Northern Ireland Annual Survey of Hours And Earnings April 2015



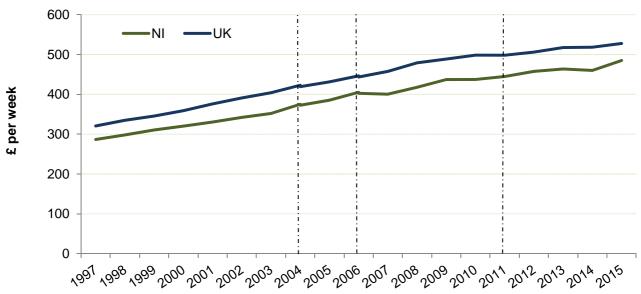
Geographical Area: Northern Ireland Theme: Labour Market Frequency: Annual



Key points

- In April 2015 median gross **weekly** earnings for **full-time** employees were £485, up 5.4% from £460 in 2014. This represents the largest annual percentage increase in earnings since 2004 and the first increase in inflation adjusted earnings since 2009.
- In the UK, median gross weekly earnings for full-time employees were £528, an increase of 1.8% since 2014 (£518). At 92%, the ratio of NI/UK full-time weekly earnings is the highest since the ASHE time series began in 1997.
- The increase in median gross weekly earnings was more marked in the private than in the public sector. The full-time median gross weekly earnings in the private sector increased by 6.7% to £429, compared to a 1.6% increase in the public sector, to £577. This is the largest annual increase in private sector earnings since 2006. However, NI private sector full-time weekly earnings were 86% of those in the UK.
- Those in the lowest 25% of the **full-time weekly** earnings distribution experienced a larger increase (6.4%) than those in the highest 25% (2.2%).

Figure 1: Median gross weekly earnings for full-time employees in the public and private sectors, 1997-2015



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Key points (continued)

Hourly earnings

• Full-time median hourly earnings excluding overtime were £11.97 in NI compared to £13.29 in the UK at April 2015. Full-time hourly earnings excluding overtime increased by 5.4% in NI, (compared to 1.6% growth in the UK) between April 2014 and April 2015.

Part-time earnings

- The median gross weekly part-time earnings in Northern Ireland at April 2015 were £163, which
 was 2.7% lower than the figure in the UK.
- In the private sector, median gross **weekly part-time** earnings in Northern Ireland were £146, which was 4.1% lower than the figure in the UK (£152).

All employees

- Over the year to April 2015, NI median gross **weekly** earnings for **all** employees increased by 5.3%, compared with growth of 1.9% in the UK.
- Median gross weekly earnings for all employees in Northern Ireland at April 2015 were £383, or 90% of the UK figure (£426). This gap partly reflects differences in the composition and changing structures of the respective workforces, by full-/part-time status, gender, industry and occupation structure.

National Minimum Wage

• The National Minimum Wage (NMW) for 2015 was £6.50 **per hour** for employees aged 21 and over (£6.31 in 2014). In NI, 0.9% of jobs were paid below the National Minimum Wage in 2015, compared to 0.8% in the UK.

Annual earnings

• In 2015, median gross **annual**¹ earnings for **full-time** employees in NI were £25,800, an increase of 5.5% over the year. This was lower than the UK annual earnings of £27,600 (an increase of 1.6% since 2014).

Gender pay gap

At April 2015, female earnings were 101.3% of male earnings in NI, compared with 91% in the UK.
Female median hourly earnings excluding overtime for NI full-time employees first reached parity
with male earnings in 2010. Since 2010, female and male earnings have been similar, with female
median hourly earnings exceeding that for males from 2013. This is largely driven by the public
sector. NI full-time female private sector hourly earnings were 83.0% of their counterparts in the
UK.

Earnings by industry sector

• Over the year to 2015, median gross weekly earnings for full-time employees increased in 14 of the 16 industry sectors reported in ASHE², with education reporting the highest earnings at £708 per week. Earnings were lowest in the accommodation and food service activities section (£298). The largest percentage increases were reported in agriculture, forestry and fishing (12.0%), administrative and support service activities (11.3%), construction (10.1%), professional, scientific and technical activities (9.0%), manufacturing (6.6%) and accommodation and food service activities (6.6%). Together, these six industries accounted for over one-third of employee jobs.

¹ Annual earnings for employees who had been in the same job for at least 12 months.

² Estimates were not published for 5 of the 21 industry sectors due to small sample sizes in those sectors.

Commentary

The ASHE results for 2015 show increases in earnings for full-time employees across a range of measures including weekly, hourly and annual earnings. The increase in median gross weekly earnings for full-time employees (5.4%) over the year to 2015, represents a return to growth after a fall of 0.8% in the previous year. This was the largest annual percentage increase in earnings since 2004 and the increase was well ahead of inflation (0.1% over the year).

This recovery in earnings was primarily driven by increases in the private sector. Full-time median gross weekly earnings in the private sector increased by 6.7% over the year, the largest annual percentage increase since 2006. This compares to a 1.6% increase in the public sector.

The most recent Northern Ireland Composite Economic Index (NICEI) also reported a level of growth in the private sector in the three quarters to quarter 2 2015, which outstripped growth for the NI economy as a whole. Growth was reported in construction, services and production sectors with the construction sector making the largest contribution to growth over the year.

The growth in earnings was also widely distributed across industry sectors and occupations. Elementary occupations experienced the largest increase (9.7% to £327) in median full-time gross weekly earnings between April 2014 and April 2015, followed by managers, directors and senior officials (7.2% to £736) and sales and customer service occupations (3.7% to £302). However, caring, leisure and other service occupations and professional occupations both experienced decreases in median full-time gross weekly wages - decreasing by 3.0% to £316 and 0.2% to £703 respectively.

Comparison of the change in earnings over the year suggests that those at the lower end of the earnings distribution experienced larger annual increases than those at the top. Those in the lowest 25% of the full-time weekly earnings distribution experienced a larger increase (6.4%) than those in the highest 25% (2.2%).

Despite the large increases recorded over the year, NI earnings remained well below the UK average and were the third lowest of all the UK regions. That being said, the ratio of NI to UK gross weekly earnings for full-time employees was at its highest since the ASHE time series began in 1997 (92%).

Annual Survey of Hours and Earnings for Northern Ireland, 2015

Web: www.nisra.gov.uk/elms Twitter: @elmsnisra

The Annual Survey of Hours and Earnings (ASHE) provides a wide range of information on hourly, weekly and annual earnings of employees in Northern Ireland

Weekly Earnings





Increase in full-time median weekly wage

Male / Female



Increase in full-time median weekly wage for both males and females

Public / Private





Increase in full-time median weekly wage driven by private sector

Source: Annual Survey of Hours and Earnings, 2015

Date published: 18th November 2015

Economic and Labour Market Statistics, Northern Ireland Statistics and Research Agency



Context

The Annual Survey of Hours and Earnings (ASHE) is a UK wide survey that provides a wide range of information on hourly, weekly and annual earnings by gender, work pattern, industry and occupation including public and private sector pay comparisons. The sample used comprises approximately 1% of all employees in NI who were covered by Pay As You Earn (PAYE) schemes.

This report presents provisional results from the NI element of the 2015 ASHE, which surveyed employee earnings for the pay-week (or other pay-period if the employee was paid less frequently) which included 22nd April 2015, the reference date for the latest survey. A total of 6,753 returns were received by NISRA (93.0% of those sampled).

The headline measure of earnings from ASHE is gross median weekly earnings for full-time employees, however hourly and annual earnings are provided for all, full-time and part-time employees for comparison. Full-time is defined as employees working more than 30 paid hours per week (or 25 or more for the teaching professions). The earnings information presented in this bulletin includes employees on adult rates of pay whose pay was unaffected by absence during the survey period and relates to gross pay before tax, National Insurance or other deductions, and excludes payments in kind. The data are presented in current prices, unless otherwise stated.

ASHE replaced the New Earnings Survey (NES) from 2004, and ASHE comparisons are therefore only available on a consistent basis from that year onwards. In addition, the introduction of methodological changes in 2006 and 2011 resulted in discontinuities in the ASHE time series therefore care should be taken when making comparisons with earlier years. The discontinuities are represented by dashed vertical lines in the charts within this report.

With the exception of annual earnings, the results are restricted to earnings relating to the survey pay period and so exclude payments of arrears from another period made during the survey period; any payments due as a result of a pay settlement but not yet paid at the time of the survey will also be excluded. For particular groups of employees, changes in median earnings between successive surveys may be affected by changes in the timing of pay settlements, in some cases reflecting more than one settlement and in some others no settlement at all.

A <u>Summary of usage of the Northern Ireland Annual Survey of Hours and Earnings</u> is available on the NISRA-ELMS website. Users of NI ASHE statistics include the DETI economists for the purpose of briefing the DETI minister on current labour market trends for policy purposes and Trade Unions who use the data to monitor pay levels and the differences between NI and UK earnings.

Further information on ASHE can be found on the Office for National Statistics (ONS) website:

Annual Survey of Hours and Earnings methodology and guidance

<u>Summary quality report for the Annual Survey of Hours and Earnings</u>

This Annual Survey of Hours and Earnings Bulletin contains the following chapters:

1	Median weekly earnings	Page 7
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National Statistics

The UK Statistics Authority has designated these statistics as National Statistics, in accordance with the Statistics and Registration Service Act 2007 and signifying compliance with the Code of Practice for Official Statistics.

Designation can be broadly interpreted to mean that the statistics:

- meet identified user needs;
- are well explained and readily accessible;
- are produced according to sound methods, and
- are managed impartially and objectively in the public interest.

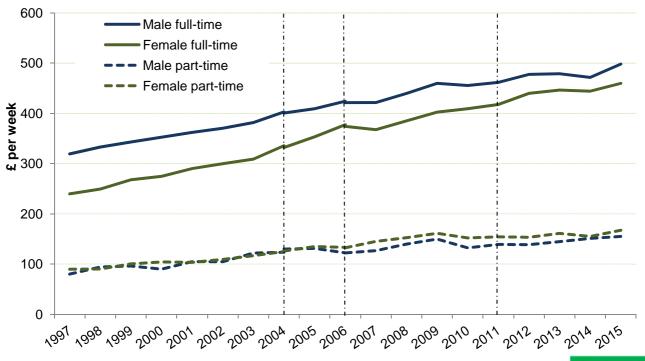
Once statistics have been designated as National Statistics it is a statutory requirement that the Code of Practice shall continue to be observed.

Median weekly earnings

Key findings

- Full-time and part-time weekly earnings increased over the year for men and women
- When adjusted for inflation, weekly earnings increased for the first time since 2009
- Earnings at the 90th percentile were over three times more than at the 10th percentile

Figure 2: Median gross weekly earnings by full-/part-time and gender, 1997-2015



All employees

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The median gross weekly earnings for all employees in NI in 2015 were £383, which:

- was lower than the UK figure of £426.
- increased by 5.3% over the year to April 2015, compared to growth of 1.9% in UK earnings.

Full-time employees

NI median gross weekly earnings for full-time employees (£485) at April 2015:

- were 8.1% lower than the UK (£528).
- increased by 5.4% over the year compared with a 1.8% increase for the UK.
- were lower than the UK for both males and females (by 12.1% and 2.4% respectively).
- increased by 5.6% over the year for males, compared with 3.5% increase for women's fulltime earnings.

Part-time employees

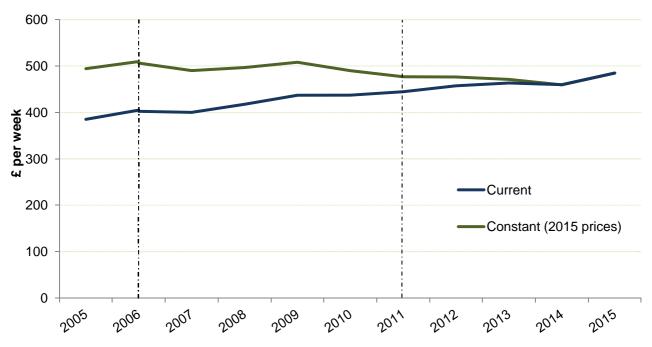
NI median gross weekly earnings for part-time employees (£163) at April 2015:

- were 2.7% lower than the UK (£167).
- increased by 5.4% over the year compared with a 3.7% increase for the UK.
- were lower than the UK for both males and females (by 0.2% and 2.5% respectively).
- increased by 2.7% over the year for males, compared with 6.2% increase for women's parttime earnings.

Constant prices

To understand earnings in the context of inflation, historic data are adjusted using the Consumer Prices Index (CPI). This gives a measure of the 'real' value of earnings, with a decrease meaning that earnings growth is below inflation.

Figure 3: NI median full-time gross weekly earnings in current and constant (2015) prices, 2005-2015



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When adjusted for inflation:

- weekly earnings increased by 5.5% in 2015 compared with a decrease of 2.5% in 2014.
- earnings increased for the first time since 2009.
- the 2015 increase is similar to the current prices increase (5.4%) due to inflation being relatively flat in year to April 2015.

Continuous employment

The 'continuously employed' group is comprised of those full-time employees who appear in consecutive ASHE samples, have a weekly earnings observation in both periods and are classified by their employer as being in the same job for at least 12 months in the second period.

In 2015, median gross weekly earnings for this group:

- increased by 3.5% compared to an increase of 1.7% in 2014.
- Increased by 4.3% in the UK, compared with 4.1% in 2014.
- was lower than the overall full-time median gross weekly increase (5.4%).

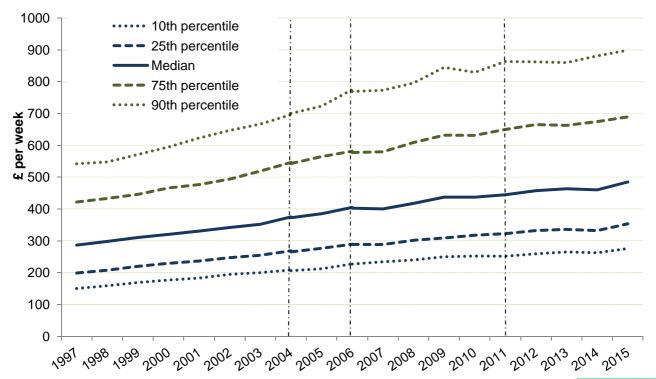
Distribution of earnings

Analysing just the median hides some interesting trends for low- and high-earning employees. Figure 4 displays the distribution of weekly earnings among full-time employees for the years 1997 to 2015.

The distribution of earnings analysis shows that:

- at the bottom of the distribution in 2015, 10% of full-time employees earned less than £276 per week, whereas at the other end of the scale 10% earned more than £899 per week.
- since 1997 the ratio of earnings at the 90th percentile to the 10th percentile has remained relatively constant, ranging from earnings at the 90th percentile being 3.6 times that of the 10th percentile in 1997 to 3.3 times in 2015.
- over the year to April 2015, earnings at the 25th percentile increased by 6.4% compared with 2.2% at the 75th percentile.

Figure 4: Distribution of full-time gross weekly earnings in NI, 1997-2015

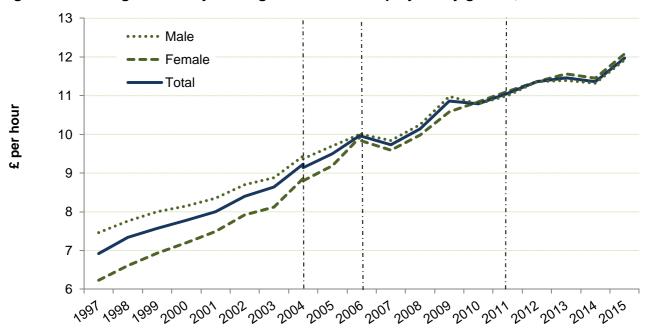


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Key findings

- Hourly earnings increased for all employees over the year but remained lower than UK
- Full-time and part-time hourly earnings increased over year
- Full-time hourly earnings increased more for females than males

Figure 5: Median gross hourly earnings for full-time employees by gender, 1997-2015



All employees

In 2015, the median gross hourly rate of pay, excluding overtime¹, for all employees in NI:

- was £10.54, an increase of 4.2% over the year.
- was lower than the UK (£11.75).
- was £9.85 for females (up 2.7%) and £11.23 for males (up 4.6%).

Full-time employees

Median gross hourly earnings, excluding overtime, for full-time employees in NI:

- increased (5.4%) to £11.97 in 2015.
- was £12.08 for females (up 5.5%) and £11.92 for males (up 5.3%).

Part-time employees

Median gross hourly earnings, excluding overtime, for part-time employees in NI:

- increased (1.0%) to £8.05 in 2015.
- was £8.11 for females (up 0.7%) and £7.98 for males (up 4.5%).

National Minimum Wage (NMW)

At April 2015 the number of jobs being paid below the National Minimum Wage (see further information for rates) was estimated at 7,000 (0.9%), a decrease from 9,000 (1.1%) in 2014. The percentage of jobs paid below the National Minimum Wage (0.9%) in NI was similar to that in the UK in 2015 (0.8%).

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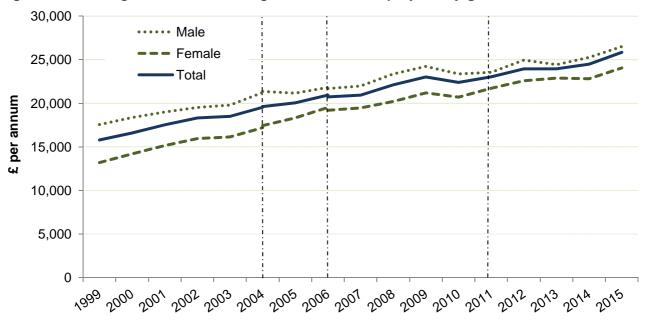
¹ Excludes overtime pay, but includes basic pay, shift premium pay, bonus or incentive pay, and allowances.

Median annual earnings

Key findings

- Annual earnings increased for all employees but remained lower than UK
- Full-time and part-time annual earnings increased over the year
- Female full-time annual earnings increased more than male annual earnings

Figure 6: Median gross annual earnings for full-time employees by gender, 1999-2015



All employees

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In 2015, median gross annual² earnings for all employees in NI:

- were £20,200, an increase of 3.9% over the year.
- were lower than the UK (£22,500).
- were £16,000 for females (up 4.3%) and £24,000 for males (up 4.8%).

Full-time employees

Median gross annual earnings for full-time employees in NI:

- increased (5.5%) to £25,800 in 2015.
- were £24,000 for females (up 5.4%) and £26,500 for males (up 4.9%).

Part-time employees

Median gross annual earnings for part-time employees in NI:

- increased (5.2%) to £9,300 in 2015.
- were £9,300 for females (up 4.5%) and £9,500 for males (up 7.3%).

The difference between male and female annual earnings is partly due to males working more hours on average (see section 6). Further information on annual earnings can be found at:
HMRC website">HMRC website

² Annual earnings for employees who had been in the same job for at least 12 months.

Median weekly hours worked

Key findings

- Total weekly hours worked increased slightly over the year and was the same as UK
- Full-time total weekly hours worked decreased slightly over the year
- Percentage of full-time employees working overtime decreased over the year

Hours worked

Table 1: Median total weekly hours worked by full-/part-time and gender, 2014-2015

		<i></i>		·		
		2014		2015		
	Full-time	Part-time	All	Full-time	Part-time	All
Men	40.0	18.6	38.6	40.0	18.1	38.2
Women	37.5	19.0	32.4	37.5	19.9	32.4
All	38.3	19.0	36.9	38.0	19.6	37.0

The median total paid weekly hours worked:

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- increased slightly over the year (0.2%) to 37.0 hours and was the same as the UK.
- decreased for full-time employees (0.7%) to 38.0 hours and increased for part-time employees (3.2%) to 19.6 hours.
- remained unchanged for male full-time employees at 40.0 hours and increased (0.1%) for female full-time employees to 37.5 hours.

Overtime

Table 2: Percentage of employees working overtime and median weekly overtime hours by full-/part-time and gender, 2014-2015

· · · · · · · · · · · · · · · · · · ·								
	2014				2015			
	Full-time		Part-time		Full-time		Part-time	
	%	Hours	%	Hours	%	Hours	%	Hours
Men	26.8	5.3	11.3	х	24.1	4.8	12.0	Х
Women	9.0	2.9	8.7	2.9	7.9	Х	9.1	2.6
All	19.9	4.8	9.4	3.2	17.8	4.4	9.9	3.0

x = Co-efficient of variation too large to provide a reliable estimate.

See Further Information in Section 11 for more details.

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Figures for 2015 show that:

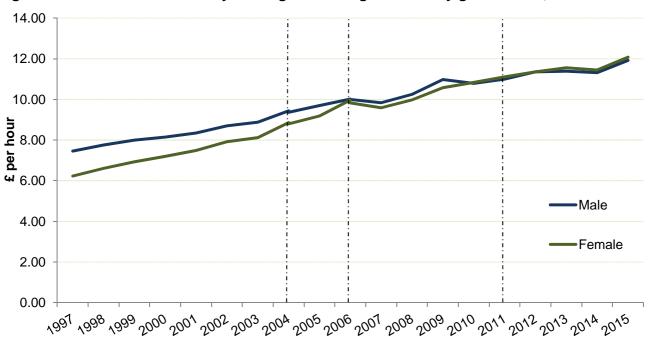
- the proportion of full-time employees working overtime in April 2015 was 17.8%.
- for those full-time employees who worked overtime, the median number of paid overtime hours was 4.4 hours per week which is down 0.4 over the year.
- for those part-time employees who worked overtime, the median number of paid overtime hours was 3.0 hours per week which is down 0.2 over the year.

Gender pay gap

Key findings

- Median hourly earnings were higher for full-time and part-time females than males
- For all employees, males earned more than females as there are more full-time male employees
- Male and females earnings were much more closely aligned in NI than in the UK

Figure 7: Full-time median hourly earnings excluding overtime by gender in NI, 1997-2015



All employees

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In terms of the gender pay gap in NI in 2015:

• the ratio of female to male median hourly earnings excluding overtime for all employees has decreased to 87.7% (UK: 80.8%), from 89.3% (UK: 80.8%) in 2014.

Full-time employees

Figure 7 shows that:

- full-time hourly earnings for females (£12.08) were greater than those for full-time males (£11.92).
- the full-time male median hourly earnings excluding overtime has been lower than female earning since 2010 (they were equal in 2012).

Figure 8 shows that:

- the full-time ratio of female to male earnings has increased slightly, from 101.1% in 2014 (UK: 90.4%) to 101.3% in 2015 (UK: 90.6%).
- female and male earnings were more closely aligned in NI than in the UK as a whole for both the full-time and all employee gender pay gaps.

Figure 9 shows that:

• males have higher earnings in the lower percentiles and in the 90th percentile.

Part-time employees

In terms of part-time employees only:

- the female to male hourly earnings ratio decreased by 3.9 percentage points in 2015 to 101.6%, lower than the UK equivalent of 106.5%.
- females have traditionally had higher earnings than males since 1997, apart from a period in the mid 2000s.
- although the part-time ratio in NI has decreased to 101.6% from 105.5% in 2014 (while the UK ratio increased slightly to 106.5% from 105.5%), women working part-time continued to earn more than men.

Figure 8: Median female hourly earnings excluding overtime (NI versus UK) as a percentage of male earnings, 1997-2015

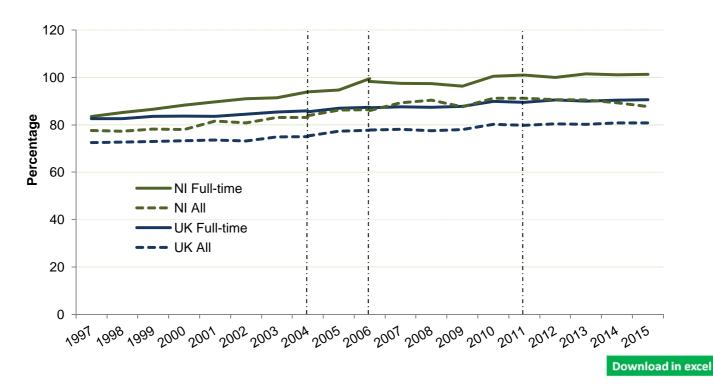
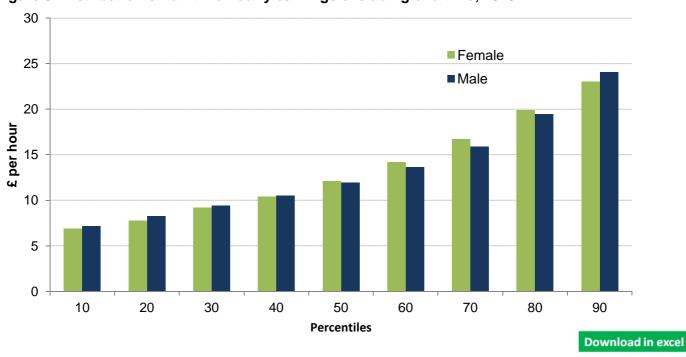


Figure 9: Distribution of full-time hourly earnings excluding overtime, 2015

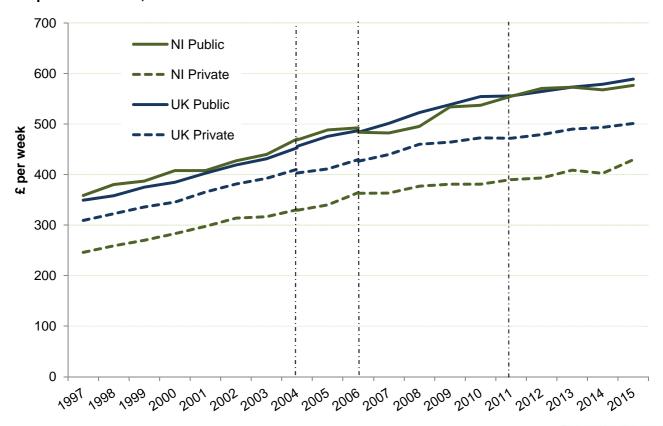


Comparison of public/private sector earnings

Key findings

- More marked increase in private sector full-time median gross weekly earnings than public sector
- Private sector earnings still over 25% lower than public sector earnings
- The gap between NI and UK median gross weekly earnings was smaller in the public sector than in the private sector

Figure 10: Median gross weekly earnings (NI versus UK) for full-time employees in the public and private sectors, 1997-2015



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All employees

When comparing the public and private sector:

- the rate of growth of median gross weekly earnings for all employees in the public sector between April 2014 and April 2015 (0.5%) was lower than for their counterparts in the private sector, who experienced an increase of 8.4%.
- median gross weekly earnings of all public sector employees in NI were 4.2% lower compared to the UK.
- median gross weekly earnings of all private sector employees in NI were 16.0% lower compared to the UK.
- for all NI employees, median weekly earnings in the private sector were 25.5% lower than in the public sector at April 2015, and this was true for both men (20.6% lower) and women (41.8% lower). In the UK, the equivalent median gross weekly earnings for all employees were 15.1% lower in the private sector than in the public sector.

Full-time employees

When comparing the public and private sector:

- the rate of growth of median gross weekly earnings for full-time NI employees in the public sector between April 2014 and April 2015 (1.6%) was lower than for their counterparts in the private sector, who experienced an increase of 6.7%.
- median gross weekly earnings of full-time public sector employees in NI were 2.1% lower compared to the UK.
- median gross weekly earnings of full-time private sector earnings in NI were 14.3% lower compared to the UK.
- for full-time NI employees, median weekly earnings in the private sector were 25.5% lower than in the public sector at April 2015, and this was true for both men (19.2% lower) and women (40.4% lower). In the UK, the equivalent median gross weekly earnings for full-time employees were 14.9% lower in the private sector than in the public sector.

Part-time employees

When comparing the public and private sector:

- the rate of contraction of median gross weekly earnings for part-time NI employees in the public sector between April 2014 and April 2015 (-4.1%) was in contrast to their counterparts in the private sector, who experienced growth of 5.6%.
- median gross weekly earnings of part-time public sector employees in NI were 9.1% lower compared to the UK.
- median gross weekly earnings of part-time private sector earnings in NI were 4.1% lower compared to the UK.
- for part-time NI employees, median weekly earnings in the private sector were 29.5% lower than in the public sector at April 2015, and this was true for both men (18.5% lower) and women (31.9% lower). In the UK the equivalent median gross weekly earnings for part-time employees were 33.1% lower in the private sector than in the public sector.

Context

Some of the difference between the public and private sectors in NI and the UK may be due to differences in the composition of the respective workforces. For example, many of the lowest paid occupations, such as bar and restaurant staff, hairdressers, elementary sales occupations and cashiers, exist primarily in the private sector, while there are a larger proportion of graduate-level and professional occupations in the public sector.

Further detail on differences in the composition of the respective workforces (in 2013) is available at: **Average earnings and composition of the public and private sector workforces**

In addition to the composition of the workforce there may also be differences due to the timing of pay settlements. For example, a pay award for teachers will tend to increase median earnings in the public sector more than in the private sector, as the majority of teachers are employed in the public sector. Equally this pay award will tend to increase female earnings more than male earnings as more teachers in NI are female. For information on recent civil service pay settlements please refer to **Civil Service pay**.

Median weekly earnings by occupation

Key findings

- Elementary occupations showed the largest increase for full-time employees in median gross weekly earnings
- Managers, directors and senior officials had the highest full-time wage on this measure
- Sales and customer service occupations had lowest full-time median gross weekly earnings

Figure 11: Full-time gross weekly median wage distribution by occupation, 2015 1,200 1,100 80th Percentile 60th Percentile 1,000 Median 900 40th Percentile 800 per week 20th Percentile 700 **4** 600 500 400 300 200 Managers, Professional Administrative Skilled trades Caring, leisure Process, plant Elementary occupations professional and secretarial occupations directors and and other customer and machine occupations senior officials and technical occupations service service operatives occupations occupations occupations Note:

All employees

Of the major occupational groups:

 managers, directors and senior officials (£668) experienced the largest increase (4.9%) in median gross weekly earnings for all employees between April 2014 and April 2015, followed by caring, leisure and other service occupations (4.6% to £233).

¹The minimum and maximum values in the distribution are not available.

- sales and customer service occupations was the only group to decrease (0.4% to £204) in median gross weekly wages for all employees.
- despite the growth of 4.1%, elementary occupations (£201) continued to be the lowest paid for all employees and managers, directors and senior officials (£668) continued to be highest.

Full-time employees

Of the major occupational groups:

- elementary occupations (£327) experienced the largest increase (9.7%) in median full-time gross weekly earnings between April 2014 and April 2015, followed by managers, directors and senior officials (7.2% to £736) and sales and customer service occupations (3.7% to £302).
- caring, leisure and other service occupations (£316) and professional occupations (£703) both experienced decreases (decreasing by 3.0% and 0.2% respectively) in median full-time gross weekly wages.

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- despite the growth of 3.7%, sales and customer service occupations continued to be the lowest paid full-time occupational group and managers, directors and senior officials (£736) was the highest.
- managers, directors and senior officials earnings in the 80th percentile had the largest percentage difference (134%) from the 20th percentile, compared to caring, leisure and other service occupations (56%) which had the lowest.

Part-time employees

Of the major occupational groups:

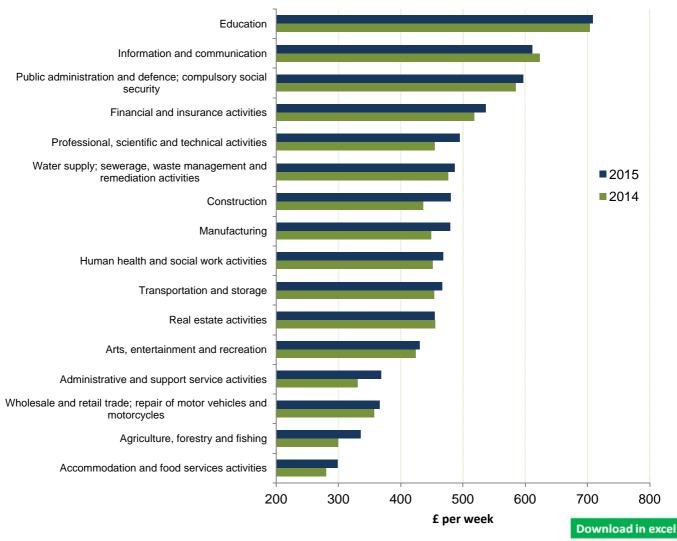
- elementary occupations (£123) experienced the largest increase (15.2%) in median part-time gross weekly earnings between April 2014 and April 2015, followed by managers, directors and senior officials (10.9% to £169).
- professional occupations (£296) and process, plant and machine operatives (£160) both experienced decreases (decreasing by 9.4% and 7.0% respectively) in median part-time gross weekly wages.
- despite the growth of 5.1%, sales and customer service occupations were the lowest paid part-time occupational group and professional occupations (£296) continued to be the highest.

Median weekly earnings by industry

Key findings

- Education had the highest full-time median gross weekly earnings
- Accommodation and food services activities had the lowest gross weekly median earnings for full-time, part-time and when all employees are compared together
- Increases in full-time median earnings were reported in the majority of industry sectors over the year (14 out of the 16 reported in the survey³)

Figure 12: Median gross weekly full-time earnings by industry, 2014-2015



All employees

April 2015 figures for NI showed that median gross weekly earnings for all employees:

- increased in 14 of the 17 sectors that were reported for all employees.
- were highest in public administration and defence (£556).
- were lowest in accommodation and food service activities (£180).

³ Full-time estimates were not published for 5 of the 21 industry sectors due to small sample sizes in those sectors.

Full-time employees

April 2015 figures for NI showed that median gross weekly earnings for full-time employees:

- increased in 14 of the 16 sectors that were reported for full-time employees.
- were highest in education (£708).
- were lowest in accommodation and food service activities (£298).

Part-time employees

April 2015 figures for NI showed that median gross weekly earnings for part-time employees:

- increased in 8 of the 10 sectors that were reported for part-time employees.
- were highest in public administration and defence (£252).
- were lowest in accommodation and food service activities (£118).

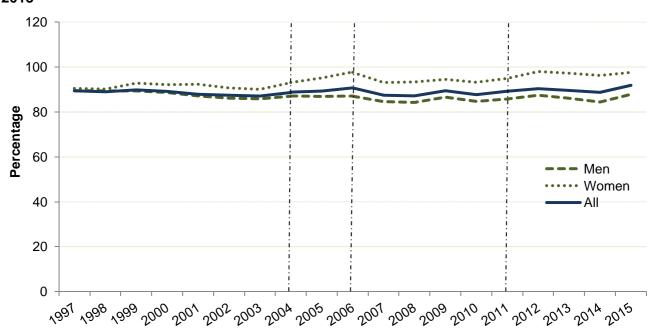
For further information on the output of different NI industries, users may be interested in referring to results from the <u>Index of Production</u> and the <u>Index of Services</u> on the NISRA-ELMS website.

Comparison with the UK

Key findings

- . UK had higher median gross weekly earnings than NI
- The gap between NI and UK median gross weekly earnings was smaller for full-time employees than for all employees
- The gap between NI and UK full-time median gross weekly earnings was smaller for females than males

Figure 13: NI full-time median gross weekly earnings as a percentage of UK earnings, 1997-2015



All employees

Figures show that:

the ratio of earnings for all NI employees (i.e. full-time and part-time) compared to the UK increased by 2.9 percentage points to 89.8% over the year to April 2015.

Full-time employees

Comparison with the UK shows that:

- the ratio of NI to UK gross weekly earnings for full-time employees increased from 88.8% to 91.9% over the period 2014 to 2015.
- full-time males and females experienced increases in the NI/UK ratio (3.5 percentage points for men and 1.3 percentage points for women) over the year to April 2015.
- since the series began in 1997, the ratio of NI to UK full-time gross weekly earnings for all male employees has remained relatively static, while the ratio for women has increased from 90.5% in 1997 to a peak in 2012 of 98.0% and is currently 97.6% in 2015.

Part-time employees

Gross weekly earnings for part-time employees:

- increased by 5.4% in NI over the year to April 2015, compared to an increase of 3.7% in the UK.
- in NI (£163) remained lower than for UK counterparts (£167).

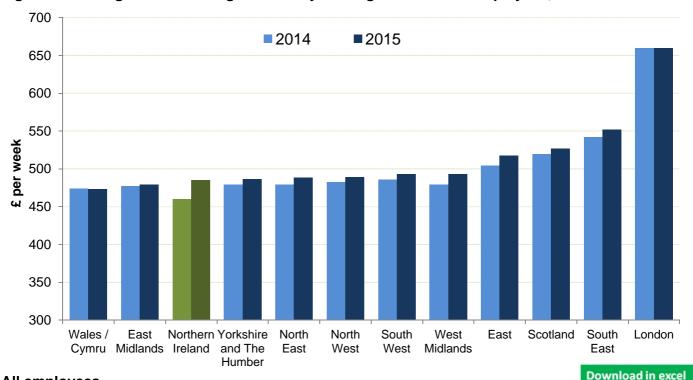
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Comparison with UK regions

Key findings

- Of the twelve UK regions, NI had the largest increase in full-time gross median weekly earnings over the year
- NI had the third lowest full-time gross median weekly earnings in 2015
- London continued to have the highest weekly earnings of all 12 UK regions

Figure 14: UK regions – median gross weekly earnings for full-time employees, 2014-2015



All employees

When compared with the UK regions, at April 2015:

- all employees in NI had the joint lowest median gross weekly earnings (£383).
- NI recorded the largest increase in median earnings over the year (5.3%), with East Midlands showing the lowest (0.2%).

Full-time employees

When compared with the UK regions, at April 2015:

- full-time employees in NI had the third lowest median gross weekly earnings (£485).
- NI showed the largest increase in median earnings over the year (5.4%), with Wales showing the only decrease (0.1%).

Part-time employees

When compared with the UK regions, at April 2015:

- part-time employees in NI had the fourth lowest median gross weekly earnings (£163).
- NI had the second largest increase in median earnings over the year (5.4%), with East showing the lowest (1.0%).

11 Further information

Methodology

The Annual Survey of Hours and Earnings (ASHE) is a UK wide survey that provides a wide range of information on earnings and hours worked. The Office for National Statistics (ONS) carries out ASHE in Great Britain and it is carried out by the NI Statistics and Research Agency (NISRA) in NI. ASHE replaced the New Earnings Survey (NES) from 2004, and ASHE comparisons are therefore only available on a consistent basis from that year onwards.

The survey information related to the pay-week (or other pay period if the employee was paid less frequently) which included 22nd April 2015, the reference date for the latest survey. The results are therefore not necessarily representative of pay over a longer period. They do not take account of subsequent changes in rates of pay which have become effective since April or changes which have been introduced with retrospective effect since the survey returns were completed.

Since the 2004 survey, supplementary information has been collected in order to improve coverage and hence make the survey more representative. This includes employees who have either moved jobs or entered the labour market between February, when the main ASHE sample is identified from Her Majesty's Revenue and Customs (HMRC) records, and April, when the survey is conducted. In 2007, ONS also introduced a small number of methodological changes (to the sample design) to improve the quality of the results.

The ASHE results since 2004 are therefore discontinuous with earlier results, as are those since 2007. However, for 2004 two sets of results are available (the first exclude supplementary information and the second include this information), and similarly for 2006 (the first set not reflecting the methodological changes to the sample design and the second set consistent with the new methodological changes).

In 2009, in line with the major revision to the European Union's industrial classification system, NACE, ASHE moved from using the SIC 2003 categorisation of business activities to the new SIC 2007 activity codes. The UK is required by European legislation to revise the SIC in parallel with NACE so that both systems remain identical down to and including the 4 digit class level.

These revisions are motivated by the need to adapt the classifications to changes in the world economy. The revised classifications reflect the growing importance of service activities in the economy over the last fifteen years, mainly due to the developments in information and communication technologies (ICT).

More information on the extent of the revisions and correspondence between SIC 2007 and the former SIC 2003.

With the aim of improving the alignment with the new International Standard Classification of Occupations (ISCO 08), from 2013 the Standard Occupational Classification 2000 (SOC 2000) used for ASHE has been replaced by the Standard Occupational Classification 2010 (SOC 2010). Since the SOC forms part of the methodology by which ASHE data are weighted to produce estimates for NI, this has caused a discontinuity in the ASHE time series. Therefore all of the estimates for 2011 (revised), 2012 and 2013 are not directly comparable to earlier results.

The major differences between the SOC 2000 and SOC 2010 classifications are summarised in this document, starting at page 62.

Coverage and sampling

As in previous years, the sample used for the survey included approximately 1% of all employees in NI who were covered by PAYE schemes and therefore is subject to an associated level of sampling error. Someone who is in more than one PAYE scheme may appear more than once. Information on earnings and hours is obtained in confidence from employers under the authority of the Statistics of Trade and Employment (NI) Order 1988. Information collected is treated as strictly confidential and is used only for statistical purposes. The resulting analyses do not show information about identifiable people or private businesses.

The ASHE estimates are based on a sample and are therefore subject to an associated level of variability. The coefficient of variation (CV) indicates the quality of an estimate. The CV is the ratio of the standard error of an estimate to the estimate, expressed as a percentage. The smaller the CV, the higher the quality of the estimate. Therefore, the smaller the CV, the smaller the confidence interval around the estimate will be. The CVs are published alongside the estimates and CVs for the key ASHE estimates are shown in Table 11 below.

Table 3 Co-efficient of variation (%) for key NI ASHE estimates, 2015

		Full-time	Part-time
Madian grass weekly	Men	1.8	4.8
Median gross weekly earnings	Women	2.6	3.4
earnings	All	1.5	2.7
Median gross hourly	Men	1.9	3.4
earnings (excluding	Women	2.9	1.8
overtime)	All	1.6	1.6

ASHE coverage change in 2014

In 2013 HM Revenue and Customs (HMRC) changed the criteria which determine how businesses are obliged to report employees' earnings via their Pay as You Earn (PAYE) schemes. The PAYE system is the frame for the ASHE sample. Until this change, businesses were only required to operate PAYE for employees whose earnings were above the Lower Earnings Limit (LEL) for National Insurance contributions (currently £111 per week) and they did not report all new jobs until the end of the tax year. The new rules require employers to report the details of all of their employee jobs via their PAYE schemes, whatever their earnings, provided that they have at least one employee earning above the LEL. In addition, employers must report for all jobs in 'real-time', meaning that they cannot wait until the end of the tax year. This new system is known as 'Real-Time Information' (RTI). In theory, it is possible that the move to RTI results in a coverage change for the ASHE sample.

It should be noted that 2014 is not the first year in which the ASHE sample includes the types of jobs that are affected by RTI. This is because many employers, particularly large businesses, which account for a large proportion of the labour market, chose to report many or all such jobs on their PAYE schemes in previous years.

It is not possible to precisely quantify the impact of this change since it is not possible to identify the specific jobs that are included in the ASHE sample as a direct result of the move to RTI. However, compositional differences between 2013 and 2014 are not unusual when considered in historical context. This is because, as noted above, many of the RTI-type jobs were already being reported by employers in previous years, meaning that the composition of the sample was not substantially distorted as a result of RTI.

Consequently, ONS judges that the impact of the move to RTI on the estimates for ASHE in 2014 is negligible. It is possible that at some lower levels of disaggregation, there may by a more pronounced effect, perhaps because RTI has resulted in different behavioural changes for employers in particular regions or in particular sectors.

Weighting

ASHE responses are weighted to the number of jobs measured by the Labour Force Survey (LFS) and this weighting is carried out by ONS. The weighting factors include age, sex, occupation and workplace and take account of differing response rates.

From 2006, the LFS moved from using seasonal quarters to calendar quarters. As ASHE uses LFS data in the calculation of aggregation weights, it was necessary to move from using data taken from LFS Spring to LFS Quarter 2.

In October 2014, the LFS was re-weighted to the latest population projections for 2014 based on the 2011 Census. Previously, LFS results were based on projections for 2011 from the 2001 Census. The revised LFS figures have been used for 2014 (revised) and 2015 (provisional) ASHE results.

Revisions

In line with normal practice, this release contains revised estimates from the 2014 survey results published on 19th November 2014. These results take account of some corrections to the original 2014 data that were identified during the validation of the results for 2015, as well as late returns.

Median

The mean and the median measure different things and either can be appropriate depending on what the user is trying to measure. The mean measures the average amount earned by individuals, but in a skew distribution such as earnings this measure is susceptible to small numbers of very high earners. The median measures the amount earned by the average individual, i.e. the level of earnings above which half the population fall.

Gender pay gap

Various methods can be used to measure the earnings of women relative to men. ONS and NISRA prefer to use hourly earnings excluding overtime; including overtime can distort the picture as men work relatively more overtime than women. Although median and mean hourly pay excluding overtime provide useful comparisons of men's and women's earnings, they do not reveal differences in rates of pay for comparable jobs. This is because such measures do not allow for the different employment characteristics of men and women, such as the proportion in different occupations and their length of time in jobs.

To better capture the composition of today's labour market and the complexity of this issue, the ONS Position Paper 'Presentation of the Gender Pay Gap', released on 4th November 2009, recommended that all future ASHE bulletins, starting with ASHE 2009, headline on a set of measures rather than focusing on a single headline measure when presenting the gender pay gap. Therefore, estimates of the gender pay gap for full-time, part-time and all employees have been included in this bulletin.

Definitions

Gross weekly pay includes basic pay, overtime pay, commissions, shift premium pay, bonus or incentive pay and allowances, and is before deductions for PAYE, National Insurance, pension schemes, student loan repayments and voluntary deductions.

Full-time employees are those working more than 30 hours each week excluding overtime and main meal breaks (25 hours for teachers and academics).

National minimum wage (NMW)

The NMW rates that applied in April 2015 were £2.73 per hour (apprentices aged 16 to 18 and those aged 19 or over who are in their first year), £3.79 per hour (employees aged 16-17), £5.13 per hour (employees aged 18-20) and £6.50 per hour (employees aged 21 and over).

The NMW rates that applied in April 2014 were £2.68 per hour (apprentices aged 16 to 18 and those aged 19 or over who are in their first year), £3.72 per hour (employees aged 16-17), £5.03 per hour (employees aged 18-20) and £6.31 per hour (employees aged 21 and over).

Further information

If you require further information about the figures contained in this publication or the accompanying tables, please contact the Annual Survey of Hours and Earnings section using the details below:

Northern Ireland Statistics and Research Agency Economic and Labour Market Statistics Branch ASHE Section Room 120 Netherleigh Massey Avenue Belfast BT4 2JP

Telephone: (028) 9052 9311 Fax: (028) 9052 9658

Textphone: (028) 9052 9304

Email: brian.grogan@dfpni.gov.uk

Web: Annual Survey of Hours and Earnings

12 Index of tables

Data on the following:

Weekly pay – Gross (£)
Weekly pay – Excluding overtime (£)
Weekly pay – Basic including other (£)
Weekly pay – Overtime (£)
Hourly pay – Gross (£)
Hourly pay – Excluding overtime (£)
Annual pay – Gross (£)
Annual pay – Incentive (£)
Hours worked – Total
Hours worked – Basic
Hours worked – Overtime

are currently available for:

2015 (provisional)

Headline Statistics Headline Coefficients of Variation Industry

Occupation

Age

Public/Private Sector

2014 (revised)

Headline Statistics

Headline Coefficients of Variation

Industry

Occupation

Age

Public/Private Sector

In addition, further data for 2015 (provisional) and 2014 (revised) will be published as available. This includes earnings by Local Government District, skills levels and detailed occupational classification.

These data, along with Headline Statistics for the years 1997 to 2015 can be found on the NISRA-ELMS web page: **Annual Survey of Hours and Earnings**