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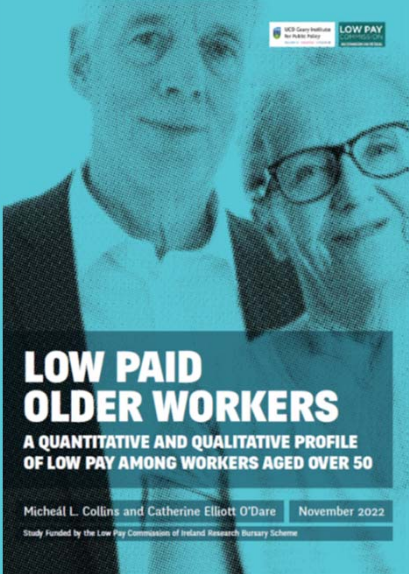
**LOW PAY
COMMISSION**
AN COMISIÚN UM PÁISEAL

LOW PAID OLDER WORKERS

Who, Where and Why?

11th NERI Labour Market Conference
Queens University Belfast
23rd May 2023

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C O N T E N T S

1. Introduction & Context
2. Data, Methods & Measurement
3. Quantitative Insights – who and where?
4. Qualitative Insights – why?
5. Some Implications

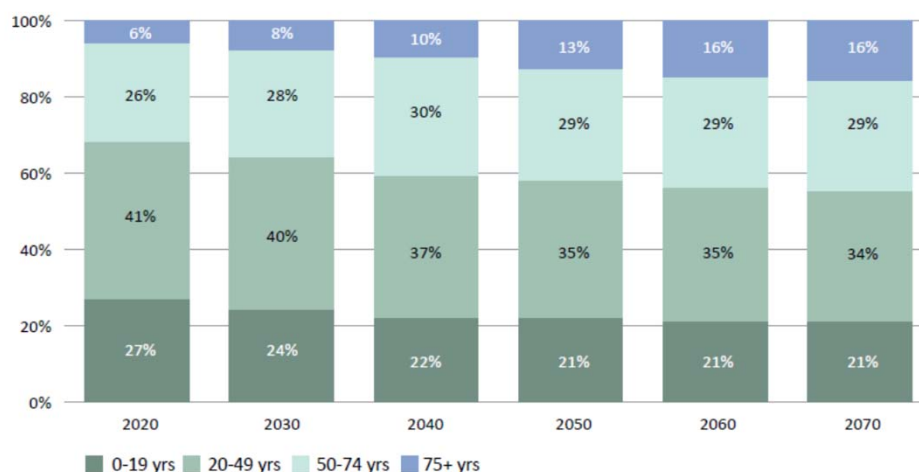
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1. Introduction & Context

- Welcome revival of research on low pay
- Looking at an underexplored subgroup: *Low Paid Older Workers*
- Funding via Low Pay Commission Research Bursary Scheme (March 2020)
- Older:
 - 50 years and over
 - TILDA & previous research; Employment Equality Acts; SILC
 - 'Older not Old'
- Interesting Group:

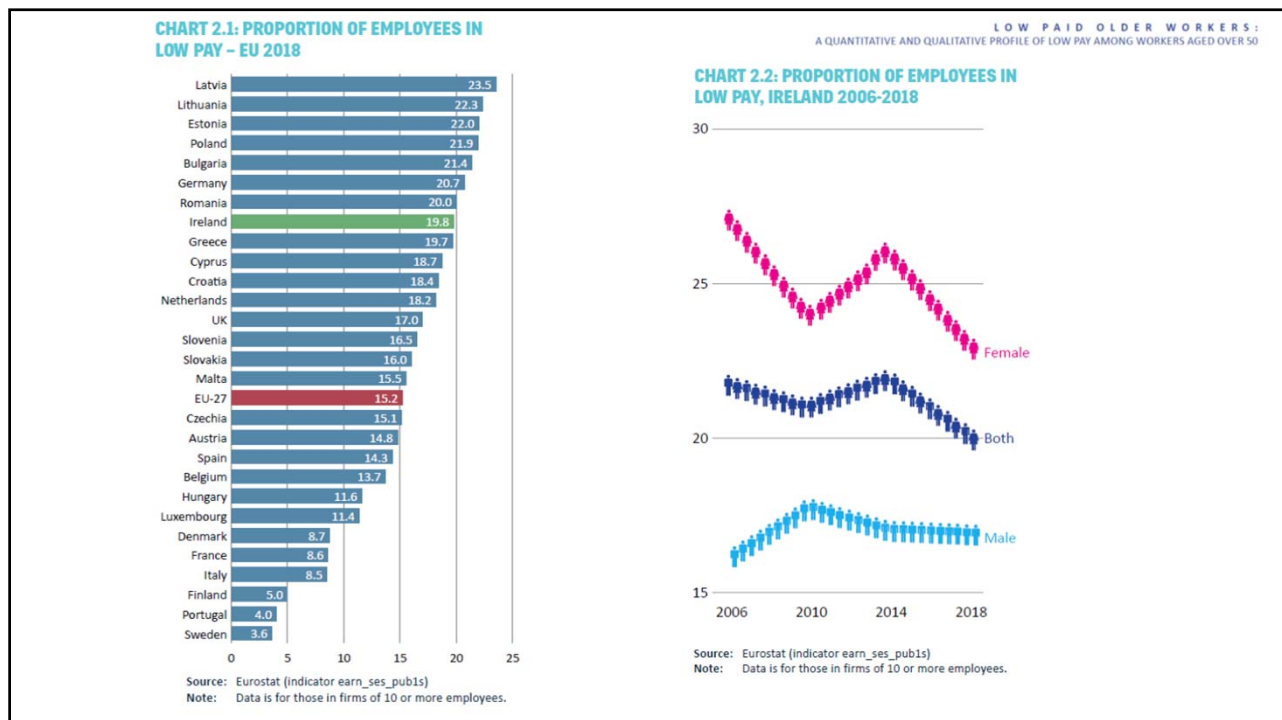
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CHART 2.4: PROJECTED POPULATION COMPOSITION, IRELAND 2020-2070 (%)



Source: Calculated from Eurostat baseline population projection 2021 (indicator proj_19np)

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Literature

- **Low Pay**
 - Profiles (*Lucifora & Salverda, 2009; Collins, 2017; Wilson, 2020; Doris et al, 2022, ...*)
 - Minimum Wages (*Collins, 2015b; Maitre et al, 2017; Redmond et al, 2021,...*)
 - Gender (*Collins, 2015a; NERI, 2016; Sweeney, 2020;...*)
- **Ageing Societies and Older Workers**
 - National Strategies / Active ageing (*Boudiny, 2003; Ni Léime and Ogg, 2019;...*)
 - Gender differences (*OECD, 2019; O'Sullivan et al, 2021; Axelrad and Mcnamara, 2018*)
- **Older Workers in Ireland**
 - Profiles and experiences (*Russell and Fahey, 2004; TILDA...; Privalko et al, 2019*)
 - Older females: profile & attitudes to work/retirement (*O'Sullivan et al, 2021; Ni Léime, 2017; Herbert, 2021*)

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- Issues
 - **Progression from low-pay**
 - Trapped (*Dickens, 2000; Schmitt, 2012*)...Scarring effects of low pay (*Stewart, 2007*)
 - Stepping Stone (*Booth et al, 2002*)
 - **Progression to low-pay**
 - redundancy (*Ghilarducci et al, 2018*)
 - 'a downshift' in responsibility/stress (*McNair, 2006; Lain and Vickerstaff, 2015*)
 - flexibility given other demands (*Hay, 2015*)
 - **Finance**
 - needs (*Standing, 2011*)
 - pension (in)adequacy (*Ni Léime, 2017*)
 - **Social Inclusion and Attitudes towards work**
 - *Kelley and Wishart (2019); Herbert (2021);*
 - **Gender / Children /Care**
 - *Kelley and Wishart (2019);...*

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- Mixed-methods approach
- Exploring themes of:
 - ageing populations
 - labour market earnings
 - living conditions
- Limited literature on the interface between older workers and low pay

	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?

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2. Data, Methods & Measurement

Quantitative Approach

- Low Pay = two-thirds of median hourly earnings*
- SILC 2018 data from CSO & ISSDA
- €11.65 per hour
- Individual and Household characteristics
- Robustness checks

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Qualitative Approach

- 20 semi-structured interviews – *February to June 2021*
- UCD Ethical approval – *November 2020*
- Pandemic-context (phone and online)
- Recruitment via:
 - radio, newspapers, social media, older people's networks, snowball sampling
- 4 criteria – *informed by quantitative data analysis*
 - (i) 50 years and over
 - (ii) Below €12.50 per hour (€11.65 updated)
 - (iii) 20 hours of more per week
 - (iv) Sector: retail, food & hospitality; care

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

TABLE 4.1 PROFILE OF QUALITATIVE INTERVIEW PARTICIPANTS, OLDER WORKERS IN LOW PAY RESEARCH (N=20)

Category	Participants
Age	
50-55	7
56-60	3
61-65	5
Over 65	5
Gender	
Male	6
Female	14
Nationality (by birth)	
Irish	16
Non-Irish	4
Region	
Eastern & Midland	12
Southern	7
Northern & Western	1
Urban / Rural	
Urban	13
Rural	7
City/Town	
City	10
Town / Rural	10

Sector	
Retail	10
Food & Hospitality	8
Social Care	2
Hourly Earnings	
Min wage to €10.99	7
€11 - €11.99	8
€12 - €12.50	5
Hours worked per week	
20 - 34.9 hours	12
35 + hours	8
How long working in Current Job	
Less than 3 years	4
3 - 5 years	7
6 - 10 years	5
More than 10 years	4

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LOW PAID OLDER WORKERS :
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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, including having lower levels of completed education, holding permanent positions of employment and working in smaller firms (less than 50 employees).



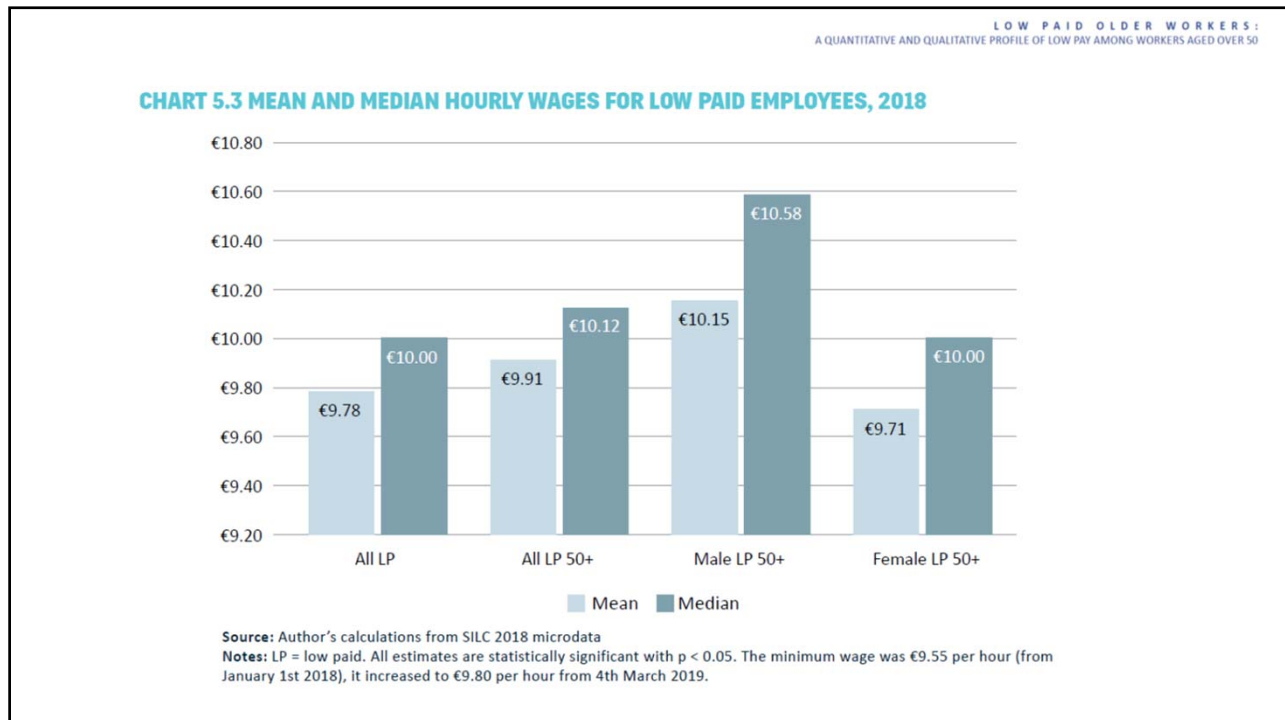
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LOW PAID OLDER WORKERS :
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Older workers have a different sectoral profile compared with all those in low pay. They are more likely to be working in administrative and health/caring roles and less 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.

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

4. Qualitative Insights – why?



WHAT

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

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4. Qualitative Insights – why?



Financial:

Deemed essential income – yet inadequate
Pension inadequacy

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4. Qualitative Insights – why?



Financial:

Deemed essential income – yet inadequate
Pension inadequacy

Fit and Flexibility:

- Skills
- Convenience and nature of employment
- Redundancy payments
- Motherhood
- Social Inclusion / wellbeing
- Work ethic

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5. Some Implications

- Older workers in low pay have a **different sectoral profile**
- **Understanding the household context** is important
- **Finance, Fit & Flexibility reasons** explain why these workers become and/or remain in these roles
 - some are 'trapped' but others are voluntarily there
- **Gender divides persist** for older low paid workers

...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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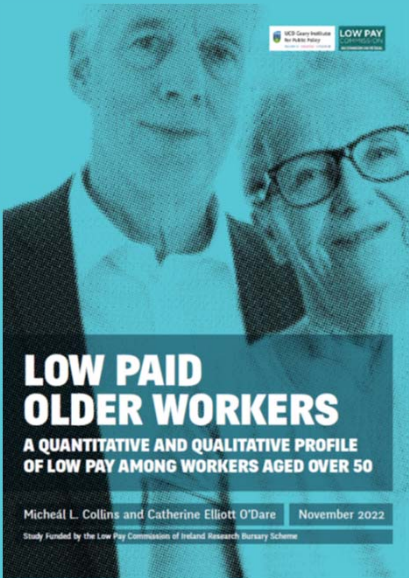


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