

EUROPEAN MINIMUM WAGE SURVEY

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September 2020, Tallinn

Background of the study

Objective	<p>The aim of this study is to determine the opinion of the Estonian population regarding various possibilities related to the establishment of a European Union minimum wage.</p> <p>The study was commissioned by Yana Toom, Member of the European Parliament.</p>
Study conductors	<p>The study was conducted as a cooperative project involving Saar Poll and Norstat, with Saar Poll being responsible for preparing the methodology, sample and questionnaire, and Norstat conducting the population survey.</p>
Target group	<p>The survey group was comprised of permanent residents of the Republic of Estonia aged 18 and older. This is a representative survey, i.e. the results of this survey can be expanded to cover Estonian residents of corresponding ages.</p>
Method	<p>The study was conducted as a combined phone (CATI, 70%) and online survey (CAWI, 30%) in Estonian and Russian.</p> <p>The average length of each interview was up to 10 minutes.</p> <p>The significance of the relationships was assessed using a chi-square test. The significance level is 0.05.</p>
Number of respondents	1001
Fieldwork period	28. august – 09. september 2020

Introduction

In recent decades, workers' security regarding work and their jobs, which are the main source of income for most people, has declined.

This has also been accompanied by an increase in income inequality and a reduction in social guarantees. The European Union is constantly working to achieve greater equality, and the forward-looking 2017 [European Pillar of Social Rights](#) is a very important milestone.

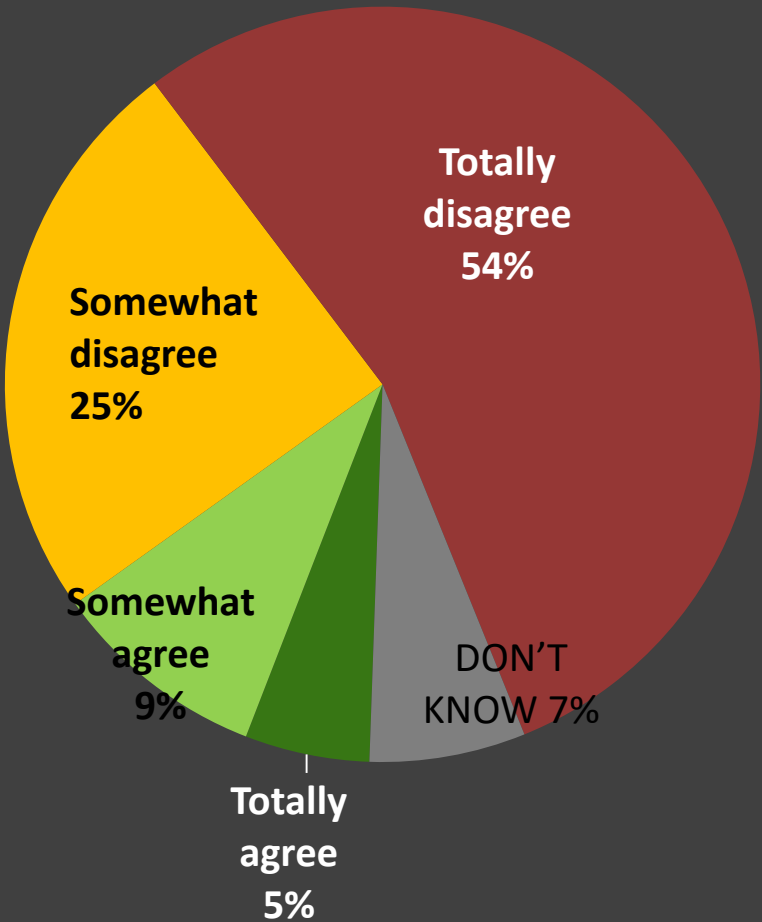
The European Pillar of Social Rights aims to provide guidance for good employment and social practices in order to meet current and future challenges that directly address people's basic needs. This document states that adequate minimum wages should be guaranteed to meet the needs of the workers and their families, and that wage poverty, i.e. in order to avoid a situation in which a person works but his or her consumption possibilities, is still below the level considered normal in the society.

Reducing inequality and wage poverty is one of the goals of the current European Commission. To this end, the aim is to establish a minimum wage in the European Union -- so that each Member State has a minimum wage, the amount of which is agreed upon by the labour market participants, primarily the employers and trade unions. The European Union's minimum wage could be 60% of the median wage. This survey is part of the process of developing and establishing a European minimum wage.

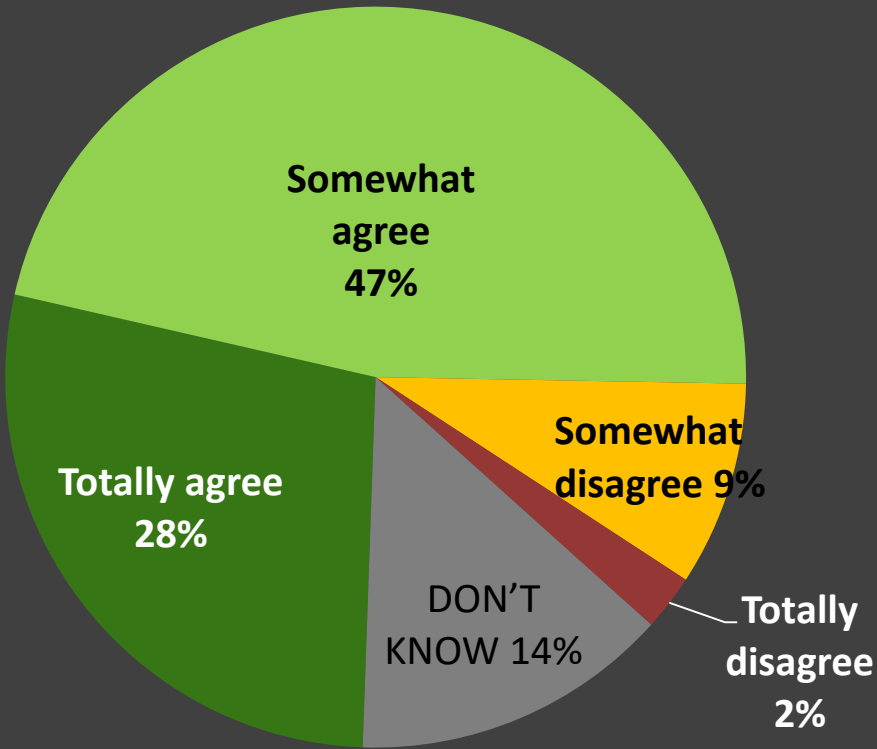
The minimum wage is the minimum gross wage that an employer must pay to an employee that has a full-time workload. A minimum wage is mainly established to reduce income inequality.

% of all respondents, N=1001

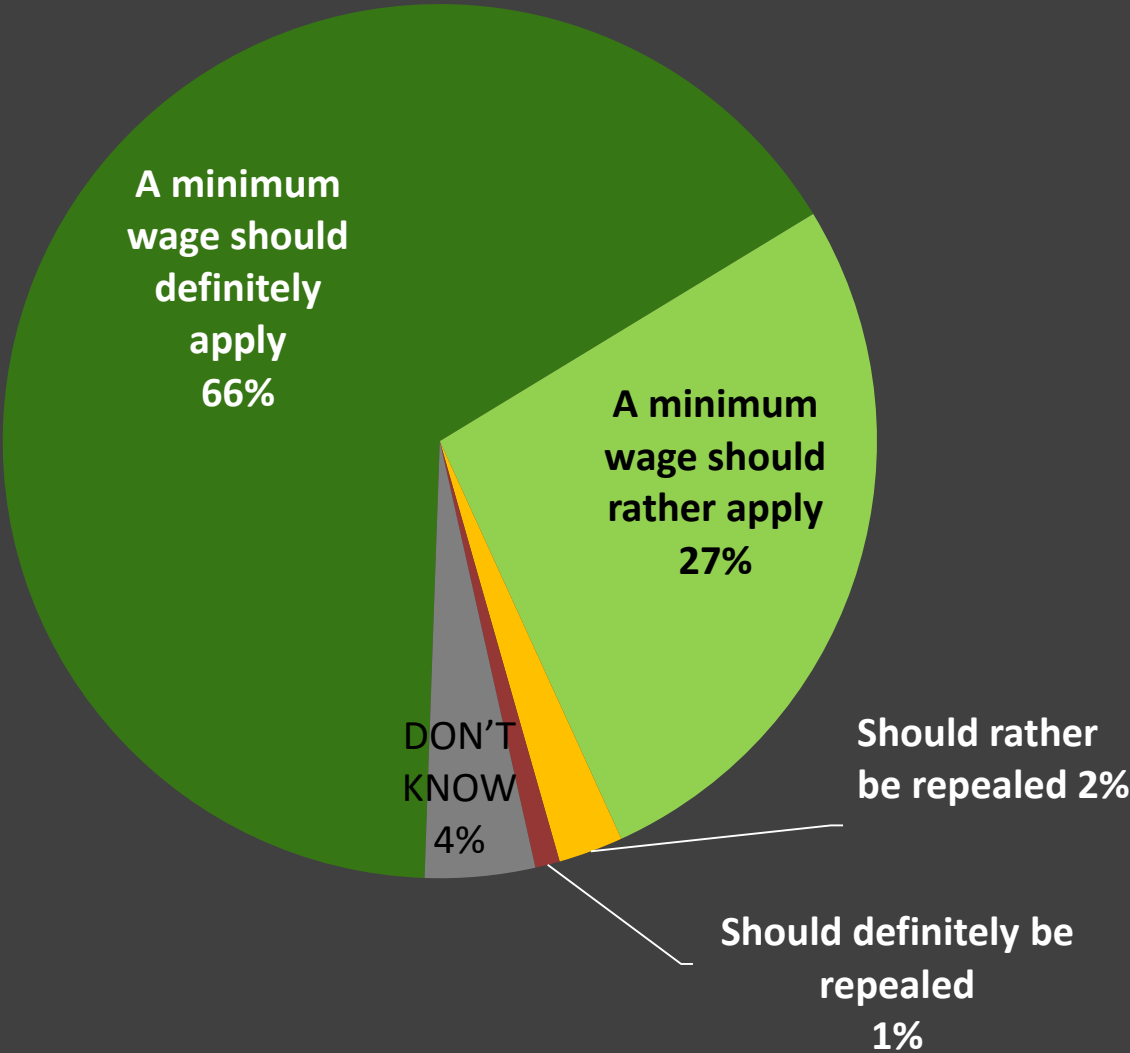
There is no need for a national minimum wage, as wages are a matter of agreement between the employee and the employer



A national minimum wage is needed, but the amount should be linked to the median wage so that there is no dispute over the amount



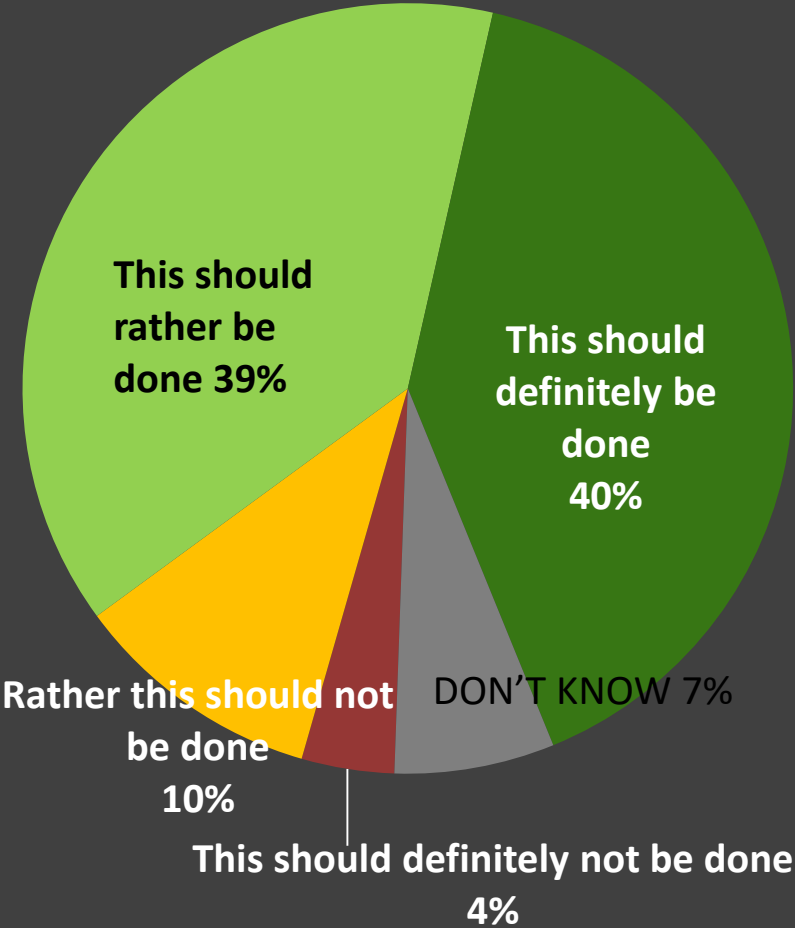
A minimum wage has been in force in Estonia since 1994. In the current year of 2020, the amount is €584 per month in the case of full-time employment.
% of all respondents, N=1001



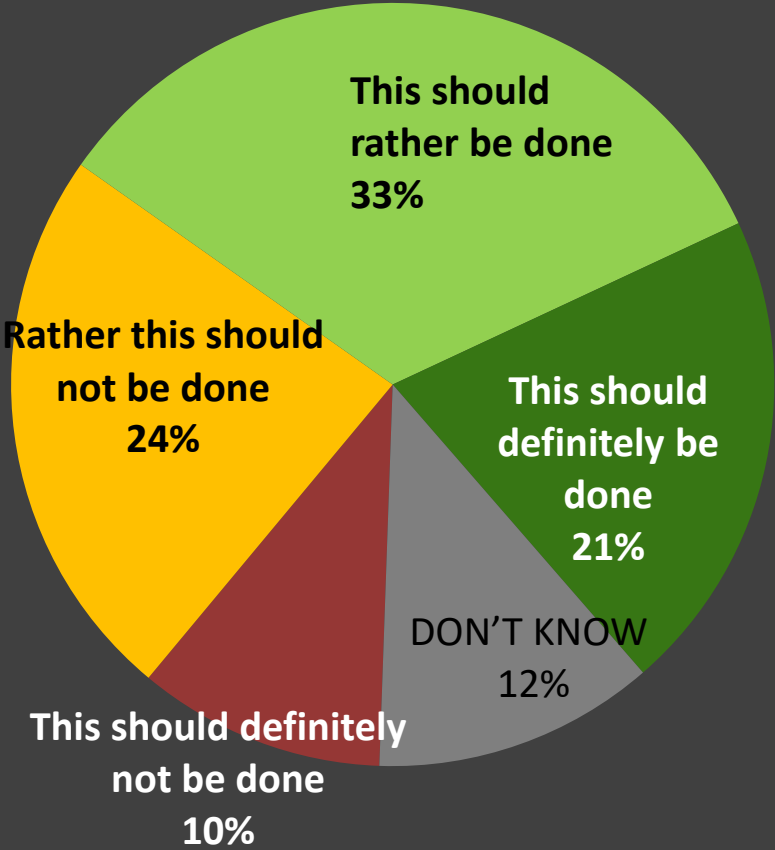
Wage poverty is a situation where a person works but the income earned is not enough to make ends meet, while living according to generally accepted standards.

% of all respondents, N=1001

The minimum wage should be increased to reduce the number of people suffering from wage poverty



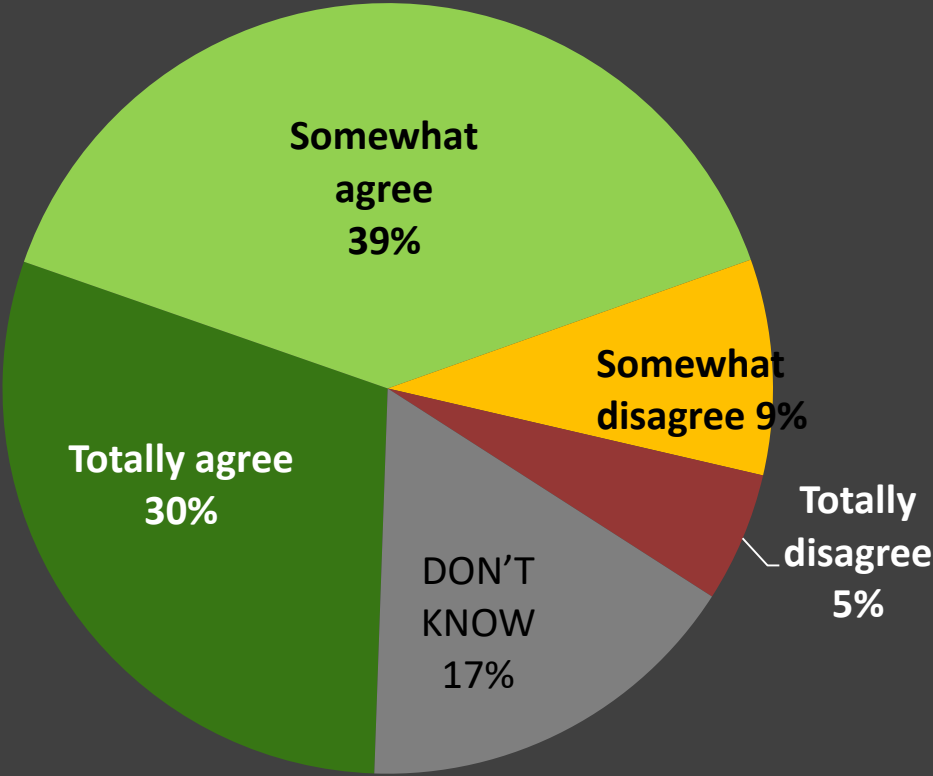
Subsistence allowances, which compensate for low wages, should be increased to reduce the number of people suffering from wage poverty



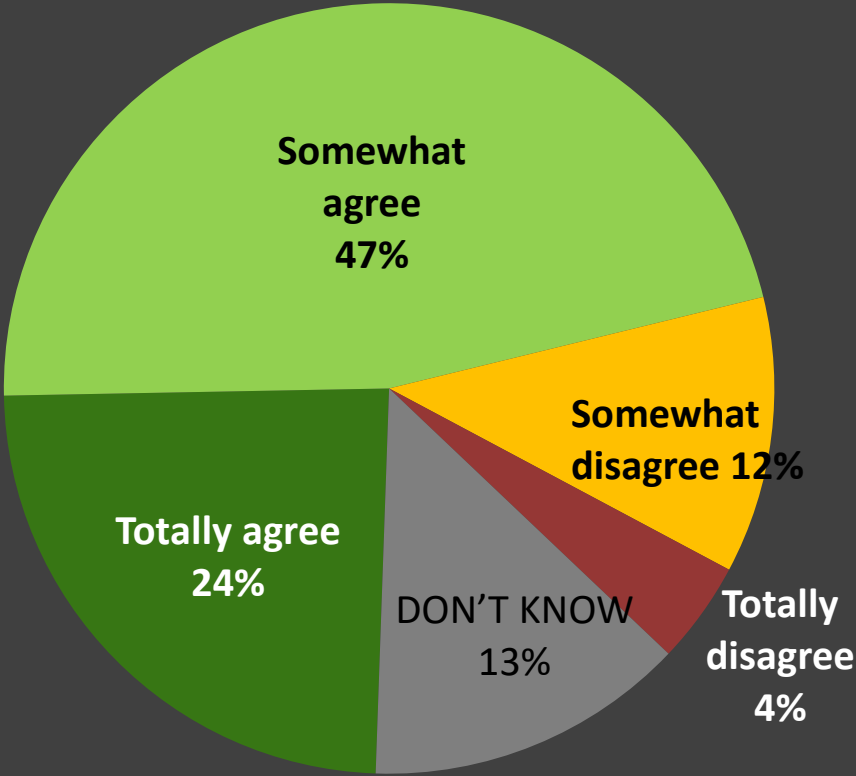
The possibility of establishing a so-called European Union minimum wage is currently being discussed in the European Union – this means that each Member State of the European Union should establish its own a minimum wage, the amount of which will be generally agreed between the trade unions and employers of each country.

% of all respondents, N=1001

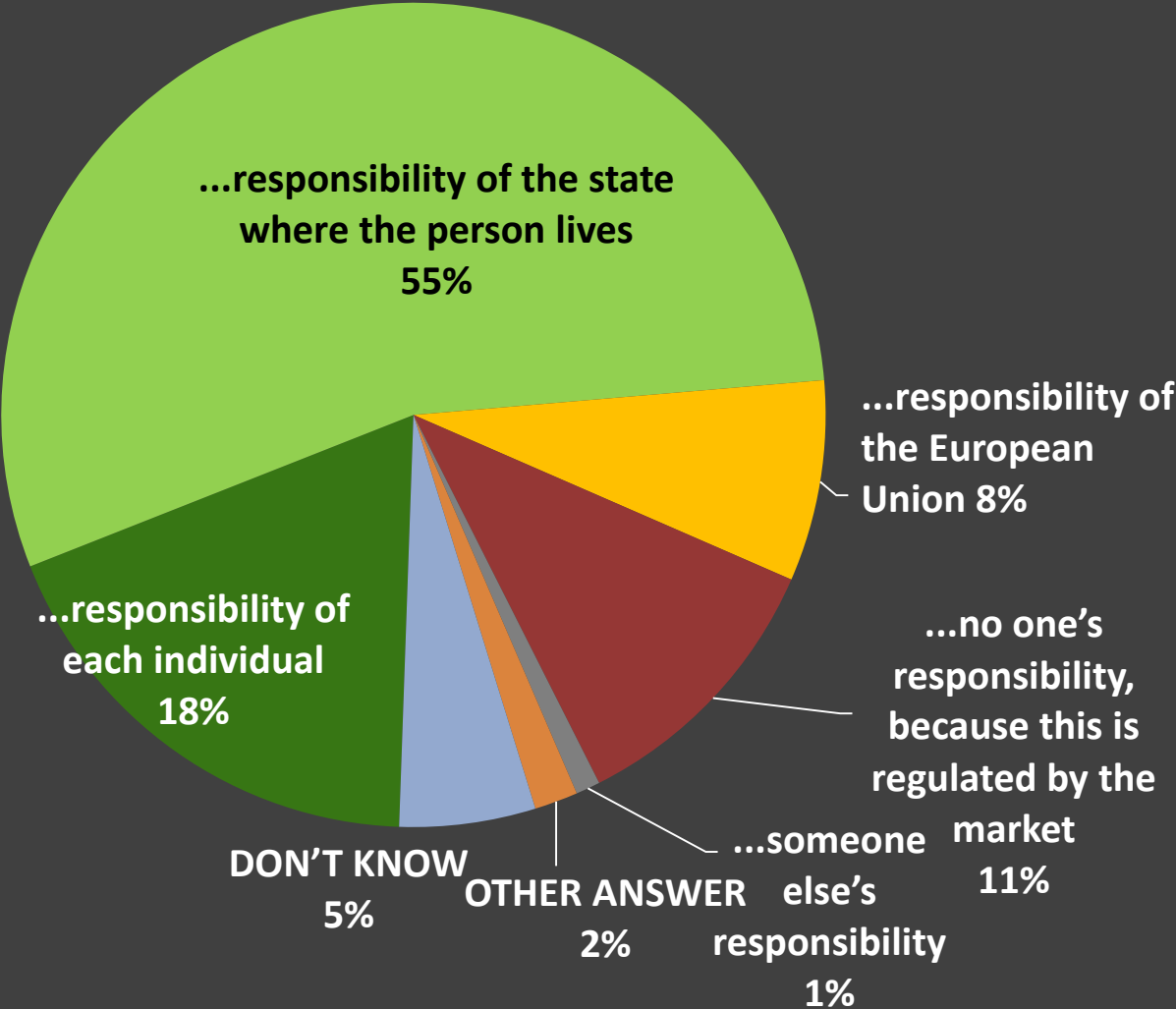
A minimum wage should be established in all European Union Member States



A minimum wage should be agreed between the trade unions and employers' representatives in each individual state



In Estonia and other countries, people's incomes and consumption opportunities are unequal. Who do you think should be primarily responsible for reducing these inequalities? Should it be...
 % of all respondents, N=1001



SUMMARY

- Opinions on the minimum wage and wage poverty differ based on various socio-demographic variables:
- Main activity. Compared to the opinions of other categories of the main field of activity, managers and entrepreneurs as well as non-working retirees mostly hold the view that the European Union minimum wage would not bring along significant positive changes. Support for the European minimum wage is relatively weak. Office employees, people in the service industry and workers tend to support the idea of a minimum wage as well as the bigger role of trade unions to influence the size of the minimum wage. These preferences are quite understandable, as a higher minimum wage would mean an additional expense for some managers and entrepreneurs, but higher income for some employees.
- Education. In terms of education, there is no clear pattern. However, it is revealed that a higher level of education brings out a more doubtful attitude regarding the effect of the EU minimum wage. It is likely that these attitudes have a wider basis, as people with better education tend to believe that balancing consumption is an individual's own duty. Nevertheless, support for the minimum wage is quite strong among this group.
- Income per household member. In general, higher income goes hand in hand with more liberal and individualistic views, while lower income causes people to believe more in the positive role of trade unions and the state in reducing inequality.
- Nationality. There is a stronger support for both trade unions and individualistic and liberal ideas among ethnic Estonians; however, among Estonians of other ethnic origins, there seems to prevail the belief that the European Union has an important role to play in increasing wellbeing and reducing inequality.
- Type of place of residence. People who live in smaller towns quite strongly support trade unions.
- With other socio-demographic variables, links to the attitudes regarding the minimum wage and working poor are less clear .



There is no good or bad information, there is only truthful information.