

English summary
of Fafo-rapport 2022:02

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– scope and characteristics

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This report examines the scope and characteristics of permanently low-paid workers in Norway. We find that of those 23 per cent in the age group 24–66 years who were low-paid in 2019, one-third were permanently low-paid. This corresponds to just under 180 000 persons. Our definition of a low-paid worker is a person who has earned hourly wages at or below the low-wage limit for at least three of the last five years, including in combination with periods with no wage income.

Permanently low-paid workers share some typical characteristics. Women are somewhat overrepresented, as are employees of foreign origin. Specifically, nearly 40 per cent of permanently low-paid workers are born outside Norway. Although we can find permanently low-paid workers in younger age cohorts, 68 per cent of them are aged over 30. Furthermore, wage earners with primary or lower secondary school as their highest attained level of education are significantly overrepresented, and employees with a bachelor's degree or higher are correspondingly underrepresented. Nor are they randomly distributed by profession: there is a clear preponderance in retail trade, service and care occupations, as well as in occupations with no requirements for formal training. Somewhat more than 40 per cent of the permanently low-paid work part-time, compared to 26 per cent for all wage earners. Eighty-five per cent of the permanently low-paid work in the private sector, and there is a clear tendency for them to be less frequently employed in enterprises bound by a collective agreement when compared to other private sector employees.

We have further investigated the extent to which the permanently low-paid were affected more severely than other groups when the pandemic crisis hit Norway in 2020. We find that in common with persons with a weak affiliation to the labour market, the permanently low-paid have a greater likelihood of losing their earnings than other employees. The results illustrate that lack of wage-mobility is often associated with greater vulnerability in crises.