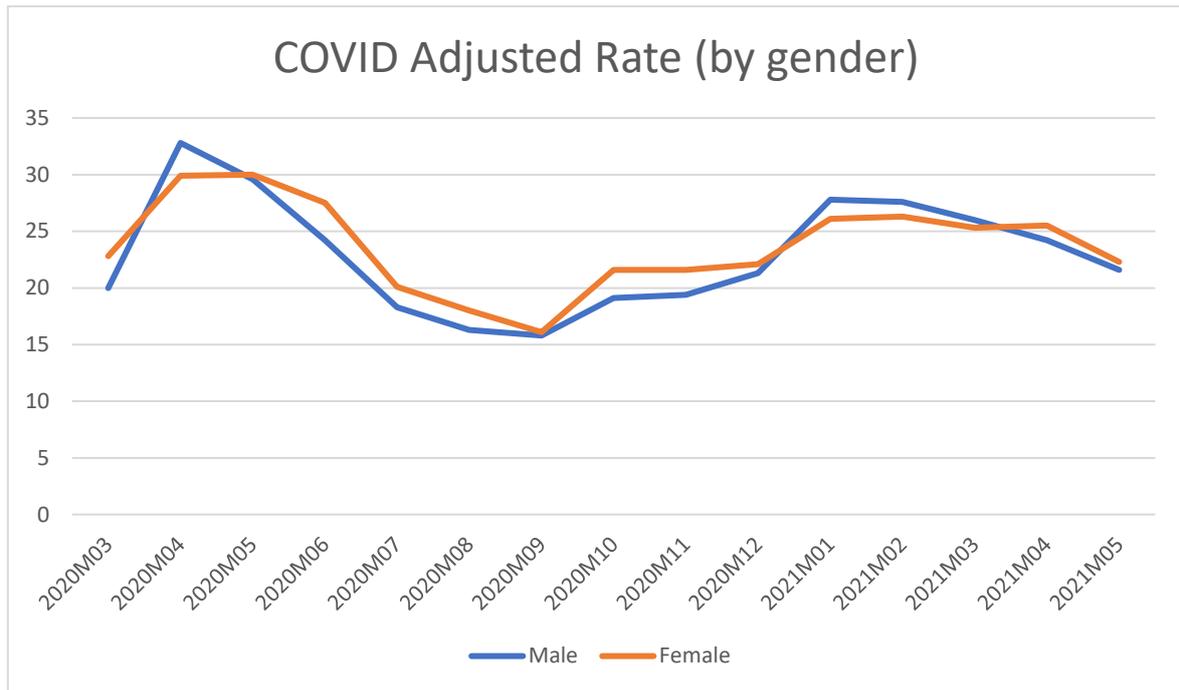
## 5.2 Unemployment in terms of gender and age

Given the problems with the ILO headline figures described examining those figures for 2020 in terms of age, gender or region is not a particularly useful exercise. Instead, this chapter continues by examining the recipients of pandemic related income supports.

Unfortunately, the same range of disaggregation is not available for all of these series as is available for the standard ILO/LFS unemployment figure.

Figure 5.4 below gives the COVID adjusted rate by gender. As can be seen the two series follow each other quite closely suggesting that the employment impact of the pandemic has been relatively equally felt by men and women.

**Figure 5.4: COVID Adjusted Unemployment Rate (by gender)**



Source: CSO, Labour Force Survey (MUM02)

Table 5.1 below gives an age breakdown of the recipients of the Pandemic Unemployment Payment and the TWSS.

The share of PUP recipients who are under the age of 25 has been reasonably stable fluctuating between 20-25% since the introduction of the support in March 2020. The share of TWSS recipients under 25 fluctuated between 11-17%. In both cases this is a disproportionately high share as the number of people in the labour force between 15-24 is only 10-11% in a normal year. Only workers over the age of 18 are eligible for PUP.

**Table 5.1: PUP and TWSS recipients by age**

	2020 M03	2020 M04	2020 M05	2020 M06	2020 M07	2020 M08	2020 M09	2020 M10	2020 M11	2020 M12	2021 M01	2021 M02	2021 M03	2021 M04	2021 M05
<b>Pandemic Unemployment Payment ('000s)</b>															
Under 25 years	90,901	122,920	115,339	96,212	56,760	46,777	47,501	87,408	89,925	93,848	115,513	111,730	107,275	95,459	80,241
25 years and over	303,269	482,622	429,331	343,541	219,147	179,985	169,518	257,890	263,736	280,996	369,948	358,925	337,402	289,758	229,274
All ages	394,170	605,542	544,670	439,753	275,907	226,762	217,019	345,298	353,661	374,844	485,461	470,655	444,677	385,217	309,515
<b>Pandemic Unemployment Payment (%)</b>															
Under 25 years	23%	20%	21%	22%	21%	21%	22%	25%	25%	25%	24%	24%	24%	25%	26%
25 years and over	77%	80%	79%	78%	79%	79%	78%	75%	75%	75%	76%	76%	76%	75%	74%
All ages	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
<b>Temporary COVID-19 Wage Subsidy Scheme ('000s)</b>															
Under 25 years	18,921	53,940	54,573	60,514	73,887	65,805									
25 years and over	115,579	381,799	411,625	414,537	385,770	330,007									
All ages	134,633	436,082	466,552	475,404	459,990	396,101									
<b>Temporary COVID-19 Wage Subsidy Scheme (%)</b>															
Under 25 years	14%	12%	12%	13%	16%	17%									
25 years and over	86%	88%	88%	87%	84%	83%									
All ages	100%	100%	100%	100%	100%	100%									
<b>Employment Wage Subsidy Scheme ('000s)</b>															
Under 25 years					9,734	20,278	70,235	68,871	41,314	69,980	55,219	43,233	42,305	43,146	
25 years and over					12,505	59,062	283,209	300,114	245,717	294,862	303,059	278,748	272,539	267,231	
All ages					22370	79618	354715	371026	288912	367408	361188	324900	316010	311275	
<b>Employment Wage Subsidy Scheme (%)</b>															
Under 25 years					44%	25%	20%	19%	14%	19%	15%	13%	13%	14%	
25 years and over					56%	74%	80%	81%	85%	80%	84%	86%	86%	86%	
All ages					100%	100%	100%	99%	99%	99%	99%	99%	100%	100%	

Source: CSO, Live Register (LRM20)

### 5.3 Employment by Sector

Table 5.2 below provides employment by sector in the past three years, using quarterly figures in employment from the CSO's Labour Force Survey. The highlighted rows correspond to sectors previously identified by the CSO data as either having higher levels of minimum wage employees, or as having employees with lower earnings.

On average, employment decreased across all sectors by 2.3% over 2020 compared to 2019. However, this headline figure conceals very substantial sector differences that are quite unlike previous years. While a small number of sectors experienced employment growth, others experienced very substantial reductions in employment.

The sectors that experienced higher levels of employment growth include Information and communication (9.2%), Financial, insurance and real estate activities (8.2%), and Public administration and defence (4.6%).

There were very substantial reductions in employment in Accommodation and food service activities (-25.7%), Administrative and support service activities (-26.8%), Other NACE activities<sup>33</sup> (-15.3%) and Construction (-7.3%).

**Table 5.2: Employment by Sector (Persons over 15 years of age)**

Economic sector	Q4 18	Q4 19	Q1 20	Q2 20	Q3 20	Q4 20	Year on Year	
	'000s	'000s	'000s	'000s	'000s	'000s	'000s	%
A. Agriculture, forestry and fishing	104.6	106.9	107.3	98.3	98.7	106.4	-0.5	-0.5%
B-F. Total Industry	424.7	433.4	434.2	418.0	437.9	434.6	1.2	0.3%
B-E. Industry	280.7	286.3	286.5	289.5	301.2	298.2	11.9	4.2%
F. Construction	144.0	147.1	147.7	128.5	136.7	136.4	-10.7	-7.3%
G-U. Total Services	1,745.3	1,814.9	1,807.7	1,701.7	1,755.0	1,760.9	-54.0	-3.0%
G. Wholesale and retail trade; repair of motor vehicles and motorcycles	311.9	310.2	309.8	282.3	307.5	316.1	5.9	1.9%
H. Transportation and storage	101.4	108.0	103.7	94.0	102.9	107.8	-0.2	-0.2%
I. Accommodation and food service activities	174.8	179.2	170.6	127.5	148.4	133.1	-46.1	-25.7%
J. Information and communication	115.3	127.6	127.8	135.2	128.9	139.4	11.8	9.2%
K-L. Financial, insurance and real estate activities	106.6	115.1	119.6	132.2	123.7	124.5	9.4	8.2%
M. Professional, scientific and technical activities	135.8	141.1	149.5	141.0	142.1	145.7	4.6	3.3%
N. Administrative and support service activities	106.6	112.1	111.8	90.8	94.6	82.1	-30.0	-26.8%
O. Public administration and defence; compulsory social security	108.3	117.0	115.6	118.9	118.8	122.4	5.4	4.6%
P. Education	178.8	191.6	192.5	194.7	188.1	196.4	4.8	2.5%
Q. Human health and social work activities	288.5	294.3	290.0	288.0	293.4	293.0	-1.3	-0.4%
R-U. Other NACE activities	117.3	118.7	116.7	97.0	106.6	100.5	-18.2	-15.3%
Not stated	[6.7]	[6.0]	*	*	*	*		
<b>Total persons</b>	<b>2,281.3</b>	<b>2,361.2</b>	<b>2,353.5</b>	<b>2,222.5</b>	<b>2,295.2</b>	<b>2,306.2</b>	<b>-55.0</b>	<b>-2.3%</b>

Source: CSO, Labour Force Survey

As can be seen three of these four sectors are sectors that were identified from the CSO data as either having higher levels of minimum wage employees, or as having employees with lower earnings. The only sector identified as having higher levels of minimum wage employees that did not experience a very substantial reduction in employment is wholesale and retail trade, although it experienced a significant reduction in Q2 during the first lockdown. It is also worth noting that across the other three sectors it is possible to observe the impact of the first lockdown in Q2, the impact of the partial opening in Q3, and the impact of the second and third lockdowns in Q4. These results fit intuitively with what was and wasn't closed down due to the pandemic.

Table 5.3 below provides the number of people employed in the Accommodation and food service activities sector in each region. While this sector is substantial in all

<sup>33</sup> "Other NACE sectors" refers to NACE sectors R to U i.e. Arts, Entertainment and Recreation (R), Other Service Activities (such as repair of computers and personal/household goods), and Activities as Households as Employers (U) which includes households as employers of domestic personnel.

regions, the more urbanised regions of Dublin, South West and Mid East account for the majority of workers in this sector. While the across the state reduction in employment in this sector was over 25% in 2020, the reduction was even larger in some regions. In the Border region and in Dublin, both of which were particularly heavily hit by the pandemic, the reductions were -43.4% and -35.6% respectively.

**Table 5.3: Employment in the Accommodation and food service activities sector by region**

Accommodation and food service activities									
Region	2017Q4	2018Q4	2019Q4	2020Q1	2020Q2	2020Q3	2020Q4	Year on Year	
	'000s	%							
State	168.7	174.8	179.2	170.6	127.5	148.4	133.1	-46.1	-25.7%
Border	13.2	15.7	15.2	13.3	7.7	9.1	8.6	-6.6	-43.4%
West	18.6	17.2	16.7	18	14.8	14.8	11.4	-5.3	-31.7%
Mid-West	16.9	16	13.2	15.6	12.4	12	13.8	0.6	4.5%
South-East	16.6	15	16.7	15	12.7	14.8	14.4	-2.3	-13.8%
South-West	27.3	26	30.1	31.8	24.4	29.3	22.2	-7.9	-26.2%
Dublin	47.6	51	52.3	44	30.3	39.5	33.7	-18.6	-35.6%
Mid-East	21.6	24	26.1	22	14.9	19.4	18.2	-7.9	-30.3%
Midland	6.9	9.8	8.8	10.8	10.3	9.7	10.7	1.9	21.6%

Source: CSO, Labour Force Survey

Table 5.4 below provides the number of people employed in the Administrative and support service activities sector in each region. Again, the more urbanised regions of Dublin, South West and Mid East account for the majority of workers in this sector. While across the state the reduction in employment in this sector was 26.8% in 2020, the reduction was larger in Dublin (-32.3%). Unfortunately, data is unavailable for some regions.

**Table 5.4: Employment in the Administrative and support service sector by region**

Administrative and support service activities									
Region	2017Q4	2018Q4	2019Q4	2020Q1	2020Q2	2020Q3	2020Q4	Year on Year	
	'000s	%							
State	94.7	106.6	112.1	111.8	90.8	94.6	82.1	-30	-26.8%
Border	5.5	6.9	6.5	7.1	5.4	4.8			
West	5.5	7.5	7.1	7.9	7.5	7.4	6.6	-0.5	-7.0%
Mid-West	9.5	8.5	10.3	11.2	8.7	9.2	8.2	-2.1	-20.4%
South-East	6.9	8.8	10.8	9.6	8.3	5.6	7.9	-2.9	-26.9%
South-West	13.9	16.2	18.4	17.1	15.1	14.6	13.9	-4.5	-24.5%
Dublin	32.1	36.5	40.2	42.6	32.8	36.9	27.2	-13	-32.3%
Mid-East	16.5	15.3	13.9	13	10.1	12.3	12	-1.9	-13.7%
Midland	4.9	6.9	4.9						

Source: CSO, Labour Force Survey

## 5.4 Labour and Skills Shortages

The SOLAS 2020 Skills Bulletin<sup>34</sup> analyses the issue of skills and labour shortages across different sectors and professions. It appears that for the sectors where NMW workers are most likely to be employed, such as social care, hospitality, administration, construction and operatives related occupations, there is some evidence of labour shortages, but that job churn is a more 'significant factor'. Meanwhile the sectors with the highest employment rates and least amount of labour turnover are ICT and business and finance. SOLAS also finds there is a shortage of chefs and cooks.

Unfortunately for 2020, there was not sufficient data to analyse potential shortages in the various occupational sectors. This is due to the novel uncertainty of pursuing day to day business while trying to survive a pandemic, as well as a lack of official data. However, existing data does convey that there has been an increase in employment for occupations that require a higher level of education or skill set, for example ICT. Areas like healthcare may experience a shortage, as several of their employees are non-Irish nationals and inward migration is of course reduced due to the travel restrictions. The same applies to ICT, a sector which also employs a large proportion of non-Irish nationals.

## 5.5 Changes in Earnings

Changes in earnings and hours from Q4 2017 to Q4 2020 (preliminary) are provided in tables 5.5-5.7 below for all sectors, excluding agriculture. The tables also contain earnings broken down for public and private sector, and by firm size.

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<sup>34</sup> McNaboe, J., Burke, N., Condon, N., Hogan, A.M., Shally, C. and Walls, D. (2020). *National Skills Bulletin 2020*. [online]. Available at: [https://www.solas.ie/f/70398/x/7b02b880e3/national-skills-bulletin\\_2020.pdf](https://www.solas.ie/f/70398/x/7b02b880e3/national-skills-bulletin_2020.pdf). [Accessed 22 Jun 2021].

**Table 5.5: Mean hourly earnings (€), by sector**

Mean hourly earnings (€)									
All employees	2017 Q4	2018 Q4	2019 Q4	2020 Q3	2020 Q4	Quarterly change (€)	Quarterly change (%)	Annual change (€)	Annual change (%)
Industry (B-E)	22.86	23.30	23.98	23.55	24.59	1.04	4.4	0.61	2.5
Construction (F)	20.67	21.55	22.74	21.83	22.42	0.59	2.7	-0.32	-1.4
Wholesale and retail trade; repair of motor vehicles and motorcycles (G)	18.68	19.13	19.80	19.15	20.32	1.17	6.1	0.52	2.6
Transportation and storage (H)	21.45	23.34	23.66	21.29	21.97	0.68	3.2	-1.69	-7.1
Accommodation and food service activities (I)	12.90	13.09	13.67	15.38	15.59	0.21	1.4	1.92	14.0
Information and communication (J)	30.51	32.31	33.64	34.91	36.41	1.50	4.3	2.77	8.2
Financial, insurance and real estate (K-L)	30.03	31.54	32.46	32.13	34.00	1.87	5.8	1.54	4.7
Professional, scientific and technical activities (M)	27.09	27.19	28.26	26.69	30.43	3.74	14.0	2.17	7.7
Administrative and support service activities (N)	17.41	18.62	19.27	19.71	20.71	1.00	5.1	1.44	7.5
Public administration and defence; compulsory social security (O)	25.55	25.98	26.56	26.43	27.07	0.64	2.4	0.51	1.9
Education (P)	35.12	35.97	36.91	37.97	37.58	-0.39	-1.0	0.67	1.8
Human health and social work activities (Q)	22.53	23.09	23.69	24.16	24.41	0.25	1.0	0.72	3.0
Arts, entertainment and recreation (R)	17.11	17.69	18.85	18.12	19.83	1.71	9.4	0.98	5.2
All NACE economic sectors	22.60	23.33	24.23	24.38	25.56	1.18	4.8	1.33	5.5
<b>Private/Public Sector</b>									
Private Sector	20.83	21.54	22.40	22.45	23.80	1.35	6.0	1.40	6.3
Public Sector	28.89	29.57	30.43	30.45	31.20	0.75	2.5	0.77	2.5
<b>Size of Enterprise</b>									
Less than 50 Employees	19.01	19.71	20.37	19.96	21.09	1.13	5.7	0.72	3.5
50-250 Employees	20.54	21.27	22.35	22.85	24.07	1.22	5.3	1.72	7.7
Greater than 250 employees	25.75	26.39	27.38	27.55	28.80	1.25	4.5	1.42	5.2

Source: CSO, *Earnings Hours and Employment Costs Survey*

Tables 5.5-5.6 highlight the extent to which average hourly and weekly earnings have varied across several sectors.

Between Q4 2019 and Q4 2020 across all sectors, average weekly earnings increased by 7.5% while average hourly earnings increased by 5.5%. The highest increase in average weekly earnings was in the Information and communication sector, with a €104.58 (8.4%) increase. For average hourly earnings the largest increase was in the Accommodation and food service activities sector with a €1.92 (14%) increase.

This last result should highlight some of the issues that arise in interpreting these statistics for 2020, there are likely to be significant compositional effects. It is likely that the 25.7% reduction in employment in the Accommodation and food service activities sector described above is driving a part of this result. If the workers who have lost employment earned less than those who have managed to maintain their employment

this would drive up the average hourly earnings without any increase in the normally paid hourly wage.

A further factor that is likely to be contributing to this increase in the hourly wage is shown in Table 5.7 below. If some of the workers in the Accommodation and food service activities sector who managed to retain employment have their hours reduced but have their income maintained, a likely outcome given the design of TWSS and EWSS, their average hourly earnings would increase. Table 5.7 shows the average hours in the Accommodation and food service activities sector declined by -9.7% suggesting that this is indeed a partial explanation of the 14% increase in hourly earnings in the Accommodation and food service activities sector.

**Table 5.6: Average weekly earnings (€) by sector**

Average weekly earnings (€)									
All employees	2017 Q4	2018 Q4	2019 Q4	2020 Q3	2020 Q4	Quarterly change (€)	Quarterly change (%)	Annual change (€)	Annual change (%)
Industry (B-E)	882.56	899.52	915.00	890.24	964.44	74.20	8.3	49.44	5.4
Construction (F)	750.64	800.50	841.01	818.03	873.39	55.36	6.8	32.38	3.9
Wholesale and retail trade; repair of motor vehicles and motorcycles (G)	582.99	594.03	602.86	605.19	630.01	24.82	4.1	27.15	4.5
Transportation and storage (H)	781.47	844.46	827.71	780.66	796.46	15.80	2.0	-31.25	-3.8
Accommodation and food service activities (I)	346.64	354.96	379.14	387.95	390.04	2.09	0.5	10.90	2.9
Information and communication (J)	1,113.04	1,168.50	1,240.01	1,270.40	1,344.59	74.19	5.8	104.58	8.4
Financial, insurance and real estate (K-L)	1,043.03	1,102.87	1,130.07	1,119.87	1,189.59	69.72	6.2	59.52	5.3
Professional, scientific and technical activities (M)	916.65	924.87	974.01	906.67	1,057.05	150.38	16.6	83.04	8.5
Administrative and support service activities (N)	547.52	597.85	625.61	624.16	650.87	26.71	4.3	25.26	4.0
Public administration and defence; compulsory social security (O)	943.25	953.00	976.49	978.47	1,015.18	36.71	3.8	38.69	4.0
Education (P)	838.91	855.30	881.35	901.01	908.82	7.81	0.9	27.47	3.1
Human health and social work activities (Q)	703.46	723.39	750.94	758.21	789.18	30.97	4.1	38.24	5.1
Arts, entertainment and recreation (R)	477.59	496.83	522.72	518.58	556.58	38.00	7.3	33.86	6.5
All NACE economic sectors	731.86	757.21	786.33	794.89	844.98	50.09	6.3	58.65	7.5
<b>Private/Public Sector</b>									
Private Sector	672.47	698.61	726.32	731.11	788.33	57.22	7.8	62.01	8.5
Public Sector	944.64	961.67	991.07	997.24	1,024.53	27.29	2.7	33.46	3.4
<b>Size of Enterprise</b>									
Less than 50 Employees	577.21	607.55	631.39	625.73	667.53	41.80	6.7	36.14	5.7
50-250 Employees	678.29	700.08	731.81	738.28	804.13	65.85	8.9	72.32	9.9
Greater than 250 employees	864.40	881.78	913.03	923.61	975.34	51.73	5.6	62.31	6.8

Source: CSO, *Earnings Hours and Employment Costs Survey*

It is likely that these kinds of issues are occurring across the economy. It is likely that the 7.5% increase in weekly earnings and the remarkably high 8.5% increase in the private sector and 9.9% increase in firms with 50-250 employees are driven by compositional effects, arising from low wage workers losing employment and thereby skewing the average, rather than from individual workers receiving wage increases.

If hours worked are looked at, again it is likely there are compositional problems. The reductions in total hours worked in Figure 5.3 (b) above are far greater. But nevertheless Table 5.7 shows reductions in average hours worked in the sectors that might be expected: Wholesale and retail trade; repair of motor vehicles and motorcycles; Accommodation and food service activities; Administrative and support service activities; and Arts, entertainment and recreation.

**Table 5.7: Average weekly paid hours by sector**

Average weekly paid hours									
All employees	2017 Q4	2018 Q4	2019 Q4	2020 Q3	2020 Q4	Quarterly change (Hours)	Quarterly change (%)	Annual change (Hours)	Annual change (%)
Industry (B-E)	38.6	38.6	38.2	37.8	39.2	1.4	3.7	1.0	2.6
Construction (F)	36.3	37.1	37.0	37.5	39.0	1.5	4.0	2.0	5.4
Wholesale and retail trade; repair of motor vehicles and motorcycles (G)	31.2	31.1	30.4	31.6	31.0	-0.6	-1.9	0.6	2.0
Transportation and storage (H)	36.4	36.2	35.0	36.7	36.3	-0.4	-1.1	1.3	3.7
Accommodation and food service activities (I)	26.9	27.1	27.7	25.2	25.0	-0.2	-0.8	-2.7	-9.7
Information and communication (J)	36.5	36.2	36.9	36.4	36.9	0.5	1.4	-	-
Financial, insurance and real estate (K-L)	34.7	35.0	34.8	34.9	35.0	0.1	0.3	0.2	0.6
Professional, scientific and technical activities (M)	33.8	34.0	34.5	34.0	34.7	0.7	2.1	0.2	0.6
Administrative and support service activities (N)	31.5	32.1	32.5	31.7	31.4	-0.3	-0.9	-1.1	-3.4
Public administration and defence; compulsory social security (O)	36.9	36.7	36.8	37.0	37.5	0.5	1.4	0.7	1.9
Education (P)	23.9	23.8	23.9	23.7	24.2	0.5	2.1	0.3	1.3
Human health and social work activities (Q)	31.2	31.3	31.7	31.4	32.3	0.9	2.9	0.6	1.9
Arts, entertainment and recreation (R)	27.9	28.1	27.7	28.6	28.1	-0.5	-1.7	0.4	1.4
All NACE economic sectors	32.4	32.5	32.5	32.6	33.1	0.5	1.5	0.6	1.8
<b>Private/Public Sector</b>									
Private Sector	32.3	32.4	32.4	32.6	33.1	0.5	1.5	0.7	2.2
Public Sector	32.7	32.5	32.6	32.8	32.8	-	-	0.2	0.6
<b>Size of Enterprise</b>									
Less than 50 Employees	30.4	30.8	31.0	31.3	31.6	0.3	1.0	0.6	1.9
50-250 Employees	33.0	32.9	32.7	32.3	33.4	1.1	3.4	0.7	2.1
Greater than 250 employees	33.6	33.4	33.3	33.5	33.9	0.4	1.2	0.6	1.8

Source: CSO, *Earnings Hours and Employment Costs Survey*

## 5.6 Job vacancies

The CSO also report on the rate of job vacancies in their quarterly *Earnings and Labour Costs* publication. The publication includes a vacancy rate by sector over time, which is displayed in the Table 5.8 below. The vacancy rate is calculated by the number of vacancies reported divided by the number of people employed in the sector. Across all sectors, there is a 1.0% vacancy rate. The highest vacancy rates are in the professional, scientific and technical activities sector (3.3%), and financial, insurance and real estate (1.7%) and the construction and information and communication sector (1.6%). The vacancy rate in the construction sector has risen steadily from Q1 2016 to Q1 2019.

**Table 5.8: Vacancy rate by sector of employment, Q4 2016 to Q4, 2018**

Sector	Q4 2017 (%)	Q4 2018 (%)	Q4 2019 (%)	Q4 2020 (%)
B-E. Industry	0.5	0.8	1.0	0.7
F. Construction	0.4	0.4	0.3	0.3
G. "Wholesale and retail trade; repair of motor vehicles and motorcycles"	0.6	0.6	0.5	0.7
H. Transportation and storage	0.5	0.5	0.4	0.3
I. Accommodation and food services	0.5	0.6	0.4	0.5
J. Information and communication	1.7	1.5	1.5	1.5
K-L. Financial, insurance and real estate	2.4	2.7	1.9	1.0
M. "Professional, scientific and technical activities"	2.5	2.6	2.8	1.7
N. Administrative and support services	0.7	1.0	1.0	0.7
O. Public administration and defence	1.0	1.5	1.6	2.0
P. Education	1.0	0.5	0.8	0.9
Q. Human health and social work	1.2	0.6	0.6	0.8
R-S. "Arts, entertainment, recreation and other service activities"	0.8	0.5	1.0	1.3
<b>All Sectors</b>	<b>1.0</b>	<b>0.9</b>	<b>0.9</b>	<b>0.9</b>

Source: CSO *Earnings and Labour Cost*

## 5.7 Income Distribution and Income Inequality

The annual Survey of Income and Living Conditions (SILC) carried out by the CSO is the main source of information on income distribution in Ireland. Summary statistics up to the latest year available (2019) are presented in the table below.

Both nominal and real median disposable income increased by 4.8% and 4.0% respectively in 2019. Enforced deprivation<sup>35</sup> fell from 30.5% in 2013 to 17.8% in 2019.

<sup>35</sup> Deprivation is defined as individuals who are unable to afford goods and services that are considered the norm in society. Where a person experiences two or more of eleven specified items considered to be experiencing enforced deprivation. The most common items experienced for

The at-risk-of-poverty rate<sup>36</sup> fell from 15.7% in 2017 to 12.8% in 2019. The deprivation rate for those at-risk-of poverty fell from 42.8% in 2017 to 42.7% in 2019. Consistent poverty<sup>37</sup> fell from 6.7% in 2017 to 5.5% in 2019. In terms of income inequality, the Gini coefficient fell from 31.5% in 2017 to 28.8% in 2019. The income quintile share ratio<sup>38</sup> fell from 4.8 to 4.1.

**Table 5.9: Income distribution, poverty and income inequality indicators, 2016 to 2019**

Income Distribution and Income Inequality	2016	2017	2018	2019	% Change y-on-y
<b>Nominal Income – Equivalised disposable income per individual</b>					
Median	20,331	20,869	22,872	23,979	4.8%
Mean	23,682	24,983	26,766	27,941	4.4%
At Risk of Poverty Threshold	12,199	12,521	13,723	14,387	4.8%
<b>Real Income - Equivalised disposable income per individual</b>					
Median	20,115	20,608	22,508	23,413	4.0%
Mean	23,431	24,671	26,340	27,282	3.6%
At Risk of Poverty Threshold	12,199	12,521	13,723	14,387	4.8%
At Risk of Poverty Rate	16.2	15.7	14	12.8	-8.6%
<b>Poverty and Deprivation rates (%)</b>					
Deprivation Rate	21	18.8	15.1	17.8	17.9%
Deprivation Rate for those at risk of poverty	50.4	42.8	40.3	42.7	6.0%
Consistent Poverty Rate	8.2	6.7	5.6	5.5	-1.8%
<b>Income equality indicators</b>					
Gini coefficient (%)	30.7	31.5	29.7	28.8	-3.0%
Income quintile share ratio	4.7	4.8	4.4	4.1	-6.8%

**Source:** CSO, *Survey of Income and Living Conditions (SILC)*. 2012 is the base year for the real income figures.

Table 5.9 shows that the consistent poverty rate at the State has reduced considerably since 2016. But the consistent rate varies considerably depending on the household type, as Figure 5.5 shows.

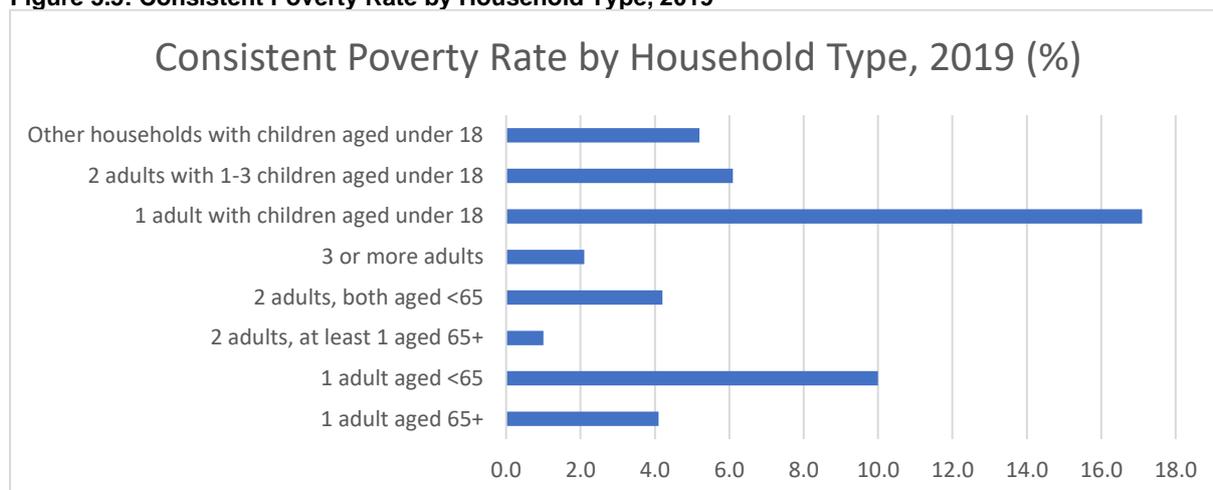
deprivation are being unable to replace worn out furniture, and being unable to afford a morning, afternoon or evening out in the last fortnight.

<sup>36</sup> Anyone with an equivalised income of less than 60% of the median is defined as being at risk of poverty.

<sup>37</sup> An individual is defined as being in 'consistent poverty' if they are identified as (i) being at risk of poverty and (ii) living in a household deprived of two or more of the eleven basic deprivation items.

<sup>38</sup> The quintile share ratio is the ratio of the total equivalised disposable income received by the 20% of persons with the highest income (fifth quintile) to that received by the 20% of persons with the lowest income (first quintile).

**Figure 5.5: Consistent Poverty Rate by Household Type, 2019**



Source: CSO, *Survey of Income and Living Conditions (SILC)*

## 5.8 Poverty and Employment Status

Data from the most recent CSO Survey of Income and Living Conditions (SILC) gives an indication of the importance of work in tackling poverty and deprivation. Table 5.10 below gives a breakdown of poverty and deprivation by principal economic status i.e. for those who are at work and those who are unemployed.

The importance of work in tackling poverty and deprivation is shown by the fact that people who are unemployed are almost 8 times more likely to be at risk of poverty, over three times more likely to suffer deprivation and over 15 times more likely to experience consistent poverty than people who are in work.

The important role of employment in protecting individuals from poverty is clear. However, recent ESRI research highlights the importance of full-time employment in lifting households with children out of poverty, with a move into part time employment not associated with moving out of poverty (Maitre et al, 2021 *The dynamics of child poverty in Ireland*). In 2019, 15.4% of those at risk of poverty had a job, equating to almost 100,000 people (Social Justice Ireland 2021 *Poverty Focus 2021*, pg 3.)

**Table 5.10: Poverty Indicators by Work Status, 2018 and 2019**

Poverty and Deprivation by Principal Economic Status (aged 16 years and over)						
	At risk of poverty rate		Deprivation rate		Consistent poverty rate	
	2018	2019	2018	2019	2018	2019
At work	5.1%	4.6%	9.5%	11.4%	1.6%	1.3%
Unemployed	47.3%	35.4%	41.6%	36.0%	27.6%	20.2%
Student	22.2%	19.4%	15.6%	17.3%	7.8%	5.4%
Home duties	23.2%	22.8%	21.0%	24.2%	8.4%	9.9%
Retired	12.3%	11.1%	8.0%	9.4%	1.9%	2.1%
Not at work due to illness or disability	47.7%	37.5%	36.7%	43.3%	21.3%	18.1%

Source: CSO, *Survey of Income and Living Conditions (SILC)*

The distribution of market income in Ireland is one of the most unequal in the OECD. Our tax and transfer system, on the other hand, is progressive<sup>39</sup>, resulting in a distribution of income post-tax and transfers at around the OECD average. Appendix A.8 outlines the various in-work supports that are available through the Department of Employment Affairs and Social Protection (such as the Working Family Payment and the Back to Work Family Dividend) which contribute to the low levels of in-work poverty experienced in Ireland, compared to the EU.

## 5.9 Recent Progress on Poverty, Income Inequality and Living Standards in Ireland

A recently published study (Roantree et al., 2021) by the ESRI in collaboration with the Community Foundation for Ireland has examined how Ireland has progressed with regards poverty, income inequality and living standards since 1987<sup>40</sup>. It does this by harmonising data from the Survey of Income and Living Conditions (SILC), which has been collected annually since 2003, the Living in Ireland Survey, which was collected annually for 1994-1999 and the 1987 ESRI Survey of Income Distribution, Poverty and Usage of State Services.

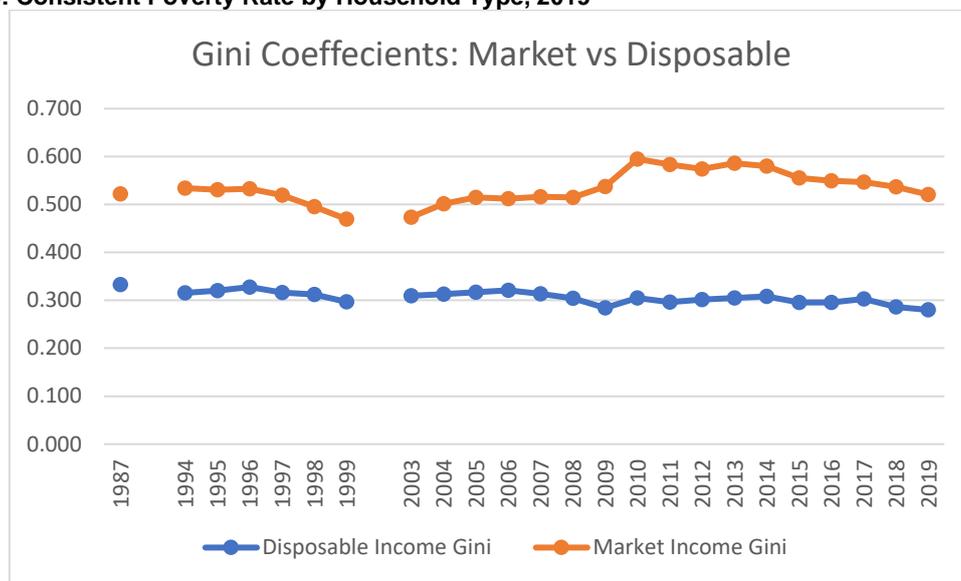
Roantree et al. report that “that average disposable incomes – after taxes, welfare payments and pensions – grew by around 3% per year between 1987 and 2019 adjusting for inflation and changes in household composition. Despite a lost decade between 2007 and 2017 which disproportionately affected lower-income households, growth over the period as a whole was broad-based and progressive, stronger for

<sup>39</sup> A progressive tax is one which takes a larger percentage of higher incomes than it does of lower incomes.

<sup>40</sup> Roantree, B., Maître, B., McTague, A. and Privalko, I. (2021). *Poverty, income inequality and living standards in Ireland*. [online] Available at: <https://www.esri.ie/publications/poverty-income-inequality-and-living-standards-in-ireland-0> [Accessed 22 Jun. 2021].

those in the bottom half of the income distribution than the top. As a result... in 2019...the Gini coefficient ... stood at their lowest recorded levels in more than three decades. Other measures also tell a consistent story of declining inequality in disposable incomes, with any increases seen over the latter years of the Great Recession reversed by the recovery up to 2019.”

Figure 5.6: Consistent Poverty Rate by Household Type, 2019



Source: Dataset accompanying Roantree et al. (2021). Online here: <https://doi.org/10.26504/bkmnext412>

Between 1987 and 2019 the Gini coefficient for market income inequality fell from 0.522 to 0.521. The Gini for disposable income inequality fell from 0.333 to 0.280.

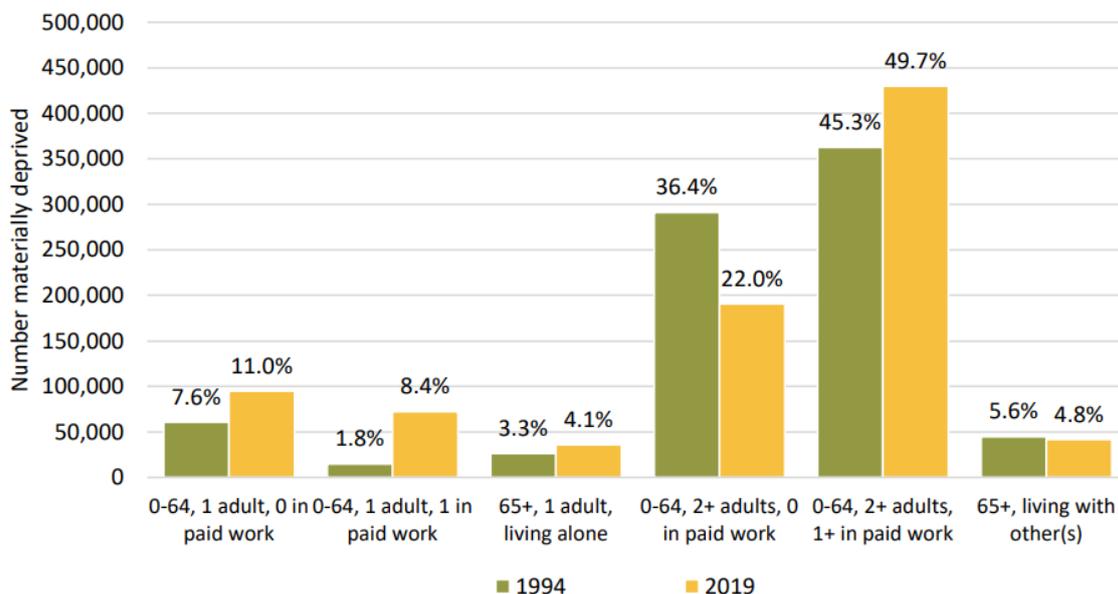
Other indicators such as rates of income poverty and material deprivation have also declined across the population as a whole between 1994 and 2019. However, the study notes “measures of income poverty and material deprivation both point to the consistently high incidence of low living standards among lone parents, their children, and those of working age in households without anyone in paid work. This pre-dates the Great Recession and has been an enduring feature of Irish society since at least the early 1990s.” This matches the evidence in Table 5.10 above.

Roantree et al. construct an indicator of material deprivation that can be measured across the years covered by the Living in Ireland Survey (LIIS) and the Survey of Income and Living Conditions (SILC) – 1994 to 2019 – which classifies people as being materially deprived if they are unable to afford two or more of the following ten items:

- Two pairs of strong shoes;
- A warm waterproof overcoat;
- New (not second-hand) clothes;
- Replacement of worn out furniture;
- A meal with meat, chicken, fish (or vegetarian equivalent) every second day;
- A roast joint or its equivalent once a week;
- Home heating during the last year;
- Presents for family or friends at least once a year;
- Drinks or a meal for family or friends once a month;
- A morning, afternoon or evening of entertainment once a fortnight

They find that in 2019 a greater proportion of families experiencing deprivation are those with at least one member in work. In 1994 a greater proportion of families experiencing material deprivation were those with no-one in work.

**Figure 5.7: Composition of Those Living in Material Deprivation, by Household Type, 1994 and 2019**

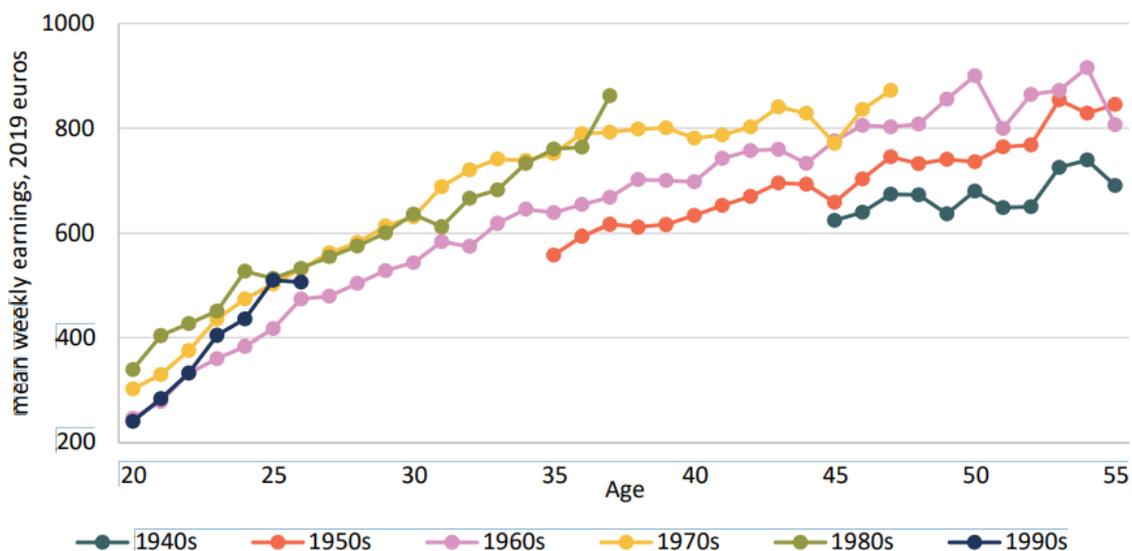


Source: Roantree et al. (2021, p.27)

Perhaps the most remarkable finding of the report is in its study on intergenerational inequality. In line with previous studies for Britain by Cribb (2019) and in the United States by Kurz et al. (2019), Roantree et al find “that those born in the 1980s and 1990s stand out as being the first of the generations covered by our data not to

experience consistently higher earnings than that born a decade earlier”.<sup>41</sup> Those born in the 1980s and 1990s are the first to not be better off financially than their parents.

Figure 5.8: Average Real Weekly Earnings, by Age and Birth Cohort



Sources: Authors' calculations using the Survey of Income Distribution, Poverty and Usage of State Services; the Living in Ireland survey; and the Survey of Income and Living Conditions.

Note: Average (mean) real weekly earnings by age and year of birth cohort for those in paid work, deflated by the CPI.

Source: Roantree et al. (2021, p.33)

Figure 5.8 above shows the earnings - adjusted for inflation - of different birth cohorts: those born in the 1940s, 1950s, 1960s, 1970s, 1980s and 1990s, with each line representing a different cohort. And it shows their earnings at different stages in their lives. As can be seen those born in the 1950s (orange line) earned consistently higher amounts for every year of their life than those born in the 1940s (grey-blue line). And this positive relation continued for later birth cohorts. Those born in the 1960s (pink line) earned more than those born in the 1950s. Those born in the 1970s (yellow line) earned more than those born in the 1960s. However, for those born in the 1980s (green line) these improvements ceased, with those born in the 1980s failing to earn consistently more than those born in the 1970s. For those born in the 1990s (navy line) the relationship has reversed. Those born in the 1990s have generally earned less in real terms than those born in the 1980s or 1970s. Strikingly, these figures show that real average weekly earnings for workers born in the 1990s were no higher than for those born in the 1960s at ages 20 to 22! These low earning figures are compounded by other evidence presented by Roantree et al that younger generations are paying far higher proportions of their already diminished income on housing costs.

<sup>41</sup> Ibid. pp.33-34.

## 5.10 Conclusions

The coronavirus pandemic has been an unprecedented shock to the Irish labour market with COVID-adjusted unemployment exceeding 30%. These high levels of unemployment have not been equally distributed but have particularly affected specific sectors of the economy and low wage workers.

Recent evidence on developments with regards poverty and inequality show both recent positive improvements and slight long run improvements. These minor long run improvements contrast positively with many other developed countries where there has been an increase in inequality over the last number of decades. Poverty and inequality remain significant problems and other developments such as increasing intergenerational inequality are of growing concern.

## Chapter 6 Planning for the Future: Exiting Lockdown

As described in the previous two chapters, the coronavirus pandemic has been an unprecedented shock to both the global economy and locally to the Irish economy. It has led to very substantial reductions in output and dramatic declines in employment. However, as the vaccines to the virus are being rolled out, Ireland is facing the imminent possibility of exiting the restrictions imposed to reduce the spread of the virus.<sup>42</sup>

### 6.1 Economics forecasts for Ireland

This section begins by considering the Department of Finance forecasts for Ireland. There are several reasons to focus on these estimates. Firstly, they are the official government forecasts. Secondly, while most forecasts only project forwards two years, the Department of Finance forecasts extend to 2025. Finally, they are the only set of forecasts that are independently examined and endorsed by an external body. In the case of the Department of Finance forecasts, the Irish Fiscal Advisory Council performs this function. After examining the Department of Finance forecasts, they will be compared with a set of all alternative forecasts that were available to the Low Pay Commission.

As described in Chapter 4 Ireland is unique in having experienced GDP growth in 2020. However, this growth is widely seen as inflated due to possible distortions caused by multinational corporations, primarily engaged in ICT and pharmaceuticals, declaring their profits in Ireland. Alternative measures of national income such as GNP or Modified Gross National Income (GNI\*) are to be preferred.

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<sup>42</sup> The details of Ireland's plan for exiting restrictions are contained in Department of the Taoiseach (2021). *Economic Recovery Plan 2021*. [online]. Available at: <https://www.gov.ie/en/publication/49b23-overview-of-economic-recovery-plan-2021/> [Accessed 22 Jun. 2021].

**Table 6.1: Economic activity year-on-year per cent change (unless stated)**

	2020 (%)	2021	2022	2023	2024	2025
Real GDP	3.4	4.5	5	3.5	3.2	3.1
Real GNP	0.6	4.4	4.5	2.8	2.6	2.5
Real GNI*	-4.2	2.5	5.5	3	2.7	2.7
Nominal GDP (nearest €25m)	366,500	384,800	411,200	431,700	452,750	474,375
Nominal GNP (nearest €25m)	276,475	289,925	308,800	322,425	336,475	350,750
Nominal GNI* (nearest €25m)	206,650	214,050	230,250	240,725	251,550	262,600

Source: Department of Finance, *Stability Programme Update 2021*

As can be seen in Table 6.1 it is expected that GNI\* will recover in 2021 as Ireland exits lockdown, growing to 5.5% in 2022 before settling back down to a growth rate around 2.7%

Of particular importance for the work of the Low Pay Commission is the expected level of domestic demand in the economy. This is described as one of the components of GDP in Table 6.2 below.

**Table 6.2: Components of GDP year-on-year per cent change**

	2020	2021	2022	2023	2024	2025
Personal consumption	-9	3.5	10.4	3.2	2.8	2.9
Government consumption	9.8	2	0.1	1.3	1.8	1.7
Investment	-32.3	-30.5	8.9	8.4	7.4	5.6
Modified investment	-8.5	0.9	6.7	7.6	6.4	5.9
Modified domestic demand	-5.4	2.6	7.4	3.8	3.4	3.4
Exports	6.2	6	5.9	5	4.7	4.5

Source: Department of Finance, *Stability Programme Update 2021*

After a substantial decline of 9% in 2020, personal consumption is expected to pick up again in 2021 growing to 10.4% in 2020.

An alternative measure of domestic demand is “modified domestic demand”. It is an indicator of domestic demand that excludes the impact of trade in aircraft by aircraft-leasing companies and trade in R&D and intellectual property. The Department of Finance states that this measure is “generally regarded as the most meaningful measure of economic activity in Ireland”. Here also Ireland saw a sharp decline in 2020

of -5.4% and an expected improvement in 2021 followed by a high level of 7.4% in 2022. After which, it is expected to reduce to a lower level of 3.4%

As stated above in chapter 4 and shown again in Table 6.3 below, Ireland showed a degree of disinflation in 2020, but it is expected that moderate inflation will return in 2021. By all measures of inflation, it is expected that inflation in Ireland will remain below the 2% target for the foreseeable future.

**Table 6.3: Price developments year-on-year per cent change**

	2020	2021	2022	2023	2024	2025
HICP	-0.5	1.1	1.9	1.5	1.6	1.9
Core HICP	-0.1	0.7	1.7	1.5	1.6	1.9
GDP deflator	-0.5	0.4	1.8	1.5	1.6	1.6
Personal Consumption Deflator	1	1.6	2.8	1.8	2	2

Source: Department of Finance, *Stability Programme Update 2021*

Due to the substantial spending on income supports during the pandemic, in 2020 the government ran a 5% deficit. As Table 6.4 below shows, this is expected to continue into 2021 and beyond. It is likely to take some years to return to running a budget surplus, but by 2024 the budget deficit should be under 1%. Further due to the very low borrowing costs that Ireland currently faces the large deficits arising from the pandemic have not had a large impact on Ireland's debt service costs.

**Table 6.4: Public Finances (per cent of GDP, unless stated)**

	2020	2021	2022	2023	2024	2025
General government balance	-5	-4.7	-2.8	-1.2	-0.7	-0.2
Structural budget balance*	-0.7	-1	-1.9	-1.2	-0.9	-0.4
Debt ratio (year-end)	59.5	62.2	60.2	59	57.7	55.4
Debt ratio (per cent of GNI*)	105. 6	111. 8	107. 4	105. 8	103. 9	100. 1
Net debt position (year-end)	51.2	54.3	54.1	53	51.6	49.7

Source: Department of Finance, *Stability Programme Update 2021*

Perhaps one of the most important set of forecasts for the LPC are the forecasts relating to the labour market. Table 6.5 below provides these forecasts.

The unemployment and employment figures are covid adjusted and take into account those on the Pandemic Unemployment Payment. On both of these measures of employment and unemployment, the forecast is for a marginal improvement in 2021 and a very substantial improvement in 2022 with employment growing by 11% and

unemployment halving. It is forecast that by 2025 Ireland will have returned to close to full employment and a stable rate of employment growth.

As discussed earlier both in terms of labour productivity and employee income, there have been large compositional effects in 2020. Low wage and low value-added workers have fallen out of employment driving up average productivity and compensation per employee. As some of the compositional change reverses itself over the next 18 months this will also have consequences for average productivity and compensation. However, on average between now and 2025 a steady increase in labour productivity and employee compensation is anticipated.

**Table 6.5: Labour market year-on-year per cent change (unless stated)**

	2020	2021	2022	2023	2024	2025
Employment	-15.1	4	11	3.3	2.3	2.2
Unemployment	18.7	16.3	8.2	6.7	6	5.5
Labour Productivity	14.4	0.6	-0.9	1.8	0.9	0.9
Labour Productivity per employee	21.8	0.5	-5.4	0.2	0.9	0.9
Compensation of Employees	-0.1	4.1	4	5.4	5.5	5.6
Compensation per Employee	17.4	-0.1	-6.5	1.9	2.9	3.1

Source: Department of Finance, *Stability Programme Update 2021*

All of the above forecasts assume that Ireland's major export markets also experience a robust recovery and that exchange rates remain stable.

**Table 6.6: external assumptions, per cent change (unless stated)**

	2020	2021	2022	2023	2024	2025
External GDP growth United States	-3.5	6.4	3.5	1.4	1.5	1.6
Euro area	-6.6	4.4	3.8	1.9	1.6	1.4
United Kingdom	-9.9	5.3	5.1	2	1.8	1.5
Technical assumptions						
Euro-sterling exchange rate (€1=)	0.89	0.86	0.86	0.86	0.86	0.86
Euro-dollar exchange rate (€1=)	1.14	1.2	1.19	1.19	1.19	1.19

Source: Department of Finance, *Stability Programme Update 2021*

## 6.2 Comparison of alternative forecasts

Table 6.7 below provides a comparison between the Department of Finance forecasts and sets of forecasts produced by six other agencies for the Irish economy.

All figures are growth rates with the exception of unemployment (a percentage of the labour force) and the GG Debt (the general government debt to GDP ratio).

**Table 6.7: Alternative Economic forecasts, per cent change (unless stated)**

	Department of Finance	Central Bank of Ireland	ESRI	IMF	European Commission	IBEC
<b>2021</b>						
GDP	4.5%	5.9%	4.4%	4.2%	4.6%	3.1%
GNP	4.4%	10.9%	3.6%			
Consumption	3.5%	3.7%	6.7%		5.5%	-9.0%
Employment	4.0%	-1.3%	2.9%		-3.5%	1.3%
Unemployment	16.3%	6.6%	16.7%	6.8%	10.7%	15.6%
HICP	1.1%	0.8%	0.7%	1.6%	0.9%	0.8%
GG Debt	62.2%	61.6%	63.2%	61.3%	61.4%	
GG Balance	-4.7%	-9.0%	-4.7%	-4.7%	-5.0%	
<b>2022</b>						
GDP	5.0%	4.7%	5.2%	4.8%	5.0%	4.3%
GNP	4.5%	3.1%	4.9%			
Consumption	10.4%	7.1%	10.0%		8.6%	5.5%
Employment	11.0%	0.6%	13.3%		5.0%	7.5%
Unemployment	8.2%	8.1%	7.3%	5.7%	8.1%	9.3%
HICP	1.9%	0.8%	1.2%	1.9%	1.3%	1.5%
GG Debt	60.2%	60.7%	63.2%	59.4%	59.7%	
GG Balance	-2.8%	-4.0%	-1.9%	-1.9%	-2.9%	

Source: Department of Finance, *Stability Programme Update 2021*

As is quickly apparent on most measures there is relatively little difference in the forecasts for many of the metrics. Two major sets of difference are worth highlighting.

Firstly, while the Department of Finance, the ESRI and IBEC are using the COVID19 adjusted rate for their employment and unemployment figure, the Central Bank, European Commission and the IMF are using the traditional ILO definition measures. Once that is taken into account the predictions are reasonably similar, that a large number will remain on PUP into 2021 but this will reduce dramatically over 2022.

The second substantial difference is that while the Department of Finance and the ESRI anticipate a gradual economic improvement in 2021 followed by rapid and substantial improvement in 2022, the Central Bank of Ireland anticipates this improvement occurring slightly earlier with much of the economic bounce taking place in 2021. IBEC in contrast does not anticipate a large bounce.

In terms of inflation all forecasts are for 1-2% in 2021 and 2022. And in terms of government finances, the various forecasts are all in roughly the same ballpark. The only outlier is that the Central Bank of Ireland anticipates a 9% government deficit. As noted above, the government deficit in 2020 was 5% of GDP.

### 6.3 Unwinding savings and how big will the bounce be?

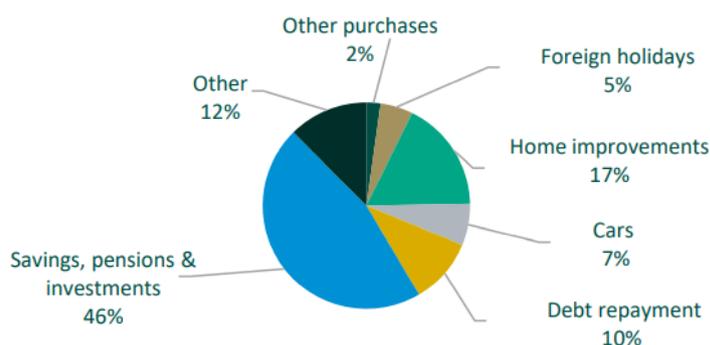
A substantial economic bounce is expected for 2022 in nearly all economic forecasts. The Department of Finance anticipates GNI\* growth of 5.5% and growth in modified domestic demand of 7.4%. Consumption is expected to grow in the region of 10%. Employment growth is forecast in the region of 11-13%. The COVID adjusted unemployment rate is projected to halve, and the ESRI expects it to fall from 17% to 7%. This kind of bounce could result in a booming economy in 2022.

The Department of Finance explains that a major factor driving this boom will be the unwinding of excess savings accumulated during the pandemic. The Department estimates that around €11 – €12 billion excess savings have been accumulated over the past year-or-so. As restrictions are relaxed and households once again have the opportunity to purchase goods and services, it is expected that some of these excess savings will flow into the economy. In particular, it is expected that there will be a substantial uptick in so-called ‘social consumption’, which covers spending on meals out, trips to the cinema, etc.

However, the Department’s estimates for the uptick in demand arising from the unwinding of savings does not assume that all savings will be spent.

The Department has produced an analysis that draws on the lessons of the Special Savings Incentive Accounts (SSIAs). The Special Savings Incentive Accounts were a five-year savings scheme introduced in 2001 to incentivise household savings. Under the SSIA scheme the Exchequer topped-up savings by 25% of the amount saved each month over a five-year period. By the time the funds matured in 2006 and 2007 an estimated €16 billion had been saved.

**Figure 6.1: Share of SSIA funds by intended use**



Source: Department of Finance, *Economic Insights Economic Statistics during Covid 19, January 2021*

Of these savings a large proportion were either “re-saved”, put towards a pension or invested in housing or some other asset. Around one third of the SSIA savings were spent on consumer items.

The Department of Finance has based its forecasts on the assumption that the unwinding of the COVID19 savings will look similar to the unwinding of the SSIA savings. It notes that a large proportion of the excess savings have been accumulated by wealthier households and they will have a high propensity to invest those savings. However, it also notes that “these households tend to spend a greater proportion of their income on services (such as international travel, restaurants and cultural events)”.

Of course, the unwinding of excess savings is not the only factor that could stimulate demand in 2022. There is also the decline in unemployment and the increase in employment. There is likely to be shifts in consumption habits away from online services towards social, recreational, and cultural activities. And across all income groups a temporary increase in the marginal propensity to consume may occur.

## 6.4 Expected impact of changes to the minimum wage

### Impact of Previous Recommendations

Since its establishment, the Low Pay Commission recommended increases in the NMW of 50 cent (2016), 10 cent (2017), 30 cent (2018), 25 cent (2019), 30 cent (2020) and 10 cent (2021). Each of these recommendations was accepted by Government. A key consideration for the Commission when making these recommendations is to assess the impact these changes may have on the distribution of wages, and on employment and hours worked of minimum wage employees. In partnership with the

ESRI, the Low Pay Commission has published various pieces of research evaluating the impacts of NMW increases since 2016. The results are outlined below.

### *LPC/ESRI Research*

In “Estimating the effect of an increase in the minimum wage on hours worked and employment in Ireland”<sup>43</sup> (2018), the ESRI estimated the effect of the increase in the minimum wage on the hours worked and the likelihood of job loss among low paid workers. The ESRI’s research found no consistent evidence that the increase in NMW rate in 2016 caused an increase in the number of low paid workers being unemployed or inactive. However, there was some evidence of a reduction in hours worked of minimum wage employees, which was primarily driven by those on temporary employment contracts

A separate 2019 report, “The impact of a change in the National Minimum Wage on the distribution of hourly wages and household income in Ireland”<sup>44</sup>, used SILC data for 2015 and 2016 to decompose the change in the distribution of earnings and inequality in Ireland. The ESRI found that “the increase in the minimum wage resulted in a two percent increase in the average hourly wage of workers earning between €6.50 and €11.50 per hour.” With respect to wage inequality, the report also found that “the increased minimum wage led to a reduction of 8% in the P90/P10 ratio and 4% in the P75/P25 ratio.”<sup>45</sup>

A further piece of research<sup>46</sup> analysed the degree to which individuals working on the NMW transitioned in and out of NMW employment over a period of three quarters in 2016 and 2017. The research showed that 30% of the 1,514 individuals under study transitioned to higher paid employment and 18% of employees remained on the NMW for all three quarters.<sup>47</sup>

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<sup>43</sup> McGuinness, S. and Redmond, P. (2018). *Estimating the effect of an increase in the minimum wage on hours worked and employment in Ireland*. [online] Available at: <http://www.esri.ie/publications/estimating-the-effect-of-an-increase-in-the-minimum-wage-on-hours-worked-and-employment-in-ireland/> [Accessed 22 Jun. 2021].

<sup>44</sup> Redmond, P., Doorley, K. and McGuinness, S. (2019). *The impact of a change in the National Minimum Wage on the distribution of hourly wages and household income in Ireland*. [online] Available at: <https://www.esri.ie/publications/the-impact-of-a-change-in-the-national-minimum-wage-on-the-distribution-of-hourly>. [Accessed 22 Jun. 2021].

<sup>45</sup> P90, P75, P25 and P10 are respectively the 90<sup>th</sup>, 75<sup>th</sup>, 25<sup>th</sup> and 10<sup>th</sup> percentile on the wage distribution.

<sup>46</sup> Redmond, P., McGuinness, S. and Maître, B. (2018). *An examination of the labour market transitions of minimum wage workers*. [online] Available at: <https://www.esri.ie/publications/an-examination-of-the-labour-market-transitions-of-minimum-wage-workers>. [Accessed 22 Jun. 2021].

<sup>47</sup> The remaining 52% of transitions are made up of the following. Approximately 6% transitioned from NMW to unemployment or inactivity, 13% transitioned from higher pay to NMW employment, 11% transitioned into NMW employment from unemployment or inactivity, while the remaining 22% experienced multiple transitions into or out of NMW, higher pay and unemployment or inactivity.

Two substantial pieces of research have been published as part of the LPC/ESRI research partnership so far in 2021.

“The impact of the 2016 minimum wage increase on average labour costs, hours worked and employment in Irish firms”<sup>48</sup> used data from the Earnings Hours and Employment Costs Survey (EHECS) to examine the structure of the workforce employed on minimum wages, examine the impact of the 2016 change in the minimum wage on average firm labour costs and examine the impact on the number of employees and hours worked. The study finds that “almost three-quarters of firms employ no minimum wage workers. Approximately 12 per cent of firms have less than 10 per cent of their workforce on the minimum wage. Just over three per cent of firms pay more than 50 per cent of their employees the minimum wage rate.” Almost half of all minimum wage workers are employed in the retail and accommodation and food sectors.

The study separately examines firms that have a large number of minimum wage employees and those with a low number or no minimum wage employees. They find that the 2016 increase in the minimum wage increased average labour costs “by 5.4 per cent more in firms with 100 per cent of employees on the minimum wage relative to firms with no minimum wage workers”. But they find that it had little impact on employers with a lower proportion of minimum wage employees, with no statistically significant impact on firms where between 10-50% of employees are on the minimum wage.

Further, the change in the minimum wage reduced the probability of firms with more than 50% of employees offering overtime hours to part-time workers by approximately six percentage points. There is some evidence of an increase in the number of full-time hours, which coincided with a decrease in part-time hours. And they find no evidence of a reduction in the number of employees among high intensity minimum wage firms following the 2016 minimum wage increase.

The second piece of research published this year is “A comparative assessment of minimum wage employment in Europe”<sup>49</sup>. This is primarily concerned with examining

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<sup>48</sup> Redmond, P., K. and McGuinness, S. (2021). *The impact of the 2016 minimum wage increase on average labour costs, hours worked and employment in Irish firms*. [online] Available at: [https://www.esri.ie/system/files/publications/RS118\\_1.pdf](https://www.esri.ie/system/files/publications/RS118_1.pdf) [Accessed 22 Jun. 2021].

<sup>49</sup> Redmond, P. & Maître, B. & McGuinness, S. & Maragkou, K. (2021). A comparative assessment of minimum wage employment in Europe. [online] Available at: <https://doi.org/10.26504/rs123> [Accessed 22 Jun. 2021].

the characteristics of minimum wage workers across Europe rather than establishing the impact of changes in minimum wage legislation on those workers. This study finds that Ireland is notable in having 43% of minimum wage workers concentrated in two sectors: retail and accommodation and food. This is higher compared to all other countries studied. Ireland is also notable in that, while in most countries significantly more women than men are minimum wage workers, in Ireland it is close to 50/50.

### *Implications of LPC/ESRI Research*

In the first six years of its existence the LPC has commissioned a substantial body of research on the impact of changes in the minimum wage. This research has not found any substantial or persistent negative employment effects in response to minimum wage changes. They effectively raised the wages of the low paid. Although, the national minimum wage is not intended to be primarily a poverty reduction mechanism, there is evidence it has had a positive impact in reducing wage inequality. Finally, there is some evidence of a negative impact of changes to the national minimum wage on hours worked, however, the papers that present this evidence call for some caution in interpreting this evidence.

### *Other concerns*

These findings are in line with the international literature on minimum wages.<sup>50</sup> However, there may be reasons to doubt the applicability of these findings to 2021/2022. Firstly, it is worth noting that while there is a large body of literature that indicates modest minimum wage increases do not increase unemployment, a smaller number of studies do find negative employment effects.<sup>51</sup>

Secondly, the LPC/ESRI research has primarily examined the 2015-2019 period, when the economy was performing well, and unemployment was declining. It is not certain that the impact of an increase in the minimum wage during times of poor economic performance would be as benign.

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<sup>50</sup> See Professor Arindrajit Dube' report for the UK low pay commission for an overview of the current standing of international research on minimum wages. Dube, A. (2019) *Impacts of Minimum Wages: Review of the International Evidence*. [online] HM Treasury and Department for Business, Energy & Industrial Strategy. Available at: <https://www.gov.uk/government/publications/impacts-of-minimum-wages-review-of-the-international-evidence> [Accessed 22 Jun. 2021].

<sup>51</sup> See Neumark, D. and Shirley, P. (2021). *Myth or Measurement: What Does the New Minimum Wage Research Say about Minimum Wages and Job Loss in the United States?* [online]. NBER. Available at: <https://www.nber.org/papers/w28388> [Accessed 2 Jun. 2021].

## How reopening is going

As vaccines continue to be rolled out post-pandemic reopening is still in its early stages. However, there is some evidence that gives some indications of how this is likely to progress in Ireland.

## Industrial projections for Ireland

Table 3.6 above shows that in Ireland 40.4% of minimum wage workers in Q4 2020 worked in just two sectors: Accommodation & Food and Wholesale & Retail. The figure for Q4 2019 is similar. Redmond et al (2021a) find that close to 50% of minimum wage workers work in those two sectors. While Redmond et al (2021b) finds that the figure is 43%. Therefore, it is important to assess how these two sectors might perform over the next two years.

Of these two sectors, the impact of COVID was far stronger on the Accommodation and Food sector, where employment fell by 25.7% as against a slight increase of 1.9% in Wholesale and Retail. As described in chapters 3 and 5 above, it is likely that these figures significantly understate the fall in employment.

Nevertheless, the retail sales index shows that retail sales are already above what they were pre-pandemic. The situation for hospitality remains less promising. Projections for inward tourism to Ireland produced by the Irish Tourism Industry Confederation anticipate that a full recovery to pre-pandemic levels will not occur until 2025. They expect domestic tourism to recover by 2022 or 2023. And they do not expect tourism employment to recover fully until 2024 or 2025.

It should be noted that many government supports are currently in place to help businesses deal with the impact of the pandemic. The government has indicated that these supports will remain in place for a while and be removed gradually to prevent a sudden shock to business finances. These supports should help business adapt to the new economic situation as pandemic related restrictions are removed. Some of these business supports are detailed in Appendix A.9.

## Conclusions

Given the unprecedented nature of the coronavirus pandemic, economic projections for the next two years remain uncertain. However, all projections point to strong

growth, rising prices and declining unemployment. Projections for the tourism and hospitality industry however are more downbeat.

While all previous LPC/ESRI research indicates that moderate increases in the minimum wage do not lead to negative employment outcomes, it is not clear how applicable these findings are to a labour market under such unusual strains.

## Chapter 7 National Minimum Wage and Tax and Benefit System

### 7.1 Introduction

In this chapter some issues in relation to the tax and benefit system which affect low paid workers and recommendations to address these issues are examined.

### 7.2 Employee and Employer PRSI Step

Employees earning €352 or less per week (before tax is deducted), do not pay any social insurance. Once earnings exceed €352 per week, PRSI is charged at 4% on all earnings. On foot of a recommendation by the Low Pay Commission to address the issue of employees being worse off following a small increase in pay, a PRSI credit was introduced in 2016 which reduces the amount of PRSI payable for people earning between €352.01 and €424 per week. The credit is tapered, and the amount of the credit depends on earnings. The maximum credit is €12.

While this avoids employees being worse off from gaining a small increase in pay, the effect is to charge employee PRSI at a marginal rate of almost 21% on a range of income. While the introduction of the PRSI credit was an acceptable interim solution, it is not satisfactory in the longer term.

A similar anomaly arises in the case of employer's PRSI at the level of €398 per week. Employers pay 8.8% Class A employer PRSI on weekly earnings up to €398 and pay 11.05% Class A employer PRSI on total weekly earnings over €398.

As a result, a €1 increase in income increases the employer's liability by €9.07.

It is important that this anomaly is addressed to ensure that a situation does not arise whereby an increase in the minimum wage could lead to a reduction in some categories of employees' hours, so as to keep them below the income levels at which the anomaly applies.

Such discontinuities are major defects in any design of a tax. They increase the likelihood of evasion, erode public confidence in the system and undermine the competitive position of those who seek to comply with the law.

Table 7.1: PRSI Effect on a Single Adult working 39 hours per week

Single Adult Working 39 hours per week (52.18 weeks per year, all figures in Euro €)										
NMW	Weekly Salary	Annual Salary	Income Tax	USC	Employee PRSI	Net Pay	Employer PRSI	Employee Gain <sup>52</sup>	Extra Employer Cost <sup>53</sup>	Employee as share of Employer Cost
10.20	397.80	20757	851.44	236.72	593.74	19075.31	1826.63			
10.25	399.75	20859	871.79	241.30	614.77	19131.10	2304.91	55.79	580.03	9.6%
10.30	401.70	20961	892.14	245.88	635.80	19186.89	2316.16	111.59	693.03	16.1%
10.35	403.65	21062	912.49	250.46	656.82	19242.69	2327.40	167.38	806.02	20.8%
10.40	405.60	21164	932.84	255.03	677.85	19298.48	2338.64	223.17	919.02	24.3%
10.45	407.55	21266	953.19	259.61	698.88	19354.27	2349.89	278.97	1032.01	27.0%
10.50	409.50	21368	973.54	264.19	719.91	19410.07	2361.13	334.76	1145.00	29.2%
10.55	411.45	21469	993.89	268.77	740.94	19465.86	2372.38	390.55	1258.00	31.0%
10.60	413.40	21571	1014.24	273.35	761.97	19521.65	2383.62	446.35	1370.99	32.6%
10.65	415.35	21673	1034.59	277.93	783.00	19577.45	2394.86	502.14	1483.99	33.8%
10.70	417.30	21775	1054.94	282.51	804.02	19633.24	2406.11	557.93	1596.98	34.9%

Source: Calculation by LPC Secretariat

It has been the practice to increase the level at which the 8.8% rate applies in line with changes in the National Minimum Wage and the Commission recommends that this practice continues while the existing two-tier rate structure applies.

There is a further effect of the anomaly in the Employee PRSI rate structure. The cost to the employer of increases above the national minimum wage far outweighs the benefit to the employee. This is illustrated in Table 7.1 above.

At existing rates of the national minimum wage, the benefit to an employee working 39 hours per week from an increase in the national minimum wage ranges from just under 10% to 35% of the cost to the employer. In our view this may be an impediment to employees progressing to rates of pay above the national minimum wage and it needs to be addressed.

In a recent ESRI Budget Perspectives paper, Kakoulidou and Roantree (2021) remark on the aggregate impact of tax and PRSI on low paid workers.

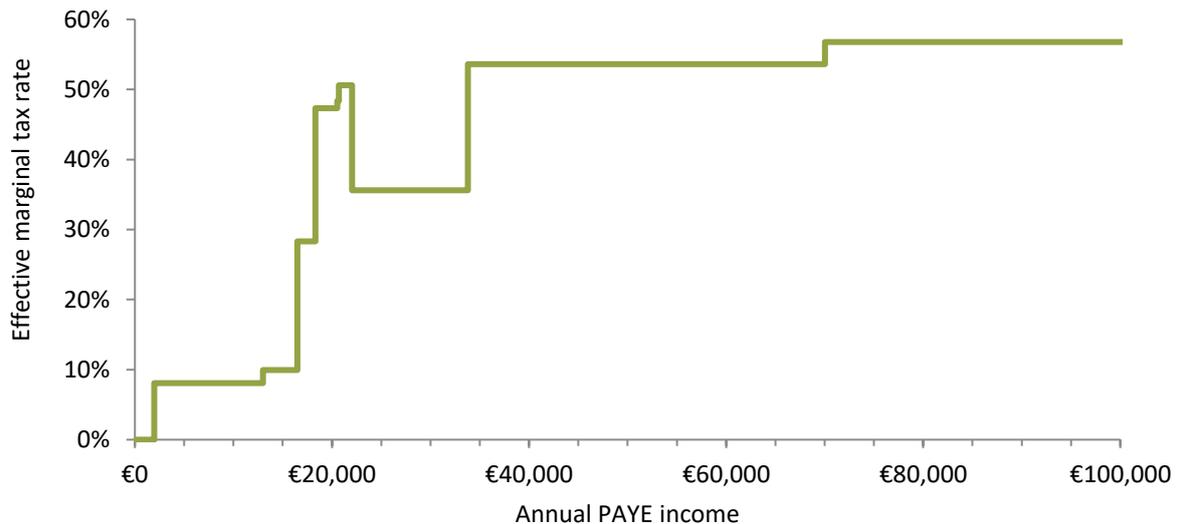
For single adults with PAYE income only, the “effective marginal tax rate from income tax, the USC and class A (employee and employer) PRSI rises sharply at around €20,000 of gross annual income. This is because individuals face the standard 20 per

<sup>52</sup> Employee gain is relative to €10.20 net pay figure.

<sup>53</sup> Extra Employer Cost is extra PRSI and payroll cost to employer relative to €10.20 rate baseline values.

cent rate of income tax from €16,500 per year while individuals' class A PRSI credit is withdrawn at a rate of 1/6 on top of income tax, PRSI and the 4.5 per cent rate of USC from €18,304 per year. This gives rise to an effective marginal rate of just over 50 per cent for a short range of income at around €22,000 per year, which falls back down to 35.6 per cent before again rising to more than 50 per cent with the higher rates of income tax and USC, at around €33,000."<sup>54</sup>

**Figure 7.1: Tax Schedule on PAYE Income for Single Adult Without Children, 2021**



Source: Reproduced from Figure 4.2 in Kakoulidou and Roantree (2021).

Notes: Assumes single adult (no children) with PAYE income only, paying class A PRSI. Ignores infinite marginal rates created by discrete jumps ('notches') in USC and PRSI schedules.

### 7.3 Secondary Benefits

There are a range of other benefits which are withdrawn at varying rates as income increases. These include medical cards, working family payment and housing supports like Rent Supplement and Housing Assistance Payment. Working out the potential impact of income increases on entitlement to these benefits is extremely complex. The resultant uncertainty may inhibit low paid workers from taking up opportunities to work additional hours.

### 7.4 Comparison of Employer Social Security Contributions in the European Union

The European Commission's 2020 publication, Taxation Trends in the European Union, includes information on employers' social contributions as a percentage of GDP and as a percentage of total taxation.

<sup>54</sup> Kakoulidou, T. and Roantree, B. (2021). *Options for raising tax revenue in Ireland*. [online] ESRI. Available at: <https://www.esri.ie/publications/options-for-raising-tax-revenue-in-ireland> [Accessed 22 Jun. 2021], pp.21-22.

Ireland ranks 26th out of 27 EU member states when considering social security contributions as a percentage of GDP. This shows that employers and employees pay lower social security contributions than in some other EU countries. Given the limitations of GDP as an indicator for Ireland, the percentage change in modified GNI\* is also estimated.

**Table 7.2: Employer Social Contributions as a percentage of GDP and Total taxation**

Employer Social Contributions as % of GDP					
	% of GDP	2018 Ranking EU28		% of Total Taxation	2018 Ranking EU28
EU-27	7.4	-	EU-27	18.4	-
EA-19	8	-	EA-19	19.6	-
France	11.3	1	Estonia	33.2	1
Estonia	10.9	2	Lithuania	28.5	2
Czechia	10.1	3	Czechia	27.9	3
Slovakia	8.8	4	Slovakia	25.7	4
Italy	8.7	5	Spain	24.7	5
Germany	6.7	12	Germany	16.7	14
UK	3.8	23	UK	11.2	23
<b>Ireland</b>	<b>2.4</b>	<b>26</b>	<b>Ireland</b>	<b>10.5</b>	<b>24</b>
<b>Ireland</b>	<b>3.91*</b>	<b>24*</b>			

Source: European Commission, *Taxation Trends in the European Union*, 2020 Edition

\*Employer contributions as a percentage of modified GNI, instead of GDP, with amended ranking (derived by LPC Secretariat).

It is also useful to examine employers' social contributions as a percentage of total taxation – a similar ranking (24th out of the 27 EU member states) is found in this analysis.

The OECD's 2021 report, *Taxing Wages*, provides examples of the impact of tax and social insurance contributions on different levels of earnings and for different family types across a range of OECD countries. Table 7.3 below displays this information for single workers with earnings at 67% of mean earnings for selected EU member states.

**Table 7.3: Employee and Employer compulsory social insurance contributions in selected EU countries, 2020**

Country	67% of Average Earnings	Employee Contributions	% of Earnings	Employer Contributions	% of Earnings
Austria	€32,601	€5,861	18.0%	€6,898	21.2%
Belgium	€31,973	€4,426	13.8%	€8,004	25.0%
Estonia	€11,147	€178	1.6%	€3,768	33.8%
France	€25,586	€2,894	11.3%	€7,127	27.9%
Germany	€34,910	€7,026	20.1%	€6,938	19.9%
Ireland	€31,279	€1,251	4.0%	€3,456	11.0%
Italy	€20,256	€1,922	9.5%	€6,397	31.6%
Luxembourg	€38,887	€4,751	12.2%	€5,351	13.8%
Netherlands	€36,745	€5,385	14.7%	€4,487	12.2%
Portugal	€40,813	€7,275	17.8%	€5,665	13.9%
Spain	€18,046	€1,146	6.4%	€5,396	29.9%
UK	€28,011	€2,221	7.9%	€2,653	9.5%

Source: Derived from OECD "*Taxing Wages*, 2021"

This evidence indicates that while different models are used across countries, Ireland ranks significantly lower when it comes to both employer and employee social insurance contributions than many other EU countries. The Commission cautions that international comparisons are difficult to make in this area, as social security systems and benefit packages vary greatly across Europe. For instance, most EU countries have earnings related benefits (for pensions, unemployment, etc.) compared to the flat-rate benefits that are prevalent in the Irish social security system. Irish workers and employers therefore have to pay additional amounts outside the social security system to obtain such benefits.

## 7.5 Conclusion

While Ireland has unusually low Employer social insurance contributions, there are major issues with the design of Ireland's Employer PRSI system.

The Commission recommend that the complex interaction of tax, welfare and secondary benefits be examined to ensure that workers are not trapped in low pay. To do so a central unit in the Department of Finance should be given responsibility for co-ordination of means tests to ensure they are coherent.

While the existing two-tier rate structure applies, the Commission strongly recommend the continuation of the established practice of increasing the level at which the 8.8% rate applies in line with changes in the National Minimum Wage.

## Chapter 8 Conclusions and Recommendations

### Conclusions

The Commission has considered the evidence as set out in the previous chapters of this Report, as it is required to do in accordance with its governing legislation, and the submissions both oral and written made to it by interested parties, representative groups and individuals. In reaching its recommendation it has taken particular account of the following:

- The pandemic has caused significant disruption for both employers and employees;
- While the future is uncertain, economic forecasts predict a strong recovery in 2022;
- Low pay sectors such as hospitality have been badly affected by the pandemic and full recovery may take some years;
- Commissioned research that indicates that previous minimum wage increases recommended by the LPC had little effect on employment, while reducing wage inequality;
- While Brexit has caused some difficulties, a hard Brexit has been avoided;
- The cost of housing, childcare and transportation continue to be significant issues for minimum wage and low paid workers – these issues however cannot be resolved by NMW increases alone;
- Annualised inflation, as of May 2021, is 1.9% and is also forecast to be 1.9% in 2022.

### Recommendations:

In light of its conclusions as outlined above, the Commission recommends the following:

1. That the rate of the National Minimum Wage for an experienced adult worker be fixed at a rate of €10.50 per hour.
2. The removal of the anomaly created by the sudden increase in the rate of employer's PRSI from 8.8% to 11.05% on weekly earnings of €398. The members of the Commission have, since its establishment, been consistently of the view that this issue needs to be addressed. It has reached a critical juncture given this year's recommended increase in the National Minimum

Wage and we stress the need for the Government to address this issue as part of this year's Budget.

3. That the complex interaction of tax, welfare and secondary benefits be examined in order to eliminate poverty and employment traps, and ensure that workers are not trapped in low pay. This issue is further considered in Chapter 7.
4. That access to state supports and in-work income supports is examined to ensure that all groups, including migrant workers, can access these without difficulty when required.
5. That, post-pandemic, work recommences on the recommendation made by the Commission in previous years that "provision should be made for the display of basic entitlements in all places of employment where the minimum wage is in operation." See Chapter 3 for more information on this recommendation.
6. That means tests, earnings thresholds and income disregards for social welfare supports and secondary benefits are adjusted to reflect any change in the rate of the National Minimum Wage.

The recommendation on the hourly rate is supported by six of the nine Members of the Commission.

The recommendation is not supported by the employer representative Members of the Commission, who favoured an increase closer aligned to forecasted inflation. The employer representative Members noted: their concerns in relation to the challenges facing sectors where minimum wage is more prevalent, especially hospitality, retail, beauty & hair industry; further labour costs which will also impact these sectors including auto enrolment and mandatory sick pay; that these sectors are more vulnerable in circumstances of a fourth wave and more prolific emerging variants.

The Low Pay Commission is conscious that its recommendation on the hourly rate was made during a period of significant uncertainty.

In considering the appropriate recommendation on the hourly rate the Commission took particular note of the projections in the Government's Stability Programme Update for 2021.

The Commission notes that actual performance and outturn for 2022 may be better or worse than that considered by them during discussions on the hourly rate.

During 2022 the Commission will review the level of actual outturn and economic performance against the projections in the Stability Programme Update. This analysis will inform its recommendations for the 2023 National Minimum Wage.

Recommendations 2, 3, 4, 5 and 6 are supported unanimously by all nine Members of the Commission.

# Appendices

# Appendices

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## A.1 Estimated Bite of the NMW

Table A.1.1: Previous estimations of the bite of the National Minimum Wage

	2014	2015	2016	2017	2018	2019
Hourly Min Wage	€8.65	€8.65	€9.15	€9.25	€9.55	€9.80
<b><u>ESRI</u></b>						
Median (SILC)	€16.43	€16.33	€16.10	€16.70		
Bite	53%	53%	57%	55%		
<b><u>LPC (Previous Years)</u></b>						
Median (SILC)		€16.33	€16.10	€16.70	€17.16	€17.62
Bite		53%	57%	55%	56%	55%
<b><u>EHECS</u></b>						
Mean Hourly Total Earnings	€21.85	€21.89	€22.06	€22.43	€23.07	€23.88
Annual Change	-0.3%	0.2%	0.8%	1.7%	2.9%	3.5%
Bite	40%	40%	41%	41%	41%	41%
<b><u>OECD</u></b>						
Bite relative to Mean Wage	34%	33%	35%	35%	36%	35%
Bite relative to Median Wage	40%	39%	42%	42%	42%	42%
Implied Hourly Mean Wage	425.44	€26.21	€26.14	€26.43	€26.53	€28.00
Implied Hourly Median Wage	€21.63	€22.18	€21.79	€22.02	€22.74	€23.33

Source: Previous LPC reports; CSO, *Earnings, Hours and Employment Costs Survey* and OECD

A persistent problem for the Low Pay Commission is the absence of a generally accepted measure of the hourly median wage in Ireland.

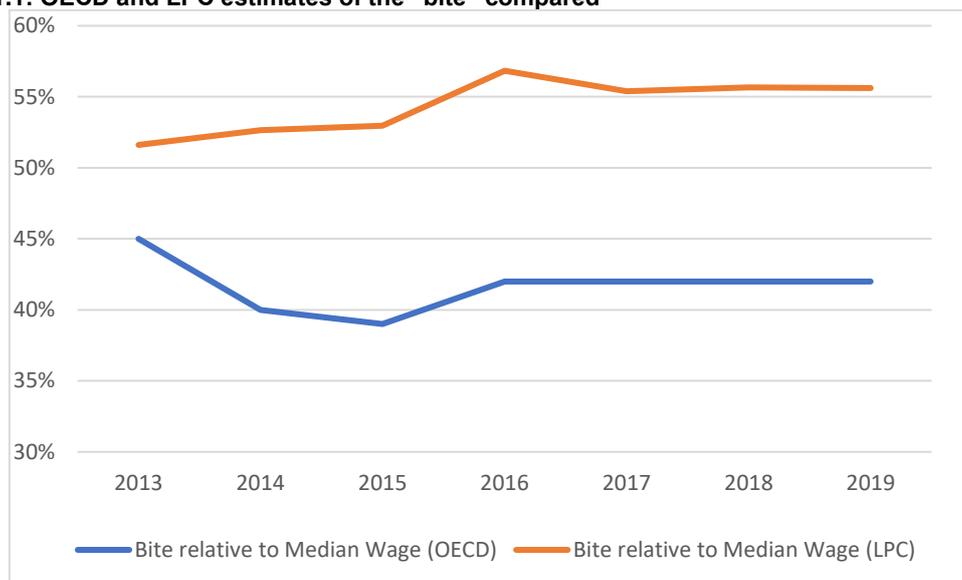
In previous annual reports the Low Pay Commission has generated an estimate based on for the median wage using estimates for provided to us by the ESRI. These figures were based on data from the Survey of Income and Living Conditions (SILC). SILC data is normally published with a reasonably long delay. For example, the most up to date SILC data currently available is for 2019 and was published in late 2020. Therefore, in order to bring this data up to date, the Low Pay Commission used the annual change in mean hourly earnings from the Earnings, Hours and Employment Costs Survey (EHECS).

With this data it is possible to estimate the “bite” of the minimum wage. This can be calculated by comparing the minimum wage to the mean wage, or more commonly the median wage. (This latter figure is sometimes called the Kaitz index). As can be seen above, this resulted in a “bite” of roughly 56% of the median wage between 2016-2019.

However, a problem with this method previously used by the Low Pay Commission is that it generated an unusually low estimate of the median and thereby an unusually high estimate of the “bite”.

The standard international metric of the “bite” of the minimum wages is that produced by the OECD. If you compare the LPC’s and the OECD’s estimates of the “bite” of the median wage there are very substantial differences, with those difference increasing over time.

**Figure A.1.1: OECD and LPC estimates of the “bite” compared**



Source: Table A.1.1

As discussed in Chapter 2, the OECD figures for Ireland likely understate the “bite” of Ireland’s minimum wage. As can be seen in the above table the median wage implied by the OECD figures for the “bite” of the minimum wage relative to the median wage are often as high, and sometimes even higher, than the figure for the mean wage from the more reliable Earnings, Hours and Employment Costs Survey (EHECS) data. The OECD figures consistently overestimate the level of Ireland’s median wage. And the mean wage implied by the OECD data on the “bite” relative to the mean wage is consistently far higher than Earnings, Hours and Employment Costs Survey (EHECS) data. Curiously, both the LPC data and the OECD data are based on the same underlying data source: the Survey of Income and Living Conditions (SILC).<sup>55</sup>

<sup>55</sup> On the online OECD dataset it states that the Irish data comes from the Labour Force Survey, but officials in the OECD confirmed with the secretariat that the OECD data comes from SILC data.

Fortunately, there is better data available that allows us to improve on estimates of the median wage in previous LPC reports. The Structure of Earnings Survey (SES) data produced for Eurostat by the CSO<sup>56</sup> can be used.

**Table A.1.2: Using SES data to estimate the “bite”**

	2018	2019	2020
<b><u>EHECS</u></b>			
Mean Hourly Total Earnings	€23.07	€23.88	€25.02
Annual change	2.9%	3.5%	4.8%
<b><u>SES</u></b>			
Mean Hourly Earnings	€21.94	€22.71	€23.79
Median Hourly Earnings	€17.97	€18.60	€19.49
<b><u>National Minimum Wage</u></b>			
Low Pay Threshold (66%)	€11.86	€12.28	€12.86
National Minimum Wage	€9.55	€9.80	€10.10
Bite relative to the median wage	53%	53%	52%
Bite relative to the mean wage	44%	43%	42%

Source: Eurostat, SES; CSO, *Earnings, Hours and Employment Costs Survey*

Unfortunately, the most recent data available to the LPC for the SES / LFS-EAADS data is for 2018. However, it is possible to repeat the procedure used by the Low Pay Commission previously and use the annual change in the mean hourly total earnings<sup>57</sup> taken from the Earnings, Hours and Employment Costs Survey to estimate the median wage for 2019 and 2020<sup>58</sup>. As in previous years, the low pay threshold of 66% of the median wage is also reported.

This generates a “bite” that is 52-53% of median wage for the years 2018-2020.

As explained in chapter 5, the 4.8% increase in the mean wage presented here might be due to compositional effects arising from the high numbers of low wage workers being out work due to the coronavirus pandemic. However, it should be noted that because this is a figure for hourly work, this compositional effect may be lower. Comparing Q4 2020 with Q4 2019, the CSO find that mean weekly incomes increased by 7.5%, while mean hourly incomes increased by 5.5%.<sup>59</sup>

<sup>56</sup> The SES 2018 data is based on Administrative data sources (including employee tax data) and the Structure of Earnings survey 2018 which was carried out to collect additional information not available from Administrative sources, for a sample of employees.

<sup>57</sup> Because the annual Earnings and Labour Costs report for 2020 has not yet been released, but the quarterly data up to and including Q4 has, the 2020 data is an unweighted average of the data for the four quarters of 2020. Performing the same operation for 2018 and 2019 produced almost exact estimates for the annual figure.

<sup>58</sup> The estimates are in italic.

<sup>59</sup> CSO (2021). *Earnings and Labour Costs*. [online] Central Statistics Office, Ireland. Available at: <https://www.cso.ie/en/statistics/earnings/earningsandlabourcosts/> [Accessed 22 Jun. 2021].

This estimate of the bite of the median wage in Ireland is in line with other estimates such as Eurostat<sup>60</sup> and the International Labour Office<sup>61</sup>, who both put the bite of Ireland's minimum wages at slightly above 50% of the median wage.

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<sup>60</sup> Eurostat (2021). *Minimum wage statistics*. [online] Europa.eu. Available at: [https://ec.europa.eu/eurostat/statistics-explained/index.php?title=Minimum\\_wage\\_statistics#Minimum\\_wage\\_levels\\_in\\_relation\\_to\\_median\\_gross\\_earnings](https://ec.europa.eu/eurostat/statistics-explained/index.php?title=Minimum_wage_statistics#Minimum_wage_levels_in_relation_to_median_gross_earnings) [Accessed 22 Jun. 2021].

<sup>61</sup> International Labour Organization (2020). *Global Wage Report 2020-21: Wages and minimum wages in the time of COVID-19* [online]. Available at: [https://www.ilo.org/global/publications/books/WCMS\\_762534/lang--en/index.htm](https://www.ilo.org/global/publications/books/WCMS_762534/lang--en/index.htm) [Accessed 22 Jun. 2021], p.111.

## A.2 Housing and Minimum Wage Workers

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Housing costs comprise an important element of the cost of living. In this note we tabulate some information on housing arrangements from the Labour Force Survey for minimum wage employees compared to other employees are tabulated.

The nature of occupancy question asks respondents in the labour force survey to choose from the following categories:

### CODES FOR NATURE OF OCCUPANCY

- 01 Owner occupied
- 02 Being acquired from local authority under a purchase or vested cottage scheme
- 03 Rented-from Local Authority
- 04 Rented-not from Local Authority - furnished
- 05 Rented-not from Local Authority – partly furnished
- 06 Rented-not from Local Authority - not furnished
- 07 Rented-not from Local Authority - no information regarding furnishings
- 08 Rented-no information regarding from/not from Local Authority renting
- 09 Not owned by occupant(s) and rent free
- 10 Not owned by occupants and rent free to some resident(s) only
- 11 Owner occupied and rented out to some member(s) of the household

Since the middle of 2016 the labour force survey has a question which asks workers if they are paid less than, the same as or more than the minimum wage (that is the full adult rate of the minimum wage for the current year). We aggregate three years of data from 2017-2019 in the tables below to get a sense of the pattern of tenure choices of minimum wage and other workers prior to the pandemic<sup>62</sup>. Even when we aggregate across three years many of the 11 categories listed above for the nature of occupancy variable have very small numbers of observations. For this reason, we aggregate up to three broad categories Owners, Renters and Others. Note that the other category potentially includes some workers who are renting and some who are owners, however this category is always small. For employees paid less than the minimum wage or at the minimum wage the number of workers is too small to report the statistics, but we can safely conclude from this that the share of workers in this category is very small since the three categories add up to 100%.

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<sup>62</sup> The Covid 19 pandemic meant that the CSO had to move entirely to telephone interviews and also led to other important changes that may have affected the composition of household tenure types. For example, many students who would often be renters may not have done so as third level institutions moved to online learning. For these reasons we have not included the 2020 data. We are grateful to Jim Dalton from the CSO for pointing out that this issue with the 2020 data.

There are two striking features in the shares outlined in Table A.2.1. We see that for both Irish and non-Irish employees, the share renting is much higher for workers at the minimum wage than for workers above or below the minimum wage. This is not that surprising as many low wage workers are young and relatively inexperienced and unlikely to be in a position or have the inclination to buy a home. While we might expect this to be true for workers paid less than the minimum wage workers, we should note that this category includes young workers who earn sub-minimum wage rates, many of whom may be living with parents or guardians. A second striking feature of Table A.2.1 is that non-Irish employees are much more likely to be renters than Irish workers. We see that over 78% of Non-Irish minimum wage workers are renters compared to just under 44% of Irish minimum wage workers. These two features of the data are striking within each category. Minimum wage workers are more likely to rent across both nationality groups and Non-Irish workers are much more likely to rent than Irish workers across for workers below at or above the minimum wage.

**Table A.2.1: Share of Occupancy Types by Minimum Wage Status and Nationality<sup>63</sup>**

	Nature of Occupancy Code	Less than Minimum Wage	At the Minimum Wage	Above the Minimum Wage
<b>Full-Sample</b>				
Owners	1 & 2	70.8%	55.3%	70.3%
Renters	3 to 8	27.4%	43.9%	28.7%
Others	9 to 11			1.0%
<b>Irish</b>				
Owners	1 & 2	78.1%	71.8%	80.8%
Renters	3 to 8	20.8%	27.4%	18.2%
Others	9 to 11			1.0%
<b>Non-Irish</b>				
Owners	1 & 2	36.5%	20.9%	38.6%
Renters	3 to 8	58.7%	78.2%	60.5%
Others	9 to 11			0.9%

Source: Calculations based on Labour Force Survey Micro data. I am grateful to the CSO for access to the data, any errors in the analysis are mine. This table tabulates the minimum wage variable against the three aggregated categories of the nature of occupancy variable given in the table for the years 2017-2019. Population weights were used to make the sample more representative of the population.

Table A.2.2 below decomposes renters into the share of employees in each minimum wage category who are renting from the local authority vs those in private rental accommodation. This is done for all employees, for Irish employees and for non-Irish.

<sup>63</sup> While the tables in this note look at housing contracts by minimum wage contracts for Irish and non-Irish employees, we also did this composition by gender. As there were no substantial differences by gender type we omitted this decomposition as the intention is to provide a short note with basic information.

**Table A.2.2: Share of Occupancy Types in Local Authority vs Private Renting by Minimum Wage Status and Nationality**

	Nature of Occupancy Code	Less than Minimum Wage	At the Minimum Wage	Above the Minimum Wage
<b>Full Sample</b>				
Rent from Local Authority	3	10%	13%	5%
Private Renting	4 to 7	17%	31%	24%
<b>Irish</b>				
Rent from Local Authority	3	11%	14%	5%
Private Renting	4 to 7	10%	13%	13%
<b>Non-Irish</b>				
Rent from Local Authority	3	8%	11%	5%
Private Renting	4 to 7	50%	67%	55%

Source: Calculations based on Labour Force Survey Micro data.

Table A.2.2 decomposes the share of employees in rental accommodation into those renting from a local authority vs private renting. This makes a substantial difference to the pattern. When we look at Irish workers the shares of employees below or at the minimum wage who are in local authority rentals is over twice as high as workers paid more than the minimum wage at 11%, 14% and 5% respectively. Interestingly we see that for Irish workers the difference in shares of renters across minimum wage status largely disappears for private rentals. We see that 10%, 13% and 13% of Irish employees who are respectively below at or above the minimum wage are in private rental accommodation. The differences between Irish and non-Irish employees are striking. The share of non-Irish in local authority housing is much lower for non-Irish workers across all minimum wage categories (although non-Irish minimum wage workers are twice as likely to be in local authority housing compared to non-Irish paid above the minimum wage). The share of migrants in private rental accommodation is much higher than for natives across all minimum wage types and the highest share is for minimum wage workers where two thirds of migrants are in private rental accommodation.

### **Discussion**

The tables above give us some basic information on the patterns of occupancy by minimum wage type and nationality. While most of the patterns we observe are unsurprising, the size of the effects is interesting. For example, that migrants are less likely to be in local authority housing or own their own home is arguably unsurprising, but the fact that two thirds of minimum wage of non-Irish minimum wage workers are

in the private rental sector as against 13% of Irish workers is striking. This note is designed to provide basic information on this issue. More analysis using other variables on worker characteristics and household composition that are available in the labour force survey could certainly shed more light on what may be driving the patterns we see in the tables above.

## A.3 Calculation of Minimum Wage

Under Section 20 of the National Minimum Wage Act 2000 the basic method of calculation for hourly pay is to divide the gross pay by the total number of hours worked.

There are a number of items that are not to be included in the minimum wage calculation, such as overtime premium, call-out premium, service pay, unsocial hours premium, tips (other than service charges distributed through the payroll which are reckonable as income), premiums for working public holidays, Saturdays or Sundays, allowances for special or additional duties, on-call or standby allowances, certain payments in relation to absences from work, for example, sick pay, holiday pay or pay during health and safety leave, payment connected with leaving the employment including retirement, contributions paid by the employer into any occupational pension scheme, redundancy payments, payment in kind or benefit in kind, other than board and/or lodgings, and compensation for injury or loss of tools.

For the purposes of the national minimum wage the gross wage includes the basic salary and any shift premium, bonus or service charge. If one receives food (known as board) and/or accommodation (known as lodgings) from an employer, this is taken into account in the minimum wage calculation. The Commission recommended moving from weekly/daily rates for board to an hourly rate as it is administratively simpler for employers and is of benefit to some employees. Prior to the Commission's recommendations the allowances provided for board and lodgings had remained unchanged since their introduction in 2000. The Government subsequently decided to increase the board and lodgings rates in line in percentage terms with the increase in the NMW.

An individual's working hours are whichever is the greater: the hours set out in any document such as a contract of employment, collective agreement or statement of terms of employment provided under the Terms of Employment (Information) Act 1994, or the actual hours worked or available for work and paid. "Working hours" include: overtime, travel time where this is part of the job, time spent on training authorised by the employer and during normal working hours.

"Working hours" does not include: time spent on standby other than at the workplace, time on leave, lay-off, strike or after payment in lieu of notice, time spent travelling to or from work. The employer selects the period, known as the pay reference period,

from which the average hourly pay will be calculated. This might be, for example, on a weekly or fortnightly basis, but cannot be for a period longer than a month.

## A.4 List of Submissions received

1) Individual Worker	33) Individual Worker	65) Individual Worker
2) Individual Worker	34) Individual Worker	66) Individual Worker
3) Individual Worker	35) Individual Worker	67) Individual Worker
4) Individual Worker	36) Restaurants Association of Ireland	68) Individual Worker
5) Individual Worker	37) Individual Worker	69) CIPD
6) Individual Worker	38) Individual Worker	70) Individual Worker
7) Individual Worker	39) Individual Worker	71) Just Transition Greens
8) Individual Worker	40) Individual Worker	72) HABIC
9) Individual Worker	41) Individual Employer	73) RGDATA
10) Individual Worker	42) Individual Worker	74) USI
11) Individual Worker	43) Individual Worker	75) IHF
12) Individual Worker	44) Individual Worker	76) INOU
13) Individual Worker	45) Individual Worker	77) Individual Worker
14) Individual Worker	46) ISME	78) VPSJ
15) Individual Worker	47) Individual Worker	79) SFA
16) Individual Worker	48) Individual Worker	80) ICTU
17) Individual Worker	49) Individual Worker	81) Retail Ireland
18) Individual Worker	50) Individual Worker	82) CWU
19) Individual Worker	51) Individual Worker	83) IBEC
20) Individual Worker	52) Individual Worker	84) Licensed Vintners Ass.
21) Individual Worker	53) Social Justice Ireland	85) Mandate
22) Individual Worker	54) Individual Worker	
23) Individual Worker	55) EAPN	
24) Individual Worker	56) Individual Worker	
25) Individual Worker	57) Individual Worker	
26) Individual Worker	58) Licensed Vintners Association	
27) Individual Worker	59) Society of St. Vincent de Paul	
28) Individual Worker	60) Simon Communities	
29) Individual Worker	61) Individual Worker	
30) Individual Worker	62) Citizens Information Board	
31) Individual Worker	63) Individual Worker	
32) Individual Worker	64) Individual Worker	

## A.5 Membership of LPC/ESRI Partnership Steering Group

Steering Group	
<b>Chair</b>	Mary Mosse (LPC)
<b>Members</b>	Seamus McGuinness (ESRI)
	Frank Walsh (LPC)
	Edel Flannery (CSO)
	Helen Russell (ESRI)

## A.6 Terms of Reference for Living Wage

On 25<sup>th</sup> January 2021 the Tánaiste and Minister for Enterprise, Trade and Employment requested that the Low Pay Commission examine the Programme for Government commitment to “progress to a living wage over the lifetime of the Government” and make recommendations to Government on how best to achieve this commitment.

The Low Pay Commission understands that a ‘living wage’ may be defined as the minimum income necessary for a single adult worker in full time employment, with no dependents, to meet his or her basic needs and afford a minimum acceptable standard of living.

The Low Pay Commission has decided to commission a study in order to inform their recommendations to Government on the best approach to achieving the Programme for Government commitment. This study should examine the design of a living wage in an Irish context. It should consider the policy, social and economic implications of a move to a ‘living wage’ and the process by which Ireland could progress towards a ‘living wage’.

### **Terms of Reference for Research on the Introduction of a Living Wage**

#### **1. National and International experience of a Living Wage**

Review the national and international experience and research around a ‘living wage’, including the objectives of a ‘living wage’, for example, to ensure a socially acceptable standard of living while protecting employment. Outline the approach, design and implementation process experienced in other countries, similar to Ireland, and assess their economic and social impacts.

#### **2. A Living Wage in Ireland**

Examine how a living wage could be calculated in the Irish context and provide the rates implied from the different methods of calculation. The study should examine the following:

- a. A living wage as a percentage of the country’s median wage, taking into consideration any possible distorting effect of Multi National Companies (MNC’s) on the median wage in Ireland versus other countries.
- b. A living wage based on the cost of achieving a minimum standard of living.
- c. A combination of methods, such as a median wage target with periodic reviews to assess in-work poverty and income adequacy for living wage workers.
- d. Consider whether a living wage should be related to the age of a worker.
- e. Consider the option of having a different regional or sub national rates, for example the possibility of a Dublin rate.

- f. Consider the impact of Covid 19 on the data sets that are being relied upon for the research and the appropriateness of same. For example, will the use of the data lead to an artificial skewing of the outcome.

### **3. Policy implications of moving to a Living Wage**

Examine the policy implications of a move to a living wage in Ireland, including:

- a. Review the national and international evidence on the impact of the introduction of a living wage at the levels implied at point 2, on employment, hours of worked, consumer prices, and other relevant margins of adjustment.
- b. Consider how a living wage at each of the rates implied would be expected to change the overall wage distribution and the wages of different groups of employees.
- c. Consider the impact of a living wage at each of the rates implied on in-work poverty.
- d. Consider how a living wage at each of the rates implied would be expected to change labour costs and total costs at an economy wide level and across sectors.
- e. Consider over what length of time should a living wage be introduced in Ireland and how changes in the living wage (as measured in 2) in the intervening period be dealt with.
- f. Examine possible interactions between a living wage and other policy instruments, such as tax rates, social insurance rates, social policy and (if calculated on a cost of living basis) health, education, and housing policy.
- g. Examine the potential impact that a living wage would have on other fiscal and social policy instruments. For example, the possibility of lower supplementary welfare payments if a living wage lowered in-work poverty, higher revenues if a living wage increased productivity, consumer demand, purchasing power, etc.

### **4. Moving towards a Living Wage in Ireland**

Informed by national and international evidence, outline a process, method or forum by which Ireland could progress towards achieving a living wage, including the following:

- a. Consider over what length of time a living wage should be introduced in Ireland.
- b. Consider whether there should be a provision for slowing down / pausing wage increases during recession and speeding them up during expansions, such that the target could be met over the business cycle.
- c. Consider if there should be a provision for a periodic evaluation of the impact of a living wage.
- d. Consider whether a living wage should be statutory or non-statutory.

## **Delivery of Study**

Regular progress updates will be required to be submitted to a research steering group comprised of Members of the LPC and representatives of the Department. These updates may be required in the form of written updates and /or meetings (virtual or in-person, as public health guidelines dictate).

Draft reports must be furnished in a timely manner to allow any feedback from the steering group to be considered and, where appropriate, reflected in the final report.

The final report must be submitted to the Low Pay Commission within five months from the date of the awarding of the contract.

The final report must be of high quality, and comprehensively address the issues outlined in the above terms of reference in order to inform the Low Pay Commission's recommendations to Government on the best approach to achieving the Programme for Government commitment to "progress to a living wage over the lifetime of the Government".

## A.7 Terms of Reference for UBI Study

### Universal Basic Income study Terms of Reference

#### Question 1: What are the key messages from academic literature on UBI?

- a) from the literature, identify the main policy objectives a UBI is expected to deliver
- b) from the literature, identify the key risks of introducing a UBI and potential mitigation actions

#### Question 2: How have other countries run UBI pilots? And what can be learnt from them to guide Ireland's pilot?

Examine Universal Basic Income (UBI) pilots in other countries, specifically:

- a) establish the main policy objectives that each pilot sought to examine;
- b) identify any potential policy objectives that were considered but then excluded and why;
- c) describe the scope of each pilot;
- d) summarise the findings of each pilot and assess their robustness;
- e) assess how, in retrospect, each pilot could have been improved, and
- f) draw conclusions from all of the above for any UBI pilot in Ireland.

#### Question 3: How might a UBI in Ireland work? What policy objectives might a UBI aim to achieve in the Irish context?

Consider the implications of the introduction of UBI in Ireland by examining:

- a) The different rates at which UBI could be set;
- b) the fiscal implications of the different potential rates of UBI (what it would cost in gross and net terms and how it might be funded);
- c) the possible interactions between UBI and other policy instruments, such as tax rates, social insurance rates;
- d) the labour supply implications of any tax changes needed to finance the introduction of UBI;
- e) the distributional consequences of the introduction of a UBI scheme compared to the current contingency-based scheme;
- f) depending on the differing UBI rates, what changes to other policy instruments might be considered as part of the introduction of UBI (might part of the state pension, carers allowance etc. be redesignated as a UBI payment?);
- g) the impact on recipients (e.g. health, education opportunities, etc.) and
- h) on the basis of the above, what research questions might a UBI pilot answer?

#### Question 4: How might a UBI pilot be designed for Ireland? What question(s) should a UBI pilot aim to answer?

Drawing on questions 1, 2 & 3, make recommendations for a UBI Pilot for Ireland, including areas such as:

- a) which policy objectives could be accurately assessed in a pilot;
- b) what risks would be associated with the pilot and how would they be mitigated;
- c) whether the payments made to participants in any UBI trial should be fixed across participants or based on the net payment they would receive after any anticipated tax/welfare changes.
- d) scope/parameters/rules;
- e) target population(s);
- f) expected expenditure on UBI payments during the course of the study;
- g) evaluation methodology;
- h) metrics, and
- i) data collection procedures.

## A.8 Selected in-work income supports provided by the Department of Social Protection

### **Jobseeker's Allowance**

- Jobseeker's Allowance (JA) is a social assistance scheme. To qualify, a claimant must be unemployed, capable of work, available for and genuinely seeking full-time work, satisfy the means test and meet the habitual residence condition. Reduced rates are generally payable to jobseekers under the age of 25.
- Jobseeker's Allowance is means-tested payment. The means test for earnings includes an incentive to take up work as there is a daily disregard (€20 per day for a maximum of three days) and a taper provided (whereby earnings above the disregard are assessed at 60%).

### **Jobseeker's Benefit**

- Jobseeker's Benefit (JB) is a weekly payment to insured people who are out of work. It is a non-means tested payment and it is paid at the same rate as the JA scheme. Reduced rates for those aged under 25 do not apply to the JB scheme.
- To qualify a claimant must be unemployed, be available for and genuinely seeking work, and have had a substantial loss of employment.
- Recipients can work up to three days a week and still qualify for the payment. In these cases, the weekly payment of Jobseeker's Benefit is reduced by a daily rate (one-fifth of the weekly rate) for each day worked (up to a maximum of three days).

### **Working Family Payment (formerly Family Income Supplement)**

- Working Family Payment provides support for employees with families who have low earnings in relation to their family size. The payment is provided tax-free and is paid weekly.
- Payment is calculated on the basis of 60% of the difference between the income limit for the family size and the weekly family income of the person(s) raising the children. Earnings are assessed net of tax, PRSI and superannuation payments. The income limits are outlined in the table below.
- To qualify for payment, a person must be engaged in full-time paid employment as an employee which is expected to last for at least 3 months and be working for a minimum of 38 hours per fortnight. A couple may combine their hours of employment to meet the qualification criteria. The applicant must also have at least one qualified child who normally lives with them.
- An integral part of the scheme is that once the level of payment is determined, that rate continues to be payable for a period of 52 weeks, provided that the person remains in full-time employment. The exceptions to this rule are where there is an additional child born to the family during that period or following the termination of One-Parent Family Payment due to the age of the youngest child.

**Table A.8.1: Working Family Payment weekly family income thresholds, 2008 to 2021**

No. of children	2008	2009	2010 - 2015	2016	2017	2018	2019	2020	2021
1	€490	€500	€506	€511	€511	€521	€521	€531	€541
2	€570	€590	€602	€612	€612	€622	€622	€632	€642
3	€655	€685	€703	€713	€713	€723	€723	€733	€743
4	€760	€800	€824	€834	€834	€834	€834	€834	€834
5	€870	€920	€950	€960	€960	€960	€960	€960	€960
6	€970	€1,030	€1,066	€1,076	€1,076	€1,076	€1,076	€1,076	€1,076
7	€1,090	€1,160	€1,202	€1,212	€1,212	€1,212	€1,212	€1,212	€1,212
8+	€1,170	€1,250	€1,298	€1,308	€1,308	€1,308	€1,308	€1,308	€1,308

### Back-to-Work Family Dividend

- The Back-to-Work Family Dividend (BTWFD) scheme was introduced in January 2015. It allows JA/JB recipients who have been jobseekers for 12 months or recipients of the One-Parent Family Payment or Jobseeker's Transitional Payment to retain their full Increase for Qualified Children (IQC) (for up to a maximum of 4 children) for the first year in employment, tapering to 50% in the second year. In the first year, BTWFD is paid at the rate of €38.00 for a child aged under 12 or €45.00 for a child aged 12 and over.

### COVID-19 Pandemic Unemployment Payment (PUP)

- The COVID-19 Pandemic Unemployment Payment (PUP) is a social welfare payment for employees and self-employed people who have lost all their employment due to the COVID-19 public health emergency.
- Employees, self-employed people, workers applying for international protection (including those in direct provision) and students can apply for the COVID-19 Pandemic Unemployment Payment. Both EEA and non-EEA workers qualify.
- To qualify for PUP, you must have lost your job or been laid off because of COVID-19 or be self-employed and your trading income has ceased due to the COVID-19 public health emergency or has collapsed to the extent that you are available to take up other full-time employment. And you must also have been in employment or self-employment in Ireland on or after 13 March 2020, be genuinely seeking work, not be getting any income from employment, and have at least one PRSI contribution in the 4 weeks before claiming PUP or be in insurable self-employment.
- The rate of COVID-19 Pandemic Unemployment Payment is linked to your previous earnings. There is no payment for adult or child dependants.

**Table A.1.2: COVID-19 Pandemic Unemployment Payment (PUP) weekly rate (16/10/2020 to 30/06/ 2021)**

Average weekly earnings	Personal rate
€400 or over	€350
€300 - €399.99	€300
€200 - €299.99	€250
Less than €200	€203

## A.9 Selected COVID-19 business supports

### Employment Wage Subsidy Scheme

Under the July Jobs Stimulus Package the Employment Wage Subsidy Scheme (EWSS) replaced the Temporary Wage Subsidy Scheme (TWSS) from 1 September 2020.

The EWSS is currently scheduled to run until 30 June 2021.

Under the EWSS scheme, employers and new firms in sectors impacted by COVID-19 whose turnover has fallen 30% get a flat-rate subsidy per week based on the number of qualifying employees on the payroll, including seasonal staff and new employees.

If an employee has more than one job, each employer can make a claim under the EWSS, ignoring any other employments the employee may have.

Under the EWSS employers must operate PAYE on all payments. This means businesses should resume the regular deduction of income tax, USC and employee PRSI from their employees' pay. If an employment is eligible for the subsidy, a 0.5% rate of employer's PRSI applies.

The subsidy amount paid to employers will depend on the gross income of each employee. EWSS will give a flat-rate subsidy to qualifying employers, based on the number of qualifying employees on the payroll.

**Table A.1.2: Subsidy rates from 20 October 2020 to 30 June 2021**

Gross pay per week	Revised subsidy rates
Less than €151.50	No subsidy applies
€151.50 - €202.99	€203
€203 - €299.99	€250
€300 - €399.99	€300
€400 - €1,462	€350
Over €1,462	No subsidy applies

**Table A.1.2: Previous subsidy rates from 1 July 2020 to 19 October 2020**

Gross pay per week	Revised subsidy rates
Less than €151.50	No subsidy applies
€151.50 - €202.99	€151.50
€203 - €1,462	€203
Over €1,462	No subsidy applies

## COVID Restrictions Support Scheme

The COVID Restrictions Support Scheme (CRSS) gives qualifying businesses a cash payment of up to €5,000 a week. The scheme applies when Level 3 or higher restrictions are in place.

Businesses will be able to make claim to Revenue under the CRSS for a cash payment known as an Advance Credit for Trading Expenses (ACTE).

This payment will be equal to 10% of their average weekly turnover in 2019 up to €20,000 and 5% thereafter, subject to a maximum weekly payment of €5,000. See table below.

CRSS payments		
Weekly turnover	Rate	Amount
First €20,000	10%	€2,000
Next €60,000	5%	€3,000
Maximum payment		€5,000

Businesses can claim for an additional 2 weeks payment to help with the costs of reopening as restrictions ease and they exit the scheme.

## COVID-19 Credit Guarantee Scheme

The COVID-19 Credit Guarantee Scheme facilitates up to €2 billion in lending to eligible businesses that have been negatively impacted as a result of the outbreak of COVID-19 in Ireland.

The Scheme offers a partial Government guarantee (80%) to participating finance providers against losses on qualifying finance agreements to eligible SMEs, small Mid-Caps and primary producers.

It is designed to incentivise participating finance providers to continue to play their role in supporting the availability of additional liquidity to Irish businesses.

Loans under the Scheme range from €10,000 to €1 million, for terms of up to five-and-a-half years. Financing will be offered through a range of products, including term loans, working capital loans and overdrafts. Loans of up to €250,000 under the Scheme are available unsecured (except where this is a requirement of the product feature, as in the case of asset finance, invoice discount facilities, etc).

The Scheme is operated by the Strategic Banking Corporation of Ireland (SBCI) through participating finance providers.

## COVID-19 Online Retail Scheme

Irish retailers can apply for funding to develop a digital strategy and enhance their website and online capabilities.

Successful applicants can get up to 80% of the project eligible costs, with a maximum grant of €40,000.

The most recent call for this scheme closed on midday, 25 May 2021.

### **COVID-19 Working Capital Scheme**

Loans from €25,000 to €1.5 million are available to SME's and small MidCap enterprises (defined as businesses with up to 499 employees), who meet the eligibility criteria. Loans have a maximum interest rate of 4% and the first €500,000 borrowed can be unsecured.

### **Outdoor Service Enhancement Scheme**

The Outdoor Service Enhancement Scheme will give qualifying businesses in the hospitality sector, a payment of up to €4,000 to help enhance their outdoor seating capacity and weatherproof service areas. Details of the scheme are expected soon.

### **Trading Online Voucher Scheme**

A Trading Online Voucher Scheme worth up to €2,500 is available through to help small and microenterprises get online. A second voucher of up to €2,500 is also available.

### **Future Growth Loan Scheme**

The Future Growth Loan Scheme is available to businesses in Ireland, including those in agriculture and fishing sectors. Loans are available from €25,000 up to €3,000,000 for terms of between 7 and 10 years. The loans have a maximum interest rate of 4.5% and the first €500,000 borrowed can be unsecured.

### **COVID-19 Business Financial Planning Grant**

A Business Financial Planning Grant from Enterprise Ireland of up to €5,000 to help businesses develop a Business Sustainment Plan and to engage the services of an approved Financial Consultant is available.

### **Live Performance Support Scheme**

The Live Performance Support Scheme is aimed at established commercial producers and promoters. Funding is provided to help employ artists and musicians of all genres, performers, technicians and other support staff in the live performance sector. Awards will range from €10,000 and upwards for live events that take place on or before September 2021. Applications closed on 14 April 2021.

### **Sustaining Enterprise Fund**

The Sustaining Enterprise Fund is aimed at firms in the manufacturing and international services sectors with 10 or more employees. The fund is operated by Enterprise Ireland and provides advances of up to €800,000 which are only repayable when a business returns to good financial health.

### **Apprenticeships**

The Apprenticeship Incentivisation Scheme provides a €3,000 payment for each new apprentice, to support employers to take on new apprenticeships until the end of June 2021.

### **Waiving of commercial rates**

Rates due to local authorities are waived until 30 June 2021. (There are some exceptions to this.)

### **Reduction of standard rate of VAT**

The standard rate of VAT was reduced from 23% to 21%, on 1 September 2020 until 28 February 2021. The VAT rate for the hospitality and tourism sector decreased from 13.5% to 9% on 1 November 2020 until 31 December 2021.

### **'Warehousing' of tax liabilities**

Debts that are warehoused are subject to 0% interest for 12 months. After this 12-month period, a reduced interest rate of 3% a year will apply.

### **Waiving of licence fees for street furniture**

For the remainder of 2021, restaurant and café owners do not have to pay street furniture licence fees for tables and chairs used for outdoor dining.

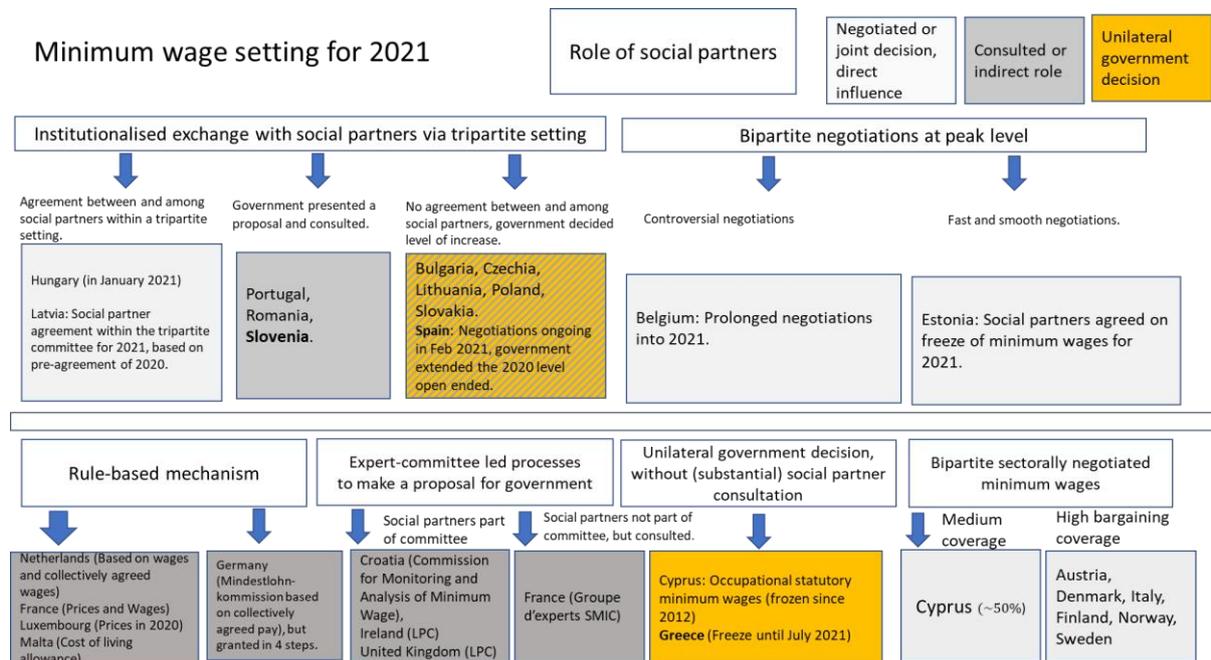
## A.10 EU Proposal for a Directive on Adequate Minimum Wages

The Proposal for a Directive of the European Parliament and of the Council on adequate minimum wages in the European Union aims to ensure that the workers in the Union are protected by adequate minimum wages allowing for a decent living wherever they work. The proposed Directive creates a framework to improve the adequacy of minimum wages and for access of workers to minimum wage protection in the EU. It does not oblige Member States to introduce statutory minimum wages, nor does it set a common minimum wage level.

The proposal includes three sets of measures.

1. To **ensure minimum wages are set at adequate levels**, the proposal requires countries with statutory minimum wages to in place clear and stable criteria for minimum wage setting, indicative reference values to guide the assessment of adequacy and regular and timely updates of minimum wages. The choice of criteria is left up to Member States, although in the recitals 60% of median wage and 50% of mean wage are mentioned as examples of reference values that Member States might choose.
2. Countries with **high collective bargaining coverage** tend to have a lower share of low-wage workers, lower wage inequality and higher minimum wages. Therefore, the Commission proposal also aims at promoting collective bargaining on wages in all Member States. Article 4 requires Member States to take specific measures to promote collective bargaining where coverage is below a threshold of 70%.
3. Finally, the proposal provides for improved **enforcement and monitoring** of the minimum wage protection established in each country. The proposed Directive introduces annual reporting by Member States on its minimum wage protection data to the Commission.

## A.11 Minimum wage setting in the EU for 2021



Source: Eurofound (2021), Minimum wages in 2021: Annual review, Publications Office of the European Union. [online]. Available at: [https://www.eurofound.europa.eu/sites/default/files/ef\\_publication/field\\_ef\\_document/ef21015en.pdf](https://www.eurofound.europa.eu/sites/default/files/ef_publication/field_ef_document/ef21015en.pdf)

## A.12 Latest Research on the Minimum Wage

Academic and economic interest in the minimum wage has reignited over the last number of years. Many countries across Europe are increasing their minimum wages since the economic recession of 2008-2009. The most frequent research themes in relation to minimum wages are the effects of minimum wages on employment, working hours and if increases in minimum wages have a spill over impact on other wages. The evidence that increases in the minimum wage have large scale employment effects is inconclusive and many studies suggest that the effects are minimal. Several strands of research are emerging which try to capture more micro level impacts such as regional impacts across countries, particular focus on youth or low skilled employment, a sectoral focus or the issue of non-compliance. As a list of recent research was not included in the 2020 report, the tables below describe articles either published since 2019 or are forthcoming in a recognised social science journal are described.<sup>64</sup>

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<sup>64</sup> The following Eurofound working paper was useful in preparing these tables: Doyle, A. and Aumayr-Pintar C. (2021) *Minimum wage research in the EU, Norway and the UK, 2020*. [online] Eurofound. Available at: <https://www.eurofound.europa.eu/sites/default/files/wpef21061.pdf> [Accessed 22 Jun. 2021].

Overview of recent empirical research in the EU, Norway and the UK on employment impacts of minimum wage increases, 2021						
Study	Country	Period covered	Dataset	Method	Main outcome variables	Main findings
<b>Clemens, J. (2021).</b> How Do Firms Respond to Minimum Wage Increases? Understanding the Relevance of Non-Employment Margins. <i>Journal of Economic Perspectives</i> , 35(1), pp.51–72.	United States of America	1999 – 2020	2019 Consumer Expenditure Survey. US Bureau of Labour Statistics 2020a. US Current Population Survey. Quarterly Census of Employment and Wages. American Community Survey. Current Population Survey.	Theory and Literature search and compilation.	Minimum wage changes	Clemens argues that both views that increases in the minimum wage decreases employment and that it does not, are incomplete. Furthermore, heterogeneity should be expected as there are several attributes of nonwage jobs. However, these attributes are very difficult to measure. This means it will be harder still to aggregate said attributes.
<b>Dube, A. and Lindner, A. (2021).</b> City Limits: What Do Local-Area Minimum Wages Do? <i>Journal of Economic Perspectives</i> , 35(1), pp.27–50.	United states of America	1993 - 2020	American Community Survey	Regression	Wage percentile, employment	This paper discovers that changes in minimum wage affects policy decisions closely with regards to local economy and local political environments. They also conclude that state level changes does not substantially change employment or wages. However, raising the minimum wage did not seem to change employment much.
<b>Fedorets, A. and Shupe, C. (2021).</b> Great expectations: Reservation wages and minimum wage reform. <i>Journal of Economic Behavior &amp; Organization</i> , 183, pp.397–419.	Germany	2013 – 2015	Socio-Economic Panel, a representative longitudinal survey. German SocioEconomic Panel study (SOEP)	Difference-in-differences estimation	Net hourly reservation wage. Growth in reservation wages. Bottom wage Quintiles	This paper discovers that reservation wages adjust differentially across different groups. Particularly, the adjustment of reservation wages for natives is more than that of immigrants. One potential explanation is adapting to increasing requirements for productivity on labour and readiness to trade wage growth for job security. These findings have implications for unemployment duration.
<b>Fishback, P.V. and Seltzer, A.J. (2021).</b> The Rise of American Minimum Wages, 1912–1968. <i>Journal of Economic Perspectives</i> , 35(1), pp.73–96.	United states of America	1905 – 2020	US Department of Labour. Monthly Labour Review. Lamale and Stotz (1960, p. 4). Bracket (1969, p. 8). Columbia Law Review (1948). Neumark and Wascher (2008)	Research and Literature, summary statistics.	Full-Time Earnings on the National Minimum Wage as a Percentage of the BLS Adequate Cost of Living Budget	This paper finds that the value of the minimum wages as in 1968 have not reached their same value in 2020. This is due inflation. Overtime through the 1970s, the negative effects of increasing the minimum wage came into understanding. This negative effect was particularly emphasised towards teenagers, or young and unskilled workers.

<p><b>Kawaguchi, D. and Mori, Y. (2021).</b> Estimating the effects of the minimum wage using the introduction of indexation. <i>Journal of Economic Behavior &amp; Organization</i>, 184, pp.388–408.</p>	Japan	2000 – 2017	Labour Force Survey (LFS). Basic Survey on Wage Structure (BSWS)	Instrumental variable estimation using two stage least squares regression	Labour-market outcome of individuals living in prefecture. Minimum wage of prefectures in year-month (time period)	Overall, this paper discovered that the negative impacts of minimum-wage hikes on employment are observed to be limited to minimally-educated youth, especially men. Therefore, they do not claim that minimum-wage hikes have an exacerbating impact on overall employment. Instead, they highlight that minimum-wage hikes increase the wage of low-wage workers at the expense of the employment of minimally-educated young men. Policymakers should pay close attention to the negative impacts within this demographic group when designing minimum-wage policies, because research has expressed that the employment status of youth has persistent impacts on subsequent labour-market outcomes, and the impact is significantly substantial in Japan.
<p><b>Manning, A. (2021).</b> The Elusive Employment Effect of the Minimum Wage. <i>Journal of Economic Perspectives</i>, 35(1), pp.3–26.</p>	OECD countries	1979 – 2019	Merged Outgoing Rotation Groups of the Current Population Survey (CPS-MORG) OECD	Regressions	Wages, employment/population ratio	This papers finds the potential of labour demand elasticity being very small and that a higher minimum wage may not necessarily mean a negative effect on employment. This paper emphasises the ambiguity of the effect minimum wages have on employment.
<p><b>Neumark, D. and Shirley, P. (2021).</b> Myth or Measurement: What Does the New Minimum Wage Research Say about Minimum Wages and Job Loss in the United States? [online] Available at: <a href="https://www.nber.org/papers/w28388">https://www.nber.org/papers/w28388</a>[Accessed 2 Jun. 2021].</p>	United States of America	1991 – 2020	New Minimum Wage Research (Ehrenberg, 1992) – database created from literature	Regression	Share of Workers at or below \$10/hr. Share of Workers at or below \$7.25 (Federal) Minimum Wage.	This paper found that the preferred estimates of authors of studies evaluating the employment effects of minimum wages in the United States, since the advent of the New Minimum Wage Research in 1992, paint a clear picture that is discrepant with how this research is often summarized. Overall, the evidence and conclusions is indicative, substantially toward negative effects of minimum wages on employment of lower-skilled workers. The exception is for the industry studies. However, this is probable as there is a much greater scope for labour-labour substitution within industries than within groups of workers who are lower-skilled on average, and even more so for groups of workers that are uniformly lower skilled.
<p><b>Redmond, P., Maître, B., McGuinness, S. and Maragkou, K. (2021).</b> A comparative assessment of minimum wage employment in Europe. [online] Available at: <a href="https://www.esri.ie/publications/a-comparative-assessment-of-minimum-wage-employment-in-europe">https://www.esri.ie/publications/a-comparative-assessment-of-minimum-wage-employment-in-europe</a></p>	Ireland	2016– 2020	EU-SILC – European Union statistics on income and living conditions	Econometric, comparative analysis via a Probit Model	Minimum wage - a binary variable which equals one if the person is a minimum wage employee and zero if a higher-paid employee	The proportion of the population on the minimum wage in the countries of the EU varies. Gender is not a determining factor of those in accumulation of the minimum wage, in Ireland. Neither is age, in all countries except Latvia. Education however, does effect the amount of people living on a minimum wage. E.g. those with tertiary education are less likely to be on the minimum wage. Furthermore, while poverty among those on the minimum wage is low in Ireland and Poland it is quite high in countries like Luxembourg, the Netherlands and Spain.

<p><b>Redmond and McGuinness, (2021)</b>, The impact of the 2016 minimum wage increase on average labour costs, hours worked and employment in Irish firms, ESRI research series, No. 118, Dublin.</p>	Ireland	2008-2016	Earnings Hours and Employment Costs Survey (EHECS)	Difference-in-differences estimators based on companies different share of minimum wage workers	Average labour costs of firms, employment, number of hours worked, overtime hours.	Only for firms with a very high intensity of minimum wage workers (of more than 50%) labour costs rose by 5.4% on average (viz a viz others) when the minimum wage was substantially uprated in 2016. These firms however only make up 3% of all firms. These high intensity firms also reduced overtime of part-time workers by 6 pp, but there is also evidence that this coincided with an increase in the number of fulltime hours. The study detected no negative employment effect in firms with a high intensity of minimum wage workers. For firms with 10% to 50% of minimum wage workers among their employees no statistically significant effect on average labour costs was detected.
<p><b>Redmond, P., Doorley, K. and Seamus McGuinness (2021)</b>. <i>The impact of a minimum wage change on wages and household income</i>. [online] ESRI. Available at: <a href="https://www.esri.ie/publications/the-impact-of-a-minimum-wage-change-on-wages-and-household-income">https://www.esri.ie/publications/the-impact-of-a-minimum-wage-change-on-wages-and-household-income</a></p>	Ireland	2016	Survey of Income and Living Conditions (SILC)	Comparative analysis	Minimum wage	The 2016 minimum wage increase in Ireland led to an eight percent reduction in the hourly wage gap between high and low earners. This indicates that the minimum wage increase was effective at reducing wage inequality in Ireland. Furthermore, those earning slightly higher than the minimum wage also experienced a wage increase, potentially to maintain the gap between higher wages and the minimum wage. There was minimal impact on household income however, due to the spread of low income earners across households.

Overview of recent empirical research in the EU, Norway and the UK on employment impacts of minimum wage increases, 2020						
Study	Country	Period covered	Dataset	Method	Main outcome variables	Main findings
<b>Aitken et al. (2020)</b> , The impact of the NLW on businesses: Interim Report. Research Report for the Low Pay Commission	UK	2015-2018	Business Structure Database (BSD) and Annual Survey of Hours and Earnings (ASHE),	Difference-in-differences estimators based on companies employment of wage workers;	Employment growth, survival rates of companies; turnover per employee. Prices	Following the introduction of the national living wage in 2016, employment growth in firms employing a higher share of minimum wage workers was about 2 to 3 percentage points weaker than in other firms. The employment effects were most common in smaller establishments and in multi-unit chains in retail, which points to some potential substitution between labour and capital (i.e. self-scan). Firms with minimum wage workers have 2pp higher survival rates than others, but this could be explained with fewer start-ups being present among that sector (who tend to have lower survival rates). Firms with minimum wage workers also have 3pp lower turnover per employees three years after the introduction. Overall, robustness checks show that there is no clear evidence that the minimum wage uplift of 2016 was the cause of the results: They could be due to other ongoing trends.
<b>Albinowski, M. and Lewandowski, P. (2020)</b> , The heterogenous regional effects of minimum wages in Poland, IBS Working Papers 04/2020, Instytut Badan Strukturalnych.	Poland	2003-2018	Local databank, Statistics Poland	Panel, using variations of the regional bite of minimum wages as continuous treatment variable.	Wages and employment	Minimum wage hikes had a significant positive effect on wage growth and a significant negative effect on employment growth only in regions of Poland that were in the first tercile of the regional wage distribution in 2007. These effects were moderate in size and appear to be more relevant for wages: if there had been no minimum wage hikes after 2007, by 2018, the average wage in these subregions would have been 3.4% lower, while employment would have been 1.2% higher. No effects in the other two thirds of regions.
<b>Alexandre et al. (2020)</b> , Minimum Wage and Financially Distressed Firms: Another One Bites the Dust, IZA Discussion Papers, No. 13526, Institute of Labor Economics (IZA), Bonn.	Portugal	2006-2017	The Integrated Business Accounts System (SCIE, 'Sistema de Contas Integradas das Empresas', INE, 2018b) from Statistics Portugal's Registry of Statistical Units and the QP (Quadros de Pessoal), a linked employer employee dataset collected through a mandatory survey.	Potential relative cost increase as treatment variable; Logit and linear probability model.	Employment growth, firm profitability, firm closure	The study is set against the context of a high growth in minimum wages and related to it the share of minimum wage workers between 2014 and 2017. Minimum wage increases had a negative impact on employment growth and firm-profitability and a greater impact on firms which were already financially distressed, in terms of a higher decline of profitability and a higher likelihood of them exiting. Employment growth was negative for all, but more so for distressed firms. During 2012 to 2017, the share of distressed firms was peak level in 2014 where it stood at 5.8% among all firms, employing 5% of workers and adding 1.3% of gross value added. Minimum wage increases might have a stronger impact on distressed firms because they already have a higher share of minimum wage workers, but the impact could also go via profitability and employment growth. The negative impact on employment and profitability was compensated by an expansionary phase of the economy, leading to worker reallocation to more productive firms.

<b>Georgiadis et al, (2020)</b> , Minimum wages and firm employment: Evidence from a minimum wage reduction in Greece,' <i>Economics Letters</i> , Vol. 193, No. 109255.	Greece	2009-2017	Social security records, EFKA dataset by the Greek Ministry of Labour, matched employer-employee	Difference-in-differences estimators based on companies different share of youth employment.	Wages and employment of younger and adult workers	Greece introduced a sub-minimum wages for youth in 2012. Adult wages decreased by more in firms with a higher share of youth employment, but youth wage decreases did not differ across firms. On average positive employment affects following the decrease across age groups. This positive effect is driven by increase in new hires, there was no change in separations. A higher move rate of adults to other employers was detected in firms with higher youth employment rates (and in such firms adult wages also decreased more strongly than in others).
<b>Heise and Pusch, (2020)</b> , Introducing minimum wages in Germany employment effects in a post Keynesian perspective' <i>Journal of Evolutionary Economics</i> , Vol. 30, pp. 1515–1532.	Germany	2014-2018	EVS (Einkommens- und Verbrauchsstichprobe) dataset and consumption price deflator sub-categories supplied by the German Federal Statistical Office (Statistisches Bundesamt).	A quantitative approach using a post Keynesian two-sector model including an employment market.	Employment, job loss or gain.	It is found that the introduction of the statutory minimum wage in 2015 caused overall very little employment loss. The loss amounted to about 26,500 workers caused by a small sectoral shift from low wage industries to higher wage industries.
<b>Kölling, (2020)</b> , The Statutory Minimum Wage in Germany and the Labor Demand Elasticities of Low-Skilled Workers: A Regression Discontinuity Approach with Establishment Panel Data, GLO Discussion Paper, No. 687, Global Labor Organization (GLO), Essen.	Germany	2014-2017	Data from IAB Establishment Panel	Fractional panel probit approach for estimating labour demand elasticities. Sharp regression discontinuity for differences in the periods and IV regressions;	Relationship between labour demand elasticities for low skilled workers and their complementary to or substitution with medium or higher skilled workers	The substitutive relationship between employees with low and medium qualification levels is strengthened after the introduction of the statutory minimum wage, but decreased again after the first increase in 2017 (which was lower than the initial increase due to the introduction).
<b>Laporšek et al, (2019)</b> , Long-Term Responses to Large Minimum Wage Shocks: Sub-Minimum and Super Minimum Workers in Slovenia, IZA Discussion Papers, No. 12123, Institute of Labor Economics (IZA), Bonn	Slovenia	2009-2015	Link of five administrative databases, covering the entire workforce and for every worker information on employment, unemployment and wages.	Panel data, estimating employment probabilities	Employment probability, hours worked, wages, and earnings	The study analyses the effects of the large minimum wage rise of Slovenia in 2010, based on a longitudinal dataset in which they can follow individuals and their labour market status over five years after the minimum wage increase. It finds large and persistent negative employment effects on low-skilled workers, both because of a higher likelihood of moving into non-employment and a lower likelihood of transitioning into employment from non-employment, as well as a larger reduction of working hours, so increases in the minimum wage did not compensate for loss of earnings. They also find some evidence for a substitution with 'super minimum workers'.
<b>McGuinness, S., Redmond, P. and Delaney, J. (2020)</b> . Minimum wage non-compliance. <i>Applied</i>	Ireland	2016 – 2018	Labour Force Survey (LFS)	Probit models	Non compliant workers, legally compliant workers, minimum wage, sub-minimum wages	This paper discovers that 5.6% of people paid sub-minimum wages are those rates for non legislation related reasons. Non compliant workers however, are likely male, over 35 and on temporary contracts. Furthermore, non compliant workers are

<i>Economics Letters</i> , 27(20), pp.1663–1666.						more likely to work in domestic sectors than compliant workers.
<b>Mitsis, (2019)</b> , The Impact of the Minimum Wage on Wages and Work in Cyprus. Cyprus Economic Policy Review, Vol. 13, No. 2, pp. 72-101.	Cyprus	1990-2009	The minimum wage decrees of the Cyprus Ministry of Labour and Social Insurance and the Household Budget Surveys of the Statistical Service of Cyprus.	Wage regressions and binomial probit analysis for the employment impact.	Employment, wages, workers: covered by MW and uncovered and self-employed.	The existence of a minimum wage for certain occupations also influence the wage setting in uncovered occupations. Uncovered occupations may experience an increase in wages when the minimum wage rises but only for uncovered occupations whose monthly earnings are near to the minimum wage. The employment effect for those covered and uncovered by minimum wage is largely the same. When the minimum wage is raised it shows a decrease in probability that a worker will be employed in both covered and uncovered occupations.
<b>Redmond, P. (2020)</b> . Minimum wage policy in Ireland. [online] Available at: <a href="https://www.esri.ie/publications/minimum-wage-policy-in-ireland">https://www.esri.ie/publications/minimum-wage-policy-in-ireland</a>	Ireland	2000 – 2020	Labour Force Survey (LFS) Earnings, hours and employment costs survey (EHECS), from the CSO and ISSDA	Minimum wage surveys, assessing the % change of increased the minimum wage	Minimum wage, increase in the minimum wage, gender, age and race.	This paper presents that those more likely to be on the minimum wage are younger women, of a different nationality. The sector that most employed the minimum wage was the retail and food and accommodation sector. As the pandemic required shutting down these sectors, several low paid workers lost their jobs. Some of these jobs can be recovered as the situation recovers, but tourism likely will not.
<b>Redmond, P., Doorley, K. and McGuinness, S. (2020)</b> . The impact of a minimum wage change on the distribution of wages and household income. <i>Oxford Economic Papers</i> .	Ireland	2013 – 2019	Survey of Income and Living Conditions (SILC) microdata, provided by the Central Statistics Office (CSO), Ireland	Probit Model, distributional regression	Minimum wage, wage inequality, hourly wage rates.	This paper discovers that the minimum wage increased the wage of low paid workers, and reduced hourly wage income inequality. This is also true regarding the lowest 25% of the wage distribution. This spillover effect means that employment, hours worked and labour costs need to be monitored and overseen, to the observe the effect of the minimum wage on these factors.

Overview of recent empirical research in the EU, Norway and the UK on employment impacts of minimum wage increases, 2019						
Study	Country	Period covered	Dataset	Method	Main outcome variables	Main findings
<b>Bonin et al (2019)</b> , The German statutory minimum wage and its effects on regional employment and unemployment, <i>Jahrbücher für Nationalökonomie und Statistik</i> , Vol. 240, No. 2–3.	Germany	2013–2016	Structure of Earnings Survey (minimum wage bite), linked with administrative labour market data (257 regions) Difference-in-differences approach, based on difference in regional bite of the minimum wage.		Aggregate regional employment, unemployment	Small statistically significant negative effects on total employment (-0.5% relative to the control group; mainly marginal employment, approximately 76,500 employees). No significant effects on regular regional employment, reduction of marginal employment mini-jobs. No effect on regional unemployment.
<b>Burauel et al (2019)</b> , The impact of the minimum wage on working hours', <i>Jahrbücher für Nationalökonomie und Statistik</i> , Vol. 240, No. 2–3.	Germany	2015–2016	Socioeconomic panel	Difference-in-differences approach.	Contractual working hours and actual average working hours	A significant and robust reduction in contractual working hours among employees who are subject to social security contributions and earned less than the minimum wage before the introduction. The effect in 2015 is about -5% and corresponds to a 1.7 hours reduction in average weekly working hours. The effect on actual hours is smaller and estimated less precisely.
<b>Ferraro et al, (2018)</b> , Minimum wages and employment retention: A microeconomic study for Estonia', <i>Baltic Journal of Economics</i> , Vol. 18, No. 1, pp. 51-67	Estonia	2009-2016	Micro data from the LFS for 2008–2016	Difference-in-differences methodology	Employment, wages,	The increases in the minimum wage in 2013-2016 had very little to no effect on employment retention for works who were both directly and indirectly affected.
<b>Friedrich (2019)</b> , Using occupations to evaluate the employment effects of the German minimum wage, <i>Journal of Economics and Statistics 2020</i> , Vol. 240, No. 2–3, pp. 269–294.	Germany	2015–2017	German social security record and Structure of Earnings Survey (VSE)	Difference-in-differences approach based on occupations with different share of minimum wage workers.	Employment (regular and marginal)	Small employment effects overall, but substantial differences between regions. Occupations in eastern German regions more affected. Eastern Germany: marginal jobs declined by 18,000 in the short term and by 52,000 in the medium term (-8% as compared to pre-reform). In western Germany: regular employment increased temporarily by about 110,000 – likely because of an upgrading of marginal jobs to regular employment.
<b>Harasztosi and Lindner (2019)</b> , Who Pays for the Minimum Wage?' <i>American Economic Review</i> , Vol. 109, No. 8, pp. 2693–2727.	Hungary	2001–2002; Data relate to 1997– 2006	Hungarian Corporate Income Tax Data (CIT) (covering firms with double book-keeping) and Hungarian Structure of Earnings Survey (SES) Manufacturing, services and construction	Difference-in-differences approach based on companies' proportions of minimum wage workers.	Employment, wages, labour costs, prices and profits	Small significant negative employment effects (-7.6%) in companies with a high share of minimum wage workers as compared to companies without (30,000 job losses out of 290,000 minimum wage workers). Wage effects: +58% in companies with a high share of minimum wage workers as compared to companies without (260,000 workers received a pay increase). A total of 75% of minimum wage increase passed on as price increase to consumers, 25% to profit decline.
<b>Link (2019)</b> , The price and employment response	Germany	2011–2017	ifo Business Survey (IBS) and administrative remuneration statistics	Difference-in-differences approach based on proportion of minimum	Expected price and employment changes over the next three	Insignificant (small negative) planned employment reductions. Firms which are more affected by minimum wage changes are much more (four times)

of firms to the introduction of minimum wages, CESifo working paper series, No. 7575, Munich.				wage workers in firms and location.	months and realised changes for manufacturing companies	likely to respond with planned price changes than with employment reductions.
<b>López Novella (2018)</b> , Removing youth sub-minimum wage rates in Belgium: did it affect youth employment?, Federal Planning Bureau, working paper 4–18, Brussels.	Belgium	2010–2015	Quarterly individual data on employment and wages from the National Social Security Office (NSSO)	Triple difference-in-difference estimator, focusing on joint committees with and without abolishing youth minimum wage and on eligible (18–20 years old) and ineligible (22 years) during 2013–2015.	Gross wages, probability of job retention including two quarters afterwards, accession probabilities	The study investigated the impact of the gradual reduction of youth sub-minimum between 2013 and 2015. Average gross wage increased by 3% with a stronger impact on the wages of the youngest workers. Positive impact of reform on staying employed, also two quarters afterwards. Negative impact on accession probabilities of younger workers (3 percentage points).
<b>McGuinness and Redmond (2018)</b> , Estimating the effect of an increase in the minimum wage on hours worked and employment in Ireland, ESRI Policy evidence paper, Dublin.	Ireland	2015–2016	Quarterly National Household Survey (QNHS)	Difference-in-differences approach; minimum wage workers working more than 14 hours per week and higher paid workers as control group.	Employment (job loss rates), usual hours worked, part-time employment	Negative and statistically significant effect on the number of hours worked of minimum wage workers. Driven by larger effects among workers with temporary contracts (-3.5 hours per week). Increase of part-time employment, particularly among temporary minimum wage workers. Involuntary part-time jobs fell among both groups. It cannot be ruled out that the increase of part-time jobs was voluntary due to higher hourly wages. Some volatility in job loss of minimum wage workers over time, but no evidence for significant effects.
<b>McGuinness, S., Redmond, P. and Delaney, J. (2019)</b> , The prevalence and effect on hours worked of the minimum wage in Ireland: A sectoral and regional analysis. [online] Available at: <a href="https://www.esri.ie/publications/the-prevalence-and-effect-on-hours-worked-of-the-minimum-wage-in-ireland-a-sectoral">https://www.esri.ie/publications/the-prevalence-and-effect-on-hours-worked-of-the-minimum-wage-in-ireland-a-sectoral</a> .	Ireland	2017 – 2018	Irish Labour Force Survey (LFS) carried out by the Central Statistics Office (CSO).	A difference in difference (DiD) strategy was used to determine the difference between a group of minimum wage workers and a control group of non-minimum wage workers. A regression was implemented to use the DiD method.	Hours worked by employees that are on the minimum wage and of those who are not.	This analysis has shown that the impact of increasing the minimum wage varied across the regions in Ireland, with the most impact evident in the food, retail and accommodation sector. This is because these sectors are composed of a large proportion of minimum wage workers. Furthermore, minimum wage employees in Dublin tend to be more educated and younger than those in other regions. However, in the manufacturing sector, the employees tend to be older and work there full time. Therefore their minimum wage represents their careers and an increase would significantly increase their incomes. But due to this rise in wages, the hours worked in the manufacturing sector fell by 1.6 hours.
<b>McVicar, D., Park, A. and McGuinness, S. (2019)</b> . Exploiting the Irish Border to Estimate Minimum Wage Impacts in Northern Ireland. <i>IZA Journal of Labor Economics</i> , 8(1).	Ireland	1998 – 2018	Quarterly household surveys – the QLFS and the QNHS – which became the Irish Labour Force Survey (LFS), CSO	Linear regressions, Logit models	Employment, Weekly hours worked, Interest	The increase in NMW actually results in a 2% decrease in employment of those aged between 22-65 year olds. This is a loss of around 20000 jobs. Northern Ireland however does not experience such negative impacts and this could be because of the difficulty identifying the impact of the national living wage as well as the myriad of different employment responses of those living in northern Ireland.

<p><b>Okudaira, H., Takizawa, M. and Yamanouchi, K. (2019).</b> Minimum wage effects across heterogeneous markets. <i>Labour Economics</i>, 59, pp.110–122.</p>	Japan	2001 – 2015	Basic Survey on Wage Structure (BSWS)	OLS regression – translog production functions	Unobserved productivity, Output elasticities of intermediate input and labour. Labour market surplus Productivity shock.	According to this paper, increases in the minimum wage significantly reduced employment growth. However, this reduction masked the impact of the heterogeneity in the plants' behavioural response. E.g., plants that experiences high surpluses did not have huge decreases in employment growth. Essentially this paper concludes that the size and success of the firm and plants are highly related to the effect changes in the minimum wage has on employment.
<p><b>Redmond, P. and Seamus McGuinness (2019).</b> <i>Assessing the impact of the minimum wage in Ireland.</i> [online] ESRI. Available at: <a href="https://www.esri.ie/publications/assessing-the-impact-of-the-minimum-wage-in-ireland">https://www.esri.ie/publications/assessing-the-impact-of-the-minimum-wage-in-ireland</a></p>	Ireland	2007 - 2018	Irish Labour Force Survey - Incidences of minimum wage employment. Eurostat – minimum wage statistics	Literature research, longitudinal analysis	Employment, hours worked, poverty, minimum wage	The increase in the minimum wage brought about in 2018 affected young, female workers in the retail, accommodation and food sectors. It affected the poorly educated more as well. Furthermore, the increase in the minimum wage has resulted in a fall in the numbers of hours worked by those on the minimum wage, especially those with temporary contracts This decrease in hours could be part of a composition impact, but the increase in wage, also attracted several part time workers to join back into their work Also, those who minimal education rarely progress to higher pay by climbing up the business ladder.
<p><b>Redmond, P., Doorley, K. and McGuinness, S. (2019).</b> The impact of a change in the National Minimum Wage on the distribution of hourly wages and household income in Ireland. [online] Available at: <a href="https://www.esri.ie/publications/the-impact-of-a-change-in-the-national-minimum-wage-on-the-distribution-of-hourly">https://www.esri.ie/publications/the-impact-of-a-change-in-the-national-minimum-wage-on-the-distribution-of-hourly</a></p>	Ireland	2010 – 2019	The Survey of Income and Living Conditions (SILC) microdata, provided by the Central Statistics Office (CSO) in Ireland.	Probit model	Effect of minimum wage change on Male wages, female wages, young employees and on household income	This paper discovers that the minimum wage increased the wage of low paid workers, and reduced hourly wage income inequality. This is also true regarding the lowest 25% of the wage distribution. This spillover effect means that employment, hours worked and labour costs need to be monitored and overseen, to the observe the effect of the minimum wage on these factors.
<p><b>Saez, E., Schoefer, B. and Seim, D. (2019).</b> Payroll Taxes, Firm Behavior, and Rent Sharing: Evidence from a Young Workers' Tax Cut in Sweden. <i>American Economic Review</i>, 109(5), pp.1717–1763</p>	Sweden	1999 – 2017	Income Tax Register - self-employment earnings and total wage earnings. Integrated Database for Labour Market Research - level of education, unemployment history (days registered with the unemployment insurance agency as well as unemployment insurance received), gender, year, and month of birth.	OLS regression	Net wages, gross wages outcomes	This paper found that the payroll tax cut was indeed effective in minimising youth unemployment. They found that within-firm mechanisms were imperative in transmitting the incidence of the policy intervention onto labour market outcomes.

			Structure of Earnings Survey. Tax Agency. Statistics Sweden			
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## A.13 Labour Force Survey NMW Statistics

This appendix contains statistics based on questions relating to the National Minimum Wage included in the CSO Labour Force Survey (formerly the Quarterly National Household Survey) from Q4 2016-Q4 2020. The Labour Force Survey is not designed to be an earnings survey and is conducted across a representative sample of households throughout the country. Therefore, the earnings data in this release is based on each respondent self-reporting their income and as a result some caution is urged in the interpretation of this data.

In addition, as a number of respondents did not report their status with regard to the NMW, these respondents are identified as 'Not stated' in the relevant data tables and are excluded from the denominator in calculating the share or proportion of all respondents on the NMW.

The Commission notes that the CSO may apply some revisions to this data as part of the Q1 2021 Labour Force Survey results.

An average of 8.5% of employees for whom earnings data was reported, earned National Minimum Wage or less in 2018.

In Q4 of 2020 5.6% of all employees reported earning the NMW, 1.2% reported earning less than the NMW and 93.2% reported earning more than the NMW.

In absolute terms, the average number of employees who self-reported earning less than the NMW was 22,400 while 105,100 self-reported earnings equal to the NMW. In total therefore, an average 127,600 employees self-reported that they earned the NMW or less in Q4 2020.

Statistics included in this appendix provide further information regarding certain employee characteristics (gender, nationality, age group, region of work, sector of work etc.).

Estimates for numbers of persons or averages where there are less than 30 persons in a cell are not produced as estimates are too small to be considered reliable.

Parentheses [ ] indicate where there are 30-49 persons in a cell, estimates are considered to have a wider margin of error and should be treated with caution.

Data may be subject to future revision.

Data may be subject to sampling or other survey errors, which are greater in respect of smaller values or estimates of change.

Reference period: q1=Jan-Mar, q2=Apr-Jun, q3=Jul-Sep, q4=Oct-Dec

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"Note: A new Labour Force Survey (LFS) replaced the Quarterly National Household Survey (QNHS) in Q3 2017 and, as a result, care should be taken when comparing data from before and after this period. Please see background notes of the LFS release for additional information."

Table 1a. Employees aged 15 years and over classified by detailed National Minimum Wage earnings status ('000)								
Detailed National Minimum Wage earnings status	Q4 16	Q4 17	Q4 18	Q4 19	Q1 20	Q2 20	Q3 20	Q4 20
Employees reporting earning less than National Minimum Wage	22.1	24.6	24.5	21.9	24.2	22.8	24.2	22.4
Employees reporting earning National Minimum Wage	132.3	126.0	112.7	100.8	100.4	116.6	126.8	105.1
Total employees reporting earning National Minimum Wage or less	154.3	150.7	137.2	122.8	124.6	139.4	151.0	127.6
Employees reporting earning more than National Minimum Wage	1,502.7	1,596.2	1,679.6	1,787.4	1,789.4	1,600.5	1,705.3	1,745.1
Not stated	163.6	136.3	133.3	107.8	95.3	158.6	112.6	94.5
<b>Total employees</b>	<b>1,820.7</b>	<b>1,883.1</b>	<b>1,950.1</b>	<b>2,018.1</b>	<b>2,009.2</b>	<b>1,898.5</b>	<b>1,968.9</b>	<b>1,967.1</b>

**Table 1b. Employees aged 15 years and over classified by detailed National Minimum Wage earnings status (%)**

Detailed National Minimum Wage earnings status	Q4 16	Q4 17	Q4 18	Q4 19	Q1 20	Q2 20	Q3 20	Q4 20
Employees reporting earning less than National Minimum Wage	1.3	1.4	1.3	1.1	1.3	1.3	1.3	1.2
Employees reporting earning National Minimum Wage	8.0	7.2	6.2	5.3	5.2	6.7	6.8	5.6
Total employees reporting earning National Minimum Wage or less	9.3	8.6	7.6	6.4	6.5	8.0	8.1	6.8
Employees reporting earning more than National Minimum Wage	90.7	91.4	92.4	93.6	93.5	92.0	91.9	93.2
Not stated	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
<b>Total employees</b>	<b>Q4 16</b>	<b>Q4 17</b>	<b>Q4 18</b>	<b>Q4 19</b>	<b>Q1 20</b>	<b>Q2 20</b>	<b>Q3 20</b>	<b>Q4 20</b>

**Table 2a. Employees aged 15 years and over reporting earning less than National Minimum Wage by reason why ('000)**

Employees reporting earning less than National Minimum Wage by reason why	Q4 16	Q4 17	Q4 18	Q4 19	Q1 20	Q2 20	Q3 20	Q4 20
On an age-based rate that is aged 19 or younger	:	:	:	10.2	10.5	[6.6]	10.3	9.0
Employed by an immediate relative including spouse or siblings or parents or grandparents	:	:	:	*	*	*	*	*
Participating in an apprentice programme	:	:	:	[4.7]	[6.2]	*	*	*
Other reason (From Q3 2019)	:	:	:	[4.4]	[5.4]	[6.5]	[7.5]	[6.6]
A special training rate	[6.3]	[6.6]	[5.9]	:	:	:	:	:
An age-related rate	[6.6]	[5.5]	[4.9]	:	:	:	:	:
A first job over 18 rate	*	*	*	:	:	:	:	:
Other reason (Before Q3 2019)	[4.9]	8.6	10.0	:	:	:	:	:
Not stated	*	*	*	*	*	*	*	*
<b>Total</b>	<b>22.1</b>	<b>24.6</b>	<b>24.5</b>	<b>21.9</b>	<b>24.2</b>	<b>22.8</b>	<b>24.2</b>	<b>22.4</b>

**Table 2b. Share of employees aged 15 years and over reporting earning less than National Minimum Wage by reason why (%)**

Employees reporting earning less than National Minimum Wage by reason why	Q4 16	Q4 17	Q4 18	Q4 19	Q1 20	Q2 20	Q3 20	Q4 20
On an age-based rate that is aged 19 or younger	:	:	:	46.6	43.3	[29]	42.7	40.1
Employed by an immediate relative including spouse or siblings or parents or grandparents	:	:	:	*	*	*	*	*
Participating in an apprentice programme	:	:	:	[21.3]	[25.6]	*	*	*
Other reason (From Q3 2019)	:	:	:	[20.1]	[22.4]	[28.4]	[31.2]	[29.4]
A special training rate	[28.6]	[26.7]	[24.2]	:	:	:	:	:
An age-related rate	[29.8]	[22.3]	[19.9]	:	:	:	:	:
A first job over 18 rate	*	*	*	:	:	:	:	:
Other reason (Before Q3 2019)	[22.3]	35.0	40.8	:	:	:	:	:
Not stated	*	*	*	*	*	*	*	*
<b>Total</b>	<b>100.0</b>							

**Table 3a. Employees aged 15 years and over classified by gender and National Minimum Wage earnings status ('000)**

Gender/National Minimum Wage earnings status	Q4 16	Q4 17	Q4 18	Q4 19	Q1 20	Q2 20	Q3 20	Q4 20
<b>Males</b>								
Employees reporting earning National Minimum Wage or less	70.2	73.3	61.3	56.2	54.2	64.4	64.6	55.5
Employees reporting earning more than National Minimum Wage	753.7	793.5	846.4	898.6	908.7	813.7	877.6	889.6
Not stated	86.1	72.4	74.1	62.5	52.8	91.6	61.8	54.2
Total	910.0	939.1	981.8	1,017.3	1,015.7	969.8	1,004.1	999.3
<b>Females</b>								
Employees reporting earning National Minimum Wage or less	84.1	77.4	75.9	66.6	70.3	75.0	86.4	72.0
Employees reporting earning more than National Minimum Wage	749.0	802.7	833.2	888.8	880.7	786.8	827.7	855.5
Not stated	77.5	63.9	59.3	45.4	42.5	67.0	50.8	40.3
Total	910.7	944.0	968.4	1,000.8	993.5	928.8	964.9	967.9
<b>All employees</b>								
Employees reporting earning National Minimum Wage or less	154.3	150.7	137.2	122.8	124.6	139.4	151.0	127.6
Employees reporting earning more than National Minimum Wage	1,502.7	1,596.2	1,679.6	1,787.4	1,789.4	1,600.5	1,705.3	1,745.1
Not stated	163.6	136.3	133.3	107.8	95.3	158.6	112.6	94.5
Total	1,820.7	1,883.1	1,950.1	2,018.1	2,009.2	1,898.5	1,968.9	1,967.1

**Table 3b. Share and proportion of employees aged 15 years and over classified by gender and National Minimum Wage earnings status (%)**

<b>Gender/National Minimum Wage earnings status</b>	<b>Q4 16</b>	<b>Q4 17</b>	<b>Q4 18</b>	<b>Q4 19</b>	<b>Q1 20</b>	<b>Q2 20</b>	<b>Q3 20</b>	<b>Q4 20</b>
<b>Share of employees reporting earning National Minimum Wage or less by gender</b>								
Male	45.5	48.6	44.7	45.8	43.5	46.2	42.8	43.5
Female	54.5	51.4	55.3	54.2	56.5	53.8	57.2	56.5
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
<b>Share of total employees by gender<sup>1</sup></b>								
Male	49.7	49.6	50.0	50.0	50.3	50.5	50.8	50.5
Female	50.3	50.4	50.0	50.0	49.7	49.5	49.2	49.5
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
<b>Proportion of employees reporting earning National Minimum Wage or less within each gender category<sup>1</sup></b>								
Male	8.5	8.5	6.8	5.9	5.6	7.3	6.9	5.9
Female	10.1	8.8	8.3	7.0	7.4	8.7	9.4	7.8
Total	9.3	8.6	7.6	6.4	6.5	8.0	8.1	6.8

**Table 4a. Employees aged 15 years and over classified by NACE Rev.2 Economic Sector and National Minimum Wage earnings status ('000)**

Economic sector (NACE Rev.2)/National Minimum Wage status	Q4 16	Q4 17	Q4 18	Q4 19	Q1 20	Q2 20	Q3 20	Q4 20
<b>A Agriculture, forestry and fishing</b>								
Employees reporting earning National Minimum Wage or less	[3.9]	*	[5.7]	[4.2]	[5.3]	[6.1]	[5.9]	[5.4]
Employees reporting earning more than National Minimum Wage	17.6	18.3	18.5	23.5	22.2	14.3	16.2	19.7
Not stated	[4.6]	*	*	*	*	*	*	*
Total	26.1	25.9	26.9	30.5	29.8	23.2	23.4	27.7
<b>B-F Total Industry</b>								
Employees reporting earning National Minimum Wage or less	22.5	21.9	16.7	12.3	16.2	18.0	19.8	16.2
Employees reporting earning more than National Minimum Wage	288.4	303.4	316.8	342.8	339.3	309.2	342.3	346.1
Not stated	25.7	24.2	25.3	16.5	13.7	29.8	18.5	14.6
Total	336.6	349.5	358.7	371.5	369.2	357.1	380.6	377.0
<b>B-E Industry</b>								
Employees reporting earning National Minimum Wage or less	16.9	14.8	14.0	[6.1]	[8.8]	11.3	13.4	[11.8]
Employees reporting earning more than National Minimum Wage	222.0	231.4	232.6	253.2	249.2	239.6	256.8	259.3
Not stated	15.7	16.3	15.4	8.7	9.0	19.2	12.9	[8.8]
Total	254.6	262.5	261.9	268.0	267.0	270.1	283.1	280.0
<b>F Construction</b>								
Employees reporting earning National Minimum Wage or less	5.6	[7.1]	*	[6.1]	[7.5]	[6.7]	[6.4]	*
Employees reporting earning more than National Minimum Wage	66.4	71.9	84.2	89.6	90.0	69.6	85.5	86.8
Not stated	10.0	7.9	9.9	7.8	*	10.6	[5.6]	[5.8]
Total	82.0	87.0	96.8	103.5	102.2	87.0	97.5	97.0
<b>G-U Total Services</b>								
Employees reporting earning National Minimum Wage or less	127.7	124.0	114.6	105.7	102.9	114.1	125.2	105.2
Employees reporting earning more than National Minimum Wage	1,193.3	1,270.1	1,340.5	1,417.4	1,424.5	1,274.8	1,344.6	1,377.1
Not stated	130.5	105.7	103.2	87.1	78.8	125.3	91.7	76.1
Total	1,451.5	1,499.8	1,558.4	1,610.2	1,606.3	1,514.2	1,561.5	1,558.3
<b>G Wholesale and retail trade; repair of motor vehicles and motorcycles</b>								
Employees reporting earning National Minimum Wage or less	42.7	40.8	38.7	35.2	33.2	37.0	41.5	43.1
Employees reporting earning more than National Minimum Wage	196.8	213.8	220.8	221.0	227.3	194.4	219.7	229.0
Not stated	30.6	19.7	18.2	18.6	14.3	22.7	14.4	15.0
Total	270.1	274.3	277.7	274.8	274.7	254.2	275.7	287.1
<b>H Transportation and storage</b>								
Employees reporting earning National Minimum Wage or less	*	*	*	*	*	*	*	*
Employees reporting earning more than National Minimum Wage	64.0	65.1	76.2	81.5	79.8	69.7	79.3	81.0
Not stated	7.5	*	*	*	*	[5.0]	*	*
Total	74.5	73.7	83.9	87.2	85.0	76.9	84.7	86.5

**Table 4a. Employees aged 15 years and over classified by NACE Rev.2 Economic Sector and National Minimum Wage earnings status ('000) (continued)**

Economic sector (NACE Rev.2)/National Minimum Wage status	Q4 16	Q4 17	Q4 18	Q4 19	Q1 20	Q2 20	Q3 20	Q4 20
<b>I Accommodation and food service activities</b>								
Employees reporting earning National Minimum Wage or less	38.7	43.1	38.1	36.8	35.5	33.3	40.2	27.1
Employees reporting earning more than National Minimum Wage	82.2	98.8	105.4	113.4	109.9	67.9	84.8	83.3
Not stated	19.3	16.2	14.3	12.1	9.9	10.8	[9.0]	[6.0]
Total	140.3	158.1	157.8	162.3	155.3	112.1	134.0	116.5
<b>J Information and communication</b>								
Employees reporting earning National Minimum Wage or less	*	*	*	*	*	*	*	*
Employees reporting earning more than National Minimum Wage	88.1	94.8	95.5	108.4	109.3	109.8	106.6	117.9
Not stated	[6.7]	*	[5.4]	*	*	[7.2]	*	*
Total	97.8	101.7	102.8	112.2	113.1	120.3	114.1	123.5
<b>K-L Financial, insurance and real estate activities</b>								
Employees reporting earning National Minimum Wage or less	*	*	*	*	*	*	*	*
Employees reporting earning more than National Minimum Wage	94.8	91.7	92.2	102.4	105.4	110.2	105.1	106.5
Not stated	[4.8]	[5.1]	[5.5]	*	*	9.1	*	*
Total	100.9	97.3	98.2	106.3	110.1	120.5	112.0	111.1
<b>M Professional, scientific and technical activities</b>								
Employees reporting earning National Minimum Wage or less	*	*	*	*	*	*	*	*
Employees reporting earning more than National Minimum Wage	94.8	91.8	95.3	101.1	108.3	97.7	101.5	102.4
Not stated	6.9	[5.3]	[4.0]	*	*	[6.8]	*	*
Total	104.3	99.6	102.1	107.4	113.6	106.7	109.5	110.3
<b>N Administrative and support service activities</b>								
Employees reporting earning National Minimum Wage or less	10.2	[6.5]	[6.7]	[5.3]	[5.9]	[6.9]	*	*
Employees reporting earning more than National Minimum Wage	52.4	64.3	78.5	79.3	79.4	60.1	67.0	59.4
Not stated	9.8	8.1	10.0	10.9	10.5	10.3	[7.7]	[6.8]
Total	72.4	78.8	95.2	95.5	95.8	77.3	78.4	69.1
<b>O Public administration and defence; compulsory social security</b>								
Employees reporting earning National Minimum Wage or less	*	*	*	*	*	*	*	*
Employees reporting earning more than National Minimum Wage	87.1	95.2	101.5	112.4	109.7	108.8	112.7	117.0
Not stated	[4.0]	[4.6]	[4.5]	*	*	7.9	[4.7]	*
Total	92.1	100.6	107.0	115.9	115.0	118.5	118.3	121.3
<b>P Education</b>								
Employees reporting earning National Minimum Wage or less	[3.0]	*	*	*	*	*	*	*
Employees reporting earning more than National Minimum Wage	137.6	148.6	162.3	176.0	175.9	172.3	167.9	176.8
Not stated	9.0	7.4	6.8	[5.3]	[5.1]	10.2	[6.9]	[6.4]
Total	149.7	158.0	170.4	183.0	182.8	186.6	177.9	186.9

**Table 4a. Employees aged 15 years and over classified by NACE Rev.2 Economic Sector and National Minimum Wage earnings status ('000) (continued)**

Economic sector (NACE Rev.2)/National Minimum Wage status	Q4 16	Q4 17	Q4 18	Q4 19	Q1 20	Q2 20	Q3 20	Q4 20
<b>Q Human health and social work activities</b>								
Employees reporting earning National Minimum Wage or less	10.0	9.7	[7.1]	8.4	9.2	11.2	13.2	12.3
Employees reporting earning more than National Minimum Wage	229.5	240.6	247.2	256.3	252.6	235.2	244.6	247.7
Not stated	22.3	15.0	19.6	12.9	12.7	21.9	16.1	12.6
<b>Total</b>	<b>261.8</b>	<b>265.2</b>	<b>273.8</b>	<b>277.7</b>	<b>274.5</b>	<b>268.4</b>	<b>273.9</b>	<b>272.6</b>
<b>R-U Other NACE activities</b>								
Employees reporting earning National Minimum Wage or less	12.3	11.8	12.4	10.6	8.9	11.0	12.7	[7.1]
Employees reporting earning more than National Minimum Wage	65.9	65.5	65.6	65.7	67.0	48.6	55.5	56.1
Not stated	9.6	15.2	11.4	11.5	10.4	13.3	14.8	10.2
<b>Total</b>	<b>87.8</b>	<b>92.4</b>	<b>89.4</b>	<b>87.8</b>	<b>86.3</b>	<b>72.9</b>	<b>83.1</b>	<b>73.4</b>
<b>Not stated: Other NACE activities</b>								
Employees reporting earning National Minimum Wage or less	*	*	*	*	*	*	*	*
Employees reporting earning more than National Minimum Wage	*	*	*	*	*	*	*	*
Not stated	*	*	*	*	*	*	*	*
<b>Total</b>	<b>6.5</b>	<b>7.9</b>	<b>[6.1]</b>	<b>[5.9]</b>	<b>*</b>	<b>*</b>	<b>*</b>	<b>*</b>
<b>All employees</b>								
Employees reporting earning National Minimum Wage or less	154.3	150.7	137.2	122.8	124.6	139.4	151.0	127.6
Employees reporting earning more than National Minimum Wage	1,502.7	1,596.2	1,679.6	1,787.4	1,789.4	1,600.5	1,705.3	1,745.1
Not stated	163.6	136.3	133.3	107.8	95.3	158.6	112.6	94.5
<b>Total</b>	<b>1,820.7</b>	<b>1,883.1</b>	<b>1,950.1</b>	<b>2,018.1</b>	<b>2,009.2</b>	<b>1,898.5</b>	<b>1,968.9</b>	<b>1,967.1</b>
Source: Central Statistics Office, Ireland.								

**Table 4b. Share and proportion of employees aged 15 years and over classified by NACE Rev.2 Economic Sector and National Minimum Wage earnings status (%)**

Economic sector (NACE Rev.2)/National Minimum Wage status	Q4 16	Q4 17	Q4 18	Q4 19	Q1 20	Q2 20	Q3 20	Q4 20
<b>Share of employees reporting earning National Minimum Wage or less by NACE Rev.2 Economic Sector.</b>								
A. Agriculture, forestry and fishing	[2.5]	*	[4.2]	[3.4]	[4.3]	[4.4]	[3.9]	[4.2]
B-F. Total Industry	14.6	14.5	12.2	10.0	13.0	12.9	13.1	12.7
B-E. Industry	10.9	9.8	10.2	[5]	[7]	8.1	8.9	[9.3]
F. Construction	3.6	[4.7]	*	[5]	[6]	[4.8]	[4.2]	*
G-U. Total Services	82.7	82.3	83.5	86.1	82.6	81.8	83.0	82.5
G. Wholesale and retail trade; repair of motor vehicles and motorcycles	27.6	27.1	28.2	28.7	26.6	26.6	27.5	33.8
H. Transportation and storage	*	*	*	*	*	*	*	*
I. Accommodation and food service activities	25.1	28.6	27.8	30.0	28.5	23.9	26.7	21.3
J. Information and communication	*	*	*	*	*	*	*	*
K-L. Financial, insurance and real estate activities	*	*	*	*	*	*	*	*
M. Professional, scientific and technical activities	*	*	*	*	*	*	*	*
N. Administrative and support service activities	6.6	[4.3]	[4.9]	[4.4]	[4.8]	[4.9]	*	*
O. Public administration and defence; compulsory social security	*	*	*	*	*	*	*	*
P. Education	[1.9]	*	*	*	*	*	*	*
Q. Human health and social work activities	6.5	6.4	[5.1]	6.9	7.4	8.0	8.7	9.6
R-U. Other NACE activities	8.0	7.8	9.0	8.6	7.2	7.9	8.4	[5.5]
Not stated.	*	*	*	*	*	*	*	*
<b>Total.</b>	<b>100.0</b>							
<b>Share of total employees by NACE Rev.2 Economic Sector1.</b>								
A. Agriculture, forestry and fishing	1.3	1.3	1.3	1.5	1.4	1.2	1.2	1.3
B-F. Total Industry	18.8	18.6	18.4	18.6	18.6	18.8	19.5	19.3
B-E. Industry	14.4	14.1	13.6	13.6	13.5	14.4	14.6	14.5
F. Construction	4.3	4.5	4.8	5.0	5.1	4.4	4.9	4.9
G-U. Total Services	79.7	79.8	80.1	79.7	79.8	79.8	79.2	79.2
G. Wholesale and retail trade; repair of motor vehicles and motorcycles	14.5	14.6	14.3	13.4	13.6	13.3	14.1	14.5
H. Transportation and storage	4.0	4.0	4.4	4.4	4.3	4.1	4.4	4.5
I. Accommodation and food service activities	7.3	8.1	7.9	7.9	7.6	5.8	6.7	5.9
J. Information and communication	5.5	5.5	5.4	5.7	5.8	6.5	5.9	6.3
K-L. Financial, insurance and real estate activities	5.8	5.3	5.1	5.4	5.6	6.4	5.8	5.8
M. Professional, scientific and technical activities	5.9	5.4	5.4	5.4	5.7	5.7	5.6	5.6
N. Administrative and support service activities	3.8	4.1	4.7	4.4	4.5	3.8	3.8	3.3
O. Public administration and defence; compulsory social security	5.3	5.5	5.6	6.0	5.8	6.4	6.1	6.3
P. Education	8.5	8.6	9.0	9.3	9.3	10.1	9.2	9.6
Q. Human health and social work activities	14.5	14.3	14.0	13.9	13.7	14.2	13.9	13.9
R-U. Other NACE activities	4.7	4.4	4.3	4.0	4.0	3.4	3.7	3.4
Not stated.	*	*	*	*	*	*	*	*
<b>Total.</b>	<b>100.0</b>							

**Table 4b. Share and proportion of employees aged 15 years and over classified by NACE Rev.2 Economic Sector and National Minimum Wage earnings status (%) (continued)**

Economic sector (NACE Rev.2)/National Minimum Wage status	Q4 16	Q4 17	Q4 18	Q4 19	Q1 20	Q2 20	Q3 20	Q4 20
<b>Proportion of employees reporting earning National Minimum Wage or less within each NACE Rev.2 Economic Sector1.</b>								
A. Agriculture, forestry and fishing	[18.1]	*	[23.6]	[15.1]	[19.3]	[30]	[26.7]	[21.5]
B-F. Total Industry	7.2	6.7	5.0	3.5	4.6	5.5	5.5	4.5
B-E. Industry	7.1	6.0	5.7	[2.4]	[3.4]	4.5	5.0	[4.4]
F. Construction	7.8	[9]	*	[6.4]	[7.7]	[8.8]	[6.9]	*
G-U. Total Services	9.7	8.9	7.9	6.9	6.7	8.2	8.5	7.1
G. Wholesale and retail trade; repair of motor vehicles and motorcycles	17.8	16.0	14.9	13.7	12.7	16.0	15.9	15.8
H. Transportation and storage	*	*	*	*	*	*	*	*
I. Accommodation and food service activities	32.0	30.4	26.5	24.5	24.4	32.9	32.2	24.6
J. Information and communication	*	*	*	*	*	*	*	*
K-L. Financial, insurance and real estate activities	*	*	*	*	*	*	*	*
M. Professional, scientific and technical activities	*	*	*	*	*	*	*	*
N. Administrative and support service activities	16.2	[9.1]	[7.8]	[6.3]	[7]	[10.3]	*	*
O. Public administration and defence; compulsory social security	*	*	*	*	*	*	*	*
P. Education	[2.1]	*	*	*	*	*	*	*
Q. Human health and social work activities	4.2	3.9	[2.8]	3.2	3.5	4.5	5.1	4.7
R-U. Other NACE activities	15.7	15.3	15.9	13.8	11.7	18.4	18.7	[11.2]
Not stated.	*	*	*	*	*	*	*	*
<b>Total.</b>	<b>9.3</b>	<b>8.6</b>	<b>7.6</b>	<b>6.4</b>	<b>6.5</b>	<b>8.0</b>	<b>8.1</b>	<b>6.8</b>
Source: Central Statistics Office, Ireland.								
1 Note: Denominator excludes employees whose National Minimum Wage status was Not stated.								

**Table 5a. Employees aged 15 years and over classified by occupation (SOC2010) and National Minimum Wage earnings status ('000)**

Broad occupational group/National Minimum Wage status	Q4 16	Q4 17	Q4 18	Q4 19	Q1 20	Q2 20	Q3 20	Q4 20
<b>1. Managers, directors and senior officials</b>								
Employees reporting earning National Minimum Wage or less	*	*	*	*	*	*	*	*
Employees reporting earning more than National Minimum Wage	116.7	115.7	111.2	112.7	112.6	107.9	119.0	121.5
Not stated	6.6	*	[5.1]	*	*	[6.1]	*	*
Total	125.0	121.0	118.0	117.9	116.3	116.2	123.2	125.4
<b>2. Professionals</b>								
Employees reporting earning National Minimum Wage or less	*	*	*	*	*	*	*	*
Employees reporting earning more than National Minimum Wage	359.9	379.8	408.8	430.7	447.5	436.5	421.5	435.8
Not stated	14.5	17.9	17.1	13.0	10.2	26.9	15.5	11.3
Total	376.8	400.0	427.9	445.4	460.0	469.2	441.2	448.9
<b>3. Associate professional and technical</b>								
Employees reporting earning National Minimum Wage or less	[6.4]	[4.7]	[5.1]	*	*	*	*	*
Employees reporting earning more than National Minimum Wage	210.7	211.4	213.6	229.4	224.8	222.0	240.9	241.4
Not stated	16.2	12.0	14.2	[7.0]	8.3	19.7	9.8	[9.7]
Total	233.3	228.1	232.9	239.7	237.2	247.4	253.9	254.3
<b>4. Administrative and secretarial</b>								
Employees reporting earning National Minimum Wage or less	6.9	[5.4]	[5.6]	[5.7]	[5.6]	[6.9]	9.3	[6.6]
Employees reporting earning more than National Minimum Wage	178.2	190.7	192.5	217.5	214.4	213.2	214.4	230.0
Not stated	15.0	12.7	10.8	11.1	12.1	18.4	14.9	11.4
Total	200.1	208.8	208.9	234.3	232.0	238.6	238.7	248.0
<b>5. Skilled trades</b>								
Employees reporting earning National Minimum Wage or less	13.4	17.8	13.3	13.7	14.0	14.5	15.2	10.5
Employees reporting earning more than National Minimum Wage	140.3	152.1	171.3	172.8	170.5	144.3	158.6	156.8
Not stated	18.5	16.9	18.2	12.9	12.2	18.8	13.0	11.2
Total	172.3	186.7	202.7	199.4	196.8	177.5	186.8	178.6
<b>6. Caring, leisure and other services</b>								
Employees reporting earning National Minimum Wage or less	17.0	17.6	15.6	14.9	15.1	16.4	17.3	14.4
Employees reporting earning more than National Minimum Wage	123.8	139.8	142.8	156.7	153.2	128.9	149.2	147.4
Not stated	22.1	17.9	15.9	11.9	11.8	16.4	14.5	12.8
Total	162.8	175.3	174.2	183.6	180.1	161.7	181.0	174.6
<b>7. Sales and customer service</b>								
Employees reporting earning National Minimum Wage or less	38.4	35.0	32.9	32.1	30.0	31.5	35.6	36.3
Employees reporting earning more than National Minimum Wage	109.4	126.2	132.7	140.4	140.1	110.7	127.3	133.5
Not stated	19.1	15.6	16.3	15.9	11.4	16.9	12.0	11.7
Total	167.0	176.8	182.0	188.5	181.5	159.0	175.0	181.6
<b>8. Process, plant and machine operatives</b>								

Employees reporting earning National Minimum Wage or less	9.9	11.6	9.7	[5.9]	9.4	12.3	10.1	[11.4]
Employees reporting earning more than National Minimum Wage	117.7	122.5	133.9	145.5	145.1	119.7	131.0	129.6
Not stated	13.8	10.3	11.5	[7.4]	[6.2]	14.1	[9.2]	9.7
Total	141.3	144.3	155.0	158.8	160.6	146.1	150.2	150.7
<b>9. Elementary</b>								
Employees reporting earning National Minimum Wage or less	58.0	54.7	50.9	43.5	43.3	43.5	54.4	40.9
Employees reporting earning more than National Minimum Wage	140.5	150.1	164.8	176.2	175.7	114.2	140.6	145.4
Not stated	34.6	23.6	21.7	22.3	19.7	20.1	19.0	13.3
Total	233.1	228.4	237.3	242.0	238.7	177.7	214.1	199.5
<b>Other/Not stated</b>								
Employees reporting earning National Minimum Wage or less	*	*	*	*	*	*	*	*
Employees reporting earning more than National Minimum Wage	5.5	[7.9]	8.2	[5.4]	[5.3]	*	*	*
Not stated	[3.2]	[5.5]	*	*	*	*	*	*
Total	9.0	13.7	11.2	8.4	[6.1]	*	*	*
<b>All employees</b>								
Employees reporting earning National Minimum Wage or less	154.3	150.7	137.2	122.8	124.6	139.4	151.0	127.6
Employees reporting earning more than National Minimum Wage	1,502 .7	1,596 .2	1,679 .6	1,787 .4	1,789 .4	1,600 .5	1,705 .3	1,745 .1
Not stated	163.6	136.3	133.3	107.8	95.3	158.6	112.6	94.5
<b>Total</b>	<b>1,820 .7</b>	<b>1,883 .1</b>	<b>1,950 .1</b>	<b>2,018 .1</b>	<b>2,009 .2</b>	<b>1,898 .5</b>	<b>1,968 .9</b>	<b>1,967 .1</b>
Source: Central Statistics Office, Ireland.								

**Table 5b. Share and proportion of employees aged 15 years and over classified by occupation (SOC2010) and National Minimum Wage earnings status (%)**

Broad occupational group/National Minimum Wage status	Q4 16	Q4 17	Q4 18	Q4 19	Q1 20	Q2 20	Q3 20	Q4 20
<b>Share of employees reporting earning National Minimum Wage or less by occupation (SOC2010)</b>								
1. Managers, directors and senior officials	*	*	*	*	*	*	*	*
2. Professionals	*	*	*	*	*	*	*	*
3. Associate professional and technical	[4.2]	[3.1]	[3.7]	*	*	*	*	*
4. Administrative and secretarial	4.4	[3.6]	[4.1]	[4.6]	[4.5]	[5]	6.2	[5.2]
5. Skilled trades	8.7	11.8	9.7	11.1	11.2	10.4	10.0	8.3
6. Caring, leisure and other services	11.0	11.7	11.3	12.2	12.1	11.8	11.4	11.3
7. Sales and customer service	24.9	23.2	24.0	26.2	24.1	22.6	23.6	28.5
8. Process, plant and machine operatives	6.4	7.7	7.1	[4.8]	7.5	8.8	6.7	[9]
9. Elementary	37.6	36.3	37.1	35.4	34.8	31.2	36.0	32.0
Other/Not stated	*	*	*	*	*	*	*	*
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
<b>Share of total employees by occupation (SOC2010)<sup>1</sup></b>								
1. Managers, directors and senior officials	7.1	6.7	6.2	6.0	5.9	6.3	6.5	6.6
2. Professionals	21.9	21.9	22.6	22.6	23.5	25.4	22.9	23.4
3. Associate professional and technical	13.1	12.4	12.0	12.2	12.0	13.1	13.2	13.1
4. Administrative and secretarial	11.2	11.2	10.9	11.7	11.5	12.7	12.1	12.6
5. Skilled trades	9.3	9.7	10.2	9.8	9.6	9.1	9.4	8.9
6. Caring, leisure and other services	8.5	9.0	8.7	9.0	8.8	8.4	9.0	8.6
7. Sales and customer service	8.9	9.2	9.1	9.0	8.9	8.2	8.8	9.1
8. Process, plant and machine operatives	7.7	7.7	7.9	7.9	8.1	7.6	7.6	7.5
9. Elementary	12.0	11.7	11.9	11.5	11.4	9.1	10.5	9.9
Other/Not stated	0.3	0.5	0.5	[0.3]	[0.3]	*	*	*
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
<b>Proportion of employees reporting earning National Minimum Wage or less within each occupation (SOC2010) category<sup>1</sup></b>								
1. Managers, directors and senior officials	*	*	*	*	*	*	*	*
2. Professionals	*	*	*	*	*	*	*	*
3. Associate professional and technical	[3]	[2.2]	[2.3]	*	*	*	*	*
4. Administrative and secretarial	3.7	[2.7]	[2.8]	[2.5]	[2.5]	[3.1]	4.2	[2.8]
5. Skilled trades	8.7	10.5	7.2	7.3	7.6	9.1	8.7	6.3
6. Caring, leisure and other services	12.1	11.2	9.8	8.7	9.0	11.3	10.4	8.9
7. Sales and customer service	26.0	21.7	19.9	18.6	17.6	22.1	21.9	21.4
8. Process, plant and machine operatives	7.8	8.6	6.8	[3.9]	6.1	9.3	7.2	[8.1]
9. Elementary	29.2	26.7	23.6	19.8	19.8	27.6	27.9	21.9
Other/Not stated	*	*	*	*	*	*	*	*
Total	9.3	8.6	7.6	6.4	6.5	8.0	8.1	6.8
Source: Central Statistics Office, Ireland.								
1 Note: Denominator excludes employees whose National Minimum Wage status was Not stated								

**Table 6a. Employees aged 15 years and over classified by age group and National Minimum Wage earnings status ('000)**

Age group/National Minimum Wage status	Q4 16	Q4 17	Q4 18	Q4 19	Q1 20	Q2 20	Q3 20	Q4 20
<b>15-19</b>								
Employees reporting earning National Minimum Wage or less	34.6	30.2	30.5	30.6	29.8	24.5	33.5	23.8
Employees reporting earning more than National Minimum Wage	15.8	19.2	19.7	26.3	25.5	13.1	17.9	18.0
Not stated	8.7	[6.7]	7.7	[6.1]	*	*	*	*
Total	59.0	56.1	57.8	63.0	59.2	42.0	55.3	46.3
<b>20-24</b>								
Employees reporting earning National Minimum Wage or less	39.3	40.8	38.2	36.5	39.0	31.5	39.0	36.7
Employees reporting earning more than National Minimum Wage	113.2	112.6	125.8	136.6	133.8	102.9	119.6	120.0
Not stated	25.0	18.8	20.7	18.9	16.6	19.5	17.4	16.4
Total	177.5	172.2	184.7	192.0	189.4	153.8	176.0	173.1
<b>Total 15-24 (Youths)</b>								
Employees reporting earning National Minimum Wage or less	73.9	71.0	68.6	67.1	68.7	55.9	72.5	60.5
Employees reporting earning more than National Minimum Wage	128.9	131.7	145.5	162.8	159.3	116.0	137.5	138.0
Not stated	33.6	25.5	28.4	25.0	20.6	23.9	21.3	20.9
Total	236.5	228.3	242.5	255.0	248.7	195.9	231.3	219.4
<b>25-34</b>								
Employees reporting earning National Minimum Wage or less	33.4	32.1	28.3	22.0	20.8	26.3	26.2	22.4
Employees reporting earning more than National Minimum Wage	390.4	405.4	409.9	418.7	424.9	368.9	382.1	398.7
Not stated	46.9	39.1	33.8	29.7	24.5	40.3	28.7	27.6
Total	470.7	476.6	472.0	470.5	470.2	435.5	437.0	448.8
<b>35-44</b>								
Employees reporting earning National Minimum Wage or less	21.2	23.1	18.7	13.4	14.6	26.0	21.5	17.0
Employees reporting earning more than National Minimum Wage	451.8	480.5	500.9	528.8	522.8	486.1	520.4	522.6
Not stated	33.8	29.5	29.4	18.4	16.2	32.6	19.5	13.7
Total	506.8	533.2	549.1	560.6	553.6	544.7	561.4	553.2
<b>45-54</b>								
Employees reporting earning National Minimum Wage or less	15.1	12.6	10.9	11.9	11.0	18.3	16.2	16.9
Employees reporting earning more than National Minimum Wage	323.5	352.5	373.8	405.1	409.6	378.2	400.1	412.3
Not stated	29.3	22.4	25.0	16.9	14.7	28.4	20.5	12.4
Total	367.8	387.4	409.8	433.9	435.3	424.9	436.8	441.6
<b>55-59</b>								
Employees reporting earning National Minimum Wage or less	[5.1]	[6.0]	[5.5]	[4.1]	[5.1]	[6.1]	[7.0]	*
Employees reporting earning more than National Minimum Wage	119.5	127.6	139.5	144.8	144.2	136.6	146.9	150.8
Not stated	8.7	9.7	8.6	7.2	8.0	14.4	10.8	8.7
Total	133.3	143.3	153.6	156.2	157.4	157.1	164.8	163.8
<b>60-64</b>								
Employees reporting earning National Minimum Wage or less	[3.6]	[4.1]	*	*	*	[4.4]	[4.7]	*

Employees reporting earning more than National Minimum Wage	69.0	74.9	84.6	91.7	94.4	86.8	85.8	88.7
Not stated	8.0	7.0	6.1	6.4	7.3	13.6	8.7	8.3
Total	80.6	86.0	93.6	100.2	104.6	104.9	99.3	100.7
<b>65+</b>								
Employees reporting earning National Minimum Wage or less	*	*	*	*	*	*	*	*
Employees reporting earning more than National Minimum Wage	19.6	23.4	25.3	35.5	34.0	27.9	32.5	33.9
Not stated	[3.2]	*	*	[4.1]	[4.0]	[5.3]	*	*
Total	24.9	28.2	29.6	41.7	39.5	35.5	38.3	39.6
<b>All employees</b>								
Employees reporting earning National Minimum Wage or less	154.3	150.7	137.2	122.8	124.6	139.4	151.0	127.6
Employees reporting earning more than National Minimum Wage	1,502 .7	1,596 .2	1,679 .6	1,787 .4	1,789 .4	1,600 .5	1,705 .3	1,745 .1
Not stated	163.6	136.3	133.3	107.8	95.3	158.6	112.6	94.5
Total	1,820 .7	1,883 .1	1,950 .1	2,018 .1	2,009 .2	1,898 .5	1,968 .9	1,967 .1
Source: Central Statistics Office, Ireland.								

**Table 6b. Share and proportion of employees aged 15 years and over classified by age group and National Minimum Wage earnings status (%)**

Age group/National Minimum Wage status	Q4 16	Q4 17	Q4 18	Q4 19	Q1 20	Q2 20	Q3 20	Q4 20
<b>Share of employees reporting earning National Minimum Wage or less by age group</b>								
15-19	22.4	20.1	22.2	24.9	23.9	17.6	22.2	18.7
20-24	25.5	27.1	27.8	29.8	31.3	22.6	25.8	28.8
Total 15-24 (Youths)	47.9	47.2	50.0	54.7	55.2	40.1	48.1	47.4
25-34	21.6	21.3	20.6	18.0	16.7	18.9	17.4	17.6
35-44	13.7	15.3	13.6	10.9	11.7	18.6	14.2	13.3
45-54	9.8	8.3	8.0	9.7	8.8	13.2	10.8	13.2
55-59	[3.3]	[4]	[4]	[3.4]	[4.1]	[4.4]	[4.7]	*
60-64	[2.3]	[2.7]	*	*	*	[3.2]	[3.1]	*
65-74	*	*	*	*	*	*	*	*
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
<b>Share of total employees by age group<sup>1</sup></b>								
15-19	3.0	2.8	2.8	3.0	2.9	2.2	2.8	2.2
20-24	9.2	8.8	9.0	9.1	9.0	7.7	8.5	8.4
Total 15-24 (Youths)	12.2	11.6	11.8	12.0	11.9	9.9	11.3	10.6
25-34	25.6	25.0	24.1	23.1	23.3	22.7	22.0	22.5
35-44	28.5	28.8	28.6	28.4	28.1	29.4	29.2	28.8
45-54	20.4	20.9	21.2	21.8	22.0	22.8	22.4	22.9
55-59	7.5	7.7	8.0	7.8	7.8	8.2	8.3	8.3
60-64	4.4	4.5	4.8	4.9	5.1	5.2	4.9	4.9
65-74	1.3	1.4	1.5	2.0	1.9	1.7	1.9	2.0
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
<b>Proportion of employees reporting earning National Minimum Wage or less within each age group<sup>1</sup></b>								
15-19	68.7	61.2	60.7	53.8	53.9	65.1	65.2	56.9
20-24	25.8	26.6	23.3	21.1	22.6	23.4	24.6	23.4
Total 15-24 (Youths)	36.5	35.0	32.0	29.2	30.1	32.5	34.5	30.5
25-34	7.9	7.3	6.5	5.0	4.7	6.7	6.4	5.3
35-44	4.5	4.6	3.6	2.5	2.7	5.1	4.0	3.1
45-54	4.5	3.4	2.8	2.9	2.6	4.6	3.9	3.9
55-59	[4.1]	[4.5]	[3.8]	[2.8]	[3.4]	[4.3]	[4.6]	*
60-64	[4.9]	[5.2]	*	*	*	[4.8]	[5.2]	*
65-74	*	*	*	*	*	*	*	*
Total	9.3	8.6	7.6	6.4	6.5	8.0	8.1	6.8
Source: Central Statistics Office, Ireland.								
1 Note: Denominator excludes employees whose National Minimum Wage status was Not stated								

**Table 7a. Employees aged 15 years and over classified by NUTS2 and NUTS3 regions and National Minimum Wage earnings status ('000)**

Region/National Minimum Wage status	Q4 16	Q4 17	Q4 18	Q4 19	Q3 16	Q4 16	Q1 17	Q4 20
<b>Northern and Western</b>								
Employees reporting earning National Minimum Wage or less	35.1	28.2	26.5	28.9	274.0	256.7	31.0	22.0
Employees reporting earning more than National Minimum Wage	245.3	255.5	267.8	283.5	16.9	23.1	281.5	286.7
Not stated	22.1	25.7	21.6	18.6	318.2	306.6	14.6	16.7
Total	302.6	309.4	316.0	331.0	13.5	14.1	327.1	325.4
<b>Border</b>								
Employees reporting earning National Minimum Wage or less	20.6	15.6	13.0	17.0	120.7	102.6	16.3	11.1
Employees reporting earning more than National Minimum Wage	110.8	116.5	117.7	120.1	8.1	13.6	113.5	122.8
Not stated	11.9	12.9	10.4	11.3	142.3	130.4	8.7	9.9
Total	143.3	145.0	141.1	148.4	13.8	12.7	138.5	143.8
<b>West</b>								
Employees reporting earning National Minimum Wage or less	14.5	12.6	13.6	11.9	153.2	154.0	14.7	10.8
Employees reporting earning more than National Minimum Wage	134.6	139.0	150.1	163.4	8.8	[9.5]	168.1	163.9
Not stated	10.2	12.8	11.3	[7.3]	175.9	176.2	[5.9]	[6.8]
Total	159.3	164.5	175.0	182.6	44.6	53.2	188.6	181.6
<b>Southern</b>								
Employees reporting earning National Minimum Wage or less	53.9	55.7	47.3	44.7	511.8	476.3	60.7	57.3
Employees reporting earning more than National Minimum Wage	461.1	485.7	499.3	538.8	51.6	65.6	519.2	517.2
Not stated	69.3	51.3	59.6	47.2	608.0	595.1	37.9	35.5
Total	584.3	592.7	606.1	630.8	9.9	13.5	617.9	610.0
<b>Mid-West</b>								
Employees reporting earning National Minimum Wage or less	16.5	18.2	10.7	10.9	146.7	128.3	15.5	18.3
Employees reporting earning more than National Minimum Wage	144.0	137.3	143.6	156.6	23.9	31.3	144.6	142.2
Not stated	17.4	23.1	21.0	15.6	180.5	173.1	16.9	18.4
Total	177.9	178.6	175.2	183.1	12.9	16.9	177.0	178.9
<b>South-East</b>								
Employees reporting earning National Minimum Wage or less	16.1	15.5	17.5	14.2	131.9	112.8	19.5	16.4
Employees reporting earning more than National Minimum Wage	124.7	130.9	118.0	140.4	11.0	20.0	134.0	132.5
Not stated	9.3	7.5	21.4	10.4	155.8	149.6	[8.6]	[6.0]
Total	150.1	153.8	157.0	165.1	21.8	22.9	162.1	154.8
<b>South-West</b>								
Employees reporting earning National Minimum Wage or less	21.3	22.0	19.1	19.6	233.2	235.2	25.8	22.6
Employees reporting earning more than National Minimum Wage	192.4	217.6	237.7	241.8	16.7	14.3	240.7	242.6
Not stated	42.7	20.7	17.2	21.2	271.7	272.4	12.4	11.2
Total	256.3	260.3	273.9	282.6	60.7	59.4	278.8	276.4
<b>Eastern and Midland</b>								
Employees reporting earning National Minimum Wage or less	65.3	66.7	63.4	49.1	927.6	867.6	59.2	48.4

Employees reporting earning more than National Minimum Wage	796.2	854.9	912.5	965.1	54.9	69.9	904.5	941.1
Not stated	72.2	59.3	52.1	42.0	1,043.2	996.8	60.2	42.3
Total	933.8	980.9	1,028.0	1,056.3	31.7	30.7	1,023.9	1,031.7
<b>Dublin</b>								
Employees reporting earning National Minimum Wage or less	41.8	33.2	33.1	24.8	575.0	542.9	31.2	23.8
Employees reporting earning more than National Minimum Wage	495.9	531.2	569.1	598.1	37.0	33.4	556.9	575.7
Not stated	43.4	36.2	28.8	23.1	643.7	607.0	29.2	18.0
Total	581.2	600.7	631.1	646.0	20.0	17.8	617.2	617.5
<b>Mid-East</b>								
Employees reporting earning National Minimum Wage or less	17.9	21.8	18.3	16.1	257.8	233.7	17.0	16.8
Employees reporting earning more than National Minimum Wage	219.8	236.7	253.1	267.0	14.2	30.5	251.7	261.3
Not stated	20.5	17.0	20.4	15.0	292.0	282.0	27.0	19.7
Total	258.2	275.5	291.8	298.1	8.9	10.9	295.6	297.8
<b>Midland</b>								
Employees reporting earning National Minimum Wage or less	[5.6]	11.7	11.9	8.2	94.9	90.9	11.1	[7.8]
Employees reporting earning more than National Minimum Wage	80.6	87.0	90.2	100.0	*	[6.0]	96.0	104.1
Not stated	8.2	[6.0]	*	*	107.5	107.9	*	*
Total	94.4	104.7	105.0	112.2	132.6	139.4	111.1	116.4
<b>All employees</b>								
Employees reporting earning National Minimum Wage or less	154.3	150.7	137.2	122.8	1,713.4	1,600.5	151.0	127.6
Employees reporting earning more than National Minimum Wage	1,502.7	1,596.2	1,679.6	1,787.4	123.4	158.6	1,705.3	1,745.1
Not stated	163.6	136.3	133.3	107.8	1,969.4	1,898.5	112.6	94.5
Total	1,820.7	1,883.1	1,950.1	2,018.1			1,968.9	1,967.1
Source: Central Statistics Office, Ireland.								

**Table 7b. Share and proportion of employees aged 15 years and over classified by NUTS2 and NUTS3 regions and National Minimum Wage earnings status (%)**

Region/National Minimum Wage status	Q4 16	Q4 17	Q4 18	Q4 19	Q1 20	Q2 20	Q3 20	Q4 20
<b>Share of employees reporting earning National Minimum Wage or less by NUTS2 and NUTS3 regions</b>								
Northern and Western	22.8	18.7	19.3	23.6	24.0	19.2	20.5	17.2
Border	13.3	10.4	9.5	13.9	13.9	10.1	10.8	8.7
West	9.4	8.4	9.9	9.7	10.1	9.1	9.7	8.5
Southern	34.9	37.0	34.5	36.4	37.0	38.2	40.2	44.9
Mid-West	10.7	12.1	7.8	8.9	9.7	9.7	10.3	14.3
South-East	10.4	10.3	12.8	11.6	9.0	12.1	12.9	12.8
South-West	13.8	14.6	13.9	16.0	18.2	16.4	17.1	17.7
Eastern and Midland	42.3	44.3	46.2	40.0	39.0	42.6	39.2	37.9
Dublin	27.1	22.1	24.2	20.2	18.9	22.0	20.6	18.7
Mid-East	11.6	14.5	13.3	13.1	11.7	12.8	11.2	13.1
Midland	[3.6]	7.7	8.7	6.7	8.4	7.9	7.4	[6.1]
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
<b>Share of total employees by NUTS2 and NUTS3 regions<sup>1</sup></b>								
Northern and Western	16.9	16.2	16.2	16.4	16.4	16.3	16.8	16.5
Border	7.9	7.6	7.2	7.2	7.1	6.7	7.0	7.2
West	9.0	8.7	9.0	9.2	9.3	9.6	9.8	9.3
Southern	31.1	31.0	30.1	30.5	31.0	30.4	31.2	30.7
Mid-West	9.7	8.9	8.5	8.8	8.5	8.1	8.6	8.6
South-East	8.5	8.4	7.5	8.1	8.1	7.5	8.3	7.9
South-West	12.9	13.7	14.1	13.7	14.4	14.8	14.4	14.2
Eastern and Midland	52.0	52.8	53.7	53.1	52.5	53.3	51.9	52.8
Dublin	32.5	32.3	33.2	32.6	32.2	33.0	31.7	32.0
Mid-East	14.3	14.8	14.9	14.8	14.7	14.5	14.5	14.9
Midland	5.2	5.6	5.6	5.7	5.7	5.9	5.8	6.0
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
<b>Proportion of employees reporting earning National Minimum Wage or less within each NUTS2 and NUTS3 region<sup>1</sup></b>								
Northern and Western	12.5	9.9	9.0	9.3	9.5	9.4	9.9	7.1
Border	15.7	11.8	9.9	12.4	12.7	12.1	12.6	8.3
West	9.8	8.3	8.3	6.8	7.0	7.6	8.0	6.2
Southern	10.5	10.3	8.6	7.7	7.8	10.1	10.5	10.0
Mid-West	10.3	11.7	6.9	6.5	7.4	9.5	9.7	11.4
South-East	11.4	10.6	12.9	9.2	7.3	13.0	12.7	11.0
South-West	10.0	9.2	7.4	7.5	8.2	8.9	9.7	8.5
Eastern and Midland	7.6	7.2	6.5	4.8	4.8	6.4	6.1	4.9
Dublin	7.8	5.9	5.5	4.0	3.8	5.3	5.3	4.0
Mid-East	7.5	8.5	6.7	5.7	5.2	7.1	6.3	6.0
Midland	[6.5]	11.8	11.7	7.6	9.6	10.7	10.4	[7]
Total	9.3	8.6	7.6	6.4	6.5	8.0	8.1	6.8
Source: Central Statistics Office, Ireland.								
1 Note: Denominator excludes employees whose National Minimum Wage status was Not stated								

**Table 8a. Employees aged 15 years and over classified by usual hours of work per week and National Minimum Wage earnings status ('000)**

Usual hours of work per week/National Minimum Wage status	Q3 16	Q4 17	Q4 18	Q4 19	Q3 16	Q4 16	Q1 17	Q4 20
<b>1-9 hours</b>								
Employees reporting earning National Minimum Wage or less	12.2	16.7	13.0	15.5	11.8	11.5	11.3	13.1
Employees reporting earning more than National Minimum Wage	16.5	26.5	22.0	30.2	20.2	13.5	17.1	20.4
Not stated	*	*	*	*	*	*	*	*
Total	31.7	47.6	38.8	49.5	33.9	27.6	30.2	36.4
<b>10-19 hours</b>								
Employees reporting earning National Minimum Wage or less	36.4	33.0	29.3	30.1	29.2	26.1	29.6	28.5
Employees reporting earning more than National Minimum Wage	76.7	81.6	89.2	98.2	91.5	69.2	76.4	81.4
Not stated	16.0	17.6	15.7	16.4	15.8	15.3	13.8	15.2
Total	129.2	132.2	134.2	144.8	136.5	110.6	119.8	125.1
<b>20-29 hours</b>								
Employees reporting earning National Minimum Wage or less	42.9	31.8	28.3	21.9	31.7	29.5	34.6	24.9
Employees reporting earning more than National Minimum Wage	160.1	193.1	187.0	200.4	188.9	165.6	174.2	182.1
Not stated	33.5	20.3	21.2	20.5	21.6	23.6	18.5	17.0
Total	236.5	245.2	236.6	242.8	242.2	218.7	227.3	224.0
<b>30-34 hours</b>								
Employees reporting earning National Minimum Wage or less	9.0	9.1	[6.3]	[7.2]	10.4	12.4	13.7	[8.9]
Employees reporting earning more than National Minimum Wage	81.6	97.5	105.2	120.1	105.5	108.6	124.4	121.3
Not stated	9.4	[4.6]	[4.8]	[4.9]	[5.0]	[6.6]	[5.4]	*
Total	100.0	111.2	116.3	132.2	121.0	127.7	143.5	133.1
<b>34-39 hours</b>								
Employees reporting earning National Minimum Wage or less	31.0	23.2	24.9	19.1	19.9	23.3	25.0	20.6
Employees reporting earning more than National Minimum Wage	523.6	532.2	575.1	612.4	592.4	587.1	641.6	636.3
Not stated	41.9	25.1	28.3	19.7	18.9	48.2	28.0	27.6
Total	596.5	580.5	628.2	651.3	631.3	658.6	694.6	684.5
<b>40-44 hours</b>								
Employees reporting earning National Minimum Wage or less	24.8	23.5	20.0	15.9	17.3	24.5	22.6	19.4
Employees reporting earning more than National Minimum Wage	410.1	446.5	474.4	476.8	487.4	449.8	464.3	488.3
Not stated	44.3	45.5	36.0	24.3	37.4	36.4	26.9	17.6
Total	479.1	515.5	530.4	517.0	542.0	510.7	513.9	525.4
<b>45 hours &amp; over</b>								
Employees reporting earning National Minimum Wage or less	7.0	[6.0]	[4.9]	*	[6.0]	*	*	*
Employees reporting earning more than National Minimum Wage	126.8	184.0	184.6	201.9	187.4	175.8	172.6	183.0
Not stated	9.5	[7.3]	10.0	[4.9]	10.3	13.3	[6.1]	*
Total	143.3	197.3	199.5	209.9	203.7	194.9	183.3	191.4
Source: Central Statistics Office, Ireland.								

**Table 2a. Employees aged 15 years and over reporting earning less than National Minimum Wage by reason why ('000)**

Employees reporting earning less than National Minimum Wage by reason why	Q4 16	Q4 17	Q4 18	Q4 19	Q1 20	Q2 20	Q3 20	Q4 20
<b>Variable hours</b>								
Employees reporting earning National Minimum Wage or less	19.9	[7.3]	10.3	10.0	[6.3]	[6.5]	[9.5]	[6.0]
Employees reporting earning more than National Minimum Wage	57.9	34.7	42.2	47.3	40.0	30.8	34.7	32.3
Not stated	15.5	11.5	13.6	13.2	12.6	12.4	12.2	[9.0]
Total	93.3	53.5	66.1	70.5	59.0	49.7	56.3	47.2
<b>All employees</b>								
Employees reporting earning National Minimum Wage or less	183.1	150.7	137.2	122.8	132.6	139.4	151.0	127.6
Employees reporting earning more than National Minimum Wage	1,453.3	1,596.2	1,679.6	1,787.4	1,713.4	1,600.5	1,705.3	1,745.1
Not stated	173.1	136.3	133.3	107.8	123.4	158.6	112.6	94.5
Total	1,809.5	1,883.1	1,950.1	2,018.1	1,969.4	1,898.5	1,968.9	1,967.1
Source: Central Statistics Office, Ireland.								

**Table 8b. Share and proportion of employees aged 15 years and over classified by usual hours of work per week and National Minimum Wage earnings status (%)**

Usual hours of work per week/National Minimum Wage status	Q4 16	Q4 17	Q4 18	Q4 19	Q1 20	Q2 20	Q3 20	Q4 20
<b>Share of employees reporting earning National Minimum Wage or less by usual hours of work per week</b>								
1-9 hours	9.9	11.1	9.5	12.6	14.2	8.2	7.5	10.3
10-19 hours	25.4	21.9	21.4	24.5	24.1	18.7	19.6	22.4
20-29 hours	19.6	21.1	20.7	17.8	15.9	21.2	22.9	19.6
30-34 hours	4.6	6.1	[4.6]	[5.8]	7.6	8.9	9.1	[7]
35-39 hours	16.5	15.4	18.2	15.6	17.2	16.7	16.5	16.1
40-44 hours	12.8	15.6	14.6	12.9	12.2	17.5	15.0	15.2
45 hours & over	[2.7]	[4]	[3.6]	*	*	*	*	*
Variable hours	8.4	[4.9]	7.5	8.1	[5.8]	[4.7]	[6.3]	[4.7]
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
<b>Share of total employees by usual hours of work per week<sup>1</sup></b>								
1-9 hours	1.9	2.5	1.9	2.4	2.4	1.4	1.5	1.8
10-19 hours	7.1	6.6	6.5	6.7	6.8	5.5	5.7	5.9
20-29 hours	12.3	12.9	11.9	11.6	11.3	11.2	11.2	11.1
30-34 hours	5.4	6.1	6.1	6.7	6.8	7.0	7.4	7.0
35-39 hours	33.9	31.8	33.0	33.1	32.9	35.1	35.9	35.1
40-44 hours	26.5	26.9	27.2	25.8	26.4	27.3	26.2	27.1
45 hours & over	8.5	10.9	10.4	10.7	10.8	10.4	9.5	10.1
Variable hours	4.3	2.4	2.9	3.0	2.5	2.1	2.4	2.0
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
<b>Proportion of employees reporting earning National Minimum Wage or less within each usual hours of work per week category<sup>1</sup></b>								
1-9 hours	48.8	38.7	37.2	33.9	38.0	45.9	39.8	39.1
10-19 hours	33.1	28.8	24.7	23.5	23.1	27.4	27.9	25.9
20-29 hours	14.9	14.1	13.2	9.8	9.1	15.1	16.6	12.0
30-34 hours	7.8	8.6	[5.7]	[5.6]	7.3	10.2	9.9	[6.8]
35-39 hours	4.5	4.2	4.2	3.0	3.4	3.8	3.7	3.1
40-44 hours	4.5	5.0	4.0	3.2	3.0	5.2	4.6	3.8
45 hours & over	[3]	[3.2]	[2.6]	*	*	*	*	*
Variable hours	18.1	[17.4]	19.6	17.4	[14.9]	[17.5]	[21.4]	[15.8]
Total	9.3	8.6	7.6	6.4	6.5	8.0	8.1	6.8
Source: Central Statistics Office, Ireland.								
1 Note: Denominator excludes employees whose National Minimum Wage status was Not stated								

**Table 9a. Employees aged 15 years and over classified by full-time/part-time status and National Minimum Wage earnings status ('000)**

Full and part-time status\National Minimum Wage status	Q4 16	Q4 17	Q4 18	Q4 19	Q1 20	Q2 20	Q3 20	Q4 20
<b>Full-time</b>								
Employees reporting earning National Minimum Wage or less	61.0	66.5	57.7	49.3	51.2	64.7	65.9	58.3
Employees reporting earning more than National Minimum Wage	1,240.3	1,324.9	1,395.6	1,473.4	1,480.2	1,374.6	1,453.0	1,480.3
Not stated	111.5	89.1	88.7	64.3	59.2	118.9	74.8	59.3
Total	1,412.9	1,480.5	1,541.9	1,586.9	1,590.7	1,558.2	1,593.7	1,598.0
<b>Part-time</b>								
Employees reporting earning National Minimum Wage or less	93.3	84.2	79.5	73.5	73.4	74.7	85.0	69.3
Employees reporting earning more than National Minimum Wage	262.4	271.3	284.0	314.1	309.1	225.9	252.3	264.7
Not stated	52.1	47.2	44.6	43.6	36.0	39.7	37.9	35.2
Total	407.8	402.6	408.2	431.2	418.5	340.3	375.2	369.2
<b>All employees</b>								
Employees reporting earning National Minimum Wage or less	154.3	150.7	137.2	122.8	124.6	139.4	151.0	127.6
Employees reporting earning more than National Minimum Wage	1,502.7	1,596.2	1,679.6	1,787.4	1,789.4	1,600.5	1,705.3	1,745.1
Not stated	163.6	136.3	133.3	107.8	95.3	158.6	112.6	94.5
Total	1,820.7	1,883.1	1,950.1	2,018.1	2,009.2	1,898.5	1,968.9	1,967.1
Source: Central Statistics Office, Ireland.								

**Table 9b. Share and proportion of employees aged 15 years and over classified by full-time/part-time status and National Minimum Wage earnings status (%)**

Full and part-time status\National Minimum Wage status	Q4 16	Q4 17	Q4 18	Q4 19	Q1 20	Q2 20	Q3 20	Q4 20
<b>Share of employees reporting earning National Minimum Wage or less by full-time/part-time status</b>								
Full-time	39.6	44.1	42.0	40.1	41.1	46.4	43.7	45.7
Part-time	60.4	55.9	58.0	59.9	58.9	53.6	56.3	54.3
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
<b>Share of total employees by full-time/part-time status<sup>1</sup></b>								
Full-time	78.5	79.7	80.0	79.7	80.0	82.7	81.8	82.2
Part-time	21.5	20.3	20.0	20.3	20.0	17.3	18.2	17.8
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
<b>Proportion of employees reporting earning National Minimum Wage or less within each full-time/part-time status category<sup>1</sup></b>								
Full-time	4.7	4.8	4.0	3.2	3.3	4.5	4.3	3.8
Part-time	26.2	23.7	21.9	19.0	19.2	24.8	25.2	20.7
Total	9.3	8.6	7.6	6.4	6.5	8.0	8.1	6.8
Source: Central Statistics Office, Ireland.								
1 Note: Denominator excludes employees whose National Minimum Wage status was Not stated								

**Table 10a. Employees aged 15 years and over classified by permanency of employment and National Minimum Wage earnings status ('000)**

Permanency of employment\National Minimum Wage status	Q4 16	Q4 17	Q4 18	Q4 19	Q1 20	Q2 20	Q3 20	Q4 20
<b>Permanent employees</b>								
Employees reporting earning National Minimum Wage or less	108.1	100.7	93.6	77.9	84.5	98.0	97.9	85.8
Employees reporting earning more than National Minimum Wage	1,410.7	1,483.5	1,558.8	1,649.4	1,661.7	1,498.9	1,588.6	1,624.7
Not stated	124.4	102.1	100.8	76.0	65.9	130.2	80.4	63.2
Total	1,643.2	1,686.4	1,753.2	1,803.3	1,812.2	1,727.0	1,766.8	1,773.8
<b>Temporary employees</b>								
Employees reporting earning National Minimum Wage or less	44.5	49.0	41.7	43.8	38.1	38.8	49.5	39.5
Employees reporting earning more than National Minimum Wage	89.1	108.6	116.6	132.9	122.2	95.1	102.6	112.9
Not stated	20.6	30.1	27.9	27.5	26.4	25.2	26.7	26.9
Total	154.2	187.8	186.1	204.2	186.7	159.2	178.8	179.2
<b>Not stated</b>								
Employees reporting earning National Minimum Wage or less	*	*	*	*	*	*	*	*
Employees reporting earning more than National Minimum Wage	*	*	*	*	[5.4]	[6.5]	14.2	[7.5]
Not stated	18.6	*	[4.7]	*	*	*	*	*
Total	23.2	8.9	10.8	10.6	10.4	12.3	23.4	14.1
<b>All employees</b>								
Employees reporting earning National Minimum Wage or less	154.3	150.7	137.2	122.8	124.6	139.4	151.0	127.6
Employees reporting earning more than National Minimum Wage	1,502.7	1,596.2	1,679.6	1,787.4	1,789.4	1,600.5	1,705.3	1,745.1
Not stated	163.6	136.3	133.3	107.8	95.3	158.6	112.6	94.5
Total	1,820.7	1,883.1	1,950.1	2,018.1	2,009.2	1,898.5	1,968.9	1,967.1
Source: Central Statistics Office, Ireland.								

**Table 10b. Share and proportion of employees aged 15 years and over classified by permanency of employment and National Minimum Wage earnings status (%)**

Permanency of employment\National Minimum Wage status	Q4 16	Q4 17	Q4 18	Q4 19	Q1 20	Q2 20	Q3 20	Q4 20
<b>Share of employees reporting earning National Minimum Wage or less by permanency of employment</b>								
Permanent employees	70.1	66.9	68.3	63.5	67.8	70.3	64.8	67.3
Temporary employees	28.8	32.5	30.4	35.6	30.6	27.9	32.8	31.0
Not stated	*	*	*	*	*	*	*	*
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
<b>Share of total employees by permanency of employment<sup>1</sup></b>								
Permanent employees	91.7	90.7	91.0	90.4	91.2	91.8	90.8	91.3
Temporary employees	8.1	9.0	8.7	9.2	8.4	7.7	8.2	8.1
Not stated	[0.3]	[0.3]	[0.3]	[0.3]	[0.4]	[0.5]	1.0	0.5
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
<b>Proportion of employees reporting earning National Minimum Wage or less within each permanency of employment category<sup>1</sup></b>								
Permanent employees	7.1	6.4	5.7	4.5	4.8	6.1	5.8	5.0
Temporary employees	33.3	31.1	26.3	24.8	23.8	29.0	32.6	25.9
Not stated	*	*	*	*	*	*	*	*
Total	9.3	8.6	7.6	6.4	6.5	8.0	8.1	6.8
Source: Central Statistics Office, Ireland.								
1 Note: Denominator excludes employees whose National Minimum Wage status was Not stated								

**Table 11a. Employees aged 15 years and over classified by permanency of supervisory duties and National Minimum Wage earnings status ('000)**

Supervisory duties/National Minimum Wage status	Q4 16	Q4 17	Q4 18	Q4 19	Q1 20	Q2 20	Q3 20	Q4 20
<b>Person is a supervisor</b>								
Employees reporting earning National Minimum Wage or less	7.2	10.6	8.3	8.5	[8.5]	14.2	11.1	[7.5]
Employees reporting earning more than National Minimum Wage	479.7	544.0	550.8	582.9	598.6	556.2	549.4	559.4
Not stated	19.9	21.3	21.6	11.8	12.5	33.6	17.0	8.5
Total	506.8	575.9	580.8	603.1	619.6	603.9	577.5	575.4
<b>Person is not a supervisor</b>								
Employees reporting earning National Minimum Wage or less	147.1	139.4	128.7	114.2	115.7	125.2	138.6	119.7
Employees reporting earning more than National Minimum Wage	1,020.6	1,042.7	1,121.5	1,194.8	1,180.9	1,039.7	1,150.8	1,180.3
Not stated	122.9	109.4	107.8	91.3	79.8	123.9	93.1	83.3
Total	1,290.6	1,291.6	1,358.0	1,400.2	1,376.3	1,288.9	1,382.5	1,383.3
<b>Not stated</b>								
Employees reporting earning National Minimum Wage or less	*	*	*	*	*	*	*	*
Employees reporting earning more than National Minimum Wage	*	9.5	[7.3]	9.8	9.8	*	*	*
Not stated	20.8	*	*	*	*	*	*	*
Total	23.2	15.6	11.3	14.7	13.2	[5.7]	[9.0]	[8.4]
<b>All employees</b>								
Employees reporting earning National Minimum Wage or less	154.3	150.7	137.2	122.8	124.6	139.4	151.0	127.6
Employees reporting earning more than National Minimum Wage	1,502.7	1,596.2	1,679.6	1,787.4	1,789.4	1,600.5	1,705.3	1,745.1
Not stated	163.6	136.3	133.3	107.8	95.3	158.6	112.6	94.5
Total	1,820.7	1,883.1	1,950.1	2,018.1	2,009.2	1,898.5	1,968.9	1,967.1
Source: Central Statistics Office, Ireland.								

**Table 11b. Share and proportion of employees aged 15 years and over classified by supervisory duties and National Minimum Wage earnings status (%)**

Supervisory duties/National Minimum Wage status	Q4 16	Q4 17	Q4 18	Q4 19	Q1 20	Q2 20	Q3 20	Q4 20
<b>Share of employees reporting earning National Minimum Wage or less by supervisory duties</b>								
Person is a supervisor	4.7	7.0	6.1	6.9	[6.8]	10.2	7.3	[5.9]
Person is not a supervisor	95.3	92.6	93.8	93.0	92.9	89.8	91.8	93.9
Not stated	*	*	*	*	*	*	*	*
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
<b>Share of total employees by supervisory duties<sup>1</sup></b>								
Person is a supervisor	29.4	31.7	30.8	31.0	31.7	32.8	30.2	30.3
Person is not a supervisor	70.5	67.7	68.8	68.5	67.7	67.0	69.5	69.4
Not stated	*	0.6	[0.4]	0.5	0.5	*	[0.3]	*
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
<b>Proportion of employees reporting earning National Minimum Wage or less within each supervisory duties category<sup>1</sup></b>								
Person is a supervisor	1.5	1.9	1.5	1.4	[1.4]	2.5	2.0	[1.3]
Person is not a supervisor	12.6	11.8	10.3	8.7	8.9	10.7	10.7	9.2
Not stated	*	*	*	*	*	*	*	*
Total	9.3	8.6	7.6	6.4	6.5	8.0	8.1	6.8
Source: Central Statistics Office, Ireland.								
<sup>1</sup> Note: Denominator excludes employees whose National Minimum Wage status was Not stated								

Table 12a. Employees aged 15 years and over classified by duration of employment and National Minimum Wage earnings status ('000)								
Duration of employment/National Minimum Wage status	Q4 16	Q4 17	Q4 18	Q4 19	Q1 20	Q2 20	Q3 20	Q4 20
<b>Less than 3 months</b>								
Employees reporting earning National Minimum Wage or less	20.8	22.4	21.7	24.1	12.7	[6.9]	21.5	14.4
Employees reporting earning more than National Minimum Wage	59.3	71.9	82.3	84.1	57.2	35.2	55.5	74.2
Not stated	10.9	10.7	13.0	9.2	[7.3]	*	[6.2]	10.1
Total	91.1	105.0	116.9	117.4	77.1	48.0	83.2	98.7
<b>3-5 months</b>								
Employees reporting earning National Minimum Wage or less	21.1	15.6	18.1	16.2	19.8	12.4	[5.1]	11.1
Employees reporting earning more than National Minimum Wage	64.7	69.6	72.5	77.7	86.8	62.0	41.2	58.5
Not stated	10.5	8.1	[7.5]	7.9	*	[7.0]	*	*
Total	96.2	93.3	98.1	101.8	111.0	81.4	50.1	74.5
<b>6-11 months</b>								
Employees reporting earning National Minimum Wage or less	24.4	19.8	17.2	15.8	23.5	21.8	23.2	14.6
Employees reporting earning more than National Minimum Wage	98.6	89.4	114.9	113.2	128.2	125.1	106.5	86.1
Not stated	16.5	13.1	11.1	9.8	[7.5]	14.3	12.0	[7.0]
Total	139.5	122.3	143.2	138.8	159.2	161.2	141.7	107.7
<b>Total less than 1 year</b>								
Employees reporting earning National Minimum Wage or less	66.2	57.8	57.0	56.2	56.0	41.2	49.8	40.2
Employees reporting earning more than National Minimum Wage	222.6	230.8	269.8	274.9	272.2	222.2	203.2	218.8
Not stated	37.9	31.9	31.5	27.0	19.1	27.3	21.9	21.9
Total	326.7	320.6	358.3	358.1	347.3	290.7	275.0	280.8
<b>12-17 months</b>								
Employees reporting earning National Minimum Wage or less	17.6	20.0	13.1	13.4	11.7	13.5	18.8	14.4
Employees reporting earning more than National Minimum Wage	87.6	95.2	96.1	115.9	114.9	77.9	88.0	102.1
Not stated	13.6	9.4	[6.8]	9.6	[7.8]	12.1	[7.1]	[6.3]
Total	118.7	124.6	116.0	138.9	134.5	103.4	113.9	122.8
<b>18-23 months</b>								
Employees reporting earning National Minimum Wage or less	10.9	9.8	9.0	8.1	9.0	14.4	12.3	9.7
Employees reporting earning more than National Minimum Wage	66.1	72.9	70.7	83.1	85.2	88.0	81.6	70.5
Not stated	10.1	[6.6]	[7.0]	*	*	[9.2]	[9.1]	*
Total	87.1	89.3	86.7	95.8	97.4	111.7	103.1	84.5
<b>24-47 months</b>								
Employees reporting earning National Minimum Wage or less	23.5	24.9	25.3	18.4	18.1	24.4	30.1	28.4
Employees reporting earning more than National Minimum Wage	165.8	210.3	231.9	265.2	199.9	211.7	287.3	267.3
Not stated	17.5	17.6	19.6	13.6	13.7	25.8	19.4	21.5
Total	206.7	252.8	276.8	297.2	231.7	261.9	336.7	317.2
<b>48 months and greater</b>								
Employees reporting earning National Minimum Wage or less	32.2	33.2	28.9	24.0	27.3	44.1	36.1	32.7

Employees reporting earning more than National Minimum Wage	923.8	916.6	953.2	997.5	1,071.3	976.8	1,019.6	1,062.0
Not stated	57.5	39.8	42.8	26.6	32.9	70.0	44.6	31.6
Total	1,013.5	989.7	1,025.0	1,048.1	1,131.5	1,090.9	1,100.3	1,126.2
<b>Total 1 year and over</b>								
Employees reporting earning National Minimum Wage or less	84.1	87.9	76.3	63.8	66.0	96.4	97.2	85.2
Employees reporting earning more than National Minimum Wage	1,243.3	1,295.1	1,351.9	1,461.7	1,471.4	1,354.3	1,476.5	1,501.8
Not stated	98.6	73.4	76.3	54.5	57.6	117.1	80.2	63.7
Total	1,426.1	1,456.4	1,504.5	1,579.9	1,595.0	1,567.8	1,654.0	1,650.7
<b>Not stated</b>								
Employees reporting earning National Minimum Wage or less	*	[4.9]	*	*	*	*	*	*
Employees reporting earning more than National Minimum Wage	36.9	70.3	57.9	50.9	45.8	24.0	25.6	24.4
Not stated	27.1	30.9	25.5	26.4	18.5	14.2	10.5	[8.9]
Total	67.9	106.1	87.3	80.1	67.0	40.0	40.0	35.5
<b>All employees</b>								
Employees reporting earning National Minimum Wage or less	154.3	150.7	137.2	122.8	124.6	139.4	151.0	127.6
Employees reporting earning more than National Minimum Wage	1,502.7	1,596.2	1,679.6	1,787.4	1,789.4	1,600.5	1,705.3	1,745.1
Not stated	163.6	136.3	133.3	107.8	95.3	158.6	112.6	94.5
Total	1,820.7	1,883.1	1,950.1	2,018.1	2,009.2	1,898.5	1,968.9	1,967.1
Source: Central Statistics Office, Ireland.								

**Table 12b. Share and proportion of employees aged 15 years and over classified by duration of employment and National Minimum Wage earnings status (%)**

Duration of employment/National Minimum Wage status	Q4 16	Q4 17	Q4 18	Q4 19	Q1 20	Q2 20	Q3 20	Q4 20
<b>Share of employees reporting earning National Minimum Wage or less by duration of employment</b>								
Less than 3 months	4.8	5.4	5.7	5.7	3.6	2.4	4.1	4.7
3-5 months	5.2	4.9	5.0	4.9	5.6	4.3	2.5	3.7
6-11 months	7.4	6.3	7.3	6.8	7.9	8.4	7.0	5.4
Total less than 1 year	17.4	16.5	18.0	17.3	17.1	15.1	13.6	13.8
12-17 months	6.3	6.6	6.0	6.8	6.6	5.3	5.8	6.2
18-23 months	4.6	4.7	4.4	4.8	4.9	5.9	5.1	4.3
24-47 months	11.4	13.5	14.2	14.8	11.4	13.6	17.1	15.8
48 months and greater	57.7	54.4	54.1	53.5	57.4	58.7	56.9	58.5
Total 1 year and over	80.1	79.2	78.6	79.9	80.3	83.4	84.8	84.7
Not stated	2.5	4.3	3.4	2.8	2.5	1.5	1.6	1.4
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
<b>Share of total employees by duration of employment<sup>1</sup></b>								
Less than 3 months	26.0	23.7	20.8	22.3	18.1	[16.5]	27.9	16.2
3-5 months	24.6	18.3	20.0	17.3	18.6	16.7	[11.1]	16.0
6-11 months	19.8	18.2	13.0	12.3	15.5	14.8	17.9	14.5
Total less than 1 year	22.9	20.0	17.4	17.0	17.1	15.6	19.7	15.5
12-17 months	16.7	17.4	12.0	10.4	9.2	14.7	17.6	12.4
18-23 months	14.2	11.8	11.2	8.8	9.5	14.1	13.1	12.1
24-47 months	12.4	10.6	9.8	6.5	8.3	10.3	9.5	9.6
48 months and greater	3.4	3.5	2.9	2.4	2.5	4.3	3.4	3.0
Total 1 year and over	6.3	6.4	5.3	4.2	4.3	6.6	6.2	5.4
Not stated	*	[6.5]	*	*	*	*	*	*
Total	9.3	8.6	7.6	6.4	6.5	8.0	8.1	6.8
Source: Central Statistics Office, Ireland.								
1 Note: Denominator excludes employees whose National Minimum Wage status was Not stated								

**Table 13a. Employees aged 15 years and over classified by nationality and National Minimum Wage earnings status ('000)**

Nationality/National Minimum Wage status	Q4 16	Q4 17	Q4 18	Q4 19	Q1 20	Q2 20	Q3 20	Q4 20
<b>Irish</b>								
Employees reporting earning National Minimum Wage or less	116.7	115.5	106.0	102.3	99.4	107.1	122.4	102.9
Employees reporting earning more than National Minimum Wage	1,280.2	1,341.7	1,386.3	1,463.6	1,466.0	1,318.7	1,405.4	1,440.3
Not stated	129.4	110.7	111.8	91.8	82.7	138.7	97.3	81.5
Total	1,526.2	1,567.9	1,604.1	1,657.7	1,648.1	1,564.5	1,625.1	1,624.8
<b>Non-Irish</b>								
Employees reporting earning National Minimum Wage or less	37.7	35.1	31.1	20.4	25.2	32.3	28.6	24.6
Employees reporting earning more than National Minimum Wage	222.6	254.5	293.3	323.9	323.4	281.9	300.0	304.8
Not stated	34.2	25.6	21.5	16.1	12.5	19.9	[15.3]	[13.0]
Total	294.4	315.2	346.0	360.4	361.1	334.0	343.9	342.4
<b>United Kingdom</b>								
Employees reporting earning National Minimum Wage or less	*	*	*	*	*	*	*	*
Employees reporting earning more than National Minimum Wage	35.5	40.1	41.6	45.8	44.0	42.4	47.5	43.1
Not stated	*	*	*	*	*	*	*	*
Total	39.6	44.2	48.4	51.3	49.5	48.4	50.6	46.8
<b>EU15 excl. Irl and UK</b>								
Employees reporting earning National Minimum Wage or less	*	*	*	*	*	*	*	*
Employees reporting earning more than National Minimum Wage	33.8	40.9	52.4	52.2	55.1	53.7	48.1	51.1
Not stated	[5.4]	*	*	*	*	*	*	*
Total	41.6	48.6	57.7	57.6	58.5	58.9	53.7	54.6
<b>EU15 to EU28</b>								
Employees reporting earning National Minimum Wage or less	17.7	14.1	10.5	[6.3]	[8.9]	[13.3]	*	*
Employees reporting earning more than National Minimum Wage	93.3	96.8	102.9	112.1	104.1	85.4	95.5	96.8
Not stated	13.3	11.1	[8.5]	*	*	*	*	*
Total	124.3	122.0	121.9	123.2	117.7	103.9	108.9	108.1
<b>Other</b>								
Employees reporting earning National Minimum Wage or less	15.7	15.7	15.0	[8.9]	[11.3]	[13.4]	[13.4]	*
Employees reporting earning more than National Minimum Wage	60.0	76.7	96.4	113.7	120.2	100.4	108.9	113.7
Not stated	13.3	[8.1]	[6.6]	*	*	*	*	*
Total	88.9	100.5	118.0	128.3	135.4	122.8	130.7	132.9
<b>All employees</b>								
Employees reporting earning National Minimum Wage or less	154.3	150.7	137.2	122.8	124.6	139.4	151.0	127.6
Employees reporting earning more than National Minimum Wage	1,502.7	1,596.2	1,679.6	1,787.4	1,789.4	1,600.5	1,705.3	1,745.1
Not stated	163.6	136.3	133.3	107.8	95.3	158.6	112.6	94.5
Total	1,820.7	1,883.1	1,950.1	2,018.1	2,009.2	1,898.5	1,968.9	1,967.1
Source: Central Statistics Office, Ireland.								

**Table 13b. Share and proportion of employees aged 15 years and over classified by usual hours of work per week and National Minimum Wage earnings status (%)**

Nationality/National Minimum Wage status		Q4 16	Q4 17	Q4 18	Q4 19	Q1 20	Q2 20	Q3 20	Q4 20
<b>Share of employees reporting earning National Minimum Wage or less by nationality</b>									
Irish		75.6	76.7	77.3	83.3	79.8	76.9	81.1	80.7
Non-Irish		24.4	23.3	22.7	16.7	20.2	23.1	18.9	19.3
of which:	United Kingdom	*	*	*	*	*	*	*	*
	EU15 excl. Irl and UK	*	*	*	*	*	*	*	*
	EU15 to EU28	11.5	9.4	7.6	[5.1]	[7.1]	[9.5]	*	*
	Other	10.2	10.4	10.9	[7.2]	[9.1]	[9.6]	[8.9]	*
Total		100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
<b>Share of total employees by nationality<sup>1</sup></b>									
Irish		84.3	83.4	82.1	82.0	81.8	81.9	82.3	82.4
Non-Irish		15.7	16.6	17.9	18.0	18.2	18.1	17.7	17.6
of which:	United Kingdom	2.3	2.4	2.5	2.6	2.4	2.6	2.7	2.5
	EU15 excl. Irl and UK	2.2	2.5	3.0	2.8	3.0	3.2	2.8	2.8
	EU15 to EU28	6.7	6.3	6.2	6.2	5.9	5.7	5.6	5.6
	Other	4.6	5.3	6.1	6.4	6.9	6.5	6.6	6.7
Total		100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
<b>Proportion of employees reporting earning National Minimum Wage or less within each nationality category<sup>1</sup></b>									
Irish		8.4	7.9	7.1	6.5	6.3	7.5	8.0	6.7
Non-Irish		14.5	12.1	9.6	5.9	7.2	10.3	8.7	7.5
of which:	United Kingdom	*	*	*	*	*	*	*	*
	EU15 excl. Irl and UK	*	*	*	*	*	*	*	*
	EU15 to EU28	15.9	12.7	9.2	[5.3]	[7.9]	[13.4]	*	*
	Other	20.8	17.0	13.5	[7.3]	[8.6]	[11.8]	[11]	*
Total		9.3	8.6	7.6	6.4	6.5	8.0	8.1	6.8
Source: Central Statistics Office, Ireland.									
1 Note: Denominator excludes employees whose National Minimum Wage status was Not stated									

**Table 14a. Employees aged 15 years and over classified by highest level of education attained and National Minimum Wage earnings status ('000)**

Highest level of education attained/National Minimum Wage status	Q4 16	Q4 17	Q4 18	Q4 19	Q1 20	Q2 20	Q3 20	Q4 20
<b>Primary or below</b>								
Employees reporting earning National Minimum Wage or less	7.2	[6.1]	[4.7]	[5.7]	[4.8]	[5.7]	[7.0]	[5.2]
Employees reporting earning more than National Minimum Wage	26.7	30.9	31.3	37.4	38.3	24.3	30.2	27.2
Not stated	6.8	[5.7]	[5.8]	[6.3]	[5.3]	[7.1]	[6.0]	*
Total	40.6	42.7	41.7	49.4	48.4	37.0	43.3	36.3
<b>Lower secondary</b>								
Employees reporting earning National Minimum Wage or less	27.1	23.0	21.3	20.2	16.7	23.9	24.7	21.8
Employees reporting earning more than National Minimum Wage	118.7	117.4	124.0	121.5	124.4	99.7	107.5	110.4
Not stated	18.6	13.4	13.9	13.1	10.8	16.3	15.0	11.5
Total	164.3	153.8	159.2	154.8	152.0	139.9	147.3	143.7
<b>Higher secondary</b>								
Employees reporting earning National Minimum Wage or less	65.6	70.3	62.4	59.5	62.0	54.3	66.6	53.5
Employees reporting earning more than National Minimum Wage	316.2	341.3	351.7	395.0	382.8	297.1	342.5	346.7
Not stated	47.9	40.1	41.6	35.0	32.8	46.2	32.3	29.4
Total	429.8	451.7	455.8	489.6	477.5	397.6	441.4	429.5
<b>Post-secondary non-tertiary</b>								
Employees reporting earning National Minimum Wage or less	20.1	22.5	19.8	15.0	16.0	25.1	21.9	20.9
Employees reporting earning more than National Minimum Wage	193.8	213.8	233.1	250.6	243.5	212.8	227.5	230.1
Not stated	21.2	15.9	19.4	12.2	12.5	17.0	13.4	10.4
Total	235.1	252.2	272.2	277.8	271.9	255.0	262.7	261.5
<b>Third level non-honours degree</b>								
Employees reporting earning National Minimum Wage or less	11.4	[7.7]	[8.7]	[7.4]	[7.7]	[8.5]	[10.0]	[7.5]
Employees reporting earning more than National Minimum Wage	193.4	200.7	207.2	204.6	209.4	200.5	224.7	218.0
Not stated	13.9	11.0	9.2	[6.1]	[6.3]	18.4	9.2	[5.3]
Total	218.7	219.4	225.0	218.1	223.4	227.5	244.0	230.9
<b>Third level honours degree or above</b>								
Employees reporting earning National Minimum Wage or less	17.7	16.9	15.2	12.5	14.8	17.4	18.3	14.2
Employees reporting earning more than National Minimum Wage	615.1	664.2	697.6	740.3	747.9	740.2	738.7	768.4
Not stated	33.9	31.2	30.0	19.2	16.4	45.4	27.5	23.2
Total	666.7	712.2	742.8	771.9	779.1	803.0	784.5	805.9
<b>Other/Not stated</b>								
Employees reporting earning National Minimum Wage or less	[5.2]	*	*	*	*	*	*	*
Employees reporting earning more than National Minimum Wage	38.9	27.9	34.8	38.1	43.1	25.9	34.1	44.2
Not stated	21.3	18.9	13.5	16.0	11.2	[8.1]	[9.2]	10.8
Total	65.4	51.0	53.4	56.5	57.0	38.5	45.8	59.4
<b>All employees</b>								
Employees reporting earning National Minimum Wage or less	154.3	150.7	137.2	122.8	124.6	139.4	151.0	127.6

Employees reporting earning more than National Minimum Wage	1,502 .7	1,596 .2	1,679 .6	1,787 .4	1,789 .4	1,600 .5	1,705 .3	1,745 .1
Not stated	163.6	136.3	133.3	107.8	95.3	158.6	112.6	94.5
Total	1,820 .7	1,883 .1	1,950 .1	2,018 .1	2,009 .2	1,898 .5	1,968 .9	1,967 .1
Source: Central Statistics Office, Ireland.								

**Table 14b. Share and proportion of employees aged 15 years and over classified by highest level of education attained and National Minimum Wage earnings status (%)**

Highest level of education attained/National Minimum Wage status	Q4 16	Q4 17	Q4 18	Q4 19	Q1 20	Q2 20	Q3 20	Q4 20
<b>Share of employees reporting earning National Minimum Wage or less by highest level of education attained</b>								
Primary or below	4.6	[4.1]	[3.4]	[4.7]	[3.9]	[4.1]	[4.6]	[4.1]
Lower secondary	17.5	15.3	15.5	16.4	13.4	17.1	16.4	17.1
Higher secondary	42.5	46.7	45.5	48.5	49.7	39.0	44.1	41.9
Post-secondary non-tertiary	13.1	14.9	14.4	12.2	12.8	18.0	14.5	16.4
Third level non-honours degree	7.4	[5.1]	[6.3]	[6.1]	[6.2]	[6.1]	[6.6]	[5.9]
Third level honours degree or above	11.5	11.2	11.1	10.2	11.9	12.5	12.1	11.2
Other/Not stated	[3.4]	*	*	*	*	*	*	*
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
<b>Share of total employees by duration of highest level of education attained<sup>1</sup></b>								
Primary or below	2.0	2.1	2.0	2.3	2.3	1.7	2.0	1.7
Lower secondary	8.8	8.0	8.0	7.4	7.4	7.1	7.1	7.1
Higher secondary	23.0	23.6	22.8	23.8	23.2	20.2	22.0	21.4
Post-secondary non-tertiary	12.9	13.5	13.9	13.9	13.6	13.7	13.4	13.4
Third level non-honours degree	12.4	11.9	11.9	11.1	11.3	12.0	12.6	12.0
Third level honours degree or above	38.2	39.0	39.2	39.4	39.9	43.5	40.8	41.8
Other/Not stated	2.7	1.8	2.2	2.1	2.4	1.7	2.0	2.6
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
<b>Proportion of employees reporting earning National Minimum Wage or less within each Highest level of education attained category<sup>1</sup></b>								
Primary or below	21.2	[16.5]	[13]	[13.3]	[11.1]	[18.9]	[18.8]	[16]
Lower secondary	18.6	16.4	14.7	14.2	11.9	19.3	18.7	16.5
Higher secondary	17.2	17.1	15.1	13.1	13.9	15.5	16.3	13.4
Post-secondary non-tertiary	9.4	9.5	7.8	5.7	6.2	10.6	8.8	8.3
Third level non-honours degree	5.6	[3.7]	[4]	[3.5]	[3.5]	[4.1]	[4.3]	[3.3]
Third level honours degree or above	2.8	2.5	2.1	1.7	1.9	2.3	2.4	1.8
Other/Not stated	[11.8]	*	*	*	*	*	*	*
Total	9.3	8.6	7.6	6.4	6.5	8.0	8.1	6.8
Source: Central Statistics Office, Ireland.								
<sup>1</sup> Note: Denominator excludes employees whose National Minimum Wage status was Not stated								

**Table 15a. Employees aged 15 years and over classified by permanency of degree of urbanisation and National Minimum Wage earnings status ('000)**

Degree of urbanisation/National Minimum Wage status	Q4 16	Q4 17	Q4 18	Q4 19	Q1 20	Q2 20	Q3 20	Q4 20
<b>Densely populated area</b>								
Employees reporting earning National Minimum Wage or less	57.3	46.3	42.8	36.2	35.5	40.7	38.6	33.0
Employees reporting earning more than National Minimum Wage	598.0	633.3	688.4	705.6	703.7	645.2	662.7	680.7
Not stated	62.2	49.1	42.5	37.8	28.2	41.5	35.4	25.9
Total	717.5	728.6	773.7	779.6	767.5	727.5	736.6	739.6
<b>Intermediate area</b>								
Employees reporting earning National Minimum Wage or less	34.6	46.3	37.5	34.2	32.1	32.1	31.9	34.1
Employees reporting earning more than National Minimum Wage	318.4	382.2	392.6	402.5	406.0	352.2	375.8	390.2
Not stated	36.6	34.6	36.8	25.7	23.8	34.8	27.7	26.0
Total	389.6	463.1	466.9	462.4	461.9	419.1	435.4	450.2
<b>Thinly populated area</b>								
Employees reporting earning National Minimum Wage or less	62.4	58.0	56.9	52.4	56.9	66.6	80.5	60.5
Employees reporting earning more than National Minimum Wage	586.4	580.7	598.6	679.4	679.6	603.1	666.9	674.1
Not stated	64.8	52.7	54.1	44.3	43.3	82.2	49.5	42.7
Total	713.6	691.4	709.5	776.1	779.8	751.9	796.9	777.3
<b>All employees</b>								
Employees reporting earning National Minimum Wage or less	154.3	150.7	137.2	122.8	124.6	139.4	151.0	127.6
Employees reporting earning more than National Minimum Wage	1,502.7	1,596.2	1,679.6	1,787.4	1,789.4	1,600.5	1,705.3	1,745.1
Not stated	163.6	136.3	133.3	107.8	95.3	158.6	112.6	94.5
Total	1,820.7	1,883.1	1,950.1	2,018.1	2,009.2	1,898.5	1,968.9	1,967.1
Source: Central Statistics Office, Ireland.								

**Table 15b. Share and proportion of employees aged 15 years and over classified by degree of urbanisation and National Minimum Wage earnings status (%)**

Degree of urbanisation/National Minimum Wage status	Q4 16	Q4 17	Q4 18	Q4 19	Q1 20	Q2 20	Q3 20	Q4 20
<b>Share of employees reporting earning National Minimum Wage or less by degree of urbanisation</b>								
Densely populated area	37.1	30.7	31.2	29.5	28.5	29.2	25.5	25.8
Intermediate area	22.4	30.7	27.3	27.8	25.8	23.0	21.1	26.7
Thinly populated area	40.5	38.5	41.5	42.7	45.7	47.8	53.3	47.5
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
<b>Share of total employees by degree of urbanisation<sup>1</sup></b>								
Densely populated area	39.5	38.9	40.2	38.8	38.6	39.4	37.8	38.1
Intermediate area	21.3	24.5	23.7	22.9	22.9	22.1	22.0	22.7
Thinly populated area	39.2	36.6	36.1	38.3	38.5	38.5	40.3	39.2
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
<b>Proportion of employees reporting earning National Minimum Wage or less within each degree of urbanisation category<sup>1</sup></b>								
Densely populated area	8.7	6.8	5.9	4.9	4.8	5.9	5.5	4.6
Intermediate area	9.8	10.8	8.7	7.8	7.3	8.3	7.8	8.0
Thinly populated area	9.6	9.1	8.7	7.2	7.7	9.9	10.8	8.2
Total	9.3	8.6	7.6	6.4	6.5	8.0	8.1	6.8
Source: Central Statistics Office, Ireland.								
1 Note: Denominator excludes employees whose National Minimum Wage status was Not stated								

**Table 16a. Employees aged 15 years and over classified by household composition and National Minimum Wage earnings status ('000)**

Household composition/National Minimum Wage status	Q4 16	Q4 17	Q4 18	Q4 19	Q1 20	Q2 20	Q3 20	Q4 20
<b>1 person aged 65+, no persons under 18</b>								
Employees reporting earning National Minimum Wage or less	*	*	*	*	*	*	*	*
Employees reporting earning more than National Minimum Wage	[4.2]	[3.7]	[4.6]	9.3	10.1	6.9	7.8	7.6
Not stated	*	*	*	*	*	*	*	*
Total	5.7	[4.8]	6.1	11.2	11.8	9.2	9.3	9.5
<b>1 person aged &lt;65, no persons under 18</b>								
Employees reporting earning National Minimum Wage or less	6.7	9.5	[6.5]	*	*	[10.4]	9.9	[8.9]
Employees reporting earning more than National Minimum Wage	104.4	127.5	133.2	147.7	151.0	146.5	155.0	146.7
Not stated	7.7	9.8	8.2	[6.2]	[7.2]	16.9	9.5	[6.6]
Total	118.8	146.8	147.9	158.1	163.1	173.8	174.4	162.2
<b>2 persons (at least 1 aged 65+), no persons under 18</b>								
Employees reporting earning National Minimum Wage or less	[3.2]	*	*	*	*	*	*	*
Employees reporting earning more than National Minimum Wage	33.8	36.0	41.4	45.8	44.7	39.0	42.7	42.4
Not stated	5.9	[5.2]	[3.9]	[5.5]	[4.5]	8.0	[5.1]	[4.6]
Total	42.9	44.6	47.4	53.8	51.2	50.5	51.3	50.1
<b>2 persons (both aged &lt;65), no persons under 18</b>								
Employees reporting earning National Minimum Wage or less	18.3	17.2	16.6	14.7	17.6	16.9	14.7	15.2
Employees reporting earning more than National Minimum Wage	300.7	332.1	332.0	355.5	349.7	325.8	307.4	314.2
Not stated	27.6	20.9	22.6	13.4	14.7	29.2	18.1	17.7
Total	346.6	370.2	371.1	383.7	381.9	371.9	340.2	347.1
<b>3 or more persons (all aged 18 or older), no persons under 18</b>								
Employees reporting earning National Minimum Wage or less	46.6	46.1	45.3	37.3	41.6	39.2	47.6	41.1
Employees reporting earning more than National Minimum Wage	322.6	321.2	377.3	376.7	390.8	332.2	391.9	409.3
Not stated	56.1	47.6	42.2	41.2	33.9	43.4	38.2	32.2
Total	425.3	414.9	464.8	455.2	466.3	414.8	477.7	482.7
<b>1 person (aged 18 or older), 1 or more persons aged under 18</b>								
Employees reporting earning National Minimum Wage or less	[5.2]	[8.8]	[8.2]	[7.0]	[6.4]	[8.8]	[8.1]	*
Employees reporting earning more than National Minimum Wage	33.8	49.6	52.5	62.6	54.7	54.6	54.6	50.3
Not stated	*	*	*	*	*	*	*	*
Total	40.8	61.8	64.6	72.2	63.5	68.1	64.6	54.4
<b>2 persons (both aged 18 or older), 1-3 persons under 18</b>								
Employees reporting earning National Minimum Wage or less	30.3	28.2	22.4	24.6	19.1	28.4	26.8	20.7
Employees reporting earning more than National Minimum Wage	504.3	517.9	520.3	559.8	553.2	516.9	526.3	538.1
Not stated	30.2	27.7	28.1	19.5	16.7	36.0	17.8	14.1
Total	564.8	573.8	570.8	603.9	589.0	581.3	571.0	572.9
<b>Other households with persons aged under 18</b>								

Employees reporting earning National Minimum Wage or less	43.3	36.9	35.3	31.9	32.6	31.5	39.6	34.4
Employees reporting earning more than National Minimum Wage	199.0	208.2	218.3	230.0	235.1	178.6	219.7	236.3
Not stated	33.5	21.1	23.8	18.0	14.8	18.8	21.3	17.5
Total	275.8	266.1	277.4	279.9	282.5	228.9	280.6	288.2
<b>All employees</b>								
Employees reporting earning National Minimum Wage or less	154.3	150.7	137.2	122.8	124.6	139.4	151.0	127.6
Employees reporting earning more than National Minimum Wage	1,502 .7	1,596 .2	1,679 .6	1,787 .4	1,789 .4	1,600 .5	1,705 .3	1,745 .1
Not stated	163.6	136.3	133.3	107.8	95.3	158.6	112.6	94.5
Total	1,820 .7	1,883 .1	1,950 .1	2,018 .1	2,009 .2	1,898 .5	1,968 .9	1,967 .1
Source: Central Statistics Office, Ireland.								

**Table 16b. Share and proportion of employees aged 15 years and over classified by household composition and National Minimum Wage earnings status (%)**

Household composition/National Minimum Wage status	Q4 16	Q4 17	Q4 18	Q4 19	Q1 20	Q2 20	Q3 20	Q4 20
<b>Share of employees reporting earning National Minimum Wage or less by household composition</b>								
1 person aged 65+, no persons under 18	*	*	*	*	*	*	*	*
1 person aged <65, no persons under 18	4.4	6.3	[4.7]	*	*	[7.5]	6.5	[6.9]
2 persons (at least 1 aged 65+), no persons under 18	[2.1]	*	*	*	*	*	*	*
2 persons (both aged <65), no persons under 18	11.9	11.4	12.1	12.0	14.1	12.2	9.8	11.9
3 or more persons (all aged 18 or older), no persons under 18	30.2	30.6	33.0	30.4	33.4	28.1	31.6	32.2
1 person (aged 18 or older), 1 or more persons aged under 18	[3.3]	[5.8]	[6]	[5.7]	[5.1]	[6.3]	[5.3]	*
2 persons (both aged 18 or older), 1-3 persons under 18	19.6	18.7	16.4	20.0	15.3	20.4	17.7	16.2
Other households with persons aged under 18	28.0	24.5	25.8	26.0	26.1	22.6	26.2	26.9
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
<b>Share of total employees by household composition<sup>1</sup></b>								
1 person aged 65+, no persons under 18	0.3	[0.2]	0.3	0.5	0.6	0.4	0.5	0.5
1 person aged <65, no persons under 18	6.7	7.8	7.7	8.0	8.1	9.0	8.9	8.3
2 persons (at least 1 aged 65+), no persons under 18	2.2	2.3	2.4	2.5	2.4	2.4	2.5	2.4
2 persons (both aged <65), no persons under 18	19.3	20.0	19.2	19.4	19.2	19.7	17.4	17.6
3 or more persons (all aged 18 or older), no persons under 18	22.3	21.0	23.3	21.7	22.6	21.3	23.7	24.1
1 person (aged 18 or older), 1 or more persons aged under 18	2.4	3.3	3.3	3.6	3.2	3.6	3.4	2.8
2 persons (both aged 18 or older), 1-3 persons under 18	32.3	31.3	29.9	30.6	29.9	31.3	29.8	29.8
Other households with persons aged under 18	14.6	14.0	14.0	13.7	14.0	12.1	14.0	14.5
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
<b>Proportion of employees reporting earning National Minimum Wage or less within each household composition category<sup>1</sup></b>								
1 person aged 65+, no persons under 18	*	*	*	*	*	*	*	*
1 person aged <65, no persons under 18	6.0	6.9	[4.6]	*	*	[6.6]	6.0	[5.7]
2 persons (at least 1 aged 65+), no persons under 18	[8.6]	*	*	*	*	*	*	*
2 persons (both aged <65), no persons under 18	5.7	4.9	4.8	4.0	4.8	4.9	4.6	4.6
3 or more persons (all aged 18 or older), no persons under 18	12.6	12.6	10.7	9.0	9.6	10.5	10.8	9.1
1 person (aged 18 or older), 1 or more persons aged under 18	[13.2]	[15.1]	[13.5]	[10.1]	[10.4]	[13.9]	[12.9]	*
2 persons (both aged 18 or older), 1-3 persons under 18	5.7	5.2	4.1	4.2	3.3	5.2	4.8	3.7
Other households with persons aged under 18	17.9	15.0	13.9	12.2	12.2	15.0	15.3	12.7
Total	9.3	8.6	7.6	6.4	6.5	8.0	8.1	6.8
Source: Central Statistics Office, Ireland.								
1 Note: Denominator excludes employees whose National Minimum Wage status was Not stated								

**Table 17a. Employees aged 15 years and over classified by nature of occupancy of dwelling and National Minimum Wage earnings status ('000)**

Occupancy status of dwelling/National Minimum Wage status	Q4 16	Q4 17	Q4 18	Q4 19	Q1 20	Q2 20	Q3 20	Q4 20
<b>Owner occupied</b>								
Employees reporting earning National Minimum Wage or less	83.4	81.0	72.9	71.1	69.3	87.0	96.3	80.0
Employees reporting earning more than National Minimum Wage	1,072.6	1,116.6	1,152.2	1,244.9	1,246.4	1,152.2	1,241.7	1,270.0
Not stated	93.4	76.9	84.2	60.8	59.3	107.7	75.3	64.6
Total	1,249.4	1,274.5	1,309.4	1,376.9	1,375.0	1,347.0	1,413.3	1,414.6
<b>Rented - not from Local Authority</b>								
Employees reporting earning National Minimum Wage or less	48.5	47.4	42.4	28.3	36.2	33.3	29.2	24.2
Employees reporting earning more than National Minimum Wage	331.4	376.4	408.4	418.0	412.7	332.2	327.8	330.2
Not stated	43.4	40.0	31.0	26.4	18.8	26.1	18.4	12.8
Total	423.4	463.8	481.8	472.7	467.7	391.6	375.4	367.2
<b>Rented - from Local Authority</b>								
Employees reporting earning National Minimum Wage or less	19.3	17.2	18.9	20.2	16.4	13.5	20.9	18.0
Employees reporting earning more than National Minimum Wage	69.2	70.4	87.5	96.1	90.9	67.1	83.0	88.3
Not stated	19.0	13.0	12.2	15.6	13.0	17.1	13.1	[11.3]
Total	107.4	100.6	118.7	131.9	120.3	97.7	116.9	117.7
<b>Not owned by occupant(s) and rent free</b>								
Employees reporting earning National Minimum Wage or less	*	*	*	*	*	*	*	*
Employees reporting earning more than National Minimum Wage	10.7	[7.0]	9.3	9.7	14.1	[8.8]	11.6	12.2
Not stated	*	*	*	*	*	*	*	*
Total	12.6	9.1	11.7	12.2	16.0	11.3	14.0	13.6
<b>Other/Not stated</b>								
Employees reporting earning National Minimum Wage or less	*	*	*	*	*	*	*	*
Employees reporting earning more than National Minimum Wage	18.8	25.7	22.2	18.7	25.3	40.2	41.2	44.3
Not stated	6.9	[5.6]	*	*	*	[6.0]	*	*
Total	27.8	35.1	28.6	24.4	30.3	50.9	49.3	54.0
<b>All employees</b>								
Employees reporting earning National Minimum Wage or less	154.3	150.7	137.2	122.8	124.6	139.4	151.0	127.6
Employees reporting earning more than National Minimum Wage	1,502.7	1,596.2	1,679.6	1,787.4	1,789.4	1,600.5	1,705.3	1,745.1
Not stated	163.6	136.3	133.3	107.8	95.3	158.6	112.6	94.5
Total	1,820.7	1,883.1	1,950.1	2,018.1	2,009.2	1,898.5	1,968.9	1,967.1
Source: Central Statistics Office, Ireland.								

**Table 17b. Share and proportion of employees aged 15 years and over classified by nature of occupancy of dwelling and National Minimum Wage earnings status (%)**

Occupancy status of dwelling/National Minimum Wage status	Q4 16	Q4 17	Q4 18	Q4 19	Q1 20	Q2 20	Q3 20	Q4 20
<b>Share of employees reporting earning National Minimum Wage or less by occupancy status of dwelling</b>								
Owner occupied	54.0	53.8	53.1	57.9	55.6	62.4	63.8	62.7
Rented - not from Local Authority	31.5	31.5	30.9	23.1	29.0	23.9	19.3	19.0
Rented - from Local Authority	12.5	11.4	13.8	16.4	13.1	9.7	13.8	14.1
Not owned by occupant(s) and rent free	*	*	*	*	*	*	*	*
Other/Not stated	*	*	*	*	*	*	*	*
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
<b>Share of total employees by duration of occupancy status of dwelling<sup>1</sup></b>								
Owner occupied	69.8	68.6	67.4	68.9	68.7	71.2	72.1	72.1
Rented - not from Local Authority	22.9	24.3	24.8	23.4	23.5	21.0	19.2	18.9
Rented - from Local Authority	5.3	5.0	5.9	6.1	5.6	4.6	5.6	5.7
Not owned by occupant(s) and rent free	0.7	0.5	0.6	0.6	0.8	[0.6]	0.7	0.7
Other/Not stated	1.3	1.7	1.3	1.1	1.4	2.6	2.4	2.6
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
<b>Proportion of employees reporting earning National Minimum Wage or less within each occupancy status of dwelling category<sup>1</sup></b>								
Owner occupied	7.2	6.8	5.9	5.4	5.3	7.0	7.2	5.9
Rented - not from Local Authority	12.8	11.2	9.4	6.3	8.1	9.1	8.2	6.8
Rented - from Local Authority	21.8	19.6	17.8	17.3	15.3	16.8	20.1	16.9
Not owned by occupant(s) and rent free	*	*	*	*	*	*	*	*
Other/Not stated	*	*	*	*	*	*	*	*
Total	9.3	8.6	7.6	6.4	6.5	8.0	8.1	6.8
Source: Central Statistics Office, Ireland.								
<sup>1</sup> Note: Denominator excludes employees whose National Minimum Wage status was Not stated								

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