


Women and Low Pay:

An Empirical Assessment

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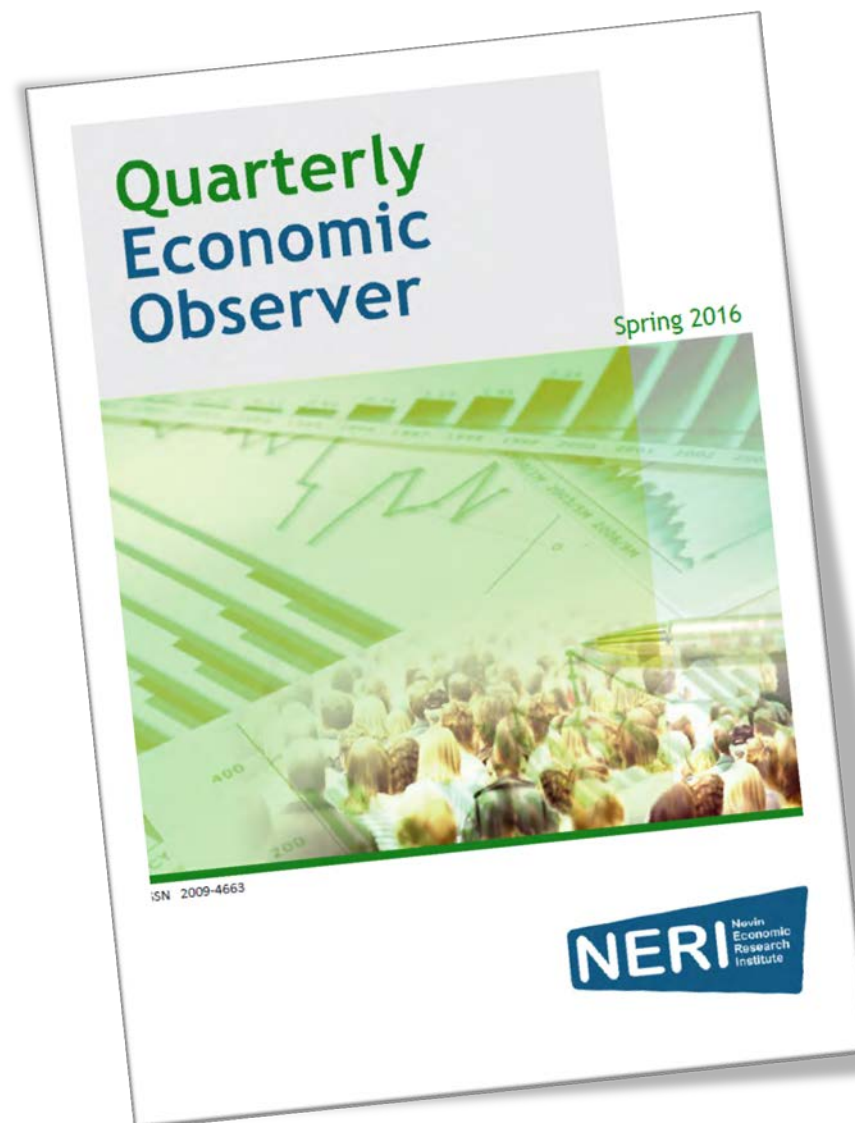


Research for new economic policies

Outline

- 1. Introduction**
- 2. Data & Research Questions**
- 3. Female Low Pay in Profile**
- 4. Depth of Low Pay**
- 5. The Importance of Low Pay**
- 6. Next Steps**

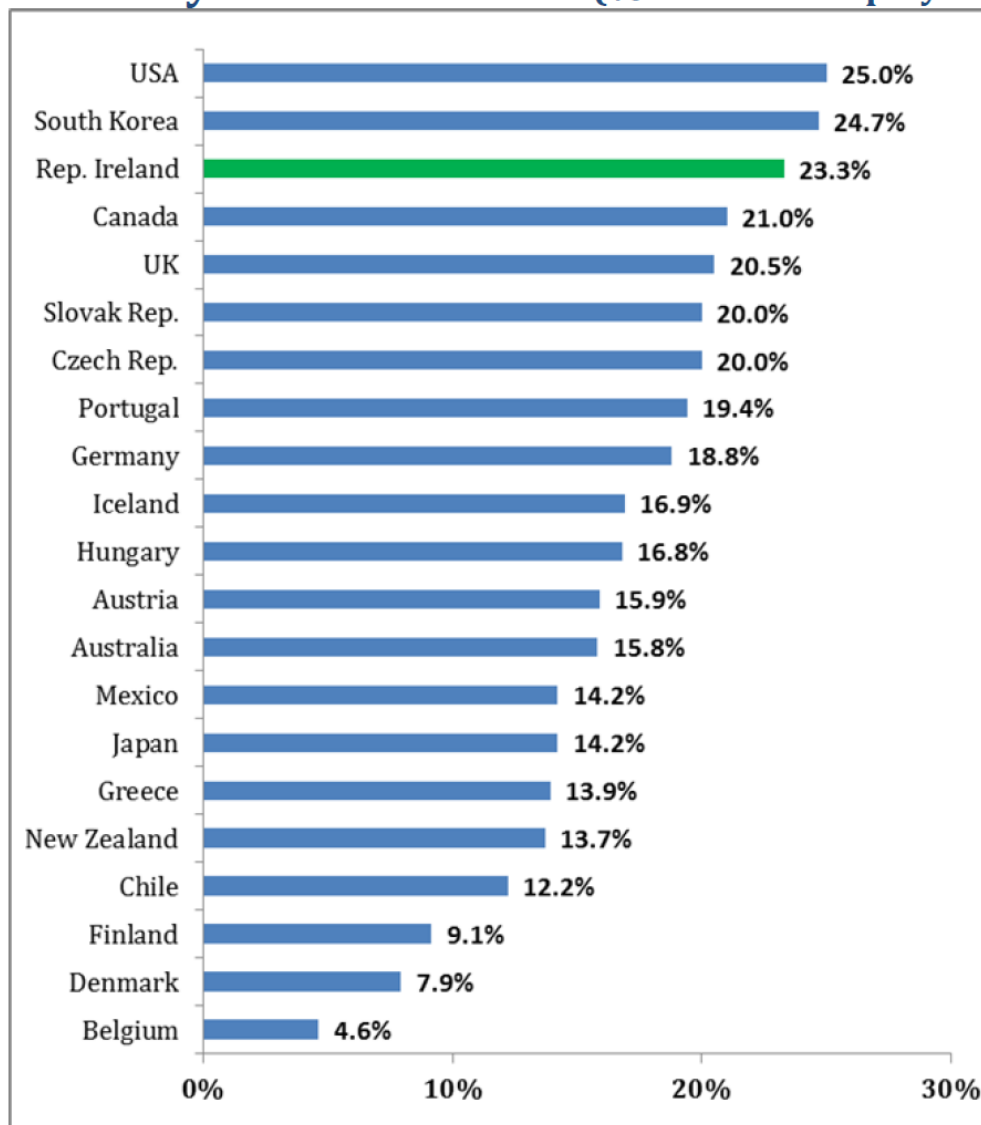
Women and Low Pay: a focus of the recent NERI QEO



1. Introduction

- Recent research on low pay
 - A revival of interest
 - Greater interest in the direct income distribution
- Women = group with a high probability of low pay
- Policy interest:
 - Government
 - Low Pay Commission
- Yet, limited detailed knowledge...

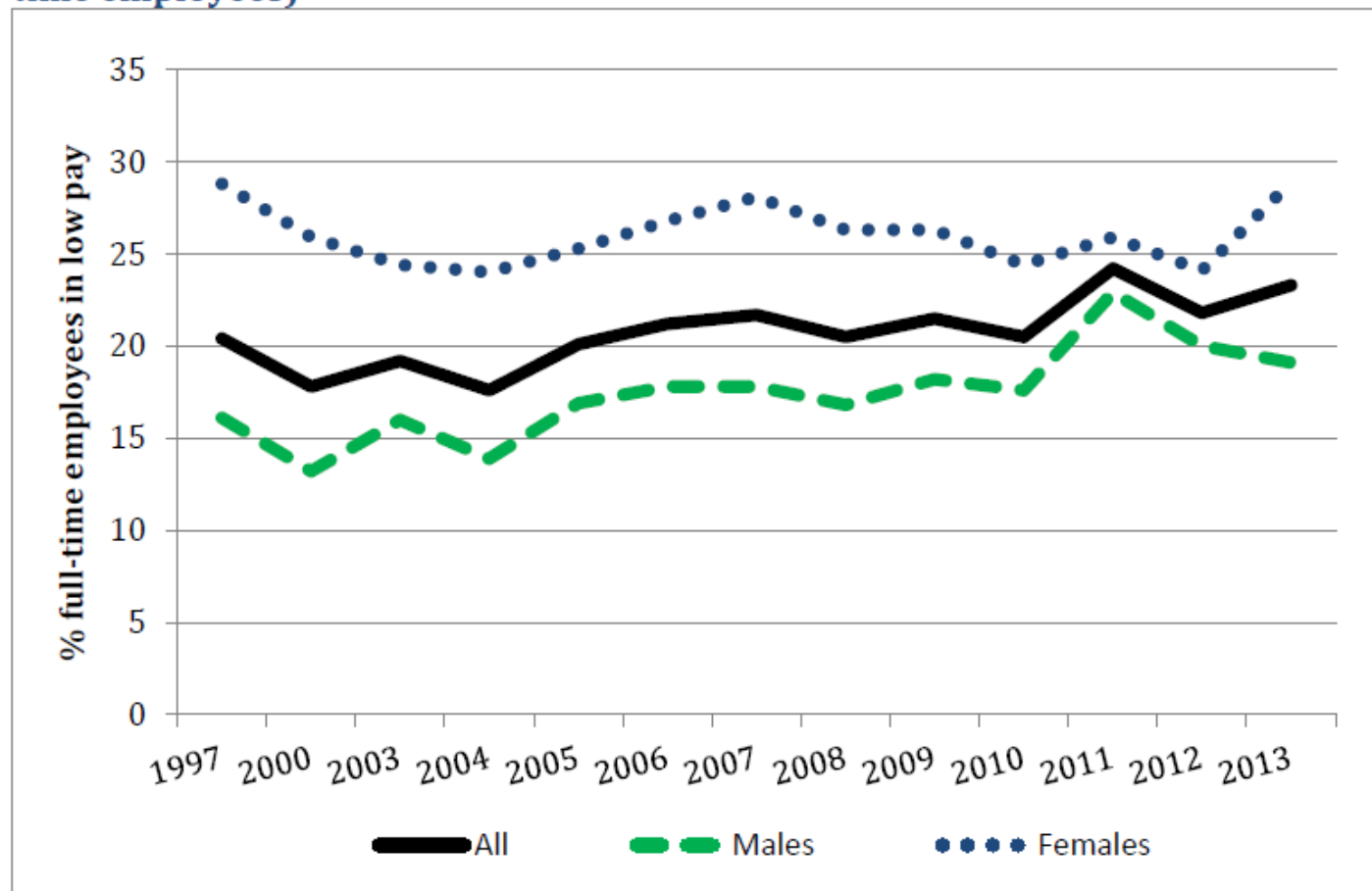
Chart 4.1: Low Pay across the OECD (% full-time employees in 2013)



Source: OECD online database (OECD.stat)

Note: Low pay is defined as those earning less than two-thirds of the median hourly pay received by full-time workers.

Chart 4.2: Low Pay in the Republic of Ireland, 1997-2013 (% full-time employees)



Source: OECD online database (OECD.stat)

Notes: Data unavailable for 1998, 1999, 2001 and 2002. Low pay is defined as those earning less than two-thirds of the median hourly pay received by full-time workers.

2. Data & Research Q's

Data

- CSO data from SILC 2013
- Looking at hourly earnings data for employees
- Low Pay thresholds:
 - Two-thirds of median hourly earnings (specified group)
 - **€11.45** per hour

Research Questions:

- Previous examinations found women more likely to be low paid, so:
 - Who are these low paid female workers?
 - How far below the low pay threshold is their pay?
 - How important is this income to their living standards?

3. Female Low Pay in Profile

Women and low pay

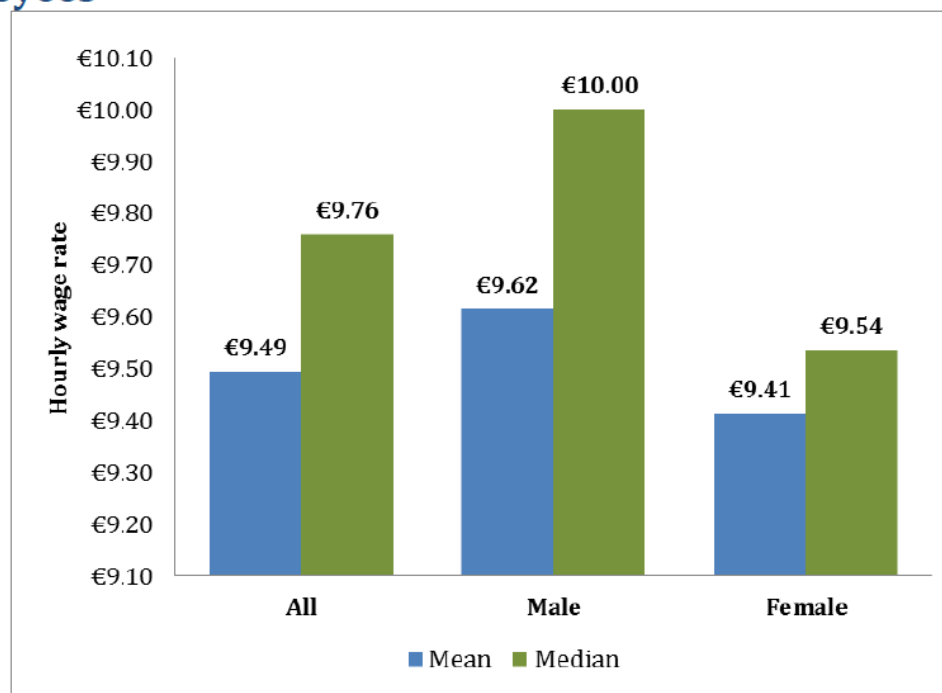
- Details table 4.1a and 4.1b (see p34-35)
 - 60% of the low paid are women = 207,000
 - Almost 3 in 10 women are low paid (men = 2 in 10)
 - Across the age groups; but concentrated in under 40s
 - 60% in three sectors
 - Wholesale and Retail (24%)
 - Accommodation and Food (19.7%)
 - Health and Social Work (18.4%)
 - Temporary contract: 1 in every 2 are low paid
 - Regional: lowest concentrations in SE, W and Midlands

4. Depth of Low Pay

How far below €11.45 per hour are low paid women?

- Average depth for female employees = €2.04 per hour

Chart 4.3: Mean and Median Hourly Wages for Low Paid Employees



Note: Low paid employees represent all those who earn less than €11.45 per hour.

Table 4.2 The Depth of Low Pay – female employees (€ per hour)

	Mean	Median		Mean	Median
All low paid females	€2.04	€1.91	Work status***		
			Full-time	€1.91	€1.54
			Part-time	€2.12	€2.12
Age Group*			Contract Type***		
18-29	€2.22	€2.20	Permanent	€1.98	€1.82
30-39	€1.97	€1.93	Temporary	€2.26	€2.39
40-49	€1.92	€1.74	Occupation*		
50-59	€1.84	€1.48	Manager and admin.	€1.36	€1.16
60+	€1.62	€1.69	Professional	€2.17	€2.04
Sector*			Associate Prof. & tech.	€1.71	€1.17
Agri., forestry/ fishing	€1.58	€1.59	Clerical and secretarial	€1.67	€1.45
Industry	€1.67	€1.53	Craft and related	€1.53	€1.45
Wholesale and retail	€1.98	€1.71	Personal/protect serv.	€1.87	€1.48
Accom. and food	€2.30	€2.27	Sales	€2.11	€1.91
Admin/support services	€2.25	€2.23	Plant/machinery	€1.79	€1.53
Health & social work	€1.78	€1.51	Others	€2.48	€2.45
Pub Adm/Defence/Edu.	€1.73	€1.74	Firm Size**		
Others	€2.27	€1.96	less than 10 employees	€2.29	€2.25
Hours Worked per week**			10 to 49 employees	€1.95	€1.64
1-19hrs	€2.26	€2.29	50+ employees	€1.87	€1.92
20-34.9hrs	€2.05	€1.82	unclassified	€1.81	€1.48
35hrs+	€1.77	€1.53			

Notes: See notes to Table 4.1a. Depth is measured versus an hourly wage of €11.45. *differences are statistically significant at the 0.001% level; ** at the 0.01% level; at the 0.1% level.

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5. The Importance of Low Pay

How important is low pay income?

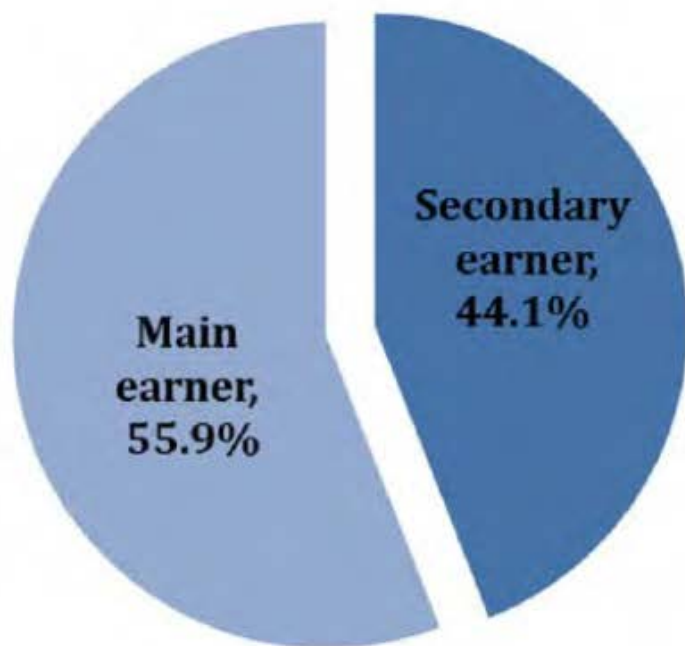
- % of household earnings

Table 4.3 How Important is Low Pay Income?

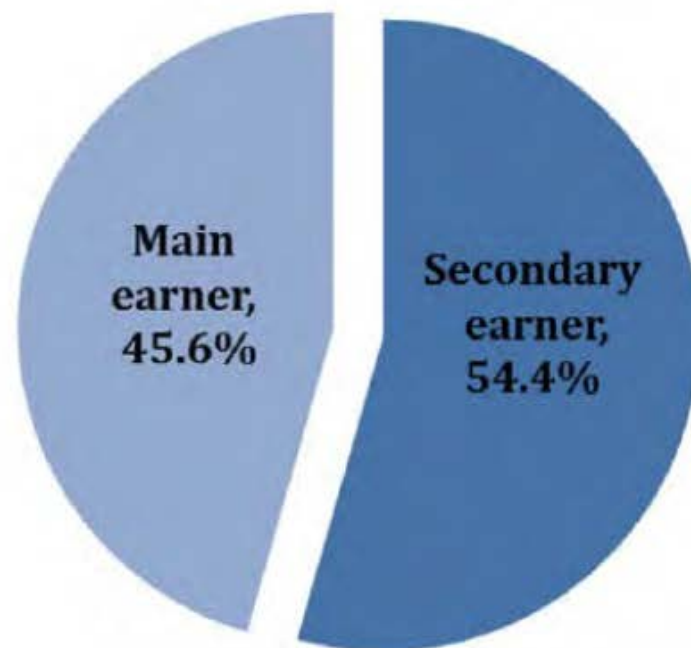
% of Household Earnings	All Low Paid	Low Paid Males	Low Paid Females
0.01%-9.99%	7.0%	6.0%	7.6%
10%-24.99%	17.2%	12.5%	20.3%
25%-49.99%	26.2%	25.6%	26.6%
50%-74.99%	10.3%	13.9%	8.0%
75%-99%	4.2%	5.3%	3.4%
100%	35.2%	36.8%	34.2%
Mean %	58.0%	62.1%	55.3%
Median %	49.4%	61.9%	46.4%

Notes: Figures represent the earnings of the low paid employee as a percentage of the total earnings from employment and self-employment in the household. Decompositions significant at the 5% level.

Chart 4.4: Proportion of Low Paid Workers who are Households Main Earner and Secondary Earner

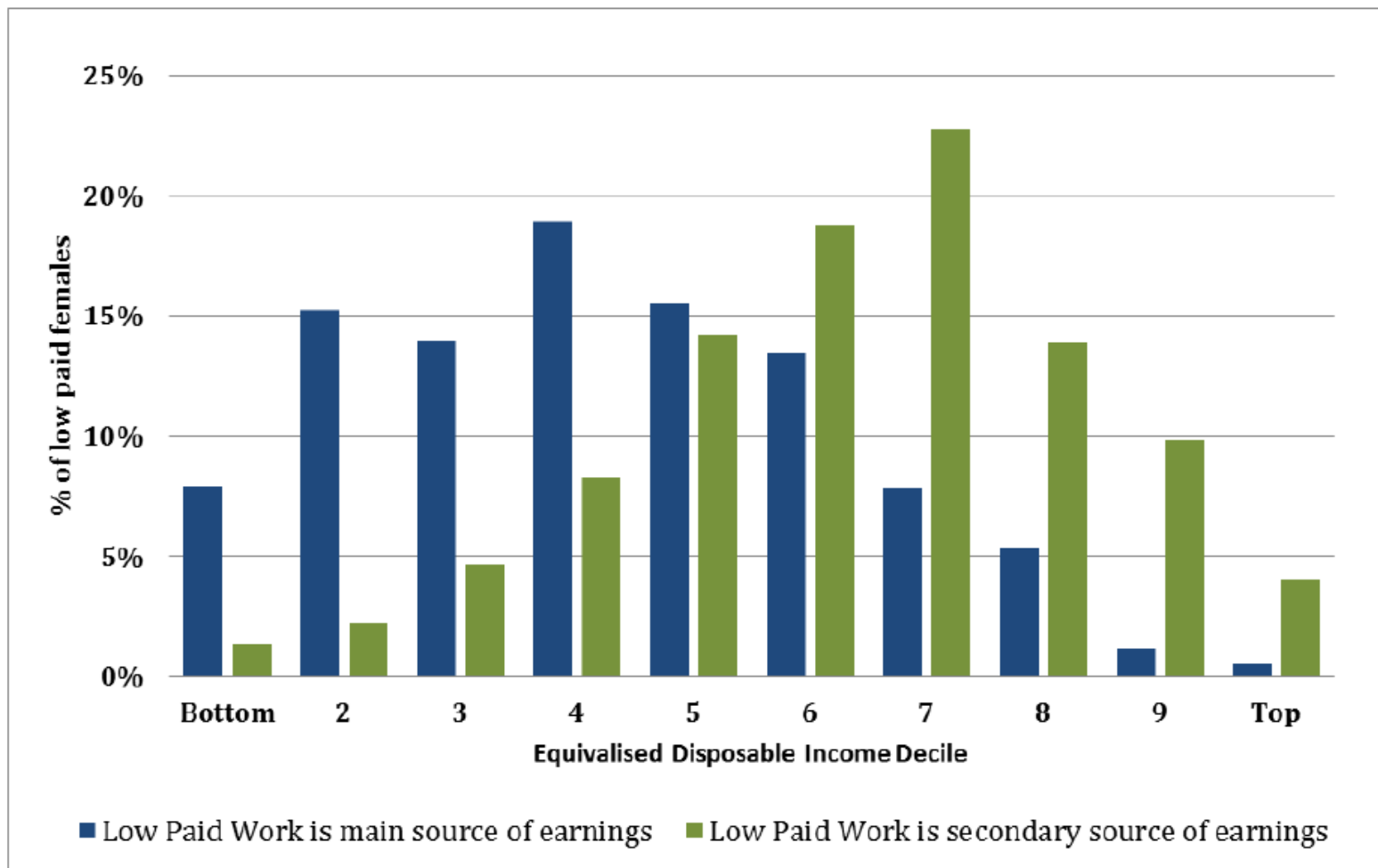


Male
Low Paid Workers



Female
Low Paid Workers

Chart 4.5: Distribution of Low Paid Female Earners in the Income Distribution, by Main Earner and Secondary Earner




6. Next Steps

- A forthcoming research paper
 - 2014 data update
 - Econometric analysis to do
 - However, not all that different to overall picture...
- Points to:
 - Adequacy issues regarding pay in certain sectors
 - Sustainability/stability of that employment income
 - role beyond hourly rates
 - barriers to work and more work

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