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REPORT ON THE SUB-MINIMA
RATES OF THE NATIONAL
MINIMUM WAGE (Part 1)

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REPORT OF THE LOW PAY COMMISSION ON THE SUB-MINIMA RATES OF THE NATIONAL MINIMUM WAGE (Part 1)

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Chapter 1 The Current Sub-minima System

The current sub-minima system

The current system of sub-minima rates was introduced as part of the National Minimum Wage Act, 2000. The sub-minima rates relate to a number of exceptions from the National Minimum Wage which provide for a reduced rate to be paid in certain cases. The groups affected by the sub-minima rates are

- those under 18 years of age
- those over 18 who are in a first job (for up to two years), and
- those over 18 who are undergoing a prescribed course of study or training (known as trainee rates).

The current sub-minima rates are set out in *Table 1* below

Table 1 Current Rates of National Minimum Wage

		Effective from 1 Jan 2016	% of minimum wage
Adult Rate	Experienced adult worker	€9.15	100%
Age-based Rates	Aged under 18	€6.41	70%
	First year from date of first employment aged over 18	€7.32	80%
	Second year from date of first employment aged over 18	€8.24	90%
Trainee Rates: Employee aged over 18, in structured training during working hours	1st one third period	€6.86	75%
	2nd one third period	€7.32	80%
	3rd one third period	€8.24	90%

Source: *Low Pay Commission website*

The Sub-minima rates are tied to the adult National Minimum Wage as a fixed percentage. The sub-minima rates therefore change in line with any changes made to the standard National Minimum Wage.

These percentages are set down in the primary legislation – the National Minimum Wages Act, 2000 – and any changes to the fixed percentages would require amending primary legislation.

It should be noted that the so-called ‘trainee rates’ do not apply to apprentices, who are an exempt category under the Act.

The introduction of sub-minima rates

The National Minimum Wage Act, 2000 was enacted based on the research and advice of the National Minimum Wage Commission and the Inter-Departmental Group on Implementation of a National Minimum Wage. As part of its remit the Commission made recommendations regarding the implementation of sub-minima rates.

In determining which groups should be subject to sub-minima rates the National Minimum Wage Commission and Inter-Departmental Group looked at a wide range of issues. The conclusions of the National Minimum Wage Commission with regard to the National Minimum Wage and sub-minima rates were that

- There should be no regional or sectoral variations and no special treatment for small and medium enterprises;
- The rate for employees under 18 years of age should be 70% of the full rate;
- Reduced rates should apply to job entrants, apprentices and trainees on a sliding scale of 75%, 80% and 90% in the first, second and third years respectively.

The Inter-Departmental Group established to assist in devising a plan of action for the implementation of the National Minimum Wage noted that the Commission's conclusion in respect of sectoral variations was consistent with the general rationale of introducing a National Minimum Wage. They also noted that the manner in which particular groups were dealt with was central to minimising any adverse consequences of the National Minimum Wage.

The rationale behind the Commission's decision to include sub-minima rates for particular groups is explored below.

Under 18's

The Inter-Departmental Group and Commission both considered that there is always likely to be a group of young people entering fulltime employment before the age of 18. Dáil debates from the time show that there was considerable concern around the vulnerability of this group to exploitation in the workplace. Therefore it was felt that there was a need to cater for this group within the framework of a National Minimum Wage.

The Inter-Departmental Group also raised concerns that if the National Minimum Wage were to be set too high for under 18s it could serve as an incentive for young people to leave education earlier than they would otherwise have done to take up full time employment. There was also the concern that too high a wage for under 18s might lead to a reduction in demand for such workers by raising their price to beyond a level which employers were willing to pay.

Having considered the need to protect young workers from exploitation against the potential consequences of setting the National Minimum Wage too high, the Commission recommended that the sub-minima rate for employees below the age of eighteen should be set at 70% of the adult National Minimum Wage.

New Entrants

The decision to recommend a reduced rate for job entrants, on a sliding scale of 80% and 90% of the full rate in the first and second years respectively, was based on recognition of two things:

- The value of experience to employers and
- The cost of training to employers and its value to employees

As explained by Mary Harney, then Tánaiste, when introducing the bill to the Dáil “all other things being equal, an experienced employee is of more value and more productive than a new entrant or trainee. It is also important that those seeking employment would not be prevented from getting the opportunity to enter work because of their lack of experience or training.”

The sub-minima rates for new entrants were therefore designed to provide the protection of a minimum wage to such employees, while at the same time recognising that their inexperience makes them less valuable to employers.

Trainees

A similar rationale was behind the decision to apply sub-minima rates to employees engaged in structured training during work hours. While there was a need to ensure such workers received the protection of a minimum wage it was also recognised that training was of value and benefit to an employee, while at the same time costly to an employer.

There was a concern at the time that a situation should not be allowed to develop where an employer could effectively determine the extent and nature of the training, as this could lead to abuse. The Act therefore specified that the training or study must be within a prescribed course, be provided within the normal working hours of the employee, for a maximum period of 3 years, and that the course must be certified and any fees payable must be paid by the employer (see SI No. 99/2000 - National Minimum Wage Act, 2000 (Prescribed Courses of Study Or Training) Regulations, 2000 in Appendix 1).

Based on the recommendation of the Inter-Departmental Group apprentices were exempted from the provisions of the Act in recognition of the unique nature of such apprenticeships and the fact that a long-established practice for determining rates which adequately protected apprenticeships already existed (the Joint Labour Committee/Employment Regulation Orders system).

When making their recommendations regarding the National Minimum Wage and Sub-minima rates the Inter-Departmental Group and Commission had regard to the position of the Joint Labour Committees (JLCs).

JLCs were statutory bodies established by the Labour Court under the Industrial Relations Acts, 1946 to 2004, to provide machinery for the fixing of statutory minimum rates of pay and conditions of employment in particular sectors. Composed of equal numbers of representatives of employers and workers in a sector, a JLC met regularly, under an

independent chairman, to discuss and agree terms and conditions to apply to specified grades or categories of workers in the sector. When it reached agreement on terms and conditions, the JLC published details and invited submissions. Following consideration of any submissions, the Committee made proposals to the Labour Court for making an Employment Regulation Order (an ERO). The making of an ERO had the effect of making the pay rates and conditions contained in it legally enforceable.

There were various EROs developed on a sectoral and industry-wide basis, and each provided for different rates. In general, the EROs applied in some of the lower-paid sectors of the economy e.g. hairdressing and catering. (See a more detailed note on JLCs/EROs/REAs/SEOs in Appendix 2.)

In 2011, however, the High Court ruled that certain provisions of the Industrial Relations Acts of 1946 and 1990 governing the making of EROs were unconstitutional, and the provisions of all EROs ceased to be legally enforceable as a result of the ruling. Subsequent amendments to those Acts have provided a new framework within which employers and employee representatives can come together voluntarily and negotiate terms and conditions of employment for workers in their respective sectors. Just two sectors (Contract Cleaning and Security) have to date adopted agreements under the new system, and the Orders made are binding across the sector to which they relate, and are enforceable by the Workplace Relations Commission. In both Orders, sub-minima rates are agreed for young people and for trainees.

The main arguments in favour of sub-minima rates are that

- a) they provide wage protection for young people who choose to enter the workforce while at the same time ensuring wages are not set so high that they could discourage employers from hiring young workers, and
- b) they can be set at a level which may allow and provide some incentive to gain work experience and yet act as a disincentive to young people leaving education or training early in order to enter the labour force.

The main arguments against the rates are

- a) the equality argument – there should be equal pay for equal work, and age should not be used as a means of discrimination, and
- b) sub-minima rates can lead to exploitation, by, for example, allowing people to be kept on training rates considerably beyond the duration necessary for the appropriate training required for a job.

A report by the Organisation for Economic Co-operation and Development (OECD) for the G20 meeting of Labour and Employment Ministers, Paris, entitled "Giving Youth a Better Start", published in 2011, suggested that *"If a Sub minimum wage is introduced, the critical issue is to determine how much lower it should be compared to the adult rate in order to compensate for lower productivity. The social partners have an important role in determining a suitable level of remuneration. Furthermore, sub-minima wages subject to training provision call for regular monitoring to avoid abuses."*

Chapter 2 The Research

For this report the Low Pay Commission asked the Economic and Social Research Institute (ESRI) to research Sub-minima rates in other countries, the effect of sub-minima rates on youth employment and what impact they have on education. The findings of this research are set out in the paper titled “A Study of Sub-Minimum Wage Rates for Young People”. This paper reviewed relevant international literature and also provides contextual analysis specific to Ireland by analysing relevant available datasets, namely the Quarterly National Household Survey (QNHS) and the 2009 National Employment Survey (NES).

This chapter draws from the work of the ESRI, whose report is available in full at www.esri.ie and on the Commission’s website at www.lowpaycommission.ie.

Summary

The ESRI report assesses the extent to which minimum wages are adopted internationally and, in instances where they exist, the degree to which separate rates exist for young people and the methods by which they are constructed. The report also summarises the rationales for the existence of sub-minima rates and the international evidence relating to their economic effects. Finally, some preliminary assessments relating to minimum and sub-minima wage rates for Ireland are presented.

The ESRI find that over three-quarters of OECD countries have statutory minimum wages and, of these, around three-fifths have special rates for young people. The evidence demonstrates that, in terms of their construction and design, youth rates are predominately expressed as some proportion of the adult minimum wage rate. While most sub-minimum wage rates for young people are age-based, there are a few exceptions, such as in France where the young person’s experience levels are also taken into account. Where OECD countries have apprenticeship/trainee pay rates, the rates tend to be separate from their sub-minimum wage rates for young people. In addition, the rates are not restricted to youths.

In relation to the economic effects of sub-minimum wage rates, as with the international literature on minimum wages generally, the effects of the policy on young peoples’ employment or continued education decisions, whether positive or negative, have been found to be small and weak, and sometimes insignificant.

Evidence from the Irish data from 2009¹ suggests that the incidence of the adult minimum wage ranged between 5.3% and 6.8% in 2009. It was also clear from all of the data that a very small percentage, typically less than 0.5%, of employees were impacted by either the training or youth rates of the National Minimum Wage. Furthermore, the data revealed that less than 6% of employees aged below 18 were in receipt of the youth rates.

¹ This is the latest data currently available, as the CSO discontinued the National Employment Survey. It is understood that work is ongoing in the CSO with a view to reconstituting data, from other sources, for the period since 2009, but later data is not yet available.

The ESRI found that within the literature, a relevant factor related to the debate around sub-minima rates is the extent to which variations in the sub-minimum wage rates will impact on the extent of early school leaving. The report found substantial variation in early school leaving rates between 2003 and 2015, which was suggestive of a cyclical movement in the Irish data. However, it is unclear to what extent the pattern relates to changes in the general levels of earnings, changes in minimum wages, variations in the unemployment rate, some combination of all three, or some other factors.

International overview

According to the Organisation for Economic Co-operation and Development (OECD, 2015a and 2015b), 26 out of 34 OECD countries currently have statutory National Minimum Wages. Nine of these countries have introduced a legal National Minimum Wage since 1990, with Germany doing so as recently as January 2015. For the eight OECD countries that have no National Minimum Wage, sector- or occupation-level collective agreements are the main mechanisms used to set minimum pay rates (OECD, 2015a). Although 26 OECD countries have statutory minimum wages, the mechanisms used to establish their National Minimum Wage, along with coverage and employer compliance differ considerably (OECD, 2015b).

Of those OECD countries with statutory minimum wages, over half of them have established sub-minima rates for young people (see Appendix 3). One of the justifications put forward for the establishment of separate minimum wage rates for youths is that young people have lower productivity than older workers who have some work experience and, therefore, should be paid less (OECD, 2015b). Related to this, another rationale for sub-minimum rates rests with the concern that increases in statutory minimum wages will give rise to higher levels of unemployment among young people as firms will cease to hire them on the grounds that their labour costs exceed their productivity levels. Finally, there is a fear that increases in a general minimum wage to cover all workers would negatively impact young peoples' human capital accumulation, and that this could have long run consequences for a country's productivity and growth levels. Specifically, there are concerns that increases in statutory National Minimum Wages would incentivise early school leaving (OECD, 2015b).

Minimum wage rates for young people

As well as showing the various countries with sub-minimum wage rates for young people, Appendix 3 lists the age used to define youths, which varies across the countries that have implemented such rates, with 24 appearing to be the upper age limit (Greece). For almost all countries, the youth minimum wage rates are a percentage of the standard/adult National Minimum Wage rate, with considerable variation across the countries on the size of this percentage.

The United Kingdom has two separate youth minimum wage rates, which are set by the government annually following recommendations from its Low Pay Commission. The first rate covers those aged 15-17 and the second youths aged 18-20. As with most countries with sub-minimum wage rates for young people, both rates in the United Kingdom are a percentage of the statutory adult rate – currently, this is 58% for those aged 15-17 and 79%

for young people aged 18-20.² (These percentages are lower than the percentages applied in Ireland.) Currently, the hourly minimum wage rate for those aged 15-17 is £4.00, while it is £5.55 for those aged 18-20.³ In April 2016, the United Kingdom introduced a new National Living Wage (NLW). The NLW rate, which is mandatory, is £7.20 per hour. This rate applies to all workers aged 25 and over, while the existing statutory National Minimum Wage continues to apply to all workers aged 21-24 years (Eurofound, 2016).

The justification put forward by the United Kingdom Government for separate minimum wage rates for young people is that they do not want the set rates to encourage young people to alter their schooling or training decisions (i.e. drop out before completion), or to restrict the opportunities available to young people who decide to enter the labour market (ILO, 2014).

Table 2: UK National Living Wage (NLW) and National Minimum Wage (NMW) Rates

Year	25 and over	21 to 24	18 to 20	Under 18	Apprentice
2016	£7.20	£6.95	£5.55	£4.00	£3.40
2015	£6.70	£6.70	£5.30	£3.87	£3.30
2014	£6.50	£6.50	£5.13	£3.79	£2.73
2013	£6.31	£6.31	£5.03	£3.72	£2.68
2012	£6.19	£6.19	£4.98	£3.68	£2.65
2011	£6.08	£6.08	£4.98	£3.68	£2.60
2010	£5.93	£5.93	£4.92	£3.64	£2.50

Source: UK Low Pay Commission website

Evidence on the economic impact of youth minimum wage rates

For decades, there has been considerable debate in the literature on the use of minimum wages as a policy tool for addressing inequality and poverty; particularly in terms of its impact on employment levels, and especially among more vulnerable groups (i.e., low-paid workers, such as females, migrants and young people). The majority of the research over the last 20 years for both developed and emerging economics is indicating that moderate increases in minimum wage rates have no significant negative employment effects, or that the effects – either positive or negative – are very small.

Results from studies on the effects of minimum wage policies on young people are similar to those that have been found for all workers. Some research has found negative effects some of which indicates that the negative effects are slightly larger than that for the full population. Other studies have found that the effect of introducing or increasing the minimum wage rate on young people’s employment is positive. In general, as with the overall results, the effects

² These percentages vary over time, and the current percentages for 2015 were derived using the statutory and youth minimum wage rates information that is provided on the United Kingdom’s Low Pay Commission website: <https://www.gov.uk/national-minimum-wage-rates>

³ The age groups used by the United Kingdom Government were different prior to 2010 (<https://www.gov.uk/national-minimum-wage-rates>).

of minimum wage policies on young peoples' employment or continued education decisions, whether positive or negative, have been found to be small and weak, and sometimes insignificant.

The OECD (2015b) points out that an increase in the minimum wage might not have a direct impact on existing employment, and, hence, the reason for the small or insignificant employment results, but that an increase in the rate may have indirect effects, such as reductions in non-wage benefits, training and hours worked, more precarious employment contracts, and/or slower hiring and, consequently, employment growth.

Aside from this, other factors that may influence the empirical results that have been derived on the impact of the minimum wage on employment include:

- i. the measurement period used (short-run versus long-run effects);
- ii. the timing of the minimum wage adjustment (boom versus recession period);
- iii. institutional factors (e.g. trade union power, collective bargaining agreements, etc.);
- iv. the country setting (developed versus emerging economies); and
- v. data issues (e.g. cross-sectional versus panel data, and methodology).

Nevertheless, even when such factors are taken into account in a meta-analysis framework, the results, including for young people, indicate that the employment effects of minimum wage changes continue to be small and/or insignificant (see *Table 3*).

Table 3: Meta-Analysis Studies of the Effects of Minimum Wages on Employment

Study	Year	No. Studies	Country Coverage	Employment Effect	Youth Employment Effect
Doucouliaagos and Stanley	2009	64	United States	Little or no impact	Negative, but small
Chletsos and Giotis	2015	77	18 developed and developing countries	No impact	More negative, but not always significant
Broecke, Forti and Vandeweyer	forthcoming	74	10 major emerging economies	Little or no impact	More negative, but still very small

Source: *OECD Employment Outlook 2015*.

Primary data analysis on minimum wages in Ireland

With respect to Irish data, the cessation of earnings surveys, such as the National Employment Survey (NES), by the Central Statistics Office (CSO) following the economic downturn has resulted in a lack of current data through which the incidence of the minimum wage in Ireland can be measured. While earnings information is available in the EU-Survey on Income and Living Conditions (EU-SILC) for 2014, it is perhaps more reliable to assess the incidence of the minimum wage using a special module on the issue contained within the

October 2009 NES. The 2009 data is particularly useful as both employers and employees are asked to provide information regarding the adult, youth and training National Minimum Wage rates.

It is clear from *Table 4* that the incidence of minimum wage employment varies depending on the approach taken to calculate the rates. While there is a good deal of comparability between the rates estimated from the employee and employer samples using the special module questions, it is clear that the estimate of those on the adult National Minimum Wage using the derived hourly wage variable is somewhat implausible when compared to the other two measures. On the grounds that the earnings information is likely to be taken from payroll data, it is probably reasonable to assume that the observed variation relates to uncertainty, or inaccuracy, around the number of hours worked in the reference period (excluding overtime). The evidence from *Table 4* also suggests that the incidence of the National Minimum Wage is more accurately measured through questionnaire modules as opposed to estimates based on derived hourly wage variables using datasets such as the NES or EU-SILC.

It is clear from all of the estimates that a very small percentage of employees were impacted by either the training or youth rates of the National Minimum Wage. In fact, the data revealed that less than 6% of employees aged below 18 were in receipt of the youth rates in 2009. In contrast, 20% of employees aged below 18 reported that they earned the adult National Minimum Wage rate.

Table 4: Estimates of the National Minimum Wage Incidence: 2009

	Wage Data	Employee	Employer
National Minimum Wage Incidence	1.2	6.8	5.3
Youth MW Incidence	0.2	0.1	0.1
Trainee MW Incidence	0.5	0.3	0.2
Total	1.9	7.2	5.6

Source: 2009 National Employment Survey

The impact on education

In addition to the incidence of individuals earning either the adult National Minimum Wage, or the youth or training rates, a relevant factor related to the debate around sub-minima rates is the extent to which variations in the sub-minimum wage rates will impact the extent of early school leaving. The low incidence of young people in receipt of the youth rate in Ireland would suggest that such direct impacts, at least in 2009, are likely to have been small. In general, the research suggests that local wage levels have relatively little impact on the decisions of young people whether or not to stay in school, with academic ability and socio-economic background much more important factors in this respect. In addition to these two factors (ability and socio-economic class) studies found that higher unemployment rates tend to keep young males in education.

To get a sense of the level and pattern of early school leaving in Ireland, the ESRI used the Quarterly National Household Survey (QHNS) to identify in 2003, 2005, 2007, 2009, 2011, 2013 and 2015 the economic status of 15 to 17 year olds who attained a Lower Secondary

qualification in the previous year. *Table 5* presents these results, with the International Labour Organisation (ILO) economic status measure (employment, unemployment and inactivity) used for the analysis. It can be seen from this table that there is a high degree of variability. The first two rows of data measure the proportion of 15 to 17 year olds who entered the labour market prior to completing the Leaving Certificate qualification in each year (i.e. early school leavers). This data shows that the proportions of young people in the labour market ranged from between 19.2% and 17.6% during the boom period of 2003 to 2007, before falling to a low of 5.8% at the depth of the recession in 2011. By 2015, 7.7% of young people were in the labour market, a rate of less than half the 2003 to 2007 average. Based on analyses of school-leavers' survey data, most early school leavers are from unemployed, non-manual and manual socio-economic backgrounds.

Table 5: Economic Status of Young People (15-17 years old) who attained a Lower Secondary Qualification the Previous Year

ILO Economic Status:	2003	2005	2007	2009	2011	2013	2015
	(%)						
Employment	16.6	15.7	14.3	7.3	2.1	5.5	5.4
Unemployment	2.6	1.9	3.3	4.2	3.7	4.3	2.3
Inactive	80.8	82.4	82.4	88.5	94.2	90.3	92.3
% of Inactive in Formal Education:	93.4	92.7	92.8	94.4	94.2	95.9	94.1
Total Number	50,607	60,787	55,367	66,756	56,880	53,162	55,979

Source: *ESRI Study of Sub-Minimum Wage Rates for Young People, 2016*

Table 5 confirms that well over 90% of 15 to 17 year olds recorded as inactive in any one year remain in education. The variation in early school leaving rates in this table is suggestive of a cyclical movement in the Irish data. However, it is unclear to what extent the pattern relates to changes in the general levels of earnings, changes in minimum wages, variations in the unemployment rate, some combination of all three, or some other factors. Using 2012 and 2013 QNHS data, Research by the Department of Social Protection (2015) found that when students and the unemployed are excluded from the NEETs (not in employment, education or training) almost 60% of NEET individuals are carers – and mainly women aged 22-24 who describe themselves as looking after children, while a further 20% are disabled.

Trainee Rates

Ireland's National Minimum Wage Act provides for sub-minimum wage rates for employees over the age of 18 who are undertaking a course of structured training or direct study that is authorised by his/her employer. The ESRI note that the European Commission issued a Quality Framework for Traineeships (QFT) in 2014 that sought to ensure a common set of standards were adopted for traineeships governing aspects such as accreditation, health and safety, a learning agreement, etc. The ESRI indicate that Ireland has yet to adopt any legislation, or introduce any regulations, to ensure that open market traineeships are compliant with the QFT. The ESRI notes that the lack of a regulatory framework in Ireland means traineeships are likely to be much more loosely defined relative to other EU countries that are QFT compliant.

Chapter 3 Submissions

On the 4th of December 2015, the Commission published a request for submissions from interested parties to help inform its recommendation to Government. The Commission received 15 submissions from a range of individuals and groups (listed below).

- Chambers Ireland
- Citizens Information Board
- EMD Programming Services
- Ibec
- Irish Congress of Trade Unions
- Irish Small and Medium Enterprises Association
- Mandate Trade Union
- Member of the public
- National Women's Council of Ireland
- National Youth Council of Ireland
- Retail Excellence
- The Retail Grocery Dairy & Allied Trades Association
- Small Firms Association
- Vincentian Partnership for Social Justice
- The Workers Party

There were a number of contrasting arguments put forward, both for and against, the sub-minima rates system. In general, employer representatives feel that the current sub-minima rates are appropriate and should be retained in their existing form. Business interests argued that young people are more likely to be employed and thus gain access to the labour market as a result of sub-minima rates. They contend that young and inexperienced employees are less productive, require greater supervision and are more costly to train than experienced adult workers. The sub-minima rates therefore act as an incentive for employers to take on young workers and provide them with training.

The point was also made that studies have indicated that the negative effects of the minimum wage on the labour market for young people can be offset by sub-minima rates and that sub-minima rates prevent the minimum wage from acting as an enticement for young people to leave education early. A number of employer groups also argued that small businesses are still recovering from the recession and that they are not in a position to absorb the costs of any increase in the National Minimum Wage. They contended that removing the sub-minima rates would therefore be counterproductive as it would lead to reduced hours and job losses for the affected workers.

Submissions from the non-business side, on the other hand, favoured abolishing sub-minima rates. They argued that sub-minima rates are an outdated system, promote inequality in the workforce and that equal work should result in equal pay. These submissions were strongly of the view that people on sub-minima rates are being discriminated against and that it is wrong to assume that young workers do not have the same household and living costs as their colleagues. The point was made that in order to meet the minimum essential standard of

living (MESL⁴) a person on 70% of the National Minimum Wage would need to work 76.44 hours per week. The concern was also voiced that sub-minima rates can lead to the exploitation of young workers. The trainee rates were seen as being particularly open to abuse as for many minimum wage jobs the required training can be completed in a matter of days and does not require the prolonged periods provided for in the Minimum Wage Act.

By and large, the submissions did not provide any specific details or information on the numbers using the sub-minima rates, or the manner in which they were used by employers.

⁴ As calculated by the Vincentian Partnership for Social Justice (VPSJ)

Chapter 4 Availability of data relating to those on sub-minima rates

In our first report in 2015 recommending an increase in the National Minimum Wage the Commission identified the constraints imposed by the lack of data in relation to earnings in general and to minimum wage in particular. This lack is even more evident in relation to data regarding those in receipt of the sub-minima rates.

The most detailed data available is from the 2005 study by Nolan et al. which itself found that there was no data source providing details which would permit the determination of the numbers on sub-minimum rates and the prevalence of use.

Nolan et al. carried out a detailed survey of some 1000 firms for their study. This survey found that only 8.2% of firms who responded to the survey used any form of sub-minima rates, with the under 18s rate being most commonly used (almost half of firms) and first employment and initial trainee rates being used by approximately 22% and 28% respectively (see *Table 6*).

The numbers using the trainee rates beyond the first one-third period were minimal, falling from over a quarter to 1.5% (possibly indicating that the trainee rates were not being implemented in the manner foreseen by the legislation).

Table 6 Breakdown of sub-minima rates used by firms

	% of firms using sub-minima rates	% of total firms
Any sub-minima rate		8.2%
Under 18 years of age	48.2%	4.0%
1st year of employment over 18	22.1%	1.8%
2nd year of employment over 18	10.7%	0.9%
Trainee over 18 years: 1st 1/3 training	27.8%	2.2%
Trainee over 18 years: 2nd 1/3 training	1.5%	0.1%
Trainee over 18 years: 3rd 1/3 training	1.3%	0.1%

Source: *ESRI, Nolan B., J. Williams & S. Blackwell. The Minimum Wage and Irish Firms in 2005, (2005*

The ESRI research paper, produced under the LPC/ESRI Research Partnership, argues that the special module on minimum wage contained within the October 2009 National Employment Survey is the most reliable way at present to assess the incidence of the minimum wage and the only source of on information youth and training rates. The ESRI state that the evidence suggests that the incidence of the National Minimum Wage is more accurately measured through questionnaire modules as opposed to estimates based on derived hourly wage variables using datasets such the NES or EU-SILC.

As mentioned earlier, ESRI finds that a very small percentage of employees were impacted by either the training or youth rates of the National Minimum Wage.

Low Pay Commission initiative

In order to try and address these issues, the Steering Committee of the Low Pay Commission/ESRI Research Partnership submitted a request to the Central Statistics Office (CSO) in early 2016, asking them to include a pilot module in the Quarterly National Household Survey (QNHS) seeking specific data regarding the National Minimum Wage, together with data on sub-minima rates of the National Minimum Wage.

Following consideration of the request, the CSO agreed to introduce a pilot set of questions in Quarter 2, 2016. The CSO therefore drafted a proposal and invited feedback from members of the Steering Committee with regard to this draft. Feedback was received from a number of members and the CSO subsequently finalised a pilot for inclusion in the QNHS Q2 2016.

The final pilot included the following questions, while provision was also made for the QNHS field interviewers to submit feedback on the implementation of the pilot:

Quarterly National Household Survey – National Minimum Wage Pilot

Filter: If employed as an employee

The National Minimum Wage is €9.15 per hour. Are your gross hourly earnings excluding bonuses, overtime and allowances:

1. Less than €9.15 per hour
2. Exactly €9.15 per hour
3. More than €9.15 per hour

Filter: If answered option 1 above

Do you earn less than €9.15 per hour because you are on:

1. A special training rate
2. An age-related rate
3. A first job over 18 rate
4. Other reason

Filter: If answered option 4 above

Please specify the reason why your gross hourly earnings excluding bonuses, overtime and allowances, are less than €9.15 per hour.

Text field 200 characters

The pilot question was included in QNHS Q2 2016. Feedback from the QNHS interviewers did not indicate any substantial issues with the pilot content although some interviewers did indicate that the question would be better suited to being asked of direct respondents only.

The QNHS allows for the inclusion of 'proxy' responses where a respondent can answer questions on another respondent's behalf; some feedback from the field indicated that asking these questions of proxy respondents was problematic, as proxy respondents did not know the detailed hourly income of the respondent for whom the proxy was answering and consequently the data was of a lower quality. The analysis to be undertaken by the CSO on

the pilot data can isolate answers given by direct respondents only and the profile of these direct answers will be compared to those given by proxy respondents to consider whether these proxy respondents should be excluded from any final results.

This initial pilot was again included in the QNHS for Q3 2016 as the collecting of additional data should allow for a more robust analysis of this pilot. Given the relatively small numbers of individuals on the National Minimum Wage, and particularly the numbers on the sub-minima rates, the pooling of data over a number of quarters may also be beneficial in permitting identification of numbers on sub-minima rates, where the sample sizes from a single quarter alone might not permit statistically robust findings to be made.

The initial analysis of the data is continuing and there is not yet an agreed date for publication.

Chapter 5 Conclusions and Recommendations

Certain conclusions can be drawn from the ESRI study on the sub-minima rates of National Minimum Wage, and the data available, limited as it is.

Conclusions *(subject to any confirmation/contradiction of numbers arising out of QNHS data)*

- NES data (from 2009) puts the incidence of National Minimum Wage at between 5.6% and 7.2% (dependent on employer and employee reporting, respectively).
- The youth incidence rates are particularly low, at 0.1%, with the trainee rates marginally greater, but still extremely low, in the range of 0.2-0.3%.
- On the face of it, the overall usage of the sub-minima rates seems to be relatively low – as such there does not appear to be any significant ‘abuse’ of the sub-minima rates per se.
- A significant number of OECD countries use various forms of sub-minima rates, including age-based rates.
- The lack of a formal system of notification of the use of the ‘trainee’ rates, and the extent of the flexibility of the system (training ranging from 3 months to 3 years), nature of certification etc., would seem to make this sub-minima rate more ‘open’ to abuse than the other rates. (Figures from Nolan et al. (2005 report) seem to indicate that there is little use of the rates for the second and third ‘third’ of the training periods, which may indicate that the requirements around the nature of the training and certification are not being met.)

Recommendations

While the available evidence to date points to a very low level of usage of the sub-minima rates, the Commission had anticipated, in the light of the CSO agreement to include a pilot question in the QNHS Quarter 2 survey, that it would have up-to-date and specific data on both the numbers on minimum wage and the make-up of the groupings on the sub-minima rates. Unfortunately, given the issues identified by the CSO in the course of the piloting of the survey question, that anticipated data is not yet available.

In these circumstances, and given the remit of the Commission to make its recommendations using an evidence-based approach, the Commission does not consider it appropriate to make recommendations in relation to the appropriateness of the current sub-minima rates at this stage.

The Commission will submit its recommendations in this matter in a supplementary report when it has the opportunity to consider the validated data arising from the CSO’s QNHS pilot survey.

1. Statutory Instrument regarding prescribed courses of study or training
2. Background note on Joint Labour Committees, Employment Regulation Orders, Registered Employment Agreements and Sectoral Employment Orders
3. Appendix listing usage of sub-minima rates in different countries (ESRI)
4. Employment Regulation Orders that provide for sub-minima rates of pay

S.I. No. 99/2000 - National Minimum Wage Act, 2000 (Prescribed Courses of Study or Training) Regulations, 2000

I, Mary Harney, Minister for Enterprise, Trade and Employment, in exercise of the powers conferred on me by section 3 (1) of the National Minimum Wage Act, 2000 (No. 5 of 2000), and by reference to section 16(1) of that Act, make the following regulations:

Citation 1. These regulations may be cited as the National Minimum Wage Act, 2000 (Prescribed Courses of Study or Training) Regulations, 2000.

Definitions 2. In these regulations, in relation to a course of study or training -

“approach” means the training methods and techniques, and how the learning will be delivered;

“assessment and certification procedure” means how the course is to be assessed for certification purposes and identifies the certifying body or the arrangements concerning written confirmation of the employee's completion of the course identifying the level of employee attainment against the objectives, which must include provision for the employee's signature;

“directed study or training” means planned and structured study or training which is insulated from immediate operational job pressures and can be delivered inside or outside the workplace;

“duration” means the total time allocated to the course in terms of hours per week and number of weeks; the duration of all main elements including workplace training and directed training, as appropriate, and the assessment time should be clearly shown;

“objectives” means the expected performance to be demonstrated by the employee at the end of the overall period of the course; that is, what the employee will be able to do on completion of the course in terms of knowledge, practical and personal skills to be demonstrated;

“outline plan” means the content of each module of the course which should state the titles, sequence of delivery, and time (in days/weeks/months) of each module;

“purpose” includes the rationale for the course, describing what it is expected to achieve and the expected outcomes of the training in terms of trainee opportunities;

“record system” means the types of records to be kept for the purposes of-

- (a) planning and implementing the study or training;
- (b) showing progress against the training objective;
- (c) administration;

“title” means the name of the course;

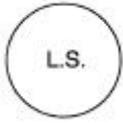
“workplace training” means planned and structured study or training carried out under normal operational job pressures.

Prescribed courses of study or training

3. A course of study or training that satisfies the following criteria is a prescribed course of study or training for the purposes of section 16 of the National Minimum Wage Act, 2000 :

- (1) The employee's participation in the course is directed or approved by the employer.
- (2) The duration of the course is for a minimum period of 3 calendar months.
- (3) Subject to paragraph (4), the course takes place during the normal working hours of the employee.
- (4) The course involves at least 10% of directed study or training, which may be within or outside of normal working hours.
- (5) Any fees concerned with the employee's participation in the course directed by the employer, are paid by the employer.
- (6) The course -
 - (a) enables the acquisition of skills and/or knowledge expected to enhance the work performance of the employee at the end of the course,
 - (b) includes directed study or training,
 - (c) includes workplace training.
 - (d) involves supervision of the employee during workplace training,
 - (e) includes a system of recording progress and results, which must provide for the retention by the employer for 3 years after the end of the employee's participation in the course at the premises or place where the employee works or, if the employee works at 2 or more premises or places, the premises or place from which the activities of the employee are principally directed or controlled,
 - (f) include an assessment and certification procedure or written confirmation of the employee's completion of the course identifying the level of employee attainment against the objectives, which must include the employee's signature.
- (7) The course is the subject of a pre-existing written document or documents detailing the following information:
 - (a) its title and purpose,
 - (b) its objectives,
 - (c) an outline plan of duration and approach,
 - (d) the record system to apply,
 - (e) the assessment and certification procedure,
 - (f) advice by the employer of any facilities, including any time-off, to be given to the employee during the period of the employee's participation in the course to enable the employee to successfully complete the course, and any changes to the employee's working arrangements during the period of the employee's participation in the course.

Given under my Official Seal,
this 4th day of April, 2000.



Mary Harney

Minister for Enterprise, Trade and Employment.

Explanatory Note

(This note is not part of the Instrument and does not purport to be a legal interpretation).

This Order prescribes the criteria a course of study or training must satisfy in order that an employee undergoing such a course and who is aged 18 or over, shall be paid in accordance with section 16(1) of the National Minimum Wage Act, 2000 .

Joint Labour Committees, Employment Regulation Orders, Registered Employment Agreements and Sectoral Employment Orders

Joint Labour Committees (JLCs) were statutory bodies established by the Labour Court under the Industrial Relations Acts, 1946 to 2004, to provide machinery for the fixing of statutory minimum rates of pay and conditions of employment in particular sectors.

Composed of equal numbers of representatives of employers and workers in a sector, a JLC met regularly, under an independent chairman, to discuss and agree terms and conditions to apply to specified grades or categories of workers in the sector. When it reached agreement on terms and conditions, the JLC published details and invited submissions. Following consideration of any submissions, the Committee made proposals to the Labour Court for making an Employment Regulation Order (an ERO). The making of an ERO had the effect of making the pay rates and conditions contained in it legally enforceable.

There were various EROs developed on a sectoral and industry-wide basis, and each provided for different rates. In general, the EROs applied in some of the lower-paid sectors of the economy e.g. hairdressing and catering.

In 2011, however, the High Court ruled that certain provision of the Industrial Relations Acts of 1946 and 1990 governing the making of EROs were unconstitutional, and that the 2008 ERO constituted an unlawful and disproportionate interference in the property rights of employers.⁵ It declared invalid the power of these JLCs to make regulations in relation to remuneration and conditions, as well as the power of Labour Court to make EROs on foot of applications made by JLCs. The provisions of all EROs ceased to be legally enforceable as a result of the ruling.

The Industrial Relations (Amendment) Act 2012 reformed the existing system for the making of both Employment Regulation Orders (ERO) and Registered Employment Agreements (REA) and to provide for their continued effective operation. It reinstated a robust system of protections for workers in these sectors in the aftermath of the July 2011 High Court ruling. New Ministerial Orders, however, provide only a framework within which employers and employee representatives can come together voluntarily and negotiate terms and conditions of employment for workers in their respective sectors. Only a small number of orders are currently in place (Contract Cleaning and Security Sectors), providing for minimum rates somewhat in excess of the National Minimum Wage.

A further mechanism, for the registration of employment agreements between an employer or employers and trade unions governing terms and conditions in individual enterprises, is provided by the Industrial Relations (Amendment) Act 2015. Such agreements will be known as Registered Employment Agreements (REAs) and will not be legally binding beyond the subscribing parties.

⁵ John Grace Fried Chicken Ltd & Others

The Act also provides for a new statutory framework for establishing minimum rates of remuneration and other terms and conditions of employment for a specified type, class or group of workers – in effect a framework to replace the former sectoral REA system. In this context, the new framework proposes a mechanism whereby, at the request, separately or jointly from organisations substantially representative of employers and/or of workers, the Labour Court can initiate a review of the pay and pension and sick pay entitlements of workers in a particular sector and, if it deems it appropriate, make a recommendation to the Minister on the matter.

If the Minister is satisfied that the process provided for in the new legislation has been complied with by the Labour Court, he shall make the Order requested. Where such an order is made it will be binding across the sector to which it relates, and will be enforceable by the Workplace Relations Commission. Such Orders will be known as Sectoral Employment Orders (SEOs). To date two applications have been made to the Labour Court (although one was subsequently withdrawn). No Orders have yet been made by the Minister.

Tables on youth and trainee sub-minima rates from the ESRI Report on Sub-Minimum Wage Rates for Young People (2016)

Detailed Information for Countries with Youth Minimum Wage Rates

Country	Youth MW Rate(s)	Source
OECD Countries:		
Australia	15: 36.8% 16: 47.3% 17: 57.8% 18: 68.3% 19: 82.5% 20: 97.7%	Fair Work Commission (https://www.fwc.gov.au/awards-and-agreements/minimum-wages-conditions/national-minimum-wage-orders)
Belgium	Prior to the abolition of the youth MW rate in Belgium for those aged 18-21, the rate was fixed in 1991 as a percentage of the NW for workers aged 21 and over, which is known as the guaranteed average monthly minimum income (RMMMG). Specifically: 15-16: 70% (€1051.27 per month); 17: 76% (€1141.38 per month); 18: 82% (€1231.49 per month); 19: 88% (€1321.60 per month); 20: 94% (€1411.71 per month). As indicated in the report, the sub-minima rates still apply to those aged less than 18, and to some other contract types. Higher National Minimum Wage rates apply to employees aged at least 19.5 years with at least 6 months of employment experience, and to those aged 20 years and 12 months employment experience.	Rate values as of 1 January 2015. (http://www.emploi.belgique.be/defaultTab.aspx?id=39004#)
Canada	In Ontario, those aged less than 18 that work up to 28 hours per week during term-time, or who are employed during school holidays, earn 94% of that State's National Minimum Wage.	ILO (2014)
Chile	15-17: approximately 75% per month) (167,968	2014 rate (Broecke, S., A. Forti and M. Vandeweyer (forthcoming), "The Effects of Minimum Wages on Employment in Emerging Economies: A Literature Review", OECD Social, Employment and Migration Working Papers).

Continued

Country	Youth MW Rate(s)	Source
OECD Countries:		
Czech Republic	Prior to the abolition of the youth MW rate in the Czech Republic, there was two differential levels for young people aged under 22, which were a percentage of the adult NM rate: 15-17: 80% and 18-21: 90%.	OECD (2014)
France	< 17: 80%; 17-18: 90% These sub-minima rates do not apply to individuals aged less than 18 who have 6 months professional experience in their profession. In France, the National Minimum Wage is known as the interoccupational minimum growth wage (SMIC).	ILO (2014)
Germany	Those aged less than 18 in Germany are exempt from minimum wage legislation.	OECD (2015)
Greece	< 25: 77% (€510.95 per month/€22.83 per day).	
Ireland	< 18: 70% (€6.41 per hour); First year from date of first employment after reaching the age of 18: 80% (€7.32 per hour); Second year from date of first employment after reaching the age of 18: 90% (€8.24 per hour).	Low Pay Commission (http://www.lowpaycommission.ie/Rates/)
Israel	16: 70% 17: 75% 18: 83%	ILO (2014)
Luxembourg	15-17: 75% (€1,442.22 per month); 17-18: 80% (€1,538.37 per month).	January 2016 rates. Government of the Grand Duchy of Luxembourg (http://www.guichet.public.lu/entreprises/en/ressources-humaines/remuneration/paiement-remunerations/salaire/)

Continued

Country	Youth MW Rate(s)	Source
OECD Countries:		
Netherlands	15: 30% (€452.35 per month); 16: 34% (€520.20 per month); 17: 39% (€595.60 per month); 18: 45% (€686.05 per month); 19: 52% (€791.60 per month); 20: 61% (€927.30 per month); 21: 72% (€1,093.15 per month); 22: 85% (€1,281.64 per month).	July 2015 rates. Government.nl (https://www.government.nl/topics/minimum-wage/contents/amount-of-the-minimum-wage/)
New Zealand	16-19: 80% (\$11.80 per hour). This rate also applies to employees aged 20 years and over who are undertaking recognised industry training involving a minimum of 60 credits per year as part of their employment contract. Apprentices are included in this.	Starting-out and Training Minimum Wage Rates. Ministry of Business, Innovation and Employment (http://employment.govt.nz/er/pay/minimum-wage/)
Portugal	< 18: 75%	OECD (2015)
United Kingdom	15-17: 59% (£3.87 per hour); 18-20: 80% (£5.30 per hour). Separate rates for apprentices aged 16-18 and aged 19 and over who are in their first year of training (currently £3.30), while all other apprentices are entitled to the minimum wage for their age.	October 2015 rates. Gov.United Kingdom (https://www.gov.United Kingdom/government/organisations/low-pay-commission)
United States	<20: 58% (\$4.25). This rate only applies for the first 90 consecutive calendar days following recruitment. 16 and Above: 25% Employers can pay individuals aged 16 and above who are enrolled in a vocational education programme 25% (minimum) of the adult Federal minimum wage.	Rate effective since July 2009. (http://www.dol.gov/general/topic/wages/minimumwage)
Other Countries:		
Albania	The Council of Ministers have the authority to establish a reduced minimum wage rate for young people, but this provision has not been implemented.	ILO (2014)

Continued

Country	Youth MW Rate(s)	Source
Other Countries:		
Chad	14-16: 60%; 16-18: 80%. Young people that have obtained a Certificate of Professional Ability (vocational study qualification) are exempt from these sub-minimum wage rates, as are those that have passed a leaving exam from an accelerated vocational training centre.	ILO (2014)
Costa Rica	13-18: i) 50% during the young person's first year of employment; ii) 75% during the second year of employment; and iii) 100% during the third year of employment.	OECD (2015b)
Latvia	< 18: 114% of the statutory National Minimum Wage rate. Due to regulation around the number of hours that a young person can work, those aged less than 18 get paid a higher hourly National Minimum Wage rate compared to those aged 18 plus.	OECD (2015a)
Malta	<17: 94% (€158.39 per week); 17: 96% (€161.23 per week). For certain sectors, minimum wages are also differentiated by age.	2016 rates. dier.gov.mt (https://dier.gov.mt/en/Employment-Conditions/Wages/Pages/National-Minimum-Wage.aspx) and ILO (2014)
Slovak Republic	<18: 80%; 18-21: 90%.	OECD (2015b)
Turkey	<16: 86%.	ILO (2014)

Select List of OECD Countries with Apprentice/Trainee Pay Rates

Country	Youth MW	Youth Definition	Apprenticeships included	Training Rate	Note
Australia	Yes	15 - 20	No, separate rate	Yes	Two of Australia's five Special National Minimum Wage Orders cover apprentices and trainees, which apply to all employees (i.e., are not age dependent).
Belgium	Yes	<18	No, separate rate	See Note	The sub-minimum wage rates that apply to individuals aged less than 18 in Belgium also apply to those on student contracts and those on work-linked training schemes (ILO, 2014).
Chile	Yes	15-17	No	-	Apprentices are excluded from Chile's statutory National Minimum Wage.
France	Yes	15-18	No, separate rate	See Note	Young workers in a training contract receive a reduced minimum wage, as does apprentices of any age, or people pursuing a vocational training track, and those on state subsidised employment contracts.
Germany	See Appendix Table A1	-	No, excluded from the statutory National Minimum Wage	-	Apprentices and individuals undertaking internships of up to three months duration as part of an education or training course are exempt from the National Minimum Wage.
Greece	Yes	<25	No, separate rate	-	Apprenticeships are provided by 51 Vocational Education Schools (EPAS), under the auspice of the Ministry of Education and OAED (Manpower Employment Organisation). Individuals aged 16-23 who have completed at least the first grade of Upper Secondary School can undertake an EPAS apprenticeship.

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Country	Youth MW	Youth Definition	Apprenticeships included	Training Rate	Note
Ireland	Yes	<18	No	Yes	Apprentices are not included in Ireland's National Minimum Wage legislation.
Israel	Yes	16-18	No, separate rate	-	Applies to individuals aged less than 18 only.
Luxembourg	Yes	15-18	No, separate rate	-	Applies to adolescents (minimum age 15) and adults (minimum age 18)
Netherlands	Yes	15-22	No, separate rate	-	Apprentice pay rates are negotiated through collective agreements and are at least the National Minimum Wage or the youth minimum wage (Wren, 2013).
New Zealand	Starting-out Wage'	16-19	See Note	Yes	Trainees and apprentices aged 20 years and over are covered by a 'training minimum wage', while those aged 16-19 are covered by the starting-out wage.
Portugal	Yes	<18	No, separate rate	-	
United Kingdom	Yes	15-20	See Note	-	There is a separate sub-minimum wage rate for apprentices aged 16-18 and those aged 19 and above who are in their first year of training; while all other apprentices are entitled to the minimum wage for their age.

Employment Regulation Orders that provide for sub-minima rates of pay

Current ERO Rates		
TYPE OF EMPLOYMENT	STATUS OF EMPLOYEE	MIN WAGE
Security Industry ERO	Experienced Adult	€10.75
01-Oct-15	Under 18	€7.53
	Job Entrant	
	1st year after age of 18	€8.60
	2nd year after age of 18	€9.68
	Trainees	
	1st one third period not exceeding 12 months	€6.86
	2nd one third period not exceeding 12 months	€7.32
	3rd one third period not exceeding 12 months	€8.24
Contract Cleaning ERO	Experienced Adult	€9.75
01-Oct-15	Under 18	€6.83
	Job Entrant	
	1st year after age of 18	€7.80
	2nd year after age of 18	€8.78
	Trainees	
	1st one third period not exceeding 12 months	€7.31
	2nd one third period not exceeding 12 months	€7.80
	3rd one third period not exceeding 12 months	€8.78

Historic ERO Rates and Conditions <i>(pre September 2011 when declared unconstitutional)</i>		
TYPE OF EMPLOYMENT	STATUS OF EMPLOYEE	MIN WAGE
AERATED WATER ERO	Over 18	€8.82
14-Nov-06	Under 18	€6.18
AGRICULTURE ERO	Experience Adult	€9.33
31-Dec-10	Under 18	€6.52
	Job entrant 1st 3 months period	€8.65
	Training 0-3 months	€7.46
	Training 4-6 months	€8.40
HAIRDRESSING (Dublin) ERO		NMW or
11-Jul-08	Ladies Hairdressing	€7.78 & 10% Commission.
	Gents Hairdressing	€7.78 & 12.5% Commission.
	Unisex	€7.78 & 12.5% Commission.
	Beauticians/Manicurists	NMW or

	Trainee Under 18	€6.06 & 10% Commission.
	18 and Over, 1st 4 months	€6.49 & 10% Commission.
	18 and Over, 2nd 4 months	€6.92 & 10% Commission.
	18 and Over, 3rd 4 months	€7.79 & 10% Commission.
	After 1 years training	€8.65 & 10% Commission.
	Apprentices	
	Under 18	€6.89
	18 and Over	
	1st Year	€7.38
	2nd Year	€7.87
	3rd Year	€8.86
	4th Year	€9.83
HAIRDRESSING (Cork) ERO	Qualified Hairdressers	€7.54 & 10% Commission. Or €9.73
06-Jun-08	Apprentices	
	Under 18	€6.98
	18 and Over	
	1st Year	€7.48
	2nd Year	€7.98
	3rd Year	€8.98
	4th Year	€9.98
	Beauticians/Manicurists	€9.98
	Under 18	€6.06 or €5.27 & 10% Commission.
	18 and Over	
	18 and Over, 1st 4 months	€6.49 or €5.65 & 10% Commission.
	18 and Over, 2nd 4 months	€6.92 or €6.02 & 10% Commission.
	18 and Over, 3rd 4 months	€7.79 or €6.77 & 10% Commission.
	After 1 years training	€8.65 or €7.52 & 10% Commission.
HANKERCHIEF ERO	Qualified Workers	€8.65
10-Oct-06	Learners	
	1st 8 Months	NMW or €6.51
	2nd 8 Months	NMW or €6.95
	3rd Months	NMW or €7.82
	Piece Work Rate for All Workers	€8.69
HOTELS (excl. Dublin and Cork) ERO	Experienced Workers	
23-May-07	Cook	
	Trained	€9.08
	Head Cook	€10.25
	Second Head Cook	€9.79
	Waiter/Waitress	
	Waiter/Waitress	€9.08
	Head Waiter/Waitress	€9.56
	2nd Head Waiter/Waitress	€9.30

	Barperson	
	Barperson	€9.08
	Head Barperson	€9.54
	2nd Head Barperson	€9.29
	All Hotel Trainees	
	Under 18	€6.36
	18 or Over	
	1st 1/3 period	€6.81
	2nd 1/3 period	€7.27
	3rd 1/3 period	€8.18
	On completion of training	€9.08
	House Assistant/General Worker	
	House Assistant	€9.08
	Porter	
	Porter	€9.08
	Head Porter	€9.56
	2nd Head Porter	€9.30
	Workers NOT covered by above	
	Under 18	€6.36
	1st year after 18	€7.27
	2nd year after 18	€8.18
PROVENDOR MILLING ERO	All workers	
14-Nov-06	Over 18 Years	€8.84
	Under 18 Years	€6.18
RETAIL GROCERY ERO	General Sales Assistant/Clerical	
01-Jun-11	Under 18	€6.64
	Job Entrant	
	1st Year after age of 18	€7.58
	2nd Year after age of 18	€8.54
	Experienced Adult Worker	
	Point 1	€9.48
	Point 2	€9.58
	Point 3	€9.78
	General Ancillary Worker	
	Under 18	€6.64
	Job Entrant	
	1st Year after age of 18	€7.58
	2nd Year after age of 18	€8.54
	Experienced Adult Worker	€9.48
	Post of Responsibility	€10.51
SHIRTMAKING ERO	Special/Measure Cutters	€8.69
10-Oct-06	Other Cutters	€8.69
	General Workers	€8.69
	Special Machinists	€8.69
	All others not in above	€8.69

	Learner Cutters	
	1st 12 month period	NMW or €6.51
	2nd 12 month period	NMW or €6.95
	3rd 12 month period	NMW or €7.82
	Piece work rate for Cutters	€8.69
TAILORING ERO	Measure Cutter	€8.75
10-Oct-06	Final Inspector	€8.75
	Cutter or Trimmer	€8.69
	Tailor	€8.69
	A Presser off	€8.69
	Inline Presser	€8.69
	Machine Operators (1)	€8.69
	Machine Operators (2)	€8.01
	All other categories	€8.69
	Learners	
	1st 8 months	NMW or €6.51
	2nd 8 months	NMW or €6.95
	3rd 8 months	NMW or €7.82
	Hatmaking Branch	
	Cutter (other than lining cutter)	€8.69
	Blocker	€8.69
	Lining Cutter	€8.69
	Warehouse Worker	€8.69
	Packer	€8.69
	General Worker	€8.69
	Machine Operator	€8.69
	All other categories	
	Learners	
	1st 8 months	NMW or €6.51
	2nd 8 months	NMW or €6.95
	3rd 8 months	NMW or €7.82
WOMEN'S CLOTHING ERO	Measure Cutter	€8.71
10-Oct-06	Cutter or Trimmer	€8.69
	Tailor	€8.69
	Presser Off	€8.69
	Machine Operators (1)	€8.69
	Machine Operators (2)	€8.01
	All other categories	€8.69
	Learners	
	1st period	NMW or €6.52
	2nd period	NMW or €6.95
	3rd period	NMW or €7.82

October 2016

LPC NO. 3 (2016)