LOW PAID OLDER WORKERS

A QUANTITATIVE AND QUALITATIVE PROFILE OF LOW PAY AMONG WORKERS AGED OVER 50

Micheál L. Collins and Catherine Elliott O’Dare

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CORRESPONDING AUTHOR:

MICHEÁL L. COLLINS (ML.COLLINS@UCD.IE)
EXECUTIVE SUMMARY

Research on the topic of low pay has experienced a revival in Ireland over recent years triggered by a greater policy shift towards understanding and addressing low pay, growing interest in the challenges of employment precarity, and greater research and policy engagement on the relationship between earnings and living standards. While the overall scale and composition of low paid employment is now much better understood, there has been less focus on the nature and experiences of low pay among specific cohorts of the labour force.

This research report examines one heretofore underexplored group, older workers in low pay and aims to establish insights into the scale and experience of low pay among employees aged 50 years and older. It brings together themes of ageing populations, labour market earnings and living conditions to explore the following questions:

WHAT
is the scale and profile of low pay among older workers?

DOES
low pay differ between older workers and the low paid in general, and if so, how?

DOES
the household and financial situation of older workers differ from that of the low paid in general, and if so, how?

WHAT
are the reasons behind why older workers become and remain low paid?

HOW
do these workers evaluate their rate of pay given the work that they do?

The study takes a mixed-methods approach using both quantitative and qualitative methods to explore these questions. While either of these methodological approaches could be taken by themselves to examine this issue, there are benefits associated with combining both so that the research analysis and findings offer a more comprehensive understanding of the nature, scale, contexts and experiences of low pay among older workers in Ireland.
In the Irish labour market almost **ONE IN EVERY SIX WORKERS** aged over 50 are in low pay, a group totalling approximately 80,000 individuals.

Relative to all employees, older workers carry a lower risk of being low paid with one in six earning less than the hourly low pay threshold (€11.65 per hour in 2018) compared to one in four of all employees.

Older workers have a different sectoral profile compared with all those in low pay. They are more likely to be working in administrative and health/caring roles and less likely to be in the retail, accommodation and food sectors. They are also more likely to work less than 20 hours per week or to be part-time employees.

Older low paid workers record a higher rate of in-work poverty than the low paid in general, but are found to be better able to manage the challenges of life on low earnings and experience lower rates of deprivation and a greater ability to cope with lump-sum expenses. The explanation to this paradox may be related to the lower depth of low pay experienced by these older workers and their lower exposure to recurring housing costs.

Although there is little difference between the depth of low pay (distance hourly earnings are below the low pay threshold) experienced by full-time and part-time older workers, those with a permanent employment contract have hourly earnings further below the low pay threshold than those workers on temporary contracts. This suggests that there is a cohort of low paid older workers permanently employed on earnings that sit about 50 cent per hour above the minimum wage.

In general, older low paid workers share a number of the attributes of the low paid population, including having lower levels of completed education, holding permanent positions of employment and working in smaller firms (less than 50 employees).

In household terms older low paid workers are more likely to live in 1-2 adult households, be the only worker in their household and own the property they live in. More than half own their property mortgage free. By contrast, most low paid workers live in multi-adult and multi-worker households and are twice as likely to be renters.

These findings suggest that for older low paid workers the household context, and in particular a household tenure related wealth effect, buffers against some of the experiences of economic hardship despite the inevitable challenges of life on low earnings.
The older workers in low pay interviewed for this research all identified financial needs and concerns as an important driver for them to enter, return to, or remain in the labour market.

The inadequacy of pension income was also a factor influencing older workers to take-up or remain-in low pay.

Participants highlighted a number of other reasons, beyond financial needs, that influenced their decision to take-up or remain-in low pay. These reflect a fit with their skills, location, family context and expectations of work alongside accommodating a desire for flexibility given individual and family circumstances.

These finance, fit and flexibility reasons did not emerge as mutually exclusive factors motivating taking up, and/or remaining in, low pay but rather appeared in various combinations across the research participants narratives. Although financial reasons were common to all, the research reveals a need to understand low pay participation in a more nuanced way and that while some older workers are trapped in low pay others are voluntarily there.

When interview participants were asked if they received a fair wage for the work that they do, they all indicated that they perceived their pay as inadequate. Taking into account the type of work undertaken and the context of that work (hours, mode etc) most indicated that an hourly wage of €15 WOULD BE A FAIR HOURLY RATE.
Nationally and internationally, there is limited research examining older workers in low pay. Given the size of this group, and the possibility of its growth in the decades to come, an ability to understand the socio-economic and labour market composition of this group is important. Based on the quantitative and qualitative findings, a number of policy relevant implications arise for an understanding and approach to the issues of low pay and older workers:

- Older workers in low pay have a different sectoral profile to low paid workers in general with the analysis finding that older low paid workers are more likely to be working in administrative and healthcare/caring roles and less likely to be in the retail, accommodation and food sectors.

- Understanding the household context of older low paid workers is important when considering their ability to live life on a low income. While these workers record a lower depth of low pay (distance hourly earnings are below the low pay threshold), they are more likely to be living in poverty than low paid workers in general. The wealth effect of household ownership, and the ability to better absorb one-off expenses, differentiates this group of employees from those on similar rates of pay lower down the age spectrum. Although this financial buffer remains important for many current older low paid workers, declining rates of home ownership suggest that it will play a reduced role for future generations.

- While earning income to meet financial needs is an important consideration for this group, their continued labour market participation is also driven by factors including social interaction, work ethic, pension inadequacy and a desire for a less stressful and more convenient lifestyle which better balances work and non-paid work commitments. Overall, the research suggests the need to understand low pay participation in a more nuanced way and that while some older workers are trapped in low pay others are voluntarily there.

- On average, low paid older workers earned 40c to 60c per hour above the minimum wage hourly threshold in 2018. All interviewed workers indicated that they regarded their hourly pay as inadequate for the work that they undertook; a rate of €15 per hour was identified as fair. This rate stands at €2.50 above the low pay threshold at the time of the interviews, approximately 80 per cent of median hourly earnings. Given the education, skills, household and lifestyle profile of older low paid workers, it is predominantly via increasing low pay earnings, rather than retraining and upskilling initiatives, that the living standards of this group will be increased.

- The established labour market gender divides persist for older low paid workers. Women comprise 54 per cent of the total low paid employee population and this proportion does not change for those over 50 years. Older female low paid workers are found to earn 5.5 per cent less than older male low paid workers. Motherhood was also identified as a significant driver into lower paid employment, reflecting the constraints some women faced given the need to juggle work, care and financial needs.

- Policies to encourage longer working lifetimes, active ageing and generate opportunities for retaining and reskilling sit alongside other public policies around low pay, living wages and both income and earnings adequacy. Consequently, understanding the scale of this group, their probable growth over time, and the set of influences that determine their participation in low paid employment carries important implications for future policies for older workers in general and polices around active ageing and extended working lives. This research underscores a need to understand the participation of older workers in the labour market beyond the perspectives of earnings and productivity. While income is important for this group, their participation and continued participation as workers is also linked to other objectives including better lifestyle balance and social interaction. These findings carry implications for employers, employee representatives and policy makers as modes to facilitate extended working lives are further developed.
Research on the topic of low pay has experienced a revival in Ireland over recent years triggered by a greater policy shift towards understanding and addressing low pay, growing interest in the challenges of employment precarity, and greater research and policy engagement on the relationship between earnings and living standards. While the overall scale and composition of low paid employment is now much better understood, there has been less focus on the nature and experiences of low pay among specific cohorts of the labour force.

This research report examines one heretofore underexplored group, older workers in low pay. This group is interesting for several reasons. First, there is considerable national and international interest in the growth, and anticipated further growth, of the older aged population and this has triggered increasing public policy attention towards the challenges and opportunities that this change in population structure implies for societies. Second, within this group, older workers represent a large and growing proportion of the Irish labour force and older people are the subject of numerous national policy initiatives around active ageing and the facilitation of extended working lives. Third, there is a growing research interest in establishing a more evidence based understanding of older workers and the choices they make regarding labour market participation. Fourth, one in every five low paid employees in Ireland is an older worker and to date we have limited understanding of their experience of low pay and the factors influencing these workers becoming and remaining low paid. Given demographic trends, and in the absence of policy initiatives to notably decrease low pay, this cohort of workers are likely to become more commonplace as Irish society ages.

Defining at what chronological age a person is categorised as ‘old’ or ‘older’ varies throughout the policy and research literature. In this study, older workers are defined as those aged 50 years and over; with no upper limit placed on the categorisation. This threshold was determined for a number of reasons. First, it aligns with the age classification used for participants in The Irish Longitudinal Study on Ageing (TILDA) and with much previous national and international research on older people and older workers. The threshold also has a legal basis and marks the age at which positive action can be taken under the provisions of the Employment Equality

The research aims to establish insights into the scale and experience of low pay among employees aged 50 years and older. It brings together themes of ageing populations, labour market earnings and living conditions to address the following questions:

- what is the scale and profile of low pay among older workers?
- does low pay differ between older workers and the low paid in general, and if so, how?
- does the household and financial situation of older workers differ from that of the low paid in general, and if so, how?
- what are the reasons behind why older workers become and remain low paid?
- how do these workers evaluate their rate of pay given the work that they do?

The study takes a mixed-methods approach using both quantitative and qualitative methods to explore these questions. While either of these methodological approaches could be taken by themselves to examine this issue, there are benefits associated with combining both so that the research analysis and findings offer a more comprehensive understanding of the nature, scale, contexts and experiences of low pay among older workers in Ireland. The research approach has been designed to address what Lucifora and Salverda highlight as one of the drawbacks of much research on low pay, that is “in spite of many microeconometric studies the individual explanation of low pay is not well established” (2009: 277).

The initial quantitative data analysis also informs the sampling approach taken for the qualitative interviews, in particular determining the sampling criteria used to find and recruit interview participants. The quantitative analysis is based on the earnings and socio-economic characteristics data within the CSO’s SILC data. The qualitative sample recruited for this study comprises twenty low paid older workers whose principal (economic) activity was working in low paid employment and who had an average of seven years in low paid work (range from seven months to 27 years). They represent a particularly interesting group to profile given that they are predominantly long-term low paid workers rather than transiting through low paid employment. The sample is spread across age groups, genders, spatial dimensions, sectors of employment, low pay earnings, and hours of employment.

The report is structured as follows. Section 2 outlines the context for this research and explores the measurement of low pay and trends in low pay and older workers in Ireland. Section 3 reviews the relevant national and international literature focusing on research examining ageing societies and older workers within them, before specifically focusing on previous research on older workers in Ireland. Section 4 outlines the quantitative and qualitative data and methods used to assemble the evidence employed to address the research questions explored in this study. Section 5 presents the results of the quantitative analysis and Section 6 presents those from the qualitative analysis. Finally, Section 7 explores the implications these findings carry for our research questions and identifies a number of policy relevant implications that arise for understanding issues of low pay and older workers.


3 See Department of Health (2013, 2018), OECD (2018), and Privalko et al. (2019).


2. CONTEXT: THE LOW PAY THRESHOLD, LOW PAY, AND OLDER WORKERS

THE LOW PAY THRESHOLD – MEASURING LOW PAY

Low pay is generally measured as a relative concept and determined relative to the prevailing hourly earnings distribution at a particular point in time or over a defined period of time. Consequently, unlike the rate of the statutory minimum wage, its hourly value is not known at the time of being paid, and generally arises with a lag once representative earnings data has been collected and made available.

The approach adopted by the European Commission and the OECD is followed in this research where the low pay threshold is benchmarked against the median hourly earnings of most employees in the labour market and set at two-thirds of this amount (Lucifora and Salverda, 2009: 263). The threshold is calculated following the methods used by Eurostat. It restricts the calculation to the hourly earnings of employees working in a defined set of sectors (NACE sectors B to S excluding O) and in firms of ten or more employees. Data from the Central Statistics Office (CSO) SILC survey for 2018 is used to calculate the threshold and facilitate the quantitative analysis in this research – the data is outlined in section 4. In 2018 that data showed median hourly earnings of €17.45 giving a low pay threshold of €11.65 per hour (€11.64 rounded to the nearest five cent).

LOW PAY

The issue of low pay, and the adequacy of living standards that are achievable from a low pay income, has received a revival in research and policy interest in recent years. Having been an issue that garnered limited attention since the introduction of minimum wages by a number of countries in the late 1990s and early 2000s (Ireland introduced its minimum wage on 1st April 2000), a number of contexts combined to reignite interest in the issue. These include the emergence of a focus on earnings inequality, and in particular the growing gaps between the pay of those in senior positions and ‘ordinary’ workers (Mishel and Kandra, 2021; Atkinson et al., 2011; Atkinson and Piketty, 2007). Simultaneously, campaigns

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7 The excluded NACE sectors cover agricultural, and public administration and defence. See Eurostat: https://ec.europa.eu/eurostat/cache/metadata/en/earn_ses_main_esms.htm

8 Data for all employees (full-time and part-time) and in all NACE sectors (A to S) gives a median hourly value of €16.67 per hour and a lower threshold of €11.12.
and research around adequate low earnings emerged, in particular with research on minimum income standards spurring initiatives to calculate and promote ‘living wages’ as a baseline hourly rate of pay to allow employees afford a basic standard of living. The slow and uneven pace of economic, and labour market, recovery following the international economic recession of 2008-2011 (and longer in some states e.g Ireland) also highlighted related issues around decent work which encompassed issues of pay adequacy alongside broader issues of employee terms and conditions including precarity and job quality (O’Sullivan et al., 2015; Bobek and Wickham, 2018; Russell et al., 2018). The recovery in corporate profits following that recession contrasted with the experience of many workers, and in particular there was a focus on the scale of the profits earned in sectors of employment associated with low pay (Farnsworth, 2013a, 2013b; Chakrabortty, 2014; O’Connor and Sweeney, 2016). The post-recession pressures on government finances also highlighted the notable increases in welfare expenditure associated with ‘in work benefits’ and initiatives to ‘make work pay’ via supports for families to remain in low earning roles in the labour market (Collins and Murphy, 2016). In many cases, these welfare supports were portrayed as employment subsidies for low paid jobs in profitable sectors of the economy – with some legitimacy, some Governments began to question the appropriateness and sustainability of these supports. Improved data on profits and earnings, from administrative and statistical survey sources, also assisted in providing a new evidence-basis for these discussions.

Policy responses have included the establishment of, or an increased role for, Low Pay Commissions (e.g. Ireland and UK), policy initiatives to address earnings divides and low pay (e.g. initiatives within the European Pillar of Social Rights (European Commission, 2021b)), and commitments to adopt higher rates of minimum or living wages for employees (Government of Ireland, 2020; HM Treasury, 2015; White House, 2021). The Covid-19 pandemic added further emphasis to these issues, in particular given that the pandemic redefined many low paid employees as ‘frontline’ or ‘essential’ workers who were needed to keep key services and sectors operational in the early months of the pandemic. By contrast, other low paid workers and their employers were among those most impacted by the public health restrictions imposed during the pandemic with many unable to work for sustained periods or with reduced hours and capacity (OECD, 2021).


10 In particular see the UK Summer Budget Statement (HM Treasury, 2015).

11 For example, in Ireland the SILC data has allowed annual assessments of low pay and minimum wages which in the past were dependent on occasional structure of earnings surveys (Collins, 2014a and 2014b; Logue and Callan, 2016; Maitre et al, 2017). Administrative data has also provided a better understanding of individual gross taxable incomes and high earnings (see Collins and Regan, 2021) and the profit levels of firms (Revenue Commissioners, 2021 and C&AG, 2017).
2. CONTEXT: THE LOW PAY THRESHOLD, LOW PAY, AND OLDER WORKERS (CONTD)

Relative to other EU and OECD countries, Ireland consistently records high levels of low pay. Using the two-thirds of median hourly pay threshold, data from Eurostat indicate that 15.2 per cent of EU-27 employees in firms with 10 or more employees earn below that threshold (see Chart 2.1). The average is skewed downwards by low rates in some countries. About one in five of these employees are low paid in Ireland (19.8 per cent in 2018), a figure that has remained relatively unchanged since 2006 despite periods of boom, bust and recovery in between (see Chart 2.2). Improvements to available statistical data on earnings has allowed broader assessments of low pay to emerge in recent years - these capture employees in firms of all sizes and report a higher proportion of all employees being low paid. The quantitative analysis in this research also adopts this more comprehensive approach to exploring the scale and nature of low pay.

As Chart 2.2 highlights, there is a notable gender pattern to the experience of low pay. A greater proportion of female employees experience low pay compared to males although the gender-gap has decreased over time. Research has also highlighted the association between low pay and sector of employment and the concentration of low paid workers in retail, accommodation & food and healthcare/caring roles. This research approaches the issue from a different perspective with the objective of exploring and understanding low pay among one group, that of older workers.
Increased life expectancy and a long-term fall in fertility rates have combined over recent decades to primarily drive population ageing throughout most European countries (Eurostat, 2020: 8, 16). In Ireland, since 2000 the number of people aged 50 years or more has climbed from 970,000 to reach almost 1.6 million in 2020. At the same time, the number of these individuals in the labour force has more than doubled, increasing from 325,000 to 675,000 (see Chart 2.3). By 2020 those age 50 years and over comprised 29 per cent of the labour force, an increase from 19 per cent in 2000 and 25 per cent in 2014.

Population projections by Eurostat indicate that the proportion of the Irish population in this age group will continue to increase over the next half a century (see Chart 2.4). Those aged between 50 and 74 years, a group most likely to be associated with participation in the labour force, will make up around 30 per cent of the population from the end of this decade while those over 75 years will continually increase, eventually becoming one in seven of the population from 2060. In population count terms, the number of individuals aged 50 and above is projected to exceed 2 million by 2030 and reach 2.95 million by 2070.13

12 Patterns in some countries, including Ireland, have also been influenced by migration.

13 Within this, the population aged 50-74 is projected to increase from 1.2 million to 1.9 million.
2. CONTEXT: THE LOW PAY THRESHOLD, LOW PAY, AND OLDER WORKERS (CONT'D)

The growth, and anticipated further growth, of these age groups has triggered increasing public policy attention towards the challenges and opportunities that this change in population structure implies. Anticipated increases in welfare supports, healthcare expenditure and decreases in dependency ratios have triggered ongoing modelling of the economic and budgetary implications of these demographic shifts. Reflecting this, recurring European Commission Ageing Reports have been published while Ireland’s annual Stability Programme Update includes an assessment of the anticipated impact of these changes on the long-term sustainability of the public finances (European Commission, 2021a and 2018; Department of Finance, 2021).  

Ageing populations also imply ageing labour markets and ongoing revisions to previous norms regarding the age profile of workers overall and within sectors. A focus on extended working lives has emerged, as much as an unavoidable reality of these population structure shifts along with being an important conduit of societal inclusion for these growing groups. Similarly, redefinitions to the meaning and perception of being ‘old’ are reshaping the boundaries between traditional concepts including ‘working age’, ‘retired’, ‘mid-and-late career’ and ‘active ageing’ among others. The labour market trends to date, as outlined in Chart 2.3, and the anticipated patterns of the future presented in Chart 2.4, highlight the inevitable growing role for workers above 50 in the decades to come.

14 Outside Europe, the United Nations Population Division (2020) among others monitor these changes across the world.
Given the prevalence of the low paid in the Irish labour market, and the ongoing growth in the numbers of older workers, this research is focused on exploring the intersection between these two groups.
3. RESEARCH ON OLDER WORKERS AND LOW PAY

AGEING SOCIETIES AND OLDER WORKERS

Unprecedented global demographic changes, due to decreasing birth rates and growing numbers of people living longer, have resulted in older people outnumbering younger people in many countries. While Ireland has a comparatively young population at present, by 2040 40 per cent of the population will be aged over 50, a figure that is projected to reach 45 per cent in 2060 (see Chart 2.4). Contemporary social and labour market policies have evolved, in many cases underpinned by the concept of active ageing, to address the challenges and benefits presented by these increased numbers of older people (Boudiny, 2013; Eurofound, 2012; WHO, 2002).

The World Health Organisation (WHO) conceived active ageing as a framework to promote a positive, inclusive, life course approach under three pillars of participation, health and security. Ireland, in common with other countries, adopted the WHO (2002) framework to inform its key policy document ‘Positive Ageing Starts Now: The National Positive Ageing Strategy’ (NPAS) (Department of Health, 2013). The Healthy and Positive Ageing Initiative (HaPAI) followed in 2016 tracking outcomes aligned to the goals and objectives of the NPAS through Positive Ageing Indicators. Within this structure, employment and retirement are listed in the ‘participation’ domain with the most recent monitoring report finding that the employment rate for those aged 50-64 had risen slightly from 62 per cent in 2015 to 64 per cent in 2017. Above the ‘traditional’ retirement age the report found notably lower participation rates (all data for 2017) of 19 per cent for those aged 65-69 years, 11 per cent for those aged 70-74 years and 3.7 per cent for those aged 75 and older (Department of Health, 2018: 26).

Among the policy responses to these demographic changes is the facilitation and encouragement of extending working lives through delayed retirement, by eliminating the compulsory retirement age (for example, the UK) or by exploring increases to the state pension age (for example, Ireland). Older people are therefore eligible to remain ‘active’ in the paid workforce for longer with the ‘opportunity’ to continue working often framed as a choice for ‘active agers’ (Ni Léime and Ogg,
2019; Maltby, 2011). Furthermore, concerns in relation to the financial (pension) ‘burden’ of an ageing population shapes policy in increasing state pension drawdown ages in many jurisdictions (European Commission, 2004). In Ireland, the pension drawdown age is 66, and was intended to increase to 67 in January 2021 and to 68 by 2028 (Barrett and Mosca, 2013). However, this increase was first deferred, pending the consideration of the 2021 report of the Commission on Pensions and the 2022 report of the Commission on Taxation and Welfare, before being replaced with a graduated pension and retirement age between 66-70 (from 2024).

Reflecting these trends, concerted efforts are being made across OECD countries to recruit and retain older workers, while additionally closing the gender pay and participation gaps that are long evident for this cohort (OECD, 2019b). In Europe adults aged 55–64 form an ‘increasing share’ of those in employment with labour force participation by older workers aged 55-64 projected by Eurofound to reach 2 in 5 of the workforce by 2050 (Eurofound, 2013). Already in the USA there are more older employees (beyond traditional retirement age) than teenagers in the workforce (Jenkins, 2019). However, recent research by OECD (2019b) reveals that despite the active ageing rhetoric, and associated policy initiatives, ageism remains a significant barrier to the retention, training and hiring of older workers by employers. It also undermines the confidence and financial security of older workers themselves (Centre for Ageing Better, 2021, OECD, 2019b). Reflecting this, ageism has been highlighted by the NPAS as the overarching challenge to achieving active ageing.

The research literature also highlights an association between ageism and negative labour market experiences. Harris et al. (2018), on reviewing 43 articles on ageism in the workplace, asserted that older workers were more likely to be in precarious employment. Similarly, Rowe and Nguyen (2003) found that older people have specific concerns in relation to seeking employment, including experiencing age discrimination as a barrier to becoming employed or as a pathway to low paid, low-quality work. They also highlight experiences of ‘hidden unemployment’ when older workers are forced out of the labour force under the guise of voluntary retirement (Rowe and Nguyen, 2003). Many older workers have also been found to experience underemployment, working less hours than they wish to, although this is more prevalent for workers aged 50-64 than for those above the traditional retirement age (Bell and Rutherford, 2013; Lain and Loretto, 2016).

In most European countries, a gender disparity is apparent in relation to the experience of poverty and exclusion in older age, with women at an increased risk (European Commission, 2020); one possible driver for women remaining in the workforce beyond the traditional retirement age (O’Sullivan et al., 2021, Ni Léime and Ogg, 2019; Collins and Murphy, 2021). Older women are evidenced to work shorter hours, and in sectors typically associated with low pay, with older working women being categorised as “one of the most economically vulnerable social groups”’ in Ireland and elsewhere (O’Sullivan et al., 2021: 2; Axelrad and Mcnamara, 2018; Brulle et al., 2019).

The OECD (2019b) note that a gender disparity in the labour market activity of older people remains significant and enduring across most member states. Reflecting this, Chen et al’s (2021) research on individual and social ageing sought to identify policy gaps and variances in resources and supports available for older women and men across 18 OECD countries, including Ireland. Focusing on five Ageing Index domains (wellbeing, productivity and engagement, equity, security, and cohesion) they determined that men were ‘universally favoured’ across all domains with inequality and gender disparities for women persisting across the life course in all domains to varying degrees. The research further identified that women are more likely to live alone in later life, and to “earn less due to interrupted periods of caregiving, including motherhood” (2021: 460). Conversely, men had higher levels of financial and personal security, were less likely to live in poverty in older age, and had a higher labour force participation. Thus demonstrating, they argue, the need to “improve women’s standing in paid work, job opportunities, and retirement income” (Chen et al., 2021).
3. RESEARCH ON OLDER WORKERS AND LOW PAY (CONTD)

OLDER WORKERS IN IRELAND

In Ireland, the proportion of people working between the ages of 50 and 69 has increased over the last decade, with the retention rate of employees aged 60 to 64 years higher (58 per cent) than the OECD average (49 per cent). When self-employed older workers are included, the rate in 2018 reached 71 per cent (Privalko et al., 2019; Martin, 2018).

Data from TILDA, the Irish longitudinal survey of adults aged 50 and over, provides representative insights into the overall pattern of older workers and their attitudes towards retirement. Looking at those aged 50-67 years, Ward (2019) found that in wave 1 (2009) 50 per cent were in employment, 18 per cent were retired, 14 per cent worked in the home (almost all women) and the remaining 17 per cent were unemployed, in full-time education or permanently ill or disabled. Rates of employment were higher for men compared to women - 57 per cent versus 42 per cent. Among these workers most plan to retire before the age of 68 years (58 per cent) while 6 per cent plan to retire at 68 or above. Some 22 per cent of older workers indicated that they had no plans to retire and 14 per cent did not know when they would retire (Ward, 2019: 5-7).

Using the same data Mosca and Barrett (2011: 233) found that older workers with no, or uncertain, retirement plans were more likely to have low completed education while the more highly educated expect to retire earlier. Barrett and Mosca also found that these workers were more likely to be in jobs with poorer pension provision (2013: 460).

Russell and Fahey (2004) use data from the Living in Ireland survey to examine the impact on older people (50-69 years) as they entered and exited the labour market during a period of significant labour market and economic growth (1994-2000). Older worker entering the labour market from non-employment (unemployment, working in the home, caring roles, recovery from illness) were found to experience a rise in income and a decline in risk of poverty. Entry into employment also impacted on people’s psychological well-being although this differed by gender; older males experienced an improvement in well-being while females generally suffered some additional psychological stress. The study notes that most males were moving from unemployment while most
females were moving from home duties (2004: 57). Of those older workers who exited the labour market the authors also found a further gendered disparity, older men principally exited employment to retire while women mainly exited to take up ‘home duties’. They also determined that labour market exits were higher for older workers in agricultural and low-skilled jobs.

Privalko et al. (2019) provide a comprehensive overview of the working lives of older workers, both employees and the self-employed, using data from Labour Force Survey (LFS) in 2018. The study compared the working conditions and health of older workers to younger workers and found that employee retention rates (beyond aged 55) were highest for non-manual jobs (public sector and administration), machine operators and craft workers. Workers who exit the workforce for reasons other than retirement (such as ill health or involuntary job loss) are more likely to be employed in retail or construction (as opposed to industry), additionally females are five times more likely to exit early due to care responsibilities. Public sector workers are more likely to cite early retirement as the reason for leaving the workforce. Regarding working conditions, the study found that older workers were less likely to suffer workplace injuries but more likely to be involved in workplace fatalities when compared to younger cohorts. The study also highlights a need for policy initiatives to facilitate workplace retention and workplace returns for older workers, for example though flexible working, training opportunities, organisational strategies to accommodate those with illness/disability and strategies to rehabilitate older workers returning to the workforce after a long absence. These proposals echo findings elsewhere in the extended working lives literature which emphasises providing supports for older workers with the intention and ability to remain in employment despite experiences of ill health, disability, skills mismatch, and threats to the adequacy of post-retirement pension income (European Commission, 2004; OECD, 2006; Jason et al., 2015; Ni Léime and Street, 2017; Slowey and Zubrzycki, 2018; Lain et al., 2019).

LOW PAY: PROFILES AND EXPERIENCES

Much of the national and international research on low pay has focused on determining a profile of those working below the low pay threshold or in and around the minimum wage (Lucifora and Salverda, 2009). Looking at Ireland, Collins (2017) found a concentration of low pay among those working in certain occupations (for example in sales, hospitality, or in personal/protective services), those employed in the private sector, workers on a temporary and/or part-time contract and those in rural areas. He also noted how this profile had not changed dramatically since the initial Irish low pay studies from Blackwell (1986 and 1987) and Blackwell and Nolan (1990); it also echoes much of the international research (Booth et al., 2002; Lucifora and Salverda, 2009). Similarly, Sweeney (2020) points to a concentration of low paid workers in particular sectors and industries predicated on the skill level required for employment (low-skill jobs are equated with low pay and therefore are more easily filled). He posits that Ireland’s status as a country with persistently high levels of low pay...
may be partially explained by its relatively large hospitality and retail sectors, with the consequent requirement for high numbers of low-skilled workers. However, he concludes that ‘it is insufficient earnings not an unbalanced economy which drives Ireland’s higher rates of low pay’ (2020: 23). In Northern Ireland, using data from the Annual Survey of Hours and Earnings (ASHE), Wilson (2020) found equally high rates of low pay (20.6 per cent) and similar sectoral concentrations in the accommodation and food, retail, and recreation sectors.

While minimum wage workers in Ireland have been found to be more concentrated among younger age groups (Collins, 2015b; Maitre et al., 2017; Redmond et al., 2021) low pay has been found across all age groups, implying it is not just a phenomenon experienced by young workers accumulating experience and skills (Collins, 2017; Collins and Murphy, 2021). When examined by gender, female employees possess a higher risk of working at the minimum wage and in low pay (Sweeney, 2020 and Maitre et al., 2017). For women of working age (18-64) Collins (2015a, 2017 and NERI, 2016), on analysing CSO SILC data for 2013, revealed that women in Ireland make up 60 per cent of those in low pay, a total of 207,000 female employees. Of these, over 45 per cent are the main earner in their households (as opposed to 55 per cent of men in low pay). Female employees are 34.4 per cent more at risk of being in low pay than their male counterparts, with three in ten women in low pay as opposed to two in ten men. Collins (2015a) further reports that 60 per cent of women in low pay are employed across three sectors: wholesale and retail, accommodation and food, and health and social care.

Kelley and Wishart (2019), using 2017 data from the British Social Attitudes Survey, similarly established a concentration of young and female workers in the bottom quartile of the UK earnings distribution. They also found that one in five members (22 per cent) of the lowest-earning quartile were aged over 55 years. The attitudes of these low paid earners, in relation to work and employment supports was also examined. Overall, these earners reported a positive attitude to remaining and progressing in work, despite challenges such as low pay, precarious contracts and automation. Support from employers and the government was identified as necessary by the respondents both to improve income adequacy and to provide opportunities for employment flexibility, training and upskilling.
Literature examining the experiences of low paid workers highlights the challenges they face in progressing out of low pay. Schmitt (2012), using a broad geographical lens incorporating the US and other OECD countries, described low-wage work as a ‘sticky state’ with the majority of low paid workers being embedded in low paid employment with little recourse to full time better paid jobs. Reviewing the probability of transitioning from low wage to higher paying employment during a benign labour market period (1995-2001) he found that about half of low wage workers in Denmark, France, Germany, the Netherlands, the UK and the USA remained in low pay from one year to the next. Over the same period between 8 and 23 per cent left the workforce. The findings echo those of Stewart (2007) who pointed to the scarring effect of low paid jobs on future employment prospects given the signal this can send to prospective higher paying employers and the attrition of skills while working in these roles. Lucifora and Salverda note that in the absence of institutional factors, such as unions or wage regulation, low skilled workers possess low bargaining power and face limited opportunities to gain the skills and experience needed for upward occupational progression (2009: 262, 272; Dekker and van der Veen, 2017). Transitions are also complicated by labour market trends of polarisation and occupational upgrading, further increasing the challenge of finding and securing higher paying jobs (Acemoglu, 2001; Oesch and Rodríguez Menes, 2011; Collins and Murphy, 2021; Goldrick-Kelly et al., 2020; Wickham and Bobek, 2016; Autor et al., 2006; and Goos and Manning, 2007).

Other research has also explored the reasons why workers remain ‘trapped’ in low pay (Dickens, 2000; Cappellari, 2006). Gabe et al. (2018) found that among the low paid in the US during the post Great Recession period 2011-2017, just five per cent of these workers managed to progress to a better job over the period of a year while the vast majority remained in their current job (70 per cent) or moved to a similar low paid job (six per cent). The authors argued that a lack of educational attainment was the major barrier to progression out of low paid employment and highlight the consequent role for targeted support and training initiatives. Using UK panel data Nightingale (2020) identified how working part-time (less than 30 hours per week) decreased the likelihood of progression from low paid to higher paid employment. The research pointed towards structural factors (e.g. the predominance of part time work in some sectors of employment; state employment supports for low income families) and caring responsibilities as explanators for much of these outcomes. It also echoed the findings of other research highlighting gender differences, with female workers more likely to be trapped in low paid part time work, particularly if they have children (2020: 56; Gregory and Elias, 1994; Evandrou and Glaser, 2003; Ní Léime, 2017). In Ireland, Barrett et al. (2011) found that the likelihood of working part-time increased with age and both O’Connell and Gash (2003) and Ní Léime et al. (2015, 2017) note its alignment with secondary labour markets and female employees.

Redundancy and an inability to find new higher paid employment is highlighted by Ghilarducci et al. (2018) as an entry route to low paid employment for some older workers. Examining the concept of ‘bad jobs’ (precarious and low-waged) and ‘alternative work arrangements’, (self-employed contracts, temporary jobs, contracted workers, on-call workers/zero hours workers) in the US they noted the frequency of a higher paid-to-low pay transition and the difficulty individuals then experienced in returning to better paid, and more stable, employment. The authors note that “many older workers in alternative work jobs take on these jobs as a last resort after losing their ‘career jobs’” and do so as they cannot afford to retire (2018: 3).

By contrast, other research highlights how older workers may choose to move to lower paid and less responsible roles, a transition McNair describes as a ‘downshift’ while noting that some older workers may, for rational reasons, happily choose underemployment (2006: 493). Lain and Vickerstaff refer to this as ‘downsizing’ and note how it “appears to be fairly common among [UK] people working over age 60” (2015: 12). Similarly, Hay (2015), in researching low paid workers aged 16-64 in England, found that some workers spoke about the benefits of low paid employment (flexibility, and fit with caring and family responsibilities) although Kelle (2020) finds that in Germany more-intensive caring responsibilities can force some female workers to exit the paid labour market. Like Kelley and Wishart (2019), Hay finds that workers considered their rate of pay as the factor most needing to change, followed by enhanced and fairer working conditions including job security and work related entitlements. However, among those surveyed, many reported little inclination to progress out of low paid employment citing inflexibility in working hours and perceived increased stress as deterrents to pursuing...
better paid jobs. Reflecting this, Hay quotes one respondent stating that they are “better off sticking where I am” (2015: 48).

Standing (2011) summarises much of these experiences in his description of “the precariat”, a group characterised by their inescapable experiences of insecure (flexible, casual, contract based) work, with no ‘occupational identity’ or work-related benefits (sick pay, pensions, paid leave etc). Members often hold down more than one job, particularly women, to supplement low paid income and to fit around care responsibilities. Within this group he points towards two categories of older workers, each with different drivers for continued active labour market participation: the ‘grinners’ - older workers who are financially secure and seek precariat work to pass the time, and the ‘groaners’ - older people experiencing severe financial hardship and therefore taking precariat jobs through desperation, often to supplement an insufficient state pension.

LIVING ON LOW PAY

Low paid employment can be perceived as either a short-term stepping stone to better paid and more secure employment or as an in-work poverty trap that demands policy level intervention. Experiences of this dichotomy can differ across the lifecycle and by occupational skills group, with the former not unusual for younger workers and the latter, identified in the aforementioned literature, as the more prevalent experience for most of the low paid.

A range of literature has sought to explore the experiences of living life on low pay given its relevance to living standards outcomes and the design of current or future public policy initiatives around labour market participation, job quality, active ageing and income adequacy. Shildrick et al., (2010) provided qualitative insights into the ‘lived experience’ of men and women in the UK trapped in a ‘low-pay, no-pay cycle’ of low paid, precarious employment and in-work poverty, social exclusion and unemployed. Many workers had remained attached to the labour market and had endured the insecurity of low paid, low quality jobs (often providing essential services to society) throughout their working lives as they juggled care responsibilities, precarious employment, and periods of reluctant unemployment.
The association between low work income and low household income (income poverty) demonstrates some of the living standards implications of low pay. Concerns around low pay are linked to the concept of ‘the working poor’, whereby the wages earned by an individual, or collectively within a household, are insufficient to mitigate the risk of poverty. However, there is a weak association between low pay and poverty given that the latter is determined by a range of factors beyond wages including household composition, other household incomes and the interaction between earnings, income taxation and welfare (Lucifora and Salverda, 2009: 267). Consequently, household circumstances can work in both directions for low paid workers, either buffering against experiences of economic hardship or reinforcing their sense of precarity (Lain et al., 2019).

In Ireland in 2018, 5.1 per cent or 110,000 wage earners were at risk of poverty (Collins, 2020). Collins (2016: 15) and Maitre et al. (2017: 15) found that minimum wage workers in Ireland possessed a considerably higher risk of poverty compared to all other workers - approximately five times higher. However, Redmond et al. (2021) note that this is low in comparative European terms, pointing to households where minimum wage earners are mixed with higher income earners. Among all employees Daly (2019), in her analysis of in-work poverty in Ireland, reported that in-work poverty is comparatively low at 5.2 per cent (the EU average being 9.4 per cent) but that the experience is more prevalent among older workers than younger workers, and additionally among lone-parent households. Using SILC data from 2015 Collins determined an in-work poverty rate of 3.2 per cent for all employees but a rate at more than twice this (6.9 per cent) for those in low pay (2015c: 4).

Other research points to a broader range of outcomes that can be associated with being in low pay. Using UK panel data Tomlinson et al. highlight an association between low pay and poorer outcomes on various measures of social quality (trust, voluntarism, citizenship, knowledge and culture) and that consequently there are broader societal gains to be reaped from more adequate rates of pay (2016: 368). Collins finds that relative to all employees, low paid workers in Ireland face higher levels of deprivation (30 per cent versus 20 per cent), are more likely to have borrowed money to meet ordinary living expenses and struggled more, given their income, to make ends meet (36 per cent versus 27 per cent) (2015c: 4). Hay notes how the financial strain of low pay forces many low paid workers in the UK to feel that they are “living in the moment” and coping with day-to-day or week-to-week challenges. Consequently, they are unable to plan for the future or explore issues such as progression to better paid employment (2015: 48). In the US, Ghilararducci et al. (2018: 4) found that 12 per cent of low paid workers had experienced food insecurity in the last year (not having enough money to buy food, or eating less because they could not afford food), five percentage points higher than that recorded for all workers. Standing (2011) and Purdam and Pratley (2021) highlight the association between precarity, low pay and financial debt, the latter noting the impact this has on older women and in particular for those in routine or semi routine occupations.

Toynbee (2003) in her ethnographic research on low paid work and workers in Britain, found that living in low pay was not only perceived as an economic hardship, but as a harbinger of social exclusion, and often ill health (see also Lucifora and Salverda, 1998). Similarly, Munnell et al. (2020) found that older workers in jobs with aspects of precarity are more likely to report poorer mental health outcomes.

The Covid-19 pandemic impacted low paid workers in different ways. Both the initial and persisting labour market impacts of the pandemic displayed highly sectoral effects with “the eye of the storm increasingly focused on sectors such as hospitality, tourism, arts and leisure” (OECD, 2021: 43). Given the concentration of low paid workers within these sectors, temporary and permanent job losses impacted low paid workers harder than other earners (Eurofound, 2021: 6-7; ETUI, 2020: 21). Using European Labour Force Survey data for 2020, the OECD found that low paid workers were more than twice as likely to have been working in a sector with experienced substantial net job losses – compared to all other workers (OECD, 2021: 47). By contrast, higher paid workers were more likely to be sheltered from job and earnings losses (Adams-Prassl et al., 2020). In the US Parker et al. (2021) found that low paid employment decreased by over 12.5 per cent during 2020, in comparison to a 5.3 per cent decrease for middle wage jobs and a 0.4 per cent increase for high wage jobs. They also note that the initial impact of the pandemic was even more severe for low paid workers with almost one-third (33.9 per cent) losing their job between February and April 2020.
For another group of low paid workers the pandemic highlighted the importance of the roles they undertake for the functioning of many aspects of society. Many workers in retail, caring roles, food processing, cleaning roles etc were redefined as ‘essential’ and ‘frontline’ workers who were needed to continue working despite the health risks that saw other workers (in better paid jobs) remain away from the workplace (O’Sullivan et al., 2021: 15). Fitzgerald (2020), in a paper for the National Economic and Social Council (NESC), summarised how the pandemic had ‘made good jobs better and more valuable to workers, and poor jobs worse but more valuable to society’ (2020:7).

It was more necessity than benevolence that explains the ongoing work of most of these low paid workers, a scenario well explained in a report from the Dublin City Community Co-operative (May 2020) which stated:

“Many of those who are low paid have either lost their job or found themselves in ‘front line’ employment, such as those who are involved in caring, cleaning and retail. Front-line medical staff are rightly praised and lauded, but there are many others in the front line, whose work has proved to be critical at this time. They include carers, cleaners, those in the food sector, from crop pickers, transport drivers to retail staff, the majority of whom are low paid and often women. Around the world, including here in Ireland, some of the lowest paid in society are now responsible for keeping communities fed, alive and cared for. These individuals are putting themselves at risk by continuing to work. Most can’t afford to stop, even if they wanted to.” (2020: 24).

To date there have been few studies on the impact of the pandemic on older low paid workers, an interesting group given the financial necessities of many to keep working, the ‘essential’ roles many performed, and the Covid-19 virus which revealed itself to impact older people more than those who were younger. One study from Ghilarducci and Farmand (2020) identified that older workers in many low paid frontline sectors (food industries, janitors, health care workers) were aware of, and anxious about, their increased susceptibility to contracting Covid-19 while at work. However, financial constraints, particularly unpaid sick leave, required that they nonetheless attended for work despite these concerns.
CONCLUSION

Despite a significant corpus of literature focusing on older workers and another on low pay, little is known about where these two areas intersect: older low paid workers. The literature reviewed above highlights both experiences and influences on older workers as they either participate in the labour market or consider entry/exit from it. How these manifest themselves among the cohort of older workers in low pay frames a number of the research question we pursue. Similarly, while national and international research has examined the profile, experiences and living conditions of low paid workers, it is of interest to examine if the experiences as outlined above align or diverge from those of older low paid workers. In the absence of policy initiatives to notably decrease low pay, this cohort of workers are likely to become more commonplace as Irish society ages. Consequently, these new research insights offer an important contribution both to the evolving literatures on older workers and low pay as well as to the framing of future earnings and labour market policies.
This study takes a mixed-methods approach and uses both quantitative and qualitative methods to examine low paid older workers in Ireland. While either of these methodological approaches could be taken by themselves to examine this issue, there are benefits associated with combining both so that the research analysis and findings offer a more comprehensive understanding of the nature, scale, contexts and experiences of low pay among older workers in Ireland. The initial quantitative data analysis also informs the sampling approach taken for the qualitative interviews, in particular determining the sampling criteria used to find and recruit interview participants.

This section provides an outline of the quantitative data and qualitative methods used in this research. It also considers the limitations of the analytical approach used. The research results are presented in Sections 5 and 6.

**QUANTITATIVE APPROACH**

The quantitative analysis in this study draws from an examination of the microdata from the 2018 Survey on Income and Living Conditions (SILC). The data is collected by the Central Statistics Office (CSO) as part of an annual EU-wide household living standards survey and is made available to researchers via the Irish Social Science Data Archive (ISSDA) at University College Dublin. The 2018 survey was released in mid-2019 and comprises responses from 4,382 households and 11,130 individuals. To ensure the SILC results are representative of the national population, the analysis in this paper use a probability weight variable to correct for under-representation and non-response in the sample.  

The analysis draws on variables measuring earnings (from employment and self-employment) and income for both individuals and households. The income reference period is the twelve months prior to interview and the CSO benchmark the collected income data with administrative tax and welfare records in an attempt to ensure its accuracy. The focus on

15 The quantitative analysis was completed using the Stata statistical package.
employee income is further developed by focusing on all those in the dataset indicating that their principal economic status is ‘at work’ and who are employees. The data include values for the gross monthly earnings of employees in their main job and the number of hours employees usually work in their main job; taken together these allow an estimation of the average hourly wage rate for an employee in their main job. The hourly earnings data are representative of approximately 1.76 million employees of whom 497,000 are aged 50 years or above.

While the SILC data captures the hourly earnings of those whose main economic status is as an employee, a disadvantage of the data is that it does not allow the calculation of an hourly earnings value for those whose current principal status is not ‘employee’ yet who undertook paid work at some stage during the income reference period. These include individuals who are currently unemployed, recently retired or those who work some hours, part-time or in seasonal jobs but whose main economic role is not as an employee. The group includes approximately 195,000 individuals, some 8.5 per cent of the total number recording some earnings in the SILC data. An analysis of the data finds they principally comprises those in full-time education and training (40 per cent), those who are currently unemployed (20 per cent), individuals who are retired (11 per cent), on home duties (7 per cent) or who are unable to work due to permanent illness or disability (5 per cent). The exclusion of these individuals from the hourly earnings data carries the potential to underestimate the scale of low pay – in particular given its frequent association with part-time work, temporary contracts and young workers. Among those over 50 years of age in this group, most are classified as currently retired (41 per cent) or unemployed (19 per cent). However, robustness checks of the SILC data find that it compares well with other labour force and earnings indicators - the number of earners is equivalent to 101.9 per cent of the average 2018 labour force survey employment count, and the calculated median earnings is equivalent to 97.1 per cent of the Eurostat 2018 Structure of Earnings estimate. The approach also follows that used in previous low pay research by Collins (2015a), Holton and O’Neill (2017), Maitre et al. (2017) and McGinnity et al. (2021).

QUALITATIVE APPROACH

The qualitative analysis in this study draws from the results of a series of twenty interviews with older low paid workers throughout Ireland. The approach was exploratory and intended to capture their experiences of low pay, the adequacy and importance of their low pay earnings and the factors driving their entry and continuance in low paid employment. Grounded theory principles were used to inform the qualitative research approach with a semi-structured interview guide prepared and used for the initial interview and with additional questions and topics included, based on the data gathered, to direct further enquiries in subsequent interviews (Charmaz, 2014).

Ethical approval to undertake the qualitative research was granted by the UCD Office of Research Ethics in November 2020. The context of the data gathering was that of the Covid-19 pandemic and all public health guidelines and restrictions were observed throughout the interview recruitment and data gathering phase. This meant that all participant/gatekeeper/researcher interaction was conducted remotely. One-to-one semi-structured interviews, conducted by phone (19) and using online video (1), were used to generate data and provide insights into older worker’s lived experiences and perceptions of being in low paid employment. Remote interviewing had the advantage of protecting the health of both interviewer and interviewee while also opening a wider range of times for interview scheduling and overcoming any geographical restrictions. While participants were comfortable participating from their home environment, relative to face-to-face interviews and focus groups, it was more challenging to develop a conversational dynamic that facilitated an exploration of their experiences and perceptions (Novick, 2008).

Criteria for participation in the study were defined based on the initial results of the quantitative analysis of the SILC data. These determined four criteria: workers aged 50 years and over; earning €12.50 an hour or less; working 20 hours or more a week; and working in the retail, food & hospitality, or care sectors. The €12.50 threshold was determined as
4. DATA AND METHODS (CONTD)

an estimate of the two-thirds of median income low pay threshold for the end of 2020 and was calculated using the 2018 threshold (£11.65 per hour) with increases based on changes to average hourly earnings between quarter four 2018 and quarter three 2020.¹⁶ The working hours criteria was chosen with the objective of including participants whose principal (economic) activity was working in low paid employment and based on the SILC data which indicated that seven in ten older low paid workers worked more than 20 hours per week. The sectors were chosen both to assist in targeting recruitment and as they were found to represent the principal sectors of employment of older low paid workers (see section 5).

Interviewee recruitment took place using a range of methods given the challenges of identifying and contacting potential participants during the pandemic. These included radio interviews by the lead researcher with regional radio stations, articles in local newspapers and industry magazines, a social-media campaign (Facebook), and the use of local government online media to reach out to older people’s networks. Organisations focusing on older people’s issues also agreed to circulate information via their social media platforms. Two gatekeepers embedded in employment and industry across the retail and hospitality sectors were contacted and agreed to disseminate information about the study to prospective participants in their networks. Additionally, snowball sampling (whereby a participant passed the information about the research to others, who then came forward for interview) resulted in two participant interviews.

All potential participants were given clear written information about the study and what participation entailed. Prior to taking part in the research, prospective participants received a Participant Information Sheet and a Consent Form. The information sheet outlined the purpose of the study providing detailed information in straightforward language and also

¹⁶ The €17.45 median income threshold from SILC 2018 (see section 2) was updated by the rate of change in the CSO’s Earnings and Labour Costs (2021) estimate of average hourly earnings in the year to Q4 2019 (+3.86%) and in the year to Q3 2020 (+3.87%). This gave an assumed median income of €18.83 per hour; two-third of this is €12.55 and the value was rounded down to €12.50 per hour. As a robustness check, the updated threshold was also calculated using actual and projected increases in the minimum wage between March 2019 and January 2021 (+2.6%, +3.1%, and +1%). This gave an updated threshold of €12.43 per hour.
informed individuals that their interview would be recorded and transcribed. These documents were posted to prospective participants after they had made initial contact and expressed their interest in participating. Additionally, the consent form detailed that participation in the research was voluntary and the participant was free to withdraw at any time. Anonymity and confidentiality were assured in relation to all interactions, audio and written records, including storage and research. As a means of assuring participant wellbeing, procedures were also put in place to support participants should they become distressed during or after the interview. Interview duration was typically around an hour, the shortest interview was 32 minutes and the longest 1 hour and 32 minutes. Post-interview, participants were posted a small gratuity in the form of a €20 gift voucher as an expression of appreciation for taking the time to participate in the research.

The recorded interviews were transcribed, fully anonymised, and stored on a password protected computer. Reflecting the Grounded Theory approach, data collection, coding and analysis were simultaneous, with additional focused questions, driven by the emerging concepts, identified by iterative analysis to build and add depth to the emerging findings (theoretical sampling). The interview transcripts were coded by hand (line by line) and analysed one-by-one, prior to interviewing the next participant. Through constant comparison (with previously coded transcripts) these initial codes informed more focused codes, as patterns and conceptual categories in the data emerged. In this way categories and themes were identified to form abstract concepts, and this analysis progressed until the data gathering concluded.

In all, 80 people responded to the recruitment campaign and of these 20 fulfilled the participation criteria and completed interviews – these took place between February and June 2021. Within the analysis, these participants are referred to as PL 1 to PL 20. The recruitment and interview process stopped at this point as the researchers determined that the achieved sample provided a broad and comprehensive insight into the older workers in low pay population. Table 4.1 presents a profile of these participants and highlights how the sample is spread across age groups, gender, spatial dimensions, sectors of employment, low pay earnings, hours of employment and duration in low pay. Four of the participants are not Irish by birth but have lived in Ireland for a minimum of 30 years.

### Table 4.1 Profile of Qualitative Interview Participants, Older Workers in Low Pay Research (N=20)

<table>
<thead>
<tr>
<th>Category</th>
<th>Participants</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Age</strong></td>
<td></td>
</tr>
<tr>
<td>50-55</td>
<td>7</td>
</tr>
<tr>
<td>56-60</td>
<td>3</td>
</tr>
<tr>
<td>61-65</td>
<td>5</td>
</tr>
<tr>
<td>Over 65</td>
<td>5</td>
</tr>
<tr>
<td><strong>Gender</strong></td>
<td></td>
</tr>
<tr>
<td>Male</td>
<td>6</td>
</tr>
<tr>
<td>Female</td>
<td>14</td>
</tr>
<tr>
<td><strong>Nationality (by birth)</strong></td>
<td></td>
</tr>
<tr>
<td>Irish</td>
<td>16</td>
</tr>
<tr>
<td>Non-Irish</td>
<td>4</td>
</tr>
<tr>
<td><strong>Region</strong></td>
<td></td>
</tr>
<tr>
<td>Eastern &amp; Midland</td>
<td>12</td>
</tr>
<tr>
<td>Southern</td>
<td>7</td>
</tr>
<tr>
<td>Northern &amp; Western</td>
<td>1</td>
</tr>
<tr>
<td><strong>Urban / Rural</strong></td>
<td></td>
</tr>
<tr>
<td>Urban</td>
<td>13</td>
</tr>
<tr>
<td>Rural</td>
<td>7</td>
</tr>
<tr>
<td><strong>City/Town</strong></td>
<td></td>
</tr>
<tr>
<td>City</td>
<td>10</td>
</tr>
<tr>
<td>Town / Rural</td>
<td>10</td>
</tr>
<tr>
<td><strong>Sector</strong></td>
<td></td>
</tr>
<tr>
<td>Retail</td>
<td>10</td>
</tr>
<tr>
<td>Food &amp; Hospitality</td>
<td>8</td>
</tr>
<tr>
<td>Social Care</td>
<td>2</td>
</tr>
<tr>
<td><strong>Hourly Earnings</strong></td>
<td></td>
</tr>
<tr>
<td>Min wage to €10.99</td>
<td>7</td>
</tr>
<tr>
<td>€11 - €11.99</td>
<td>8</td>
</tr>
<tr>
<td>€12 - €12.50</td>
<td>5</td>
</tr>
<tr>
<td><strong>Hours worked per week</strong></td>
<td></td>
</tr>
<tr>
<td>20 - 34.9 hours</td>
<td>12</td>
</tr>
<tr>
<td>35+ hours</td>
<td>8</td>
</tr>
<tr>
<td><strong>How long working in Current Job</strong></td>
<td></td>
</tr>
<tr>
<td>Less than 3 years</td>
<td>4</td>
</tr>
<tr>
<td>3 - 5 years</td>
<td>7</td>
</tr>
<tr>
<td>6 - 10 years</td>
<td>5</td>
</tr>
<tr>
<td>More than 10 years</td>
<td>4</td>
</tr>
</tbody>
</table>
This research aims to establish a heretofore absent insight into the scale and experience of low pay among older workers. The quantitative and qualitative approaches used have some limitations worth noting. Both examine workers based on their hourly rate of pay and identify those below a set threshold as being in low pay. This approach accurately identifies low paid hourly workers but it excludes some workers on similarly low weekly earnings whose hourly wage may be above the low pay threshold but whose available work hours are low. As such, not all employees living on low weekly earnings are included.

The quantitative analysis uses data collected at a point in time as part of the 2018 SILC to determine the profile of older workers in low pay. Although the survey was compiled across a twelve month period, this cross-sectional perspective may miss some workers (e.g. occasional and seasonal workers) who enter the labour market for short periods of time and who may be more likely to work in sectors traditionally associated with low paid employment (e.g. retail, tourism, agriculture). As outlined earlier, it will also miss current low paid workers whose principal economic status is not recorded as an employee. The quantitative estimates may therefore underestimate the count of low paid employees.

The qualitative analysis focuses on employees working more than 20 hours per week in low paid employment. While this deliberately targets the analysis on individuals whose principal activity is working in low paid employment, it excludes older workers on lower hours who were also earning an hourly income below the low paid threshold. Thirty per cent of older low paid employees work less than 20 hours per week (see Table 5.2) and their perspectives are not included in the qualitative research. It would be interesting for future research to explore the similarities and differences between these groups.
5. A QUANTITATIVE PROFILE OF LOW PAID OLDER WORKERS

This section provides a quantitative assessment of workers aged over 50 who are low paid (earning less than €11.65 per hour). It aims to establish a profile of the personal, employment, household and financial characteristics of these workers alongside a consideration of their depth of low pay and the importance of these low pay earnings to their household’s gross income.

PERSONAL AND EMPLOYMENT CHARACTERISTICS

Table 5.1 examines older workers below the low pay threshold and reports both the percentage of each group who are low paid (the risk of low pay) and the proportion of all those below the threshold who possess certain characteristics (the incidence of low pay). As a comparison, figures for the risk and incidence of low pay faced by all employees are also reported as is an estimate of the number of employees in each group.

TABLE 5.1 THE PERSONAL CHARACTERISTICS OF LOW PAID EMPLOYEES

<table>
<thead>
<tr>
<th>Age Group</th>
<th>Risk of low pay</th>
<th>Incidence of low pay</th>
<th>Number</th>
<th>Risk of low pay</th>
<th>Incidence of low pay</th>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>All Gender*</td>
<td>23.9%</td>
<td>100.0%</td>
<td>421,000</td>
<td>16.0%</td>
<td>100.0%</td>
<td>79,000</td>
</tr>
<tr>
<td>Male</td>
<td>21.7%</td>
<td>45.5%</td>
<td>191,000</td>
<td>14.3%</td>
<td>46.1%</td>
<td>37,000</td>
</tr>
<tr>
<td>Female</td>
<td>26.1%</td>
<td>54.5%</td>
<td>229,000</td>
<td>17.7%</td>
<td>53.9%</td>
<td>43,000</td>
</tr>
<tr>
<td>Age Group</td>
<td>Risk of low pay</td>
<td>Incidence of low pay</td>
<td>Number</td>
<td>Risk of low pay</td>
<td>Incidence of low pay</td>
<td>Number</td>
</tr>
<tr>
<td>less than 25</td>
<td>63.9%</td>
<td>29.8%</td>
<td>125,000</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>25-49</td>
<td>20.2%</td>
<td>51.4%</td>
<td>216,000</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>50+</td>
<td>16.0%</td>
<td>18.9%</td>
<td>79,000</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Highest Completed Education</td>
<td>Risk of low pay</td>
<td>Incidence of low pay</td>
<td>Number</td>
<td>Risk of low pay</td>
<td>Incidence of low pay</td>
<td>Number</td>
</tr>
<tr>
<td>Primary or below</td>
<td>48.4%</td>
<td>5.7%</td>
<td>24,000</td>
<td>41.6%</td>
<td>17.7%</td>
<td>14,000</td>
</tr>
<tr>
<td>Lower secondary</td>
<td>32.5%</td>
<td>10.0%</td>
<td>42,000</td>
<td>26.4%</td>
<td>19.6%</td>
<td>16,000</td>
</tr>
<tr>
<td>Higher secondary</td>
<td>37.9%</td>
<td>36.6%</td>
<td>154,000</td>
<td>19.0%</td>
<td>26.1%</td>
<td>21,000</td>
</tr>
<tr>
<td>Post leaving cert</td>
<td>39.9%</td>
<td>12.7%</td>
<td>53,000</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Third level non degree</td>
<td>19.7%</td>
<td>17.2%</td>
<td>73,000</td>
<td>14.7%</td>
<td>19.9%</td>
<td>16,000</td>
</tr>
<tr>
<td>Third level degree or above</td>
<td>10.9%</td>
<td>17.8%</td>
<td>75,000</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Region</td>
<td>Risk of low pay</td>
<td>Incidence of low pay</td>
<td>Number</td>
<td>Risk of low pay</td>
<td>Incidence of low pay</td>
<td>Number</td>
</tr>
<tr>
<td>BMW region</td>
<td>32.3%</td>
<td>29.5%</td>
<td>124,000</td>
<td>17.8%</td>
<td>26.3%</td>
<td>21,000</td>
</tr>
<tr>
<td>S&amp;E region</td>
<td>21.5%</td>
<td>70.5%</td>
<td>297,000</td>
<td>15.4%</td>
<td>73.8%</td>
<td>58,000</td>
</tr>
</tbody>
</table>

Source: Author’s calculations from SILC 2018 microdata
Notes: Data are weighted. Population figures have been rounded to the nearest 1,000. Rounding may affect totals. All decompositions are statistically significant with p < 0.05 unless stated otherwise. # Gender decomposition for 50yrs+ is not significant. – is where the unweighted sample is too small to report (<25 cases).
While almost one-quarter of all employees earned less than €11.65 in 2018, the risk of being low paid was lower for those aged 50 years or above (16 per cent). Of the 421,000 low paid employees in that year, just over half were aged between 25 and 49 years, 30 per cent were aged less than 25 years and 79,000 (19 per cent) were aged 50 plus. Reflecting previous assessments, women carry a higher risk of low pay than men. Among older workers, the analysis highlights the importance of the relationship between education and earnings with the risk of low pay declining as education completion levels increase. Overall, 63 per cent of older workers in low pay (some 50,000 individuals) have no completed education beyond secondary school. Spatially, the incidence of low pay reflects the distribution of employees across the Border-Midlands-West (BMW) and Southern and Eastern (S&E) regions (22 per cent: 78 per cent) with an above average low pay risk for older employees in the BMW region.

**TABLE 5.2 THE EMPLOYMENT CHARACTERISTICS OF LOW PAID EMPLOYEES**

<table>
<thead>
<tr>
<th>Sector of Employment</th>
<th>Risk of low pay</th>
<th>Incidence of low pay</th>
<th>Number</th>
<th>Risk of low pay</th>
<th>Incidence of low pay</th>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Industry, Const. &amp; Agric</td>
<td>22.7%</td>
<td>17.9%</td>
<td>75,000</td>
<td>15.4%</td>
<td>15.3%</td>
<td>12,000</td>
</tr>
<tr>
<td>Retail, Accom. &amp; Food</td>
<td>45.2%</td>
<td>43.1%</td>
<td>181,000</td>
<td>30.5%</td>
<td>26.5%</td>
<td>21,000</td>
</tr>
<tr>
<td>Admin, Public Admin, Educ</td>
<td>15.1%</td>
<td>11.8%</td>
<td>50,000</td>
<td>14.5%</td>
<td>24.3%</td>
<td>19,000</td>
</tr>
<tr>
<td>Health &amp; social work</td>
<td>18.8%</td>
<td>11.9%</td>
<td>50,000</td>
<td>14.3%</td>
<td>17.3%</td>
<td>14,000</td>
</tr>
<tr>
<td>All other sectors</td>
<td>14.9%</td>
<td>15.4%</td>
<td>65,000</td>
<td>10.9%</td>
<td>16.6%</td>
<td>13,000</td>
</tr>
<tr>
<td>Firm Size</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>less than 10 persons</td>
<td>36.2%</td>
<td>26.8%</td>
<td>113,000</td>
<td>29.0%</td>
<td>38.0%</td>
<td>30,000</td>
</tr>
<tr>
<td>10 to 49 persons</td>
<td>28.6%</td>
<td>34.2%</td>
<td>144,000</td>
<td>22.4%</td>
<td>37.0%</td>
<td>29,000</td>
</tr>
<tr>
<td>50+ people</td>
<td>14.0%</td>
<td>27.5%</td>
<td>116,000</td>
<td>6.9%</td>
<td>20.9%</td>
<td>17,000</td>
</tr>
<tr>
<td>unclassified</td>
<td>40.2%</td>
<td>11.5%</td>
<td>48,000</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Hours Worked per week</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1-19hrs</td>
<td>45.8%</td>
<td>19.8%</td>
<td>83,000</td>
<td>36.9%</td>
<td>30.7%</td>
<td>24,000</td>
</tr>
<tr>
<td>20-34.9hrs</td>
<td>35.7%</td>
<td>32.2%</td>
<td>136,000</td>
<td>27.4%</td>
<td>39.4%</td>
<td>31,000</td>
</tr>
<tr>
<td>35hrs+</td>
<td>16.8%</td>
<td>48.0%</td>
<td>202,000</td>
<td>7.5%</td>
<td>29.9%</td>
<td>24,000</td>
</tr>
<tr>
<td>Work status</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Full-time</td>
<td>16.6%</td>
<td>52.6%</td>
<td>221,000</td>
<td>8.1%</td>
<td>37.2%</td>
<td>29,000</td>
</tr>
<tr>
<td>Part-time</td>
<td>46.7%</td>
<td>47.4%</td>
<td>199,000</td>
<td>37.8%</td>
<td>62.9%</td>
<td>50,000</td>
</tr>
<tr>
<td>Contract Type</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Permanent</td>
<td>21.3%</td>
<td>87.0%</td>
<td>366,000</td>
<td>13.5%</td>
<td>83.8%</td>
<td>66,000</td>
</tr>
<tr>
<td>Temporary</td>
<td>40.7%</td>
<td>13.1%</td>
<td>55,000</td>
<td>37.7%</td>
<td>16.2%</td>
<td>13,000</td>
</tr>
</tbody>
</table>

Source: Author’s calculations from SILC 2018 microdata  
Notes: See notes to Table 5.1. The sector of employment labelled ‘Administration, Public Administration and Education’ also includes public sector workers in the defence sector.
Previous research has highlighted the concentration of low pay in certain sectors of the economy (Blackwell (1987), Nolan (1998), Collins (2017) and McGinnity et al. (2021)) and within smaller employment settings (Oi and Idson (1999), Collins (2017)). While Table 5.2 highlights similar patterns for low paid older workers, there are some notable differences. Among older workers the composition of low paid employees differs from that of low pay overall. One-quarter of older low paid employees are working in retail, accommodation and food compared to just over four-in-ten of all employees experiencing low pay. Conversely, low paid older workers are more likely to work in administrative roles and healthcare/caring roles. Irrespective of age, employees working in the retail, accommodation and food sectors carry the highest risk of being in low pay.

When low pay is examined by firm size the results indicate that three-quarters of older low paid employees are in employment settings where there are less than 50 employees. While this is the case for all low paid employees, the pattern is more pronounced for older workers. Similarly, being on low hours (less than 20 hours per week) or working part-time is more common for low paid older workers than for those across all age groups. However, 70 per cent of low paid older workers work more than 20 hours per week and 30 per cent work over 35 hours.

Focusing on the risk of low pay, the results in Table 5.2 show that the highest risks of low pay faced by older workers are for those working part-time, on temporary contracts, on low hours, in small firms (less than 10 employees), and based in the retail, accommodation and food sectors.

HOUSEHOLD AND FINANCIAL CHARACTERISTICS

A particular advantage of using the SILC data to examine older workers in low pay is that it facilitates an assessment of these employees in their household context. The data provide information not just on the individual characteristics of these workers, but also on their household setting and its earnings, income and living conditions. Consequently, it is possible to establish a more informed insight into the living context and living standards of these workers.

Table 5.3 commences this examination and looks at the household characteristics of low paid older workers. The results again highlight how these workers differ from all other low paid employees; in general they are more likely to live in 1-2 adult households, be the only worker in that household and own the property they are residing in. By contrast, most low paid workers live in multi-adult and multi-worker households and are twice as likely to be renters.

Almost half of low paid older workers (48 per cent) live in one or two adult households compared to just over one-fifth (21.5 per cent) of all low paid workers. These differences in household composition are also reflected in the finding that 44 per cent of these workers are the only earners in their household. Of the 79,000 low paid older workers, most are homeowners (80 per cent) with only one-in-five renting their accommodation; by contrast 43 per cent of all low paid workers are renters and 56 per cent are homeowners. Notably, the majority of low paid older workers live in accommodation that they own mortgage free (54 per cent).


18 This relationship echoes findings from Barrett et al (2000) and Collins (2017) among others.
5. A QUANTITATIVE PROFILE OF LOW PAID OLDER WORKERS
(CONTD)

Focusing on the risk of low pay, the results in Table 5.3 show that older workers in single-adult households, and those in households with only one worker, experience an above average risk of low pay at 25.5 per cent and 22.1 per cent respectively.

TABLE 5.3 THE HOUSEHOLD CHARACTERISTICS OF LOW PAID EMPLOYEES

<table>
<thead>
<tr>
<th>Household Composition</th>
<th>All in Low Pay</th>
<th>All 50 yrs + in Low Pay</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Risk of low pay</td>
<td>Incidence of low pay</td>
</tr>
<tr>
<td>1 adult</td>
<td>19.2%</td>
<td>5.5%</td>
</tr>
<tr>
<td>2 adults</td>
<td>17.5%</td>
<td>15.9%</td>
</tr>
<tr>
<td>3 or more adults</td>
<td>32.4%</td>
<td>36.7%</td>
</tr>
<tr>
<td>Households with children</td>
<td>22.5%</td>
<td>41.9%</td>
</tr>
<tr>
<td>No. Household Members at Work (self-defined)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>24.9%</td>
<td>25.9%</td>
</tr>
<tr>
<td>2</td>
<td>18.8%</td>
<td>42.9%</td>
</tr>
<tr>
<td>3 or more</td>
<td>36.0%</td>
<td>31.2%</td>
</tr>
<tr>
<td>Household Tenure*</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Owner outright</td>
<td>24.8%</td>
<td>33.3%</td>
</tr>
<tr>
<td>Owner with mortgage</td>
<td>13.8%</td>
<td>22.7%</td>
</tr>
<tr>
<td>Renting</td>
<td>36.8%</td>
<td>42.8%</td>
</tr>
<tr>
<td>Free accommodation</td>
<td>29.9%</td>
<td>1.3%</td>
</tr>
</tbody>
</table>

Source: Author’s calculations from SILC 2018 microdata
Notes: See notes to Table 5.1. # Household composition decomposition for 50yrs+ is significant at the p < 0.10 level.
Table 5.4 develops this household based examination further and assesses the proportion of low paid older workers experiencing various living standards outcomes that are, in general, determined at the household level. Compared to all low paid workers, a greater proportion of older low paid employees live in a household where the total available disposable income, adjusted for household size and composition, is below the national poverty line. Overall, they record an in-work poverty rate of 10.9 per cent. Similarly, more of this group are in possession of a medical card, with almost half possessing either a full or GP only card; this compares to just over one-third of all low paid employees. The impact of living life on a low income is also illustrated by the results indicating that one-quarter experience difficulty in making ends meet and just over half are unable to put some money aside as savings on a regular basis, proportions that are not dissimilar to those found for all low paid employees.

However, the other financial characteristics results suggest that these workers have a greater capacity to absorb lump sum costs such as those that might arise as an unexpected expense or for an annual week-long holiday. These contrasting financial outcomes may be related to the aforementioned higher rates of home ownership and the greater prevalence of lower sized households among this group. Similarly, a smaller proportion of older low paid workers experience enforced deprivation.

### Table 5.4 The Financial Characteristics of Low Paid Employees

<table>
<thead>
<tr>
<th>At Risk of Poverty</th>
<th>All in Low Pay</th>
<th>Incidence of low pay</th>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>7.9%</td>
<td>33,000</td>
</tr>
<tr>
<td>Experiencing Deprivation</td>
<td></td>
<td>19.2%</td>
<td>81,000</td>
</tr>
<tr>
<td>Medical card holder</td>
<td></td>
<td>34.3%</td>
<td>144,000</td>
</tr>
<tr>
<td>Difficulty making ends meet</td>
<td></td>
<td>25.3%</td>
<td>106,000</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Household unable to afford:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unexpected expenses of approx. €1,020</td>
</tr>
<tr>
<td>A one-week holiday away from home</td>
</tr>
<tr>
<td>To save regularly</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>All 50 yrs + in Low Pay</th>
<th>Incidence of low pay</th>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>10.9%</td>
<td>9,000</td>
</tr>
<tr>
<td></td>
<td>12.7%</td>
<td>10,000</td>
</tr>
<tr>
<td></td>
<td>46.7%</td>
<td>37,000</td>
</tr>
<tr>
<td></td>
<td>25.3%</td>
<td>20,000</td>
</tr>
</tbody>
</table>

| Unexpected expenses of approx. €1,020 | 36.9% | 29,000 |
| A one-week holiday away from home | 27.7% | 22,000 |
| To save regularly | 55.4% | 44,000 |

**Source:** Author’s calculations from SILC 2018 microdata

**Notes:** See notes to Table 5.1. Poverty is measured using the 60% of median equivalised income national poverty line. Deprivation is measured as going without two or more of eleven basic necessities. Medical card holder includes full and GP only medical card. The unexpected expenses figure represents 1/12th of the poverty line at n-2.
To explore the household financial context of these workers further, it is interesting to look at the location of their household in the income distribution, and the location of these employees in households where other household members are earners located further up the earnings distribution. Perhaps the living standards impact of low pay is cushioned by their location in higher income households or by living with higher earners?

Chart 5.1 situates low paid workers in the income distribution and distinguishes between all low paid workers and those aged 50 years and above. Three categorisations are used capturing earners living in low, middle and high income households. Low income households are those located in the bottom three deciles of the equivalised income distribution, high income households are those in the top three deciles and middle income households are those in-between. The results demonstrate that only a small proportion of low paid older workers live in high income households with one-in-six low paid older workers (16.5 per cent) classified as low pay/high income – low paid individual in a high-income household. Most live in households in the middle of the income distribution where there is a mix of low pay and middle income; this accounts for 55 per cent of low paid older

Source: Author’s calculations from SILC 2018 microdata  Notes: Low paid employees are all full-time and part-time employees earning less than €11.65 per hour. The income distribution classifications are based on deciles of the equivalised gross income distribution: low income=bottom, 2, 3; middle income=4, 5, 6 and 7; high income =8, 9 and top.
workers. Being on low pay and in a middle income household is not, empirically, surprising as a single full-time worker on hourly earnings just below the low pay threshold will be located in the fifth decile of the equivalised income distribution. Just over one-quarter of low paid older earners are both low paid and living in households with a low income.

The results for low paid older workers differ little from those for all low paid earners and highlight that there is limited evidence to support the contention that older workers, particularly females, are better able to work in low paid roles given the cushioning effect of other household income; akin to the so-called pin-money arguments of past generations (Bennett, 2014: 50). One could argue that low pay may be ‘cushioned’ by middle income; however, while low pay sits at the bottom of the earnings distribution, in and of itself it still represents a middle income in society; a finding that principally highlights the prevalence of low income in Irish society rather than the adequacy of low pay earnings (Collins, 2015a:22; Logue and Callan, 2016: 10; Holton and Collins, 2016, Collins and Regan, 2021 and Collins, 2022).

However, the precise relationship between low pay and household income involves not just earned income, but also the presence of other earners in the household, the size and composition of household membership, income taxation structures and welfare transfers.

### TABLE 5.5 OLDER LOW PAID EMPLOYEES (AGED 50YRS+) - A HOUSEHOLD EARNERS CONTEXT

<table>
<thead>
<tr>
<th>Living in household where there is/are:</th>
<th>% of total</th>
</tr>
</thead>
<tbody>
<tr>
<td>one low paid employee and no other earner</td>
<td>38.7%</td>
</tr>
<tr>
<td>one low paid employee plus one other earner</td>
<td>42.0%</td>
</tr>
<tr>
<td>one low paid employee plus two or more other earners</td>
<td>19.3%</td>
</tr>
<tr>
<td>low pay earnings only (1 or more earners)</td>
<td>48.0%</td>
</tr>
<tr>
<td>a combination of low and medium hourly earnings only</td>
<td>20.9%</td>
</tr>
<tr>
<td>a combination of low and high hourly earnings</td>
<td>rare</td>
</tr>
<tr>
<td>a combination of low pay and other earners</td>
<td>28.2%</td>
</tr>
</tbody>
</table>

**Source:** Author’s calculations from SILC 2018 microdata

**Notes:** The earnings variable used in this table is calculated based on the presence of recorded earnings from employment or self-employment during 2018 and differs slightly from the self-reported number at work category considered in Table 5.3. High earnings are those in the top quintile of the hourly earnings distribution, medium earnings are those earning between the low pay threshold and the top quintile. The high, medium and low classifications do not include the self-employed as their hourly earnings are unavailable. rare = small percentage of overall total and the unweighted sample is too small to report. Other earners include the self-employed, unemployed and individuals who occasionally work but whose principal economic status is not as an employee (e.g. retired, students).

---

19 A single earner on €11.65 per hour working 39 hours a week for a year had an annual gross income in 2018 of €23,708 and a disposable income (post income tax, USC and employee PRSI) of €20,905; equivalent to €400.63 per week. The fifth income decile in 2018 was between €387.17 and €437.75 per week (CSO, SILC report 2018 Table 2.4).
5. A QUANTITATIVE PROFILE OF LOW PAID OLDER WORKERS

Table 5.5 offers one further insight, examining the profile of other earners, if there are any, living in the household of low paid older workers. Almost half of low paid older workers (48 per cent) live in households where earnings from low income is the only earned income that arises for that household; this may be where they are the only earner or where there are multiple low pay earners living in a household. To determine if low paid older workers live in households with high paid employees, the table also identifies the proportion of these workers located in households where there are other employees on medium and high hourly earnings. The latter two categories are determined from the hourly earnings distribution (for employees only) with high earners being those employees in the top quintile of that distribution and medium earners having an income above the low pay threshold but outside of the top quintile. The analysis finds that one in five low paid older workers live with another earner who is in the middle of the earnings distribution and that is it rare for these workers to live with an earner in the top quintile of the hourly earnings distribution. Put simply, the data suggests that there is little crossover between household members on low pay and high earnings and consequently little potential for any cushioning effects from high earnings.

THE LOW PAY OF OLDER WORKERS: LEVELS, DEPTH AND IMPORTANCE

Relative to all employees, those age 50-plus are better paid (see Chart 5.2), a not unexpected outcome given that there is generally a positive association between rates of pay, experience and age. The same pattern holds for low paid workers, with a greater proportion of those aged 50-plus in the second quintile

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20 As this decomposition is only looking at low paid older workers living with other individuals whose principal economic status is as an employee, it does not capture those living with other earners including the self-employed, retired but working individuals, and full-time students who work.

21 The nominal values for these thresholds are: medium earnings from €11.65 to €41.39 per hour; high earnings above €41.39 per hour.

22 Rare implies a small proportion of the overall total and that the unweighted sample is too small to report.
of the earnings distribution – 25 per cent versus 16 per cent for all low paid employees. Overall, the average hourly rate received by older low paid workers in 2018 was marginally higher, at 13 cent per hour (+1.3 per cent) than that received by all low paid employees and there was a similar small difference of 12 cent for the median earner (see Chart 5.3). These small mean and median differences suggest a skewed low pay hourly earnings distribution with a cluster of earners on or just above the statutory minimum wage.

Chart 5.3 also illustrates a pronounced gender difference in the mean and median hourly earnings of low paid older workers. Within this group the median female employee earns 58 cent per hour less than the median male employee, equivalent to a low paid gender pay gap of 5.5 per cent. For an employee working 39 hours per week this difference is equivalent to €22 per week or €1,150 per annum. Put simply, low paid older women earn less than low paid older men. 23

While all 79,000 employees earning less than €11.65 per hour are counted as low paid, there is an important difference between earning just below that threshold compared to earning just above the minimum wage. Consequently, Table 5.6 calculates the mean and median differences between the €11.65 threshold for these workers, their depth of low pay. Overall, reflecting the results in Charts 5.2 and 5.3, older low paid workers experience higher pay, and therefore a smaller depth of low pay, than do the low paid in general.

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23 This echoes a finding by NERI (2016: 37) who examined all low paid workers and found that low paid females earned less than low paid males.
5. A QUANTITATIVE PROFILE OF LOW PAID OLDER WORKERS (CONTD)

The depth of low pay is greatest for those working in the retail, accommodation and food sectors and in administrative roles – both sectors which, in general, have more female employees. It is also greater for those in large employers with 50 or more employees and for employees on low hours (less than 20 hours per week). Interestingly, while there is little difference between the depth of low pay experienced by full-time and part-time employees, those with a permanent employment contract have hourly earnings further below the €11.65 threshold than those workers on temporary contracts. This suggests that there is a cohort of low paid older workers permanently employed on earnings that sit about 50 cent per hour above the minimum wage.

**CHART 5.3 MEAN AND MEDIAN HOURLY WAGES FOR LOW PAID EMPLOYEES, 2018**

Source: Author’s calculations from SILC 2018 microdata

Notes: LP = low paid. All estimates are statistically significant with p < 0.05. The minimum wage was €9.55 per hour (from January 1st 2018), it increased to €9.80 per hour from 4th March 2019.
Table 5.6 Depth of Low Pay – Employees Aged 50 Years Plus (€ per Hour)

<table>
<thead>
<tr>
<th>Sector of Employment</th>
<th>Mean Depth</th>
<th>Median Depth</th>
</tr>
</thead>
<tbody>
<tr>
<td>Industry, Const. &amp; Agric</td>
<td>1.76</td>
<td>1.47</td>
</tr>
<tr>
<td>Retail, Accom. &amp; Food</td>
<td>1.88</td>
<td>1.99</td>
</tr>
<tr>
<td>Admin, Public Admin, Educ</td>
<td>2.01</td>
<td>1.68</td>
</tr>
<tr>
<td>Health &amp; social work</td>
<td>1.56</td>
<td>1.30</td>
</tr>
<tr>
<td>All other sectors</td>
<td>1.27</td>
<td>0.76</td>
</tr>
<tr>
<td>Firm Size</td>
<td></td>
<td></td>
</tr>
<tr>
<td>less than 10 persons</td>
<td>1.81</td>
<td>1.43</td>
</tr>
<tr>
<td>10 to 49 persons</td>
<td>1.47</td>
<td>1.47</td>
</tr>
<tr>
<td>50+ people</td>
<td>1.96</td>
<td>1.65</td>
</tr>
<tr>
<td>Hours Worked per week</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1-19hrs</td>
<td>1.76</td>
<td>1.68</td>
</tr>
<tr>
<td>20-34.9hrs</td>
<td>1.69</td>
<td>1.20</td>
</tr>
<tr>
<td>35hrs+</td>
<td>1.78</td>
<td>1.47</td>
</tr>
</tbody>
</table>

Source: Author’s calculations from SILC 2018 microdata

Notes: See notes to Table 5.1. Depth is measured versus an hourly wage rate of €11.65. The minimum wage was €9.55 per hour (from January 1st 2018), it increased to €9.80 per hour from 4th March 2019. All estimates are statistically significant with p < 0.05. * values substantially larger than €2.10 imply hourly rates below the statutory minimum wage which can be explained by the effect of minimum wage exemptions, reduced rates and small sample size.

The analysis also suggests a relationship between low income and those experiencing the greatest depth of low pay, although as outlined earlier, it is a small proportion of older low paid earners that experience poverty or live in households in the bottom quintile of the income distribution. The quarter of low paid older workers who report a difficulty in making ends meet record a lower depth than those who do not face this difficulty, perhaps reflecting that those in long-term, or permanent, low paid roles have adjusted to these pay rates while those in higher paid temporary roles find their financial situation more challenging. This outcome may also be driven by those older low paid workers who have, on average, less expenses to meet given the higher rates of home ownership outlined earlier and thus are more able to manage on lower earnings.

Although rates of low pay are on average higher for older workers, particularly men, the earnings received by these earners are more important for their household’s income, and consequent financial well-being, than is the case for all low paid employees. As Table 5.7 shows, earnings received from low paid employment represents a bigger proportion of all household earnings (from employment and self-employment) accounting for just over 55 per cent of earnings for these workers compared to 36 per cent for all those who are low paid. To some degree this is driven by the higher proportion of sole low paid earners in these households (39 per cent versus 23 per cent), although when these are excluded the mean and median proportions remain greater than for all low paid workers.
5. A QUANTITATIVE PROFILE OF LOW PAID OLDER WORKERS
(CONTD)

TABLE 5.7 THE RELATIVE IMPORTANCE OF EMPLOYEE EARNINGS TO TOTAL HOUSEHOLD GROSS EARNINGS

<table>
<thead>
<tr>
<th>% of Household Earnings</th>
<th>All Employees</th>
<th>All Employees 50+</th>
<th>All Low Paid</th>
<th>All Low Paid 50+</th>
</tr>
</thead>
<tbody>
<tr>
<td>0.01%-24.99%</td>
<td>18.0%</td>
<td>11.8%</td>
<td>35.5%</td>
<td>24.1%</td>
</tr>
<tr>
<td>25%-49.99%</td>
<td>27.2%</td>
<td>24.7%</td>
<td>28.1%</td>
<td>20.3%</td>
</tr>
<tr>
<td>50%-99%</td>
<td>32.3%</td>
<td>35.8%</td>
<td>13.4%</td>
<td>17.0%</td>
</tr>
<tr>
<td>100%</td>
<td>22.5%</td>
<td>27.8%</td>
<td>23.1%</td>
<td>38.7%</td>
</tr>
</tbody>
</table>

Mean % Hhld earnings

Median % Hhld earnings

Excluding those who account for 100% of household earnings:

<table>
<thead>
<tr>
<th>% of Household Earnings</th>
<th>All Employees</th>
<th>All Employees 50+</th>
<th>All Low Paid</th>
<th>All Low Paid 50+</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mean % Hhld earnings</td>
<td>57.4%</td>
<td>64.4%</td>
<td>46.9%</td>
<td>61.1%</td>
</tr>
<tr>
<td>Median % Hhld earnings</td>
<td>54.1%</td>
<td>63.7%</td>
<td>36.0%</td>
<td>60.5%</td>
</tr>
</tbody>
</table>

Source: Author’s calculations from SILC 2018 microdata
Notes: Percentage figures represent the earning of the low paid employee as a percentage of the total earnings from employment and self-employment in the household. All estimates are statistically significant with p < 0.05.

SUMMARY

Overall, this quantitative profile offers a new insight into this group of low paid employees and provides a better basis for understanding their personal, employment, financial and household characteristics. Relative to all employees, older workers carry a lower risk of being low paid with one in six earning less than €11.65 per hour compared to one in four of all employees. In general, these workers share a number of the attributes of the low paid population, for example having lower levels of completed education, holding permanent positions of employment and working in smaller firms (less than 50 employees). However, the analysis highlights that a number of attributes differentiate this group from the rest of Ireland’s low paid population. In particular, they have a different sectoral profile with more working in administrative and healthcare/caring roles and less in the retail, accommodation and food sectors. They are also more likely to work less than 20 hours per week or as part-time employees. In household terms these employees are more likely to live in 1-2 adult households, be the only worker in their household and own the property they live in. More than half own their property mortgage free. The analysis also suggests that although these workers record a higher rate of in-work poverty than the low paid in general, they are better able to manage the challenges of life on low earnings and experience lower rates of deprivation and a greater ability to cope with lump-sum expenses. An explanation for this paradox may be related to the lower depth of low pay experienced by these older workers and their lower exposure to recurring housing costs. The analysis also finds limited evidence that low paid older workers are better able to take up or sustain these roles give the presence of high earnings, or high income, in their household setting. While there is some crossover between these groups, the situation of low paid older workers does not differ from that of the low paid population as a whole. Indeed, among all low paid households the income received from low pay is more important to the households of these older workers that it is for the households of all earners in low pay.
6. A QUALITATIVE PROFILE OF LOW PAID OLDER WORKERS

The purpose of the qualitative strand of this study is to establish a more in-depth understanding of ‘why’ older workers become and remain low paid and their experiences in these roles. To provide context, the individual characteristics of the 20 interview participants (PL 1 - PL 20) whose narratives and insights are presented and discussed below, are first outlined. As previously stated (see Table 4.1), 14 women and six men aged between 52 and 72 years old came forward for interview. Participants were drawn from the retail, food and hospitality, and care sectors. The minimum time spent in their current job was seven months, with others in roles for 20 and even 27 years - the majority have worked in their sectors for all/most of their working lives. Four of the participants are not Irish by birth but have lived in Ireland for a minimum of 30 years. Of the 20 participants, half are currently married. Of the six men, one is divorced and five married. Of the 14 women, five are married, five are separated or divorced, two widowed and two never married. Sixteen participants are parents, with numbers of children ranging from one to five. Seven women live alone (one person households), none of the men live alone. Regarding education levels, two participants have completed Primary School only, 11 progressed to Secondary School of whom five completed to Leaving Certificate, and seven of the participants hold a Third Level qualification.

Participants spoke of the reasons that they entered, returned to, and remain in low paid employment. The following narratives and insights, as provided in their interviews, are organised and presented under two headings beginning with financial reasons, then moving onto fit and flexibility reasons. These themes are intertwined and often intersect, and they are simply used to provide a structural framework for reporting the findings. The final section of the chapter, observations on pay rates, outlines the views and recommendations that the participants made about their pay rates given the work that they do.
6. A QUALITATIVE PROFILE OF LOW PAID OLDER WORKERS (CONTD)

FINANCIAL REASONS

Earnings from employment are important for all of the older workers in low pay irrespective of their age, sector of employment, marital status or household composition. Thirteen participants indicated that their wages were ‘very important’ when asked at the outset of the interview to rate ‘How important are your wages to how you manage financially in your household?’ Five people responded ‘important’, and just two as ‘moderately important’. For example, participants stated that financial commitments and simply meeting daily living expenses mandate that they remain in employment. PL 15 who works in a bakery for 28 hours a week states: “If I don’t work, I can’t pay my mortgage, that’s basically it. So it’s a job”. (PL 15, Female, Age 57, Retail). Similarly, PL 1 who is employed full time in retail states “…you’d have no money. I don’t know what I’d live on. You know, so no, definitely work is very important”. (PL 1, Female, Age 55, Retail). Participants in general allude to a variety of ‘common’ transitory financial commitments such as mortgage commitments and or children’s third level education costs along with the recurring expenses of everyday living necessitating an income from a lone wage or a second wage in their household. For example, PL 13, reports that working as a young mother and combining childcare responsibilities did not allow for saving for the future for their children’s education. She also speaks about the cost of third level fees and supporting her daughters to live near their colleges as a significant financial burden. Supporting adult children (in their early and late 20’s in this instance), necessitated that PL 13 remain in the workforce, as she explained:

I find teenage years and coming into young adults my children have cost us more. And we were never in a position to save this children’s allowance for their college fees. We were never in a position to do that because times were hard for us. We worked through a recession and everything and times were difficult. I found I could always afford the nappies and, different things like that, but, I found teenage years and them going off to college [more expensive]. (PL 13, Female, Age 56, Retail)

While categorised as ‘low pay’ in the policy and research literature, for most of these older workers their wages were considered as essential to meet their financial commitments.
Remaining in employment and earning a wage was a necessary ‘choice’ that these participants were forced to make – a low income was preferable to no income, many participants were constrained by a lack of financial reserves (savings or adequate pension income) and better paid employment options.

**PENSION INADEQUACY**

A number of the participants aged over the ‘traditional’ retirement age of 65 years old spoke about their experiences of pension inadequacy and the financial impetus to remain in paid employment to meet financial outgoings. These workers explain that the pension supports that they receive are inadequate for their needs, thus motivating them to extend their working lives beyond retirement age and to supplement their pension income with a weekly wage. As PL 16, a care sector worker employee between 20 and 40 hours per week, states:

*I’d be on a widows’ pension - it’s not where I want to be... in this day and age it is inadequate [Widow’s Pension]. And I want to earn money. I want to be able to go on holiday for one thing. I want to have a standard of life that a widow’s pension doesn’t give you... So it [wages] enables me to be able to pay for my car, take trips, take weekends away, to be able to go out and shop, for clothes, and I don’t have to think about saving to buy a dress or a coat or something like that. Just basic things like that. Like do stuff in my house, like buy carpet. There’s things that you can’t [buy]—if you’re not working, they’re not as easy to do because basically you don’t have the money.* (PL 16, Female, Age 71, Care)

The choices made, or the circumstances experienced, by individuals in earlier parts of their working life carry financial implications and consequences that reveal themselves in older age. Some low paid older workers who qualify for an old age pension find it inadequate for their needs and are forced to remain in employment to augment their income, as PL 3, who works 30 hours per week, illustrates:

*I was retired. I actually retired, but I couldn’t live on the pension. I don’t get a full pension as such because I worked in the family business and PRSI wasn’t paid for 21 years. So subsequently I only get two-thirds of a pension.* (PL 3, Male, Age 70, Hospitality)

PL 17, who at 72 years old remains in his job of 27 years working a minimum of 24 hours per week to service a mortgage, outlines how ‘upscaling’ to a larger house earlier in life to accommodate a growing family has been the reason for extending his working life to supplement his pension payments:

*It [wage] provides an income that I would need for at least another six months because I have a mortgage, even at my age, because I re-mortgaged, I upscaled.* (PL 17, Male, Age 72, Retail)

Further insight is provided by PL 4 who outlines how the sector that she is employed in throughout her working life did not provide or promote an occupational pension. PL 4, a receptionist working full time in a busy hotel explains, therefore, that she continues to work on in later life to mitigate the financial constraints experienced by living solely on income from a pension:

*The only thing is [keeping her in paid employment], as I said, it’s very hard to live on the pension and it’s very hard - most hotels don’t have any pension scheme or anything like that. I know there’s pensions schemes that employees can pay into it, but most employees aren’t even told about those.* (PL 4, Female, Age 69, Hospitality)

In summary, these older people in low pay disclose that financial needs and concerns are an important driver for them to enter, return to, or remain in the labour market. They are compelled to remain in or to re-enter the workforce due to the lack of an occupational/private pension and an absence of personal savings to supplement their state pension and meet their living expenses. Whether it is current needs, or the legacy effects of past decisions and commitments, the pay, albeit low pay, is essential to them to meet their financial needs. Yet participants later convey that their wages are inadequate, unfair, and not considered a living wage (discussed below). Recognising the importance of pay, yet working for perceived inadequate pay, poses the question as to what other motivations are at play to attract and retain these older workers in the labour market at low pay rates. Participants highlighted a number of such reasons, and these are now addressed under the theme of ‘fit and flexibility’.
6. A QUALITATIVE PROFILE OF LOW PAID OLDER WORKERS (CONT'D)

‘FIT AND FLEXIBILITY’ REASONS

Throughout the interviews, participants indicated that there were a number of other reasons, beyond financial commitments and requirements, that explain why they entered and remain in low paid employment. These are summarised throughout this section under headings of: skills, convenience and the nature of employment, redundancy payments, social inclusion, motherhood, and work ethic.

SKILLS

The experience of low paid employment as a trap or ‘sticky state’ emerged as participants spoke about their initial attraction to a particular industry or sector, thus being propelled into similar low paid employment posts as a ‘lifelong job’ within that sector. The skills and work experience attained in previous and existing employment prove to be the ‘glue’ and the reason that workers remained in low paid sectors. For example, PL 18 started to work in the bar trade on finishing school at 16 years old and while he is in his current position for three years, he has been employed in the hospitality industry since he finished school and acquired the skills to work in that trade:

I’ve been in the bar game all my life. Started off in (city) as an apprentice when there was a bar trade and just kept on. (PL 18, Male, Age 52, Hospitality)

PL 3 illustrates his attachment to employment in the hospitality sector as he temporarily exited and then returned to work in the sector, and stresses the importance of his lifelong experience:

... It’s been my lifelong job being in hospitality. I went into it when I was 15 and I went out of it for a couple of years and I’m back into it again now... It’s the job I only know as such. (PL 3, Male, Age 70, Hospitality)

Other participants spoke about moving sectors, but the common denominator is the association of those sectors with low rates of pay, as PL 15 comments:
I’m in retail for forty years nearly,..., I left school at 15. I got a job in a hairdressers and I got a job in (Grocery Store Chain). The hairdressers was paying eight pounds a week and the supermarket was paying twenty-two. So I went for the money! (PL 15, Female, Age 57, Retail)

Similarly, PL 2 states:

I have had more jobs than most people have had hot dinners. I worked in factories. I worked in shops. I worked in a call centre. I worked for an environmental company. I worked for a laboratory. I was a taxi driver. I was on a (community employment), again doing cooking as well. I’ve had absolutely an amazing amount of jobs. (PL 2, Male, Age 66, Food)

The skills and experience garnered through previous employment proved to be an advantage in gaining/remaining in work yet was simultaneously a constrain in gaining employment in sectors that offered better pay.

**CONVENIENCE AND THE NATURE OF EMPLOYMENT**

The type of jobs available in employment settings located near to where these workers live proved to be another reason highlighted by respondents. The convenience of working nearby provided many participants with an incentive to enter, and remain in, low paid work.

PL 4, who held a Third Level qualification, speaks about the importance of convenience and proximity leading her to ‘fall’ into low paid employment in the hospitality industry:

I never thought I would work in a hotel, but it came about that it was the only work available in the town where I lived. There was no industries. Otherwise, you’d be travelling into the nearest town, which was ten miles away, so that was why. I just fell into it that way. It was never a career plan. (PL 4, Female, Age 69, Hospitality)

For others proximity is a ‘perk’ of the job, a way of saving money on daily expenses such as parking and travel expenses and the cost of a mid-day meal - important considerations in the context of a low pay income:

I like that I’m local to where I work, so I don’t have any travelling. We get our lunch in the shop free. We have a deli in the shop. So, I don’t have to worry about the cost of lunch and that sort of thing. So, they’re all what I would consider to be very good perks of the job. (PL 20, Male, Age 52, Retail)

Also, PL 10 refers to convenience and the cost saving advantages of working locally:

It’s close to home. It’s handy, as in there’s free parking. It’s only ten minutes away...so I’ve no cost in travel and I’ve no cost in lunch or anything. I go home for lunch. I suppose it’s convenience and it’s just there’s less expenses involved when it’s close to home like that. (PL 10, Female, Age 53, Retail)

For others proximity is a necessity, as getting to work is difficult, public transport is considered too expensive or is not available. Therefore, walking or cycling necessitate taking a job near home. For example, PL 5 explains why she seeks work locally:

Because this work was a short distance from home. I didn’t learning on the car. I need getting work, well, I can getting with bike. And then I looking there nearest to home. (PL 5, Female, Age 63, Food)

Similarly, living in a rural area with no public transport means that for PL 13 her local supermarket provides a viable employment option:

Because I don’t drive, which is a big drawback to me. So, I live rurally, outside a small town, which is three miles in, okay. (PL 13, Female, Age 56, Retail)

Geographical proximity was not the only factor that influenced the participants attraction to a particular type of work or sector of employment. The nature of employment in particular types of work also proved to be an important factor in propelling, and attracting, employees regardless of pay. PL 19 sketches out his experiences in a ‘good job’ -
6. A QUALITATIVE PROFILE OF LOW PAID OLDER WORKERS (CONTD)

a well-paid, responsible, middle management position and states that “you get paid money for stress”. Linking low pay with low-stress attracted some older workers into low paid employment as PL 19 explains:

…and then I left (Company name) about three years ago when I was just about to turn 60 because it was too much pressure. My experience over the years is you earn more money the more responsibility you take on or the more complicated the job is. It’s not the manual side of the job, it’s the complication and the responsibility you get paid for. And to be honest with you, this job suits me because I go in the morning, I finish at night, and I can leave it behind. I’ve no stress. And it seems to me you get paid money for stress. (PL 19, Male, Age 62, Retail)

Also, PL 14 explains that being self-employed previously proved too stressful for her, as income uncertainty caused concern:

…the position I’m in is not stressful, - when you’re working for yourself, there’s quite a stress level. You’ve got to make sure that first of all, that people will pay you, whereas this time I don’t have to worry about that, it’s just there. It takes away that kind of stress. But certainly, with this position now that’s been taken away from me and now that I have got myself into a permanent full-time position. It’s not stressful. (PL 14, Female, Age 60, Hospitality)

For PL 14, being in local, permanent employment in the hospitality industry is more beneficial to her than being higher paid and self-employed. While the pay is low, she describes a secure, regular income as being stress free and “just there”. Choosing low stress employment to promote well-being was deemed more important to some of the participants than better paid work.

REDUNDANCY PAYMENTS

Redundancy payments from long held well paid employment proved to provide a financial cushion for some participants, coupled with less financial strain from supporting children. A lump sum payment permitted them to exit a sector and move into a lower paid role, while still providing an important income
in later life. PL 8, who works full time, outlines her motivations to move to lower paid work because of a redundancy package:

I needed to get away from work in [previous sector]. So, redundancy packages came around at the time and by the third time they came around I said, look, I can do this, I can pay my bills and that’s it, and I’ll easily get a job and I took the redundancy. I didn’t have as much expenses or outgoings as I did have when I did work in [Company/Employer name] and with the redundancy package I got. So, I didn’t have so much outgoings, so I could survive on that [low wage]. And the kids, they were grown up and had their own jobs and I didn’t have to worry about them. And that’s how I just got into it [retail work] and I stayed at it. (PL 8, Female, age 62, Retail)

PL 12, who never married and is the sole earner in her household, speaks of her exit from stressful employment ten years earlier. With ‘no plan’ re. specific employment but an intention, that proved unsuccessful, to enter less stressful, pensionable employment. The lump sum provided by the redundancy package allowed PL 12 to clear significant financial commitments and to earn enough to meet her everyday needs - to take up work that she enjoyed, albeit in an array of precarious and low paid posts in the hospitality sector:

I left a permanent pensionable job after twenty years with no pension and like just a redundancy package and I also had no plan. So having no plan I’ve actually got kind of lucky...in that I’ve pretty much remained consistently in employment even in a very erratic way. I’ve made every effort and I get sick of it. I’ve applied for several clerical officer jobs that I didn’t really want entry-level jobs, and I didn’t even get an interview for them, so it’s like, well, why did I bother? You know, I might as well just do bits and pieces of stuff that is amusing and changeable and variable. (PL 12, Female, Age 53, Retail)

SOCIAL INCLUSION

The social value of work as a form of social inclusion, with benefits for well-being and mental health, is emphasised as a reason to take up employment by all of the participants in the study. PL 4 formed friendships with work colleagues, socialising outside of the workplace and spoke about the importance of this social interaction as she lived alone:

So yes, it was interesting and it kept you out and about and in touch with everything. And of course your work colleagues. It was nice to have people. A lot of people that I worked with I actually went on holidays with and everything. (PL 4, Female, Age 69, Hospitality)

PL 13 stress the importance of work to her as a rural dweller - social interaction in the workplace is an enjoyable and essential part of her daily life:

It’s [being employed] good for your head. Oh, you’d love to say, oh, God above, if I didn’t have to work, but I don’t think it’d be really any good for you either, I live in a rural area, so if I didn’t go into town and go to work I really wouldn’t be meeting anybody. (PL 13, Female, Age 56, Retail)

Others spoke of the health benefits that being in employment afforded them, some on health advice as PL 7 confides:

So, actually it [work] is my social life really. And I suffer from anxiety and my doctor has always told me - and he’s right - you have to work. ‘You can’t not work,’ he said, ‘just for your mental health.’ Because if I had nothing to do and I was sitting around it would be bad for me. So, the busier I am the better. (PL 7, Female, Age 61, Care)

PL 17 who had informed that he remains in work to service a mortgage, reveals an additional impetus to remain in employment:

I enjoy working. It keeps my insanity [at bay]. It gets me out of the house, under the wife’s feet. (PL 17, Male, Age 72, Retail)

Social interaction and improved health and wellbeing were vital ‘outcomes’ from participating in the labour market for women and men. Job satisfaction and building personal relationships outside of the home and family life were also an important incentive to remain in work, However, the impact of family life on working life proved to be a motivation for many women who were mothers to enter low paid employment. An additional gender aligned factor emerged from the narratives of the older women as they spoke of former careers and current employment, and the role of motherhood and its compatibility with paid work outside of the home.
MOTHERHOOD

Sixteen of the participants were parents, including five of the male participants. However, how the fathers and mothers in this study spoke about children and childcare, and the reasons that they entered or remained in low paid employment, were conceptually different, and often reflected a ‘positive’ lifestyle choice in relation to wellbeing. To illustrate PL 20, with a third level qualification and who works 29 hours per week in retail, explained how he transitioned from a successful well-paid career to reduce both stress and work hours, with just him and his wife at home and no longer having to support the financial needs of their children:

...all of my kids are grown up. They’ll all moved out of the house bar my daughter, who she’s 27 now. So, I don’t have a mortgage. I don’t have to dress kids. I don’t have to feed kids. I don’t have to put them through school, that sort of a thing. So, the income that both myself and my wife earn it’s not by any means a fortune but it’s enough for us to get by on. (PL 20, Male, Age 52, Retail)

However, for those women who participated in the study and who were mothers, motherhood proved a significant driver into lower paid employment. Higher paid ‘career’ jobs were perceived as more demanding, requiring longer hours, travel, and greater commitment. Therefore, they viewed these as being incompatible with family life and child rearing. Similarly, the gendered division of parenting responsibilities in the home is referenced by PL 11, necessitating a choice between career and parenthood. She describes how she decided not to pursue a career, instead prioritising ‘family life’ and being the main care provider for her children:

...a lot of older women go in to work in retail for their family’s sake... I could have had a career [as a chef], but I would have never had a family, or never had a family life, because of the hours. Catering is more for men than women. I know that’s wrong. But they [men] could have the wife at home looking after the kids and they can work their fourteen-hour days or whatever. A woman couldn’t do that. Well, I don’t think they should when you have a young family. And I think that’s what forces women into... I wouldn’t say menial jobs, I don’t class my job as a menial job. I don’t class anybody’s job as a menial job. It’s a job.
For other women, being embedded in successful well-paid careers proved incompatible with parenthood due to the requirements to travel and juggle childcare. PL 10 working full time in retail for the last 10 years, spoke about her enjoyment and commitment to her previous career in management and the choice that she made:

I had to leave my good job ... and I used to travel around the country setting up sites, getting them staffed, getting them up and running. I’d say maybe two or three months in each place and just to set them up and get them going. And then I had a child and you can’t do that when you’ve got a baby. So that put an end to my running around the country. (PL 10, Female, Age 53, Retail)

Others remained within the sector that they worked in, but ‘sidestepped’ into less demanding work as the availability of suitable childcare proved a hurdle to continued career development:

Then I had my second child and it [position in employment] wasn’t really working. I travelled a lot with them. So, I took kind of a sidestep and I went into store management, which was better. It meant I was leaving work at six o’clock in the evening, then being home. I could drop the kids to crèche. And it worked out better than the office because I just couldn’t travel anymore. I couldn’t get anyone to mind the kids. (PL 8, Female, Age 62, Retail)

Others combined being the full-time care giver for their children during the day and sought unsociable hours for employment, thus eliminating the expense of paid childcare. PL 6 explains that the second income in her household was essential, and that childcare was beyond her financial means:

I actually went back to work when she [daughter] was a month old, three nights a week, stacking shelves. And again it was all just to have that income, it’s the fact that I’ve had I suppose such a hard time, with childminders, paying out for childminders... all that kind of thing over the three days for years. (PL 6, Female, Age 55, Retail)

For some of the women, exit from the workforce was their only choice and they returned to employment when children were grown, glad to have additional income to meet the expenses of daily living:

I was there [bar work] for three years, then I got married and had kids and I didn’t work then till three years ago. I didn’t work when the kids were growing up. I didn’t work for twenty-eight years. (PL 9, Female, age 65, Hospitality)

Motherhood is a motivation to moving into, returning to, or remaining in employment that provides convenience (unsociable hours were a positive attraction here) and compatibility with the demands of child rearing, often driven by the lack of affordable and available childcare. For these women adopting the ‘traditional’ roles of parenthood (with the female as the prime care provider) or being a lone-parent, and juggling family life alongside a demanding career or full-time job were irreconcilable.

WORK ETHIC

Underpinning the pragmatic reasons outlined above, was the alignment or fit of personal values with general work practices. Attachment to the labour market is driven by a strong work ethic and this was spoken about by many participants. For example, PL 6 who is divorced and working as a shop assistant for 20 hours per week, evokes family values in relation to independence and work as she explains one of her reasons for being in employment:

We come from that kind of background that you worked and you get on. My mum was so good to us, but I never had to kind of ask her for anything because I always had that mentality and I’ve always had a job. (PL 6, Female, Age 55, Retail)

Similarly, PL 7, married with no children and working in the care sector for most of her working life, links family values, a strong work ethic, and labour market attachment to a reluctance to claiming social welfare benefits:

I’ve never really been on the dole in my life. There might have been a few bits in between that I’ve had to sign on, but I never drew dole as such in my life and don’t want to
6. A QUALITATIVE PROFILE OF LOW PAID OLDER WORKERS

 realmente. Just it’s not us. We’ve been brought up different … out of six children none of us ever [claimed unemployment benefit] - everybody’s working. (PL 7, Female, Age 61, Care)

In summary, the participants spoke of many reasons for being in and remaining in low paid employment as work provides an essential income, fits in with choices and personal circumstances in a variety of ways, and is aligned with personal social needs, values and a strong work ethic. However, the wages earned by these older workers were, without exception, perceived as inadequate by all the participants in this study. In the following section insight is offered into their observations on the adequacy and fairness of the hourly wage rates they receive.

OBSERVATIONS ON PAY RATES - THINKING ABOUT A ‘FAIR’ WAGE

While these older workers are dependent on their wages to meet financially demands; they universally argue that their pay is insufficient in that they are not paid enough for the work that they do. During the interview, the participants were asked “do you think you are paid a fair wage for the work that you do?” The older workers responded and stated what they consider a fair wage and provided justification as to why this rate of pay is appropriate, for example as renumeration for unsociable hours, to reward experience or in relation to the physical pressures of their work. Many consider a ‘fair’ wage to be approximately €15 or over an hour given the demands that low paid employment makes on them. As PL 2 states “I reckon an hourly rate minimum would be fifteen euro an hour. Minimum” (PL 2, Male, Age 66, Food). PL 3, who currently earns €12.50 an hour after serving 55 years in the hospitality industry, points out:

...but people don’t get well-paid, not when there’s 55 years of work behind you. ... between fifteen and sixteen euros an hour would be a fair wage, a liveable wage as well. And in hospitality people are doing the hours that other people don’t do... you’re doing unsocial hours. I know it doesn’t sound an awful lot of an increase, but when you multiply that by thirty hours a week it is a lot. It
would give me a more comfortable way of life. (PL 3, Male, Aged 70, Hospitality)

PL 10, who has worked for 11 years in her job in retail and earns €11.00 an hour argues for a legal entitlement for her and others who are long term employees, whatever their educational attainment, as she states:

... at least fifteen euro an hour would be a fair wage for what we do. I mean, we go all day, all day. We don’t stop. I think eleven euros is pathetic, sad. There’ll always be cheap labour out there and there has to be cheap labour out there otherwise everything would be too expensive ... people who are doing a job or in a job for a certain length of time should be given better circumstances, better wages..., there should be some legality around that. If somebody’s in a job for a certain amount of time and has a certain amount of education, whether it be a degree or not, they’re entitled to the living wage. (PL 10, Female, Age 53, Retail).

The notion of a living wage as a fair wage is evoked by participants as they point to a long working life, along with the demands of the work that they do. Additionally, others allude to, and express sympathy for younger workers at a different stage in the life course in similar employment and pay rates. As PL 19, who earns €11.50 an hour, states:

There’s a lot of young people doing what I do and I feel sorry for them. But it’s not a great wage. Because it’s hard work and you’re on your feet all day and you’re talking and selling. So it’s a tough old job..., if I was still paying a mortgage and I was still bringing up kids and things then, you would be looking, fifteen euro at least an hour. (PL 19, Male, Age 62, Retail)

However, other participants are sceptical that should they, and others in their sector, be awarded a higher wage, employers will find ways to counter the financial demands of increasing wages by allocating fewer working hours to their staff, such that their take home wages will remain unchanged. As PL 4 added to her previous comments on pay in the hospitality sector:

Definitely not. You know, it’s not what you’d call a living wage [her current wage]. I think anything under about thirteen, fourteen euros an hour it’s not really possible to live on it. But I think once you increase the hourly rate hoteliers would just cut the hours. So, you’re in a catch-22 situation as well. (PL4, Female, Age 69, Hospitality)

The narratives outlined above were spoken with strong conviction, and sometimes anger, as the participants reflected on their work and the wages that they earn and what in their opinion, they should earn. Participants were conversant with debates and policy around low paid employment as presented in the media. For many, stating their views on low paid employment and the work that they and others do was signalled as the impetus for coming forward for interview.
CONCLUSION

Older workers in low pay are a heterogeneous cohort, reflecting older people in society in general. While their motivations for taking-up and continuing in low paid employment are complex and varied, the financial impetus to remain there is perceived as important to all participants. All twenty low paid older workers stated that their wages are essential to meet financial outgoings, whether one-off costs or recurring daily living expenses.

Choices made from earlier in the life course have driven many older workers into low paid employment and that is then where they remain. A long held, deep rooted, work ethic motivated many of the older workers to earn a wage, regardless of low pay rates. Finding a job then requires fit and flexibility as to where and when employment is sought. Choices and constraints related to various demands from across the life course are key to older workers originally or recently becoming embedded in low paid employment. Skills and experience gained prove to be a ‘glue’ to a particular sector or type of work, a reason for remaining in low paid employment. The importance of convenient local work is also an important motivation. Therefore, sectoral influences are evident as employment settings such as retail outlets, bars and hotels are situated in or near most villages/towns and cities throughout Ireland and provide convenient, if low paid, employment for those who have caring responsibilities, no access to transport and wish to avoid the expense and inconvenience of commuting to a better paid role. The avoidance of stress, often experienced in previously held better paid jobs, was an additional impetuous into lower-paid employment at a later stage in life. These factors seem to override educational attainment in later life as a driver into low pay, as participants with third level education also outline these drivers into employment.

Additionally, parenthood, or more commonly motherhood, was identified as a common reason to work in local low paid employment as on becoming a mother women struggled to balance the demands of better paid work (such as travel, long hours etc) around caring responsibility for children. Many eventually left ‘good’ jobs for convenient, low paid but less demanding employment. Issues with affordable and available childcare were also alluded to by women who chose, or were forced, to exit the labour market or adjust their working hours.
to act as care givers and later returned to the labour market once children had grown. The financial demands of tertiary education for their children proved an additional spur to returning to, or remaining in, the workplace.

The social drivers into work emerged as one of the most important and prevalent reasons for these low paid older workers. The social value of employment was important to all the workers who participated in this study. Their attraction to work was driven by factors related to social inclusion and well-being. These older workers spoke of appreciating being in employment in strong terms - placing significant importance on enjoying the work that they do and the interaction with colleagues and clients or customers. The health benefits that accrue from being in sociable, convenient, less stressful employment, doing a job they enjoy with people whose company they value, was a considerable incentive into joining, and remaining in, low paid employment for these older workers.

Finally, participants were keen to talk about their willingness, enjoyment, challenges, and benefits to being in low paid employed and ‘why’ they do the work that they do. While some older workers are trapped in and/or constrained from exiting low paid employment, others make a choice and are voluntarily there. Research participation was perceived as a platform to state their views as low paid older workers, illuminating the reasons for being in and remaining in low paid employment, coupled with a desire to make a case for a ‘fair wage’ for the work that they, and others, do.
7. FINDINGS AND IMPLICATIONS

The final section of the report first returns to the five research questions outlined in section 2 and considers them in the context of the quantitative and qualitative profiles of low paid older workers. It then briefly explores the implications that these findings carry for our understanding of the research literature on, and public policies related to, low pay, older workers and the cohort of individuals who simultaneously fall under both these classifications.

WHAT IS THE SCALE AND PROFILE OF LOW PAY AMONG OLDER WORKERS?

In the Irish labour market almost one in every six workers aged over 50 are in low pay, a group totalling approximately 80,000 individuals in 2018. These low paid older workers comprise one-fifth of the total low paid population.

Among older workers, the analysis highlights the importance of the relationship between education and earnings with the risk of low pay declining as education completion levels increase. Overall, 63 per cent of older workers in low pay (some 50,000 individuals) have no completed education beyond secondary school. Focusing on the risk of low pay, the analysis finds that the highest risks faced by older workers are for those working part-time, on temporary contracts, on low hours, in small firms (less than 10 employees), and based in the retail, accommodation and food sectors. In addition, about one quarter of older low paid workers work in administrative roles.
DOES LOW PAY DIFFER BETWEEN OLDER WORKERS AND THE LOW PAID IN GENERAL, AND IF SO, HOW?

Relative to all employees, older workers carry a lower risk of being low paid with one in six earning less than the hourly low pay threshold (€11.65 per hour in 2018) compared to one in four of all employees.

In general, older low paid workers share a number of the attributes of the low paid population, for example having lower levels of completed education, holding permanent positions of employment and working in smaller firms (less than 50 employees). However, the analysis highlights that a number of attributes differentiate this group from the rest of Ireland’s low paid population. In particular, they have a different sectoral profile with the analysis finding that, compared with all those in low pay, older low paid workers are more likely to be working in administrative and healthcare/caring roles and less likely to be in the retail, accommodation and food sectors. They are also more likely to work less than 20 hours per week or to be part-time employees. By contrast, most low paid workers live in multi-adult and multi-worker households and are twice as likely to be renters.

DOES THE HOUSEHOLD AND FINANCIAL SITUATION OF OLDER WORKERS DIFFER FROM THAT OF THE LOW PAID IN GENERAL, AND IF SO, HOW?

In household terms older low paid workers are more likely to live in 1-2 adult households, be the only worker in their household and own the property they live in. More than half own their property mortgage free. The analysis also suggests that although these workers record a higher rate of in-work poverty than the low paid in general, they are better able to manage the challenges of life on low earnings and experience lower rates of deprivation and a greater ability to cope with lump-sum expenses. The explanation to this paradox may be related to the lower depth of low pay experienced by these older workers and their lower exposure to recurring housing costs.

The analysis also finds limited evidence that low paid older workers are better able to take up or sustain these roles give the presence of high earnings, or high income, in their household setting. Although there is some crossover between these groups, the situation of low paid older workers does not differ from that of the low paid population as a whole. This contrasts with the situation of minimum wage workers who Redmond et al. (2021) observed as being mixed into households with higher income earners, a phenomenon predominantly driven by younger workers. Indeed, among all low paid households the income received from low pay is more important to the households of these older workers than it is for the households of all earners in low pay.

These findings suggest that the household context, and in particular a household tenure related wealth effect, buffers against some of the experiences of economic hardship despite the inevitable challenges of life on low earnings.

WHAT ARE THE REASONS BEHIND WHY OLDER WORKERS BECOME AND REMAIN LOW PAID?

Lucifora and Salverda note that among the low paid in general, “the factors determining why some workers move into better paid jobs, but others do not, are not well understood” (2009: 277). This is particularly of interest for older workers who are often characterised as being trapped in low pay, in contrast to younger workers who are depicted as using it as a stepping stone to higher paid employment (Dickens, 2000; Booth et al., 2002).
7. FINDINGS AND IMPLICATIONS
(CONTD)

The older workers interviewed for this research serve as a useful group for exploring, and better understanding, why people enter and remain in low pay. In all cases they are engaged for more than 20 hours a week in low paid employment, work in some of the most common sectors associated with low pay among those over 50 and are in their current role for an average of seven years (range from seven months to 27 years).

The older workers in low pay interviewed for this research all identified financial needs and concerns as an important driver for them to enter, return to, or remain in the labour market. Respondents cited the need to meet recurring and occasional living costs, including those associated with rearing and educating a family, as necessitating finding work and that their pay, albeit low pay, is essential to them to meet these financial needs. The inadequacy of pension income was also a factor influencing older workers to take-up or remain-in low pay.

Recognising the importance of pay, yet working for perceived inadequate pay, poses the question as to what other motivations are at play to attract and retain these older workers in the labour market at low pay rates. Participants highlighted a number of such reasons which collectively reflect a fit with their skills, location, family context and expectations of work alongside accommodating a desire for flexibility given individual and family circumstances.

The skills and work experience of older workers proved a trap, or sticky state, for some participants who entered into low paid employment from a younger age and never left. The relatively widespread spatial distribution of low paid employment was also influential, with some respondents citing the convenience of local employment as an attraction for joining and remaining in low paid work. The fact that these jobs were also perceived as less stressful, relative to higher paid roles, had also enticed some older workers to shift down the pay and skills hierarchy and trade earnings for reduced work-related stress. Circumstance also influenced choices to join or remain in low paid roles with lump-sum redundancy payments reducing the financial pressure on some individuals and allowing them the freedom to be less financially focused on earning sufficient income to make ends meet. For those women who participated in the study and who were mothers,
motherhood proved a significant driver into lower paid employment, reflecting choices they made given the need to juggle work, care and financial needs. The role of work in promoting social inclusion and meeting an underlying work ethic were also highlighted as determining factors for joining and remaining in low pay.

These finance, fit and flexibility reasons did not emerge as mutually exclusive factors motivating taking up, and/or remaining in, low pay but rather appeared in various combinations across the research participants. Although financial reasons were common to all, the research reveals a need to understand low pay participation in a more nuanced way and that while some older workers are trapped in low pay others are voluntarily there.

HOW DO THESE WORKERS EVALUATE THEIR RATE OF PAY GIVEN THE WORK THAT THEY DO?

The quantitative analysis demonstrates how relative to all low paid employees, those age 50-plus are marginally better paid. They are also more likely to be classified as working poor and experience enforced deprivation yet are better able to absorb lump sum costs such as those that might arise as an unexpected expense or for an annual week-long holiday. Nonetheless, compared to all low paid employees, the earnings of low paid older workers represent a greater proportion of their household’s income and are therefore more important for their household’s financial well-being.

When interview participants were asked if they received a fair wage for the work that they do, they all indicated that they perceived their pay as inadequate. Taking into account the type of work undertaken and the context of that work (hours, mode etc) many indicated that an hourly wage of €15 would be a fair hourly rate. While some expressed scepticism that employers would pay such an amount, or that they would absorb additional labour costs via a reduction in hours, others demonstrated intergenerational solidarity, noting their own ability to cope on these lower earnings while acknowledging the challenges they pose for younger colleagues meeting accommodation and family related costs. The suggested €15 per hour rate stands at €2.50 above the low pay threshold and approximately 80 per cent of median hourly earnings at the time of the interviews.

POLICY IMPLICATIONS: LOW PAY AND OLDER WORKERS

Nationally and internationally, there is limited research examining older workers in low pay. Given the size of this group, and the possibility of its growth in the decades to come, an ability to understand the socio-economic and labour market composition of this group is important. This research provides a heretofore absent insight into a group of workers that comprise one fifth of all low paid employees; approximately 80,000 individuals. Alongside revealing their sectoral and socio-economic profile, the research also provides insights into the household context of these low paid workers and the array of factors influencing their decision to commence, or continue in, low paid employment. Based on the quantitative and qualitative findings, a number of policy relevant implications arise for our understanding and approach to the issues of low pay and older workers:

- Older workers in low pay have a different sectoral profile to low paid workers in general with the analysis finding that older low paid workers are more likely to be working in administrative and healthcare/caring roles and less likely to be in the retail, accommodation and food sectors.
- Understanding the household context of older low paid workers is important when considering their ability to live life on a low income. While these workers record a lower depth of low pay (distance hourly earnings are below the low pay threshold), they are more likely to be living in poverty than low paid workers in general. The wealth effect of household ownership, and the ability to better absorb one-off expenses, differentiates this group of employees from those on similar rates of pay lower down the age spectrum. Although this financial buffer remains important for many current older low paid workers, declining rates of home ownership suggest that it will play a reduced role for future generations.
7. FINDINGS AND IMPLICATIONS

While earning income to meet financial needs is an important consideration for this group, their continued labour market participation is also driven by factors including social interaction, work ethic, pension inadequacy and a desire for a less stressful and more convenient lifestyle which better balances work and non-paid work commitments. Overall, the research suggests the need to understand low pay participation in a more nuanced way and that while some older workers are trapped in low pay others are voluntarily there.

On average, low paid older workers earned 40c to 60c per hour above the minimum wage hourly threshold in 2018. All interviewed workers indicated that they regarded their hourly pay as inadequate for the work that they undertook; a rate of €15 per hour was identified as fair. This rate stands at €2.50 above the low pay threshold at the time of the interviews, approximately 80 per cent of median hourly earnings. Given the education, skills, household and lifestyle profile of older low paid workers, it is predominantly via increasing low pay earnings, rather than retraining and upskilling initiatives, that the living standards of this group will be increased.

The established labour market gender divides persist for older low paid workers. Women comprise 54 per cent of the total low paid employee population and this proportion does not change for those over 50 years. Older female low paid workers are found to earn 5.5 per cent less than older male low paid workers. Motherhood was also identified as a significant driver into lower paid employment, reflecting the constraints some women faced given the need to juggle work, care and financial needs.

Policies to encourage longer working lifetimes, active ageing and generate opportunities for retaining and reskilling sit alongside other public policies around low pay, living wages and both income and earnings adequacy. Consequently, understanding the scale of this group, their probable growth over time, and the set of influences that determine their participation in low paid employment carries important implications for future policies for older workers in general and polices around active ageing and extended working lives. This research underscores a need to understand the participation of older workers in the labour market beyond the perspectives of earnings and productivity. While
income is important for this group, their participation and continued participation as workers is also linked to other objectives including better lifestyle balance and social interaction. These findings carry implications for employers, employee representatives and policy makers as modes to facilitate extended working lives are further developed.
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LOW PAID OLDER WORKERS

A QUANTITATIVE AND QUALITATIVE PROFILE OF LOW PAY AMONG WORKERS AGED OVER 50

Micheál L. Collins
Catherine Elliott O’Dare

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