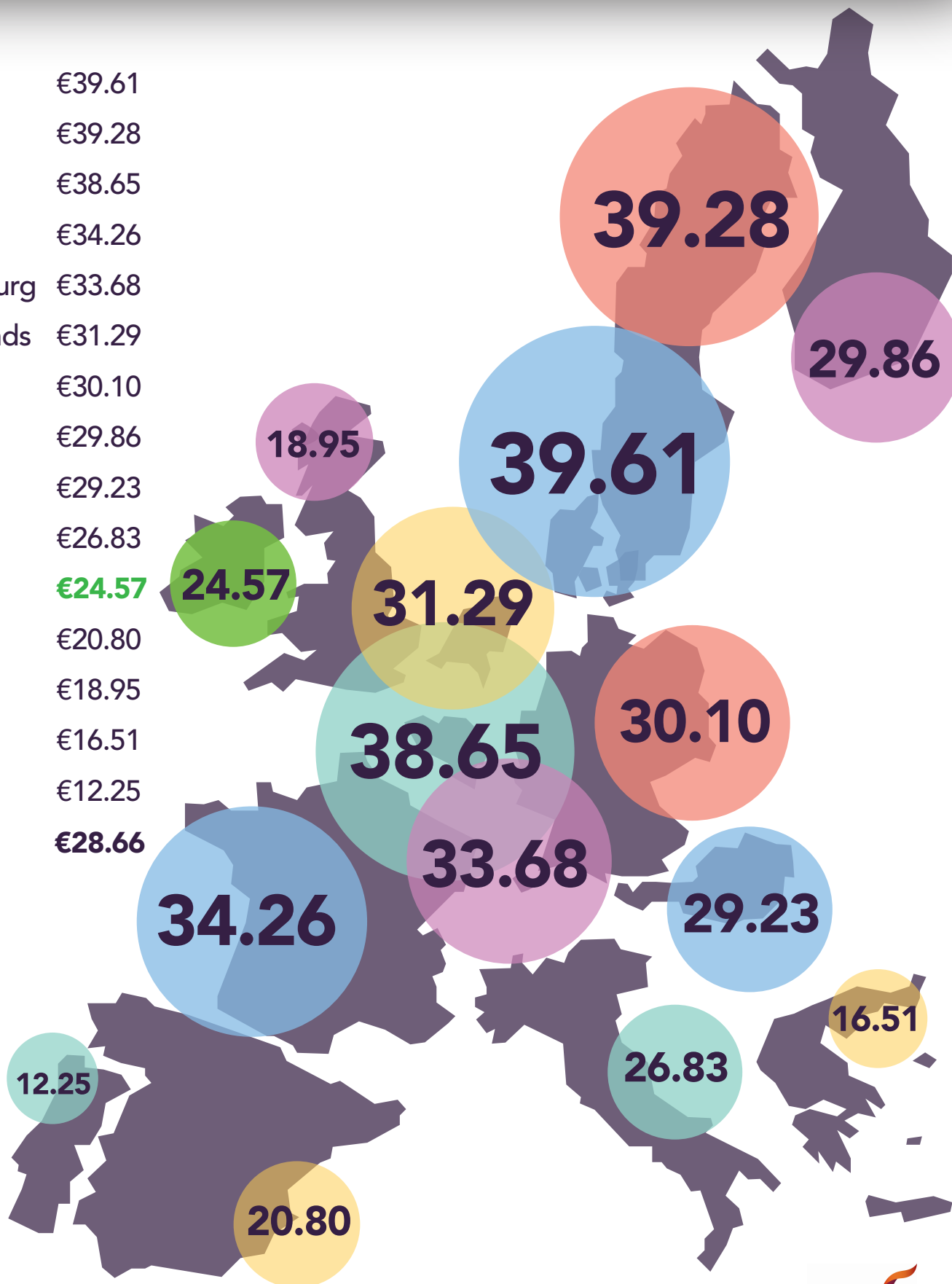


IRELAND NEEDS A WAGE INCREASE

1. Denmark	€39.61
2. Sweden	€39.28
3. Belgium	€38.65
4. France	€34.26
5. Luxembourg	€33.68
6. Netherlands	€31.29
7. Germany	€30.10
8. Finland	€29.86
9. Austria	€29.23
10. Italy	€26.83
11. Ireland	€24.57
12. Spain	€20.80
13. UK	€18.95
14. Greece	€16.51
15. Portugal	€12.25
AVERAGE	€28.66



EMPLOYEE COMPENSATION
IN THE PRIVATE SECTOR € PER HOUR 2011

Ireland Needs a Wage Increase



February 2014
Unite the Union

Ireland Needs a Wage Increase

Introduction

There is currently a debate over the role of wages in the Irish economy. Those who claim that wages are too high and that wage increases will erode competitiveness rarely put forward any evidence to substantiate their position.

In '*Ireland Needs a Wage Increase*' Unite sets the record straight. And the facts tell a different story to that put forward by employers, Government Ministers and many commentators.

- Irish wages are well below the average of most other EU-15 countries. This is especially the case when we look at the main low-paid sectors – where a large number of workers suffer deprivation.
- Wage increases in the last two years have been minimal compared to other European countries
- On the other hand, the Irish economy is highly productive – well above EU and Eurozone averages
- Irish labour costs make up a smaller proportion of total operating costs in the economy than other European countries we have data for
- Irish profits are rising faster than in other European countries

There can be little doubt: Ireland is a low-wage but highly productive economy where profits are rising.

Irish workers need a wage increase. They have borne the brunt of a crisis they did not create – through falling real wages, tax increases that disproportionately hit low-average incomes, and cuts in income support and public services. Rising wages will boost domestic demand, increase tax revenue and facilitate job creation. Rising wages will boost workers' living standards. The Irish economy needs a wage increase

2014 should become the year of pay increases. Unite and the trade union movement will do everything possible to achieve that on behalf not only of our own members, but of all workers.



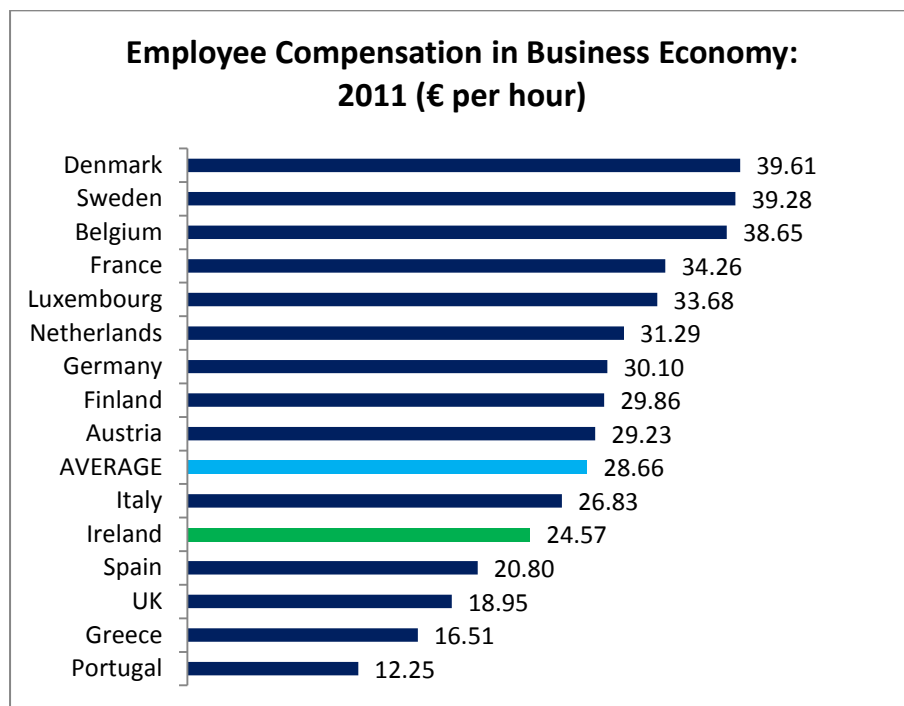
Jimmy Kelly

Regional Secretary
Unite the Union

Ireland Needs a Wage Increase

Summary

Ireland's wages are low by European standards. Average employee compensation in the Irish private sector ranks 11th among the EU-15 countries. This leaves us in the lower half of the table.



- When compared to other EU-15 countries, Irish compensation falls **14 percent below average**.
- When compared to other EU not in bail-out (excluding Greece and Portugal), Ireland falls **21 percent below average**.
- When compared with economies with a similar structure as our own (small and open, heavily reliant on exports), Ireland falls **30 percent below average**.
- Irish compensation in the main low-paid sectors (retail, hotels and restaurants) fall even further behind other EU-15 averages and is a major contributor to high levels of in-work deprivation.
- Since 2011, Irish compensation has increased at the lowest rate in the EU-15 – bar Spain (and Greece and Portugal which are engulfed in a massive wage recession).
- Irish productivity is well above the average of other EU-15 countries, even when adjusting for multi-national accounting practices.
- Irish Labour costs make up a smaller portion of operating costs than other EU-15 countries.
- After taking a hit at the beginning of the crisis, Irish profits are growing at a faster rate than profits in the Eurozone.

Ireland Needs a Wage Increase

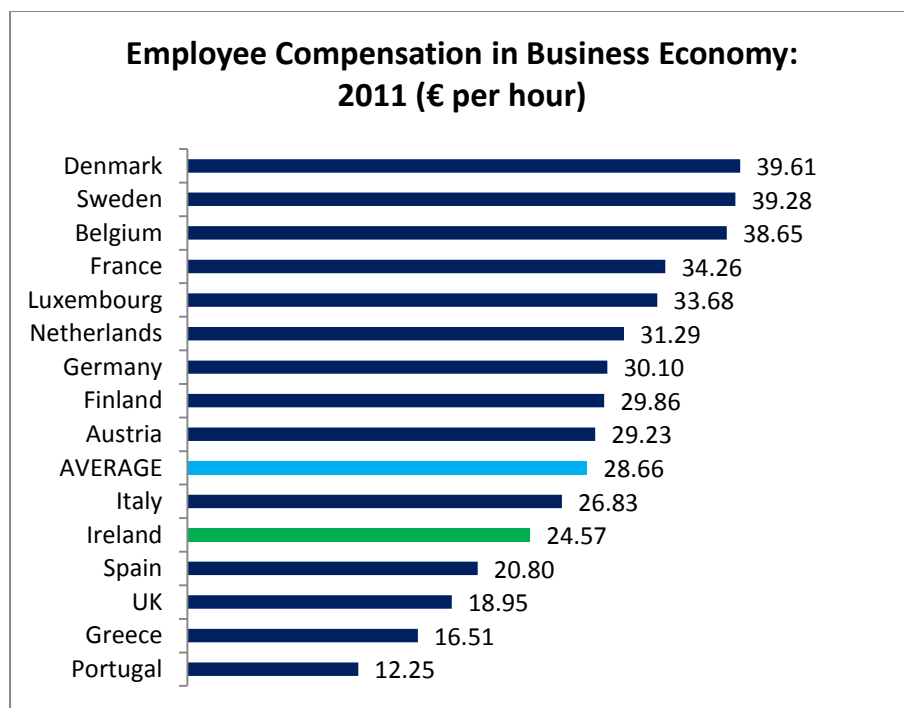
There is currently a debate over wages, ‘wage-competitiveness’ and the economic impact of wage increases – a debate which is taking place in a vacuum with little hard data put forward. For instance, claims that Irish wages are too high and are undermining ‘competitiveness’ are never supported by evidence.

In this document Unite puts these claims to the test and find they have no basis in fact. Ireland is a relatively low-wage economy in the EU-15 despite the fact that productivity is above average. And with Irish profits rising it is clear that Irish workers and the Irish economy need a wage increase.

A LOW-PAID ECONOMY

Here we present the headline rates in the business economy – essentially the private sector. In the Appendices we provide a detailed breakdown by economic sector (manufacturing, retail, accommodation, transport, etc.). All figures presented here are taken from the EU Commission’s database, Eurostat, for the last year for which data is available, except where stated otherwise.

What is the level of employee compensation throughout the EU-15?



In 2011, the latest year we have data for, we can see that Ireland ranks 11th in the EU-15.¹

➤ **Irish compensation is 14 percent below the average of other EU-15 countries.**

¹ Eurostat: Labour costs annual data - NACE Rev. 2 [lc_an_cost_r2]. This is based on a survey of labour costs in firms with ten or more employees. We employ an arithmetic mean of wages in other EU-15 countries to compare with Ireland.

However, this includes much poorer Portugal and Greece. When we examine Irish compensation with the average of other EU-15 countries not in bail-out we find:

➤ **Irish compensation is 21 percent below average**

Another comparison – used by the IMF – is to compare Ireland with economies whose structure is similar to our own: Austria, Belgium, Denmark, Finland and Sweden. These small open economies, like Ireland, have small domestic markets and are heavily reliant on exports. When we do this we find:

➤ **Irish compensation is 30 percent below the average of similar small open economies**

All the evidence shows that Irish employee compensation per hour is substantially below most other EU-15 countries.

(a) National Accounts

The national accounts,² which are based on macro-economic data, confirm the findings above. The latest year there is data for the market economy is 2012.

National Accounts: Employee Compensation in Market Economy: 2012

	Ireland	Average: Other EU-15	Average: Other EU-15 not in Bailout	Average: Other small open economies
Average hourly employee compensation (€)	24.17	27.03	29.79	32.41
% Difference Between Ireland and other EU-15 averages		(-10.6)	(-18.9)	(-25.4)

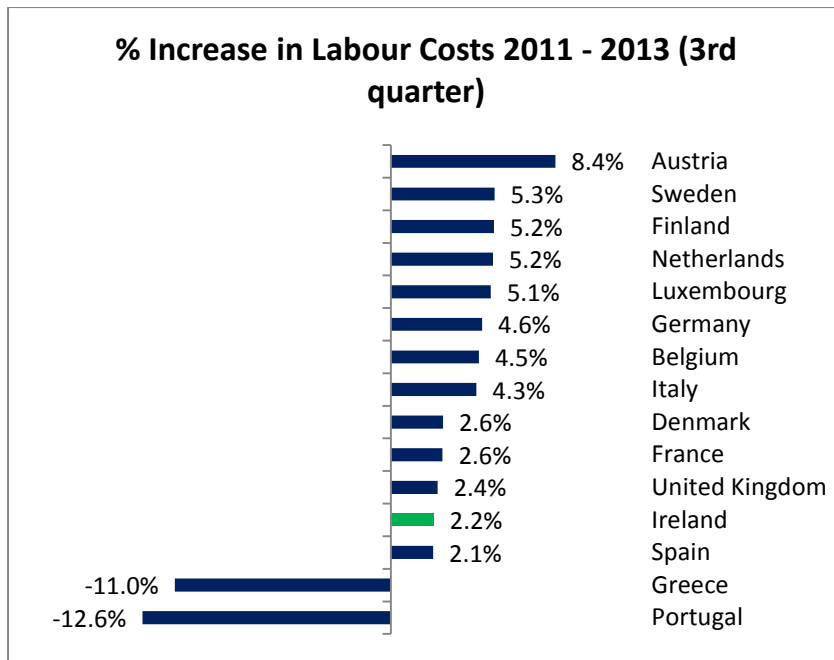
Again, we see Irish compensation is well below average: 11 percent below the average of other EU-15 countries; 19 percent below the average of other EU-15 countries not in bail-out; and 25 percent below the average of other small open economies. And while future wage growth projections should be treated with caution, the EU Commission estimates that Irish compensation growth will lag behind growth in other EU-15 countries - to such an extent that by 2014 they will fall to 15 percent below the average of other EU-15 countries.

Both the Eurostat Labour Cost Survey and the National Accounts confirm Ireland as a low-wage economy.

(b) Increases Since 2011

Since 2011 increases in Irish labour costs have lagged behind those in other countries.³

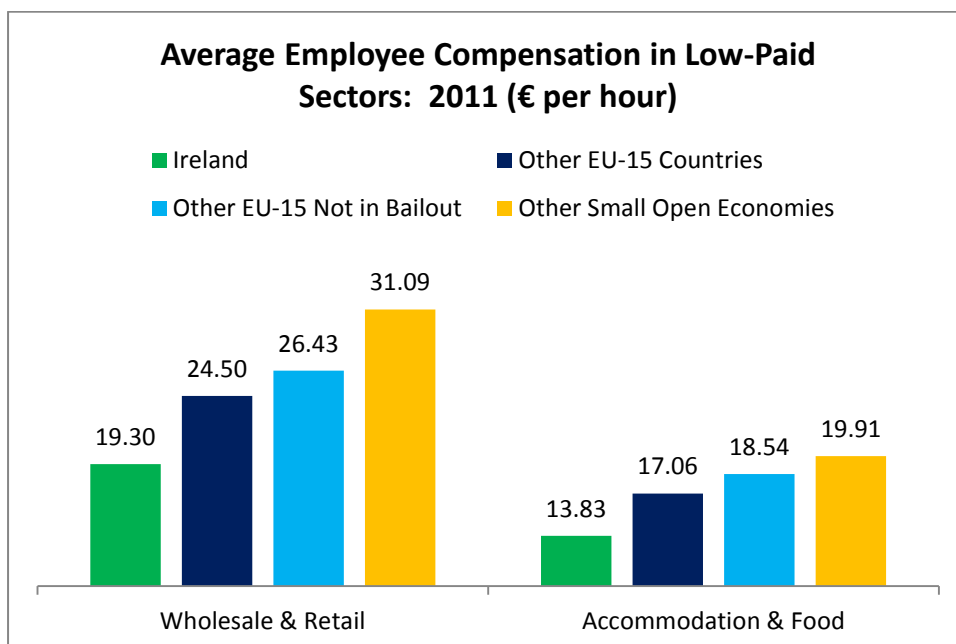
² National Accounts by 10 branches - aggregates at current prices [nama_nace10_c] / National Accounts by 10 branches - employment data [nama_nace10_e]



Irish labour costs have grown more slowly than any country except for Spain (and Portugal and Greece which are currently gripped by massive wage deflation). Not only does Irish employee compensation lag far behind the average of most other EU-15 countries, the last two years will have seen Ireland fall even further behind those averages.

THE LOW PAID SECTORS

Low-paid workers' wages and conditions have been under extreme pressure. You'd think, listening to the propaganda, that compensation in the low-paid sectors in Ireland is exorbitant in comparison with the EU-15. In fact, they fall even further behind other countries.



³ Eurostat: Labour cost index, nominal value - quarterly data (NACE R2) [lc_lci_r2_q]

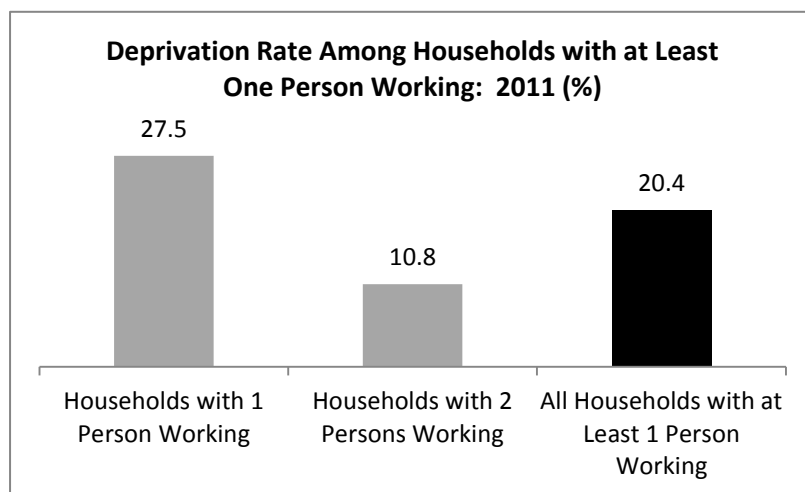
Employee compensation in the two main low-paid sectors – Wholesale & Retail and Accommodation & Food – are between 19 and 21 percent below the average of other EU-15 countries respectively. When compared to other EU-15 countries not in bailout, Irish employee compensation falls to between 25 and 26 percent below average. And when compared to the average of other small open economies, we fall to between 30 and 37 percent below average.

The assertion that Irish workers in low-paid sectors are relatively well compensated is a myth.

IN-WORK DEPRIVATION

Below-average wages, particularly in the low-paid sectors, are taking their toll on households and society. The CSO surveys people's experience of deprivation.⁴ Where an individual or household suffers two or more deprivation experiences they are included in the deprivation rate. In 2011, nearly one-in-four of us suffered multiple deprivation experiences – an indictment of austerity policies and official indifference.

The proportion of people in employment who suffer multiple deprivation experience is no less



alarming. More than one-in-four households with one person working suffer multiple deprivation experiences. More than one-in-ten households with two people working also suffer from multiple deprivation.

In total, 20 percent of households with there is income from work suffer from deprivation – more than one-

in-five. This is due to a number of factors, but a major contributor is low wages combined with rising living costs.

PROFITS

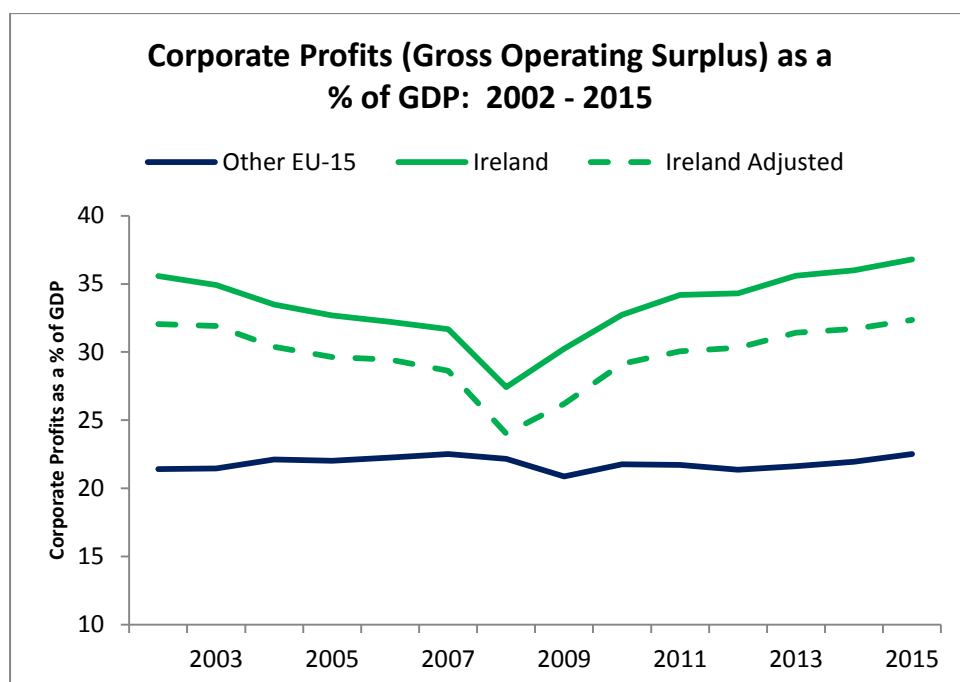
Due to the accounting practices of multi-nationals, it is difficult to provide an accurate picture of profits in the Irish economy. 'Profit-booking', whereby companies import profits generated in other economies into Ireland to reduce tax payments, inflates the level of profits in Ireland.

We will attempt to estimate profit growth factoring out multi-national accounting practices. One way of doing this is to use the Irish Fiscal Advisory Councils' hybrid, or adjusted, GDP calculation⁵ which is intended to estimate economic capacity and can act as a proxy to eliminate distorting tax practices. In all likelihood, this is a better reflection of the Irish economy though it is no substitute for a robust estimate of the degree to which 'profit-booking' artificially inflates Irish GDP or the true

⁴ CSO Survey on Income and Living Conditions, 2011.

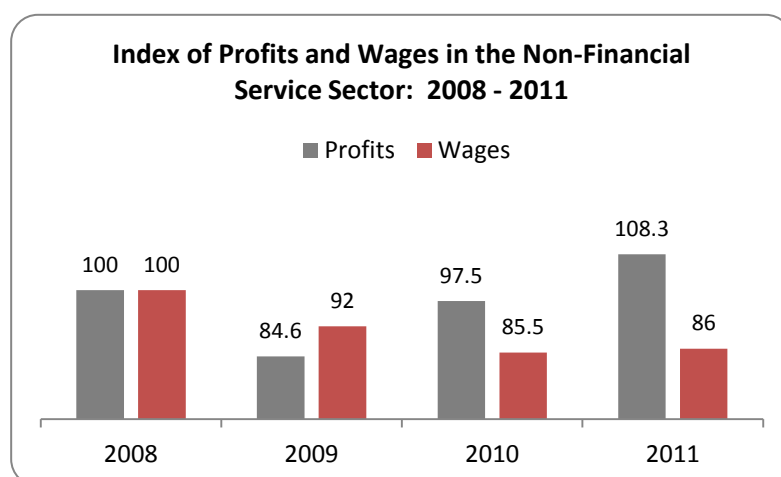
⁵ Fiscal Assessment Report September 2012, Irish Fiscal Advisory Council.

level of profits generated by activity within the state (a robust estimate which has yet to be formulated).



As seen above, Irish profits – whether the headline or adjusted rate – consistently outperforms other EU-15 countries.⁶ Though profits suffered a severe decline in Ireland in 2008 due to the collapse in the property and financial sectors, they have quickly recovered. The EU Commission estimates that Irish profit growth will greatly outstrip other EU-15 countries up to 2015.

Profit growth has also returned to the domestic services sector where profit-bookings would be limited. This CSO data covers all domestic service sectors, excluding the financial sector. It shows that profits have recovered. In 2011, total profits were 8.3 percent higher than in 2008. However, total wages in the sector have fallen by 14 percent during that period.⁷



Some of this profit gain can be attributed to multi-national accounting practices. Since 2009 – the year that profits in the service sector bottomed-out – foreign-owned companies have recorded 45

⁶ EU Ameco Database, Corporations Gross Operating Surplus. Using other statistical categories such as net operating surplus, entrepreneurial income and profit-share of value-added - all indicators of profit - shows the same pattern

⁷ CSO, Statbank Ireland, Table ANA13 Distribution and Services Enterprises by NACE Rev 2 Sector, Year and Statistic

percent growth in profits.⁸ To what extent this is due to profit-booking is difficult to say. However, Irish-owned companies recorded 15 percent growth. Again, we see profits recovering while wages stagnate.

A PRODUCTIVE WORKFORCE

Irish employee compensation levels are below-average compared to most other EU-15 countries. Yet, Irish productivity is considerably higher.⁹

In the chart below we present Irish productivity figures in total value-added and in adjusted value-added (based on Irish Fiscal Advisory Council's adjusted GDP) which can be used to determine economic capacity and act as a proxy to eliminate multi-national accounting practices.



As seen, whichever measurement is used Irish productivity per hour worked exceeds most other EU-15 countries and is well above average. This confirms two reports from Forfas¹⁰ that also showed Irish productivity to be above European averages.

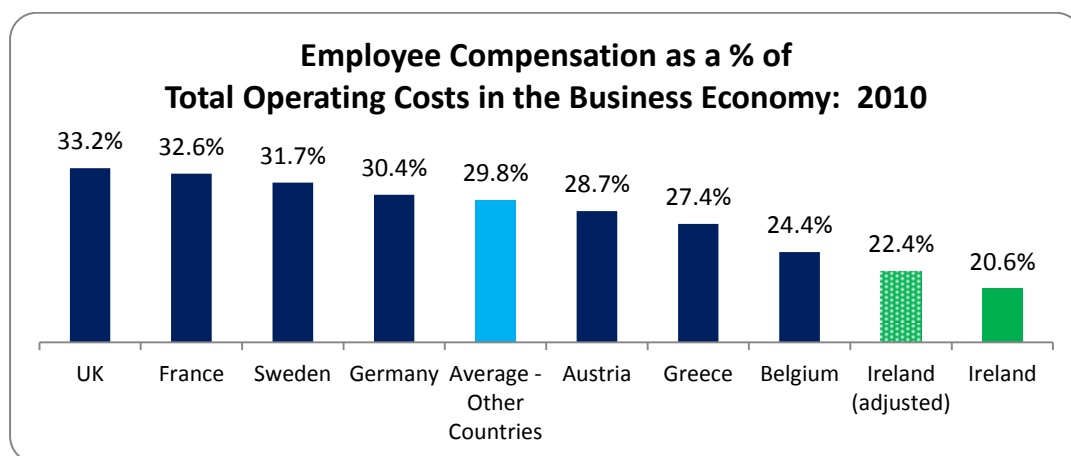
⁸ CSO, Statbank Ireland, Table ANA12 Distribution and Services Enterprises by Persons Engaged, Nationality of Ownership, NACE Rev 2 Sector, Statistical Indicator and Year

⁹ Eurostat: National Accounts by 6 branches - aggregates at current prices [nama_nace06_c] / National Accounts by 6 branches - employment data [nama_nace06_e]

¹⁰ Ireland's Productivity Performance, 1980-2011, 2012 / Overview of Ireland's Productivity Performance, 1980-2005', 2006

OPERATING COSTS

Irish employee compensation makes up a smaller proportion of total operating costs than in any other EU-15 country for which Eurostat has data.¹¹



Employee compensation (or labour costs) makes up less than 23 percent of total operating costs in the market economy, regardless of which measurement is used. This is below all other countries we have data for and considerably below the average of the other EU-15 countries

CONCLUSION

The data presented by Unite shows that:

- Irish employee compensation is below the average of other EU-15 countries. When compared to other EU-15 countries not in bailout and to other small open economies, Irish compensation falls even further behind.
- Irish compensation in low-paid sectors falls even further behind the average other EU-15 countries.
- A substantial number of workers live in officially-defined deprivation.
- Since 2011, Irish labour costs (a proxy for employee compensation) have lagged behind growth in most other EU-15 countries.
- Despite low wages, the Irish economy is more productive than the EU-15 average.
- The key to increasing productivity is not to depress wages further – Irish employee compensation makes up a smaller proportion of total operating costs than other EU-15 countries.
- Profits are rising – in some sectors, substantially. The lack-of-profit argument cannot be sustained as a reason to depress wages.

¹¹ Eurostat: Input-output table - current prices (NACE Rev. 2) [naio_cp17_r2]

None of the reasons advanced by employers, Government Ministers and several commentators for continuing to depress wages and living standards have any basis in fact.

Ireland Needs a Wage Increase

It is now time for wage increase to lift living standards and economic activity. There are a number of ways this can be done. Unite is already supporting members wage claims. But we must go further.

- Increase the **National Minimum Wage**
- Introduce the **right to collective bargaining**
- Establish strong wage floors in the reconstituted **Joint Labour Committees**
- Pursue pay policies which give particular **benefit to low-paid workers**
- Pursue **a Living Wage** in the private and public sectors; and insert Living Wage clauses in all Government procurement contracts
- Implement the **EU Directive on Part-time working** to give workers the ability to increase their working hours

These are some of the strategies Unite will be campaigning for – to ensure that the recovery in the economy is a workers' recovery.

NOTES and DEFINITIONS

1. Employee Compensation and Labour Costs

Labour costs are the standard international and domestic measurement when comparing the costs to employers of hiring one hour of labour. Labour costs are defined by Eurostat as ‘core expenditure borne by employers for the purpose of employing staff’.

They are made up of two elements:

- a) **Employee compensation:** employee compensation comprises (a) the *nominal wage* and (b) the *social wage* (or social benefit-in-kind). The nominal wage is paid by the employer directly to the employee, and includes basic pay, overtime, bonuses, etc. The social wage, or social benefit-in-kind, is paid by the employer to the social insurance fund. In other countries, the social wage is much higher than in Ireland, which means that employees may be able to access free GP care, free or subsidised prescription medicine, earnings-related pensions, earnings-related unemployment / disability / sickness benefit, etc. Because the social wage is so low here, these benefits-in-kind are not available to Irish employees who, in most cases, must purchase these out of their nominal wage.
- b) **Work-Related Costs** would include other social and work-related payments (medical insurance, private pensions, training costs), etc.

For the purposes of this document we have used employee compensation and labour costs interchangeably, as ‘work-related costs’ make up only a fractional component of labour costs (among the EU-15 countries work-related costs make up 1.5 percent of total labour costs).

2. The EU-15 Comparison

We have used EU-15 countries as these economies are the most comparable with Ireland. Using the EU-28 would mean comparing Irish wages with much poorer countries like Bulgaria and Romania where wages are between €3 and €4 per hour; or the Baltic states where wages are less than €6. Further, these poorer countries are not significant exports markets for Ireland. The Nevin Economic Research Institute uses the term ‘Advanced EU Economies’ to describe the comparison with other EU-15 countries.¹²

Using the Eurozone would mean excluding our biggest European trade partner, the UK, along with comparable small open economies, Denmark and Sweden.

3. UK Comparison

While the employee compensation comparison with the UK shows Irish wages to be higher, this is because it is denominated in Euros. When power purchasing parities are used – to remove currency fluctuations and differences in living standards – Irish compensation in the total economy is approximately the same as UK compensation according to national accounts data.

¹² Nevin Economic Research Institute, Quarterly Economic Facts, Winter 2013

APPENDIX

Employee Compensation by Economic Sector

In the following pages we reproduce the Eurostat data broken down by economic sector.

There is no 2011 data for Austria, Greece and Italy (the latest data available is 2010, 2009 and 2008 respectively). We have updated their employee compensation using the Labour Cost Index.

The data for employment in the sectors comes from the CSO for 2013 (3rd quarter).

Business Economy

There are 1,049,000 employed in the business economy.

Employee Compensation 2011: Business Economy (€ per hour)			
Denmark	Sweden	Belgium	France
39.61	39.28	38.65	34.26
Luxembourg	Netherlands	Germany	Finland
33.68	31.29	30.10	29.86
Austria	Average Other EU-15	Italy	Ireland
29.23	28.66	26.83	24.57
Spain	UK	Greece	Portugal
20.80	18.95	16.51	12.25

Ireland ranks below average. We stand 11th in the EU-15 table.

Increase in Irish Employee Compensation Needed to Reach European Averages				
	Ireland	Other EU-15 Countries	Other EU-15 Countries Not in Bailout	Other Small Open Economies
Average (€ per hour)	24.57	28.66	31.05	35.33
% Increase Needed to Reach Average		16.7%	26.4%	43.8%

To reach the average of other EU-15 countries, a 17 percent increase would be needed. When Portugal and Greece are excluded, the increase needed is over 26 percent. And when compared to our peer group, Irish employee compensation would need to increase by 44 percent.

Manufacturing

There are 179,000 employed in manufacturing.

Employee Compensation 2011: Manufacturing (€ per hour)			
Belgium	Sweden	Denmark	France
40.75	40.65	39.14	35.52
Germany	Finland	Netherlands	Austria
34.30	32.29	32.18	31.05
Average Other EU-15	Luxembourg	Ireland	Italy
29.12	28.15	26.17	26.14
Spain	UK	Greece	Portugal
21.97	19.50	15.52	10.53

Ireland ranks below average. We stand 10th in the EU-15 table.

Increase in Irish Employee Compensation Needed to Reach European Averages				
	Ireland	Other EU-15 Countries	Other EU-15 Countries Not in Bailout	Other Small Open Economies
Average (€ per hour)	26.17	29.12	31.80	36.78
% Increase Needed to Reach Average		11.3%	21.5%	40.5%

To reach the average of other EU-15 countries, an 11 percent increase would be needed. When Portugal and Greece are excluded, the increase needed is over 21 percent. And when compared to our peer group, Irish employee compensation would need to increase by 40 percent.

Construction

There are 62,200 employed in construction.

Employee Compensation 2011: Construction (€ per hour)			
Sweden	Denmark	Netherlands	Belgium
35.24	35.20	31.84	31.41
Finland	France	Austria	Average Other EU-15
30.60	30.16	28.26	25.71
Germany	Italy	Ireland	Luxembourg
24.10	24.98	23.28	22.36
Spain	UK	Greece	Portugal
19.98	19.46	16.01	10.38

Ireland ranks below average. We stand 10th in the EU-15 table.

Increase in Irish Employee Compensation Needed to Reach European Averages				
	Ireland	Other EU-15 Countries	Other EU-15 Countries Not in Bailout	Other Small Open Economies
Average (€ per hour)	23.28	25.71	27.80	32.14
% Increase Needed to Reach Average		10.4%	19.4%	38.1%

To reach the average of other EU-15 countries, a 10 percent increase would be needed. When Portugal and Greece are excluded, the increase needed is over 19 percent. And when compared to our peer group, Irish employee compensation would need to increase by 38 percent.

Wholesale & Retail Sector

There are 278,700 employed in wholesale and retail.

Employee Compensation 2011: Wholesale & Retail (€ per hour)			
Denmark	Sweden	Belgium	France
35.27	34.61	33.98	28.68
Netherlands	Finland	Germany	Austria
27.10	26.12	24.90	25.47
Average Other EU-15	Italy	Luxembourg	Ireland
24.50	24.00	23.05	19.30
Spain	UK	Greece	Portugal
18.14	15.82	14.43	11.47

Ireland ranks below average. We stand 11th in the EU-15 table.

Increase in Irish Employee Compensation Needed to Reach European Averages				
	Ireland	Other EU-15 Countries	Other EU-15 Countries Not in Bailout	Other Small Open Economies
Average (€ per hour)	19.30	24.50	26.43	31.09
% Increase Needed to Reach Average		27.0%	36.9%	61.1%

To reach the average of other EU-15 countries, a 27 percent increase would be needed. When Portugal and Greece are excluded, the increase needed is 37 percent. And when compared to our peer group, Irish employee compensation would need to increase by 61 percent.

Accommodation & Food

There are 144,800 employed in accommodation and food.

Employee Compensation 2011: Accommodation & Food (€ per hour)			
Denmark	Sweden	France	Finland
27.78	23.95	23.05	22.98
Netherlands	Luxembourg	Average Other EU-15	Italy
18.62	17.56	17.06	16.59
Germany	Austria	Spain	Ireland
14.70	14.54	13.83	13.83
UK	Greece	Portugal	Belgium
10.32	8.98	8.93	Not available

Ireland ranks below average. We stand 11th in the EU-15 table (with Spain) – however, were Belgium data available Ireland would most likely fall to 12th.

Increase in Irish Employee Compensation Needed to Reach European Averages				
	Ireland	Other EU-15 Countries	Other EU-15 Countries Not in Bailout	Other Small Open Economies
Average (€ per hour)	13.83	17.06	18.54	19.91
% Increase Needed to Reach Average		23.4	34.0	44.0

To reach the average of other EU-15 countries, a 23 percent increase would be needed. When Portugal and Greece are excluded, the increase needed is 34 percent. And when compared to our peer group, Irish employee compensation would need to increase by 44 percent.

Transportation & Storage

There are 61,000 employed in transportation and storage.

Employee Compensation 2011: Transportation & Storage (€ per hour)			
Denmark	Belgium	Sweden	France
36.95	35.43	33.54	31.34
Luxembourg	Netherlands	Austria	Finland
29.93	28.90	27.82	27.63
Other EU-15	Italy	Germany	Ireland
26.94	25.59	24.40	23.77
Spain	Greece	UK	Portugal
21.33	20.11	18.36	15.79

Ireland ranks below average. We stand 11th in the EU-15 table.

Increase in Irish Employee Compensation Needed to Reach European Averages				
	Ireland	Other EU-15 Countries	Other EU-15 Countries Not in Bailout	Other Small Open Economies
Average (€ per hour)	23.77	26.94	28.44	32.27
% Increase Needed to Reach Average		13.3%	19.6%	35.8%

To reach the average of other EU-15 countries, a 13 percent increase would be needed. When Portugal and Greece are excluded, the increase needed is 20 percent. And when compared to our peer group, Irish employee compensation would need to increase by 36 percent.

Information & Communication

There are 51,800 employed in information and communication.

Employee Compensation 2011: Information & Communication (€ per hour)			
Sweden	Denmark	France	Luxembourg
50.53	48.06	47.17	42.32
Austria	Netherlands	Germany	Finland
42.63	41.67	40.80	40.41
Other EU-15	Italy	Ireland	Spain
37.47	36.66	32.20	27.01
UK	Portugal	Greece	Belgium
25.61	22.39	21.81	Not Available

Ireland ranks below average. We stand 10th in the EU-15 table – however, were Belgium data available Ireland would most likely fall to 11th.

Increase in Irish Employee Compensation Needed to Reach European Averages				
	Ireland	Other EU-15 Countries	Other EU-15 Countries Not in Bailout	Other Small Open Economies
Average (€ per hour)	32.20	37.47	40.26	45.41
% Increase Needed to Reach Average		16.4%	25.0%	41.0%

To reach the average of other EU-15 countries, a 16 percent increase would be needed. When Portugal and Greece are excluded, the increase needed is 25 percent. And when compared to our peer group, Irish employee compensation would need to increase by 41 percent.

Financial & Insurance

There are 88,700 employed in finance and insurance (including real estate).

Employee Compensation 2011: Financial & Insurance (€ per hour)			
Sweden	Luxembourg	Belgium	Denmark
66.96	59.67	58.46	57.49
Netherlands	France	Italy	Austria
54.06	52.41	49.43	49.22
Other EU-15	Germany	Finland	Ireland
47.61	44.70	42.16	39.62
Spain	Portugal	UK	Greece
39.35	33.73	33.31	25.65

Ireland ranks below average. We stand 11th in the EU-15 table.

Increase in Irish Employee Compensation Needed to Reach European Averages				
	Ireland	Other EU-15 Countries	Other EU-15 Countries Not in Bailout	Other Small Open Economies
Average (€ per hour)	39.62	47.61	50.70	54.86
% Increase Needed to Reach Average		20.2%	27.7%	38.5%

To reach the average of other EU-15 countries, a 20 percent increase would be needed. When Portugal and Greece are excluded, the increase needed is 28 percent. And when compared to our peer group, Irish employee compensation would need to increase by 38 percent.

Professional, Scientific & Technical

There are 80,000 employed in the professional and scientific sector.

Employee Compensation 2011: Professional, Scientific & Technical (€ per hour)			
Sweden	Denmark	Luxembourg	Netherlands
48.17	46.42	44.64	41.31
France	Finland	Germany	Austria
40.67	40.38	36.10	36.68
Other EU-15	Italy	Ireland	UK
34.53	32.57	30.38	25.04
Spain	Portugal	Greece	Belgium
23.78	17.68	15.49	Not Available

Ireland ranks below average. We stand 10th in the EU-15 table - however, were Belgium data available Ireland would most likely fall to 11th.

Increase in Irish Employee Compensation Needed to Reach European Averages				
	Ireland	Other EU-15 Countries	Other EU-15 Countries Not in Bailout	Other Small Open Economies
Average (€ per hour)	30.38	34.53	37.80	42.91
% Increase Needed to Reach Average		13.7%	24.4%	41.3%

To reach the average of other EU-15 countries, a 14 percent increase would be needed. When Portugal and Greece are excluded, the increase needed is 24 percent. And when compared to our peer group, Irish employee compensation would need to increase by 41 percent.

Administrative and Support Services

There are 75,500 employed in administration and support services.

Employee Compensation 2011: Administrative and Support Services (€ per hour)			
Belgium	Denmark	Sweden	France
33.14	32.42	27.65	25.90
Austria	Netherlands	Luxembourg	Other EU-15
23.61	21.34	20.50	20.38
Ireland	Italy	Finland	Germany
18.77	18.49	17.27	17.10
UK	Spain	Greece	Portugal
15.13	14.70	10.90	7.22

Ireland ranks below average. We stand 8th in the EU-15 table.

Increase in Irish Employee Compensation Needed to Reach European Averages				
	Ireland	Other EU-15 Countries	Other EU-15 Countries Not in Bailout	Other Small Open Economies
Average (€ per hour)	18.77	20.38	22.27	26.82
% Increase Needed to Reach Average		8.6%	18.7%	42.9%

To reach the average of other EU-15 countries, a 9 percent increase would be needed. When Portugal and Greece are excluded, the increase needed is 19 percent. And when compared to our peer group, Irish employee compensation would need to increase by 43 percent.