



Employee earnings in Northern Ireland

Theme: Labour Market Frequency: Annual

Geographical Area: Northern Ireland

Key points

- Median gross weekly earnings for full-time employees ("weekly earnings") in April 2021 were £575, an increase of 8.8% from £529 in 2020. This is the largest annual increase in weekly earnings on record, however it follows the largest annual decrease on record (-1.1% in the year to April 2020).
- Real weekly earnings increased by 7.0%. This is the largest increase in real earnings on record, following a decrease of 2.0% last year.
- In the UK, weekly earnings were £611, an increase of 4.3% from 2020 (£586). Real UK weekly earnings increased by 2.6% over the year.
- Of the 12 UK regions, NI experienced the largest increase in weekly earnings, and has improved from second lowest to sixth lowest, with London (£767) highest and the North East (£539) lowest.
- Approximately a fifth of all jobs in NI were 'low-paid'. This is the lowest proportion in NI in 20 years but is the highest proportion of the 12 UK regions.
- The proportion of jobs paid below the National Living Wage and National Minimum Wage, which was 1.1% in 2019 and increased to 11% in 2020, fell to 5.8% in 2021. However, almost 90% of those below these rates in the last two years were on furlough rates of pay.
- Private sector weekly earnings increased by 10.1% over the year, and public sector weekly earnings increased by 7.1%. Weekly earnings in the public sector (£690) were 36% higher than in the private sector (£506).
- The gender pay gap for all employees in NI was 5.7% in favour of males in 2021. This gap has almost halved (from 10%) over the last two years. In comparison, females in the UK earned 15.4% less than males on average in 2021.
- NI remains the only region in the UK where full-time females earn more per hour on average than full-time males. In NI, full-time females earned 4.1% more than full-time males, whilst, in the UK as a whole, full-time females earned 7.9% less per hour than full-time males.
- Median annual earnings increased by 1.7% for all full-time employees in NI over the year to £29,000, but remained lower than the UK median of £31,000. The highest 10% of earners in NI earned approximately £53,000 and above.
- The median total weekly paid hours worked by full-time employees in NI decreased by 0.3% over the year to 37.9 hours, and are now 0.4 hours higher than the UK average.

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NATIONAL STATISTICS STATUS

National Statistics status means that our statistics meet the highest standards of trustworthiness, quality and public value, and it is our responsibility to maintain compliance with these standards.



These statistics were designated as National Statistics in September 2011 following a full <u>assessment</u> against the <u>Code of Practice</u>.

Since the assessment by the UK Statistics Authority, we have continued to comply with the Code of Practice for Statistics, and have made the following improvements:

- Redesigned the ASHE Bulletin, improving the commentary, analysis and presentation, and providing more context.
- Removed pre-release access to enhance trustworthiness.
- Produced a Background Quality Report, assessing the quality of ASHE and its outputs.
- Reduced respondent burden by providing the option to respond electronically to the survey and introducing a new online webform for ease of completion.

Commentary

Earnings estimates for 2021 are derived from the Annual Survey of Hours Earnings, and relate to the pay-week that included 21st April 2021. On this date, the Coronavirus Job Retention Scheme, commonly known as the furlough scheme, was still available to businesses in the UK and results show that approximately 7% of all employees in the NI survey were identified as being furloughed with reduced earnings. This was down from almost 16% in the previous year. NI had the highest percentage of furloughed staff across the 12 UK government regions in both 2020 and 2021, but also recorded the largest decrease in its furlough rate over the year (8.4pps).

Median gross weekly earnings for full-time employees in NI increased over the year by 8.8%, which was the largest increase of the 12 government regions in 2021. This increase was driven by the aforementioned large reduction in furlough, with the majority of those employees coming off the scheme receiving a 25% increase in pay. Although NI recorded the highest increase in median earnings over the year, when considered over a two-year period, growth in earnings was second to growth in Scotland. Although NI now has the seventh highest median across the 12 regions, it still has the highest proportion of low-paid jobs in the UK.

Earnings increased in both the public sector (7.1%) and the private sector (10%). The private sector increase was driven by industries with the largest reduction of furloughed employees. For example, 'Construction' saw a 20% increase in weekly earnings over the year, whilst the rate of furloughed employees with reduced earnings within this sector saw a reduction of almost 40pps (48% to 8.2%). Within the public sector, the increase was driven by increases in 'Public administration and defence' (7.5%) and 'Human health and social work activities' (7.0%).

Between 2019 and 2021, there was an increase in employees in the public sector (33% to 37%) and a reduction of employees in the private sector (61% to 58%). This composition effect is also a factor in the increase of overall median full-time pay in NI.

Context

This report presents final revised data for Employee Earnings derived from the 2020 Annual Survey of Hours and Earnings (ASHE) and provisional results for 2021. The reference date for the most recent survey was the pay-week (or other pay-period if the employee was paid less frequently) which included 21st April 2021.

Users should note that the headline earnings estimates include those supported under the CJRS. The 2021 survey reference date was within the time-period of the Coronavirus Job Retention Scheme (CJRS). This is the second consecutive year that the survey has included furloughed employees.

The CJRS was first introduced to support employers from 1st March 2020 whose businesses were impacted by the pandemic. The first CJRS worked by providing grants to employers of up to 80% of the salary to a maximum value of £2,500 per employee per month, while covering some of the cost of employer pension and National Insurance Contributions. By April 2021, the scheme had changed so that employees could be fully furloughed, or flexi-furloughed, where earnings would be no less than 80%.

Businesses were asked to include employees who were supported by the CJRS in their survey return, and provide information relating to the earnings they received, the hours which their earnings related to, and whether they had a loss of pay. Final results showed that approximately 11% of employee jobs were identified as furloughed and approximately 7% were identified as furloughed with reduced pay (i.e. earnings not topped up by their employer).

In Section 2 of the report, where sub-groups (e.g. age groups, industries, occupations) are considered, the proportion of employees furloughed and on reduced pay *from the survey results* is provided for context. These proportions should not be used as standalone furlough estimates. (Coronavirus Job Retention Scheme statistics are available online).

Occupational breakdowns presented throughout the report are collated using the 2010 Standard Occupation Classification (SOC10); however, results based on the new 2020 Standard Occupation Classification (SOC20) will be made available in early 2022. More information on these classifications can be found at SOC 2020 - Office for National Statistics.

Users should note that, in response to user need, Section 4 of this year's report now focuses on the gender pay gap of all employees (full and part-time combined), which is a change to previous years where the gender pay gap of full-time employees was the main feature of the section. High-level gender pay gap data for full and part-time employees are still included in this section.

Data source reference periods and key dates

A total of 6,778 ASHE returns were received by NISRA; which represented 90% of the sampled employees. In 2020, a number of responses were received after the survey closed, including a number of responses from the Education sector. As is normal practice, those responses are now included in the newly published revised 2020 outputs.

While the response rate for the survey has been very similar for many years, the chart below plots the industry comparison of the usable sample for the last three years. The largest decrease in the three year period occurred in the 'Wholesale and retail trade' sector, whilst the 'Human health and social work activities' and 'Education' sectors have seen an increase in numbers.

Human health and social work activities Wholesale and retail trade; repair of motor vehicles and motorcycles Manufacturing **2019** Education **2020** Public administration and defence; compulsory social security 2021 Accommodation and food service activities Administrative and support service activities Professional, scientific and technical activities Construction Transportation and storage Information and communication Arts, entertainment and recreation Financial and insurance activities Other service activities Real estate activities Agriculture, Forestry and Fishing 200

Figure A: Sample breakdown between April 2019 and April 2021

The headline measure of earnings is median gross weekly earnings for full-time employees. This measure is the main focus of this release, but data are also included for hourly and annual earnings, as well as earnings of full-time, part-time and all employees. More detailed data are included in the downloadable spreadsheets on the NISRA website.

ASHE is a UK wide survey that provides a wide range of information on hourly, weekly and annual earnings by age, 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.

ASHE replaced the New Earnings Survey (NES) from 2004. Data are therefore only available on a consistent basis from that year onwards. The introduction of methodological changes in 2006 and 2011 resulted in additional discontinuities in the ASHE time series, therefore care should be taken when making comparisons with earlier years.

A Summary of usage of the Northern Ireland Annual Survey of Hours and Earnings is available on the NISRA website. Users of the statistics include the Department for the Economy (DfE) economists who analyse current labour market trends for policy purposes, the Low Pay Commission who recommend rates for the National Living Wage, and Trade Unions who use the data to monitor pay levels and the differences between NI and UK earnings. Information about the 2021 Labour Market Statistics User Group, including a presentation relating to earnings statistics in NI, can be viewed on the NISRA website.

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

Annual Survey of Hours and Earnings Background Quality Report Annual Survey of Hours and Earnings methodology and guidance Quality and Methodology Information for the Annual Survey of Hours and Earnings

1,000

1,200

1 400

1 Overview of earnings

1.1 Median weekly earnings

The headline measure of earnings from the Annual Survey of Hours and Earnings (ASHE) is median gross weekly earnings for full-time employees. This is referred to throughout this section as "weekly earnings". The mean is not used to summarise earnings as it is susceptible to small numbers of very high earners. A visual explanation of this is available on the MISRA website. Throughout the publication the terms 'median' and 'on average' are used interchangeably.

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.

Median measures the amount earned by the average individual, i.e. the level of earnings at which half the population are above and half the population are below.

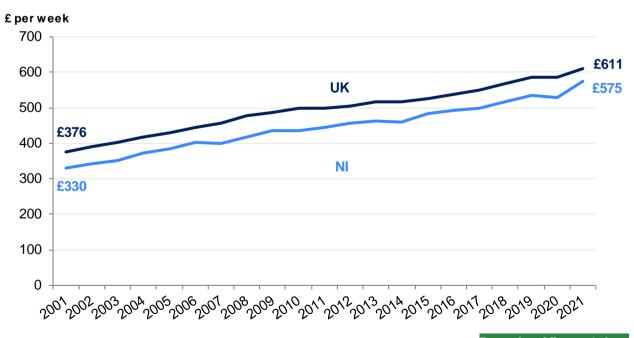
Full-time employee is defined as anyone aged 16 years or over that is directly paid from a business's payroll for carrying out more than 30 paid hours per week (or 25 or more for the teaching professions).

Key findings

- Weekly earnings in NI increased by £46.30 (8.8%) over the year to £575
- UK weekly earnings increased by £25.00 (4.3%) to £611
- This is the largest annual increase recorded in NI over the last 20 years following the largest decrease in 2020

Largest annual increase in earnings in 20 years – due to recovery of Private sector pay

Figure 1: Median gross weekly earnings for full-time employees in NI and the UK, April 2001 to April 2021



Note: there were a number of methodological changes during the series in 2004, 2006 and 2011. See Section 5 Further information for full details.

Download figure 1 data

Over the last 20 years in NI, the median gross weekly earnings for full-time employees has increased by an average of around £12 each year. However, over the year to April 2021, weekly earnings increased by £46 to £575. This is the highest annual increase in the last 20 years, and follows the largest decrease on record in 2020 of £5.80. If we consider the average annual change between 2019 and 2021, the increase is still above average at £20 per year.

Weekly earnings increased in all 12 UK regions over the year. The increase of 8.8% in NI was the largest increase of all the regions (and the second largest between 2019 and 2021) and weekly earnings in NI is now the sixth lowest of all the UK regions.

Weekly earnings overall in the UK increased by 4.3% to £611. Although this increase is not as large as the one seen in NI, the UK saw a marginal increase (0.1%) in 2020, compared with a decrease (1.1%) in NI. (The increase in NI was 7.6% between 2019 and 2021, while it was 4.4% in the UK) Due to the steeper rise in NI earnings this year, the difference between the UK and NI median has narrowed and the two values are the closest they have ever been. NI median weekly earnings are now £36 or 5.8% below the UK median.

1.2 Public/private sector comparison

Public sector: The NI public sector can be broken down into five areas: NI central government; Bodies under aegis of NI central government; UK central government employees based in Northern Ireland; Local government; Public corporations.

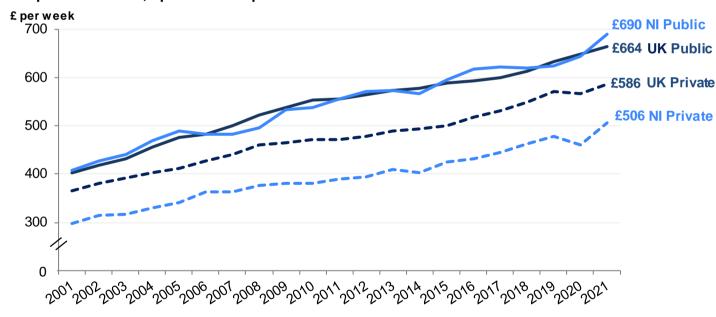
Private sector: The private sector encompasses all for-profit businesses (that are not owned or operated by the government). This does not include any non-profit body or mutual association.

Key findings

- Median public sector earnings were more than a third higher than private sector earnings
- Larger increase in private sector weekly earnings over the year than in the public sector
- Smallest percentage difference between NI and UK weekly earnings in private sector in the last 20 years

NI private sector pay recovers after decrease last year

Figure 2: Median gross weekly earnings for full-time employees in NI and the UK in the public and private sectors, April 2001 to April 2021



Download figure 2 data

Note: there were a number of methodological changes during the series in 2004, 2006 and 2011. See Section 5 Further information for full details.

Non-zero axis

Over the past 20 years, NI and UK median public sector earnings have been much more closely aligned than NI and UK private sector earnings, and the public sector median for both NI and UK has been consistently higher than the private sector medians.

In April 2021, weekly earnings of public sector employees (£690) in NI were 36% higher than those of private sector employees (£506). In comparison, weekly earnings in the UK were 13% higher in the public sector (£664) than in the private sector (£586). Some of the difference between earnings in the public and private sectors is due to differences in the composition of the respective workforces. For example, many of the lowest paid occupations exist primarily in the private sector, while there is a

larger proportion of graduate-level and professional occupations in the public sector. Further detail on differences in the composition of the respective workforces is available at: NI ASHE public and private sector analysis

In 2021, the NI public sector median (£690) was above the UK equivalent (£664) by £26. This follows two years of lower earnings than the UK, however, over the last two decades, the highest median earnings have changed intermittently between the NI and UK public sectors (with more variability in the NI data). The change this year resulted from an increase in UK public sector pay of 2.5% while median public sector earnings in NI increased by 7.1%.

In contrast, the NI private sector full-time median was £80 below the UK equivalent. This has been a consistent trend over time, however, while last year saw the largest gap between the two series at £105, this has now closed to the smallest difference recorded since 2007. Although both NI and UK median earnings increased over the year, the rate of increase was lower in UK at 3.6% than in NI at 10.1%.

1.3 Real earnings

Real earnings are earnings with the effects of inflation removed. This provides a comparison of the amount of goods and services that can be bought over time (also known as purchasing power). Real earnings are calculated by adjusting historic earnings data using the Consumer Price Index including owner occupiers' housing costs (CPIH).

Key findings

- Real earnings show largest annual increase (7.0%) on record
- This followed a decrease in 2020 in both nominal and real earnings

Approximately £50 increase in real earnings since 2011

Figure 3: Median gross weekly earnings for full-time employees in nominal and real (2021) terms, April 2011 to April 2021



Note: there was a methodological change during the series in 2011. See Section 5 Further information for full details.

Figure 2 shows that, while nominal weekly earnings have generally increased each year since 2010 (with the exception of 2014 and 2020), real earnings have not. Nominal weekly earnings in 2021 were approximately £130 more than in 2011. Real earnings have increased by £50 during the same period with most of that growth recorded in the last year.

Over the year to 2021, real weekly earnings increased by 7.0%, in contrast to a decrease of 2.0% recorded the previous year. This compares with an annual increase of 2.6% in the UK, following a decrease of 0.8% over the year to 2020.

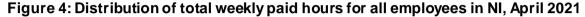
1.4 Total paid hours

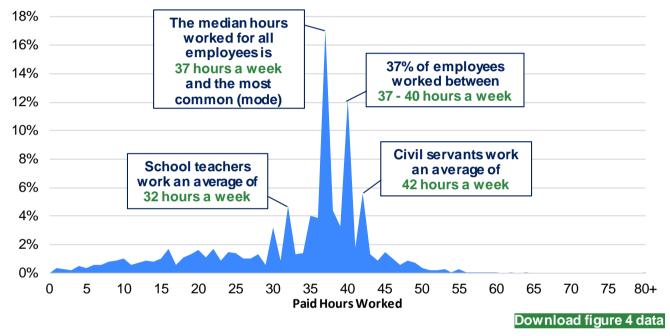
Total weekly paid hours worked is made up of paid basic hours and paid overtime hours. It is calculated using employees on adult rates whose pay was unaffected by absence. It includes people on paid leave and furloughed staff who were paid for hours they didn't work, but excludes people on statutory sick and maternity pay.

Key findings

- Median weekly paid hours remained at 37 hours for all employees in NI and the UK
- Full-time weekly paid hours was 0.4 hours greater in NI than the UK

No notable change in total paid hours worked over the year





Although approximately 9% of employees were furloughed in April 2021 and were working reduced hours, their *paid* hours were unaffected.

In 2021, full-time employees in NI worked an average of 37.9 hours per week, a decrease of 0.1 hours (0.3%) over the year, compared to 37.5 hours in the UK. The median weekly paid hours worked has remained constant in the UK for full-time employees since 2004 (37.5 hours). It has been more varied for full-time employees in NI, ranging from a low of 37.5 hours in 2003 to a high of 38.9 hours in 2008.

When compared to the UK, the median paid hours in NI in 2021 were 0.4 hours higher for full-time employees (37.9 hours compared with 37.5 hours), 0.5 hours higher for part-time employees (20.0 hours compared with 19.5 hours) and the same for all employees (37.0 hours).

Approximately 37% of employees worked between 37 and 40 hours per week, equivalent to a five-day '9 to 5' working pattern. Two clear peaks are evident at 37 hours and 40 hours for full-time employees while the working patterns of part time employees is more varied. The noticeable peak at 32 hours includes school teachers and at 42 hours includes NI civil servants.

Compared with last year, the proportion working under 30 hours per week remained unchanged (30%), whilst the proportion working over 42 hours decreased slightly from 8.5% to 8.3%.

1.5 Earnings by Local Government District

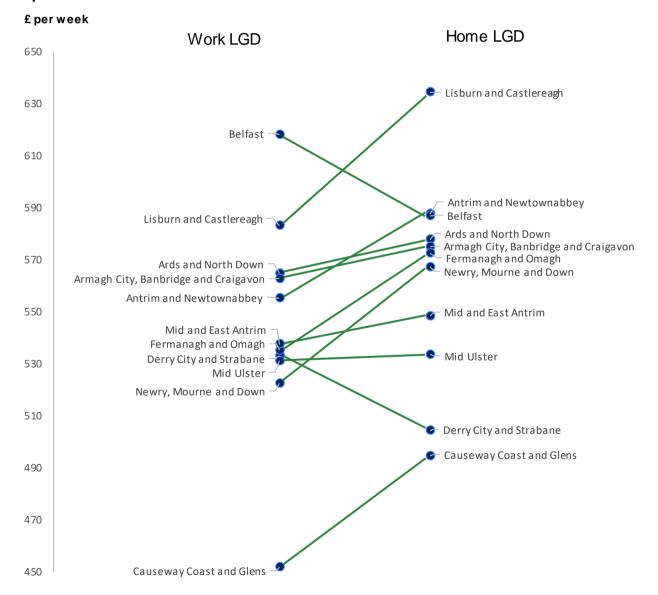
Place of work refers to the employee's usual local site or office. Employees working from home are recorded at their usual local site or office.

Key findings

- · Weekly earnings by place of work were highest in Belfast
- Causeway Coast and Glens had the lowest weekly earnings by both place of work and home address
- All areas saw an increase in full-time earnings by place of work over the year

Employees working in Belfast, and employees living in Lisburn and Castlereagh earn the most on average

Figure 5: Median gross weekly earnings for full-time employees in NI by work and home LGD, April 2021



Download figure 5 data

In April 2021, full-time employees whose usual place of work was in Belfast earned £618 on average per week. This was £166 more than the median weekly earnings for those whose usual place of work was in the Causeway Coast and Glens (£452).

Not only did Causeway Coast and Glens have the lowest earnings of the local government districts in 2021, but it also saw the smallest increase in median weekly pay for full-time employees (0.2%) over the year. The largest increase in earnings (18%) was recorded in Ards and North Down (to £565) and in Mid Ulster (to £531). All 11 council areas reported an increase in median weekly earnings on a place of work basis.

When earnings by place of residence are considered, the ranking of the LGDs changes, reflecting pre-COVID commuting patterns. Median weekly pay was highest for residents in Lisburn and Castlereagh (£634, up 6.8% over the year) and lowest for residents in Causeway Coast and Glens (£495, up 7.1% over the year). Similar to work location, 10 of the 11 council areas reported an increase in median weekly earnings based on place of residence. Derry City and Strabane was the only council area which saw a decrease over the year (2.6%).

Weekly earnings were lowest in Causeway Coast and Glens, while Lisburn and Castlereagh had the highest or second highest earnings when both usual place of work and residence were considered.

2 Impact of furlough on weekly earnings

Following a decrease from 2019 to 2020, weekly pay has now recovered, increasing from both 2020 and also 2019 levels. Although all occupations and age groups have now recovered and are above 2019 levels, not all industries have returned to 2019 earnings levels. This section takes a closer look at the change in furlough rates and change in earnings across age, occupation, industry and sector between 2019 and 2021.

Key findings

- 'Skilled trade occupations' experienced the largest recovery in weekly earnings over the year, following the largest decrease in the previous year
- Weekly earnings in the 'Construction', 'Accommodation & food services', 'Arts, entertainment & recreation' and 'Financial & insurance activities' industries have not yet returned to 2019 levels
- Public and private sector earnings in all deciles are now higher than 2019 earnings

Context

The 2021 ASHE reference date was within the time period for the Coronavirus Job Retention Scheme (CJRS) grant. This is the second consecutive year that the survey has included furloughed employees.

The CJRS was first introduced to support employers from 1st March 2020 whose businesses were impacted by the pandemic, and initially provided grants to employers of up to 80% of their salary to a maximum value of £2,500 per employee per month. By April 2021, the scheme had changed so that employees could be fully furloughed, or flexi-furloughed, where earnings would be no less than 80%.

Businesses were asked to include employees who were supported by the CJRS in their survey return. Final results from the survey showed that approximately 11% of all employee jobs were identified as furloughed and approximately 7% were identified as furloughed with reduced pay (i.e. earnings not topped up by their employer).

This section presents weekly earnings alongside furlough rates, both broken down by age, occupation, industry and sector. Furlough rates presented relate to the proportion of employees furloughed and on reduced pay from the ASHE results. As with weekly earnings, the furlough data only includes employees on adult rates of pay, whose earnings were not affected by absence (other than furlough) during the survey pay-period. Please note - these proportions are for contextual purposes only and should not be used as standalone furlough estimates. (Coronavirus Job Retention Scheme statistics are available online).

2.1 Earnings by age group

Key findings

- Full-time employees aged 40-49 had the highest weekly earnings and the lowest furlough rate in 2021
- Those aged 18-21 had the lowest earnings in 2021 and smallest annual increase
- Employees aged 60+ saw the largest decrease in earnings in 2020, followed by the largest increase in 2021

40-49 year olds earn around £100 more than the median earnings

Figure 6: Median gross weekly earnings for full-time employees in NI by age group, April 2019 to April 2021

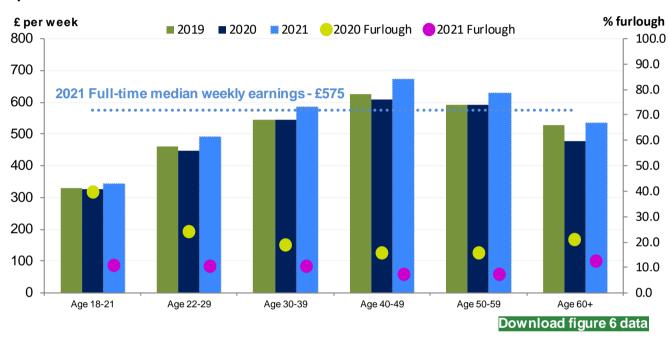


Figure 6 shows the median weekly earnings for full-time employees by age group between 2019 and 2021. Analysis of these results show that those aged 18-21 (£345) are the lowest paid age group, earning on average approximately £230 a week below the median for all full-time employees, and recording the smallest increase in full-time weekly earnings over the year. This age group had the highest percentage of employees furloughed at reduced rate of pay in 2020 and remained second highest in 2021.

Employees aged 40-49 had the highest weekly pay, earning around £100 more than the median, and they were the only age band earning more than £650 in 2021. They were also the age band with the lowest proportion of employees furloughed on reduced rate of pay in both 2020 and 2021 (less than 3.7% at the time of the 2021 survey).

The largest increase in weekly earnings over the year was recorded for the 60+ age group (12%), however, this follows the largest decrease of 9.4% in 2020. Earnings for this group, therefore are only 1.3% above their 2019 earnings. This age group had the highest rate of furloughed employees in 2021.

2.2 Earnings by occupation

Occupation: Results are collated using the 2010 Standard Occupational Classification (SOC10).

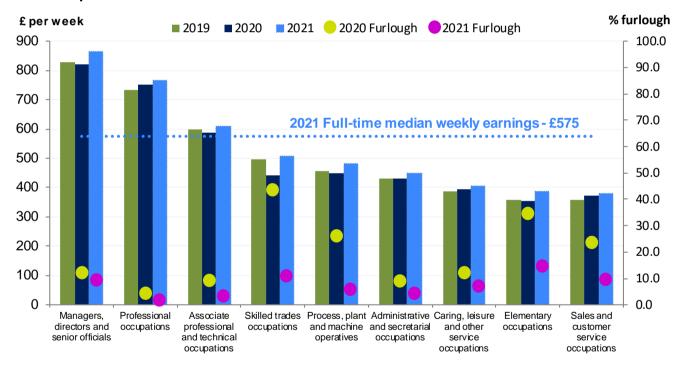
Note: Additional results based on the new SOC20 coding will be published early 2022.

Key findings

- With almost £500 difference, 'Managers, directors and senior officials' had the highest full-time weekly earnings and 'Sales and customer service occupations' had the lowest
- 'Skilled trade occupations' experienced the largest increase in weekly earnings over the year, however this followed a large decrease in the previous year
- 'Sales and customer service occupations' recorded the smallest increase, following the largest increase in 2020

Almost £500 difference between highest and lowest earning occupation groups

Figure 7: Median gross weekly earnings for full-time employees in NI by occupation, April 2019 to April 2021



Download figure 7 data

Analysis of full-time weekly earnings by occupation group shows that 'Sales and customer service occupations' (£381) is the lowest paid group, earning on average approximately £190 a week below the median for all full-time employees.

'Managers, directors and senior officials' (£865) remained the highest paid group, at £290 a week above the median for all full-time employees and more than double that of the three lowest paid occupational groups. 'Professional occupations' (£767) and 'Associate professional and technical occupations' (£611) also earned above the median value and had the lowest rates of furlough on reduced pay.

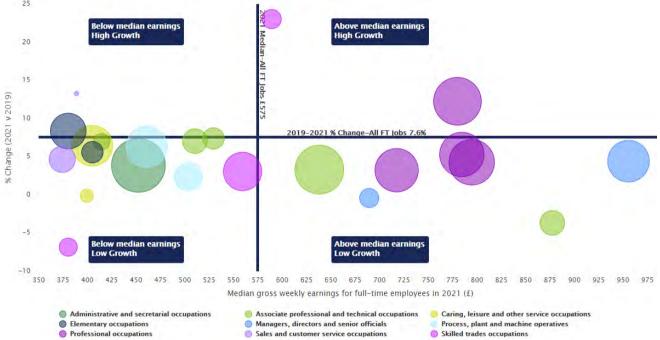
Weekly earnings increased across all nine occupation groups over the year (and when compared to 2019) following decreases in five occupation groups last year.

The largest annual increases were reported for 'Skilled trade occupations', 'Elementary occupations' and 'Process, plant and machine operatives'. These three occupational groups had the highest rates of furlough pay in 2020 and recorded the largest decrease in their rates of furloughed employees on reduced pay in 2021. Each recorded decreases in excess of 20pps with the largest drop occurring in 'Skilled trades occupations' (from 43% in 2020 to 10% in 2021).

Changes in rates of furloughed employees within occupational groups appear to be the driver for change in median pay, as, despite a proportion of each occupational group remaining on reduced rate of pay due to furlough, median pay has increased in all occupation groups when compared to 2019 (pre-furlough).

To note, the impact of furlough pay on the median depends on the number of jobs furloughed, where the furloughed are in the earnings distribution, and the earnings range. Those furloughed who were paid above, but relatively close to, the median have the largest impact on the median. In contrast, a concentration of furloughed employees below the median, or a concentration of very high earners furloughed, does not impact the median. See visual explanation of how decreases in earnings affect pay on the NISRA website.

Figure 8: Median gross weekly earnings for full-time employees and change in earnings in NI by occupation, April 2019 to April 2021



Note: number of jobs is illustrated by the size of the data point

Click here for interactive chart

Figure 8 presents weekly earnings and their change over the last two years, broken down by more detailed occupation groups. An interactive version can be viewed online - <u>Employee earnings in 2021 and their change from 2019.</u>

These data show that 'Skilled construction and building trades' experienced the greatest increase (23%) in earnings since 2019, and, with average earnings of £590 in 2021, were the only group within 'Skilled trades occupations' to earn above the median (£575). In contrast, 'Textiles, printing and other skilled trades' was one of the lowest paid occupation groups (£381) and it experienced the greatest drop in earnings over the last two years (6.8%). Of note also is the 12% increase in earnings of 'Health professionals', who averaged weekly earnings of £781 in 2021.

2.3 Earnings by industry

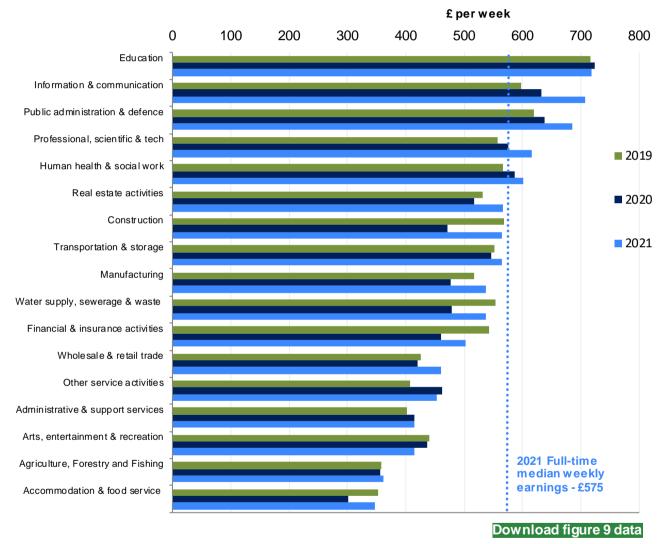
Industry: Results are collated using the 2007 Standard Industrial Classification (SIC07).

Key findings

- Average earnings in 2021 for 'Construction', 'Accommodation & food services', 'Arts, entertainment & recreation' and 'Financial & insurance activities' below 2019 levels
- 'Construction' experienced the largest increase in weekly earnings over the year, but is still below the level recorded in 2019

Increases in full-time earnings were reported in over three quarters of industries

Figure 9: Median gross weekly earnings for full-time employees in NI by industry, April 2019 to April 2021



In NI, weekly earnings for full-time employees at April 2021 were highest in 'Education' (£719) and lowest in 'Accommodation and food service activities' (£347). Increases were recorded in 14 of the 17 sectors that were reported for full-time employees¹. Changes in earnings across the industry sectors ranged from a decrease of 4.8% in 'Arts, entertainment & recreation' (to £415), to an increase of 20% in 'Construction' (to £565).

¹ Full-time estimates were not published for 4 of the 21 industry sectors due to small sample sizes in those sectors

Average earnings for 2021 in construction, accommodation, arts and finance below 2019 levels

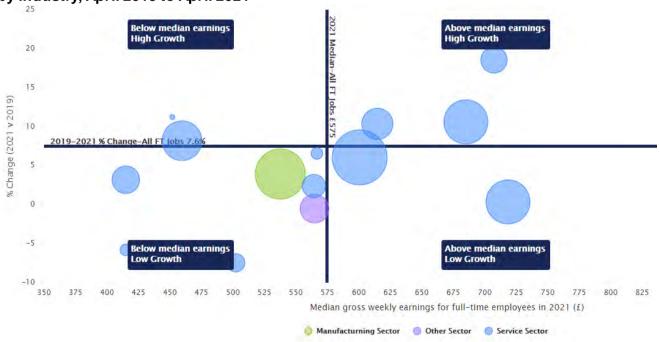
Although 'Construction' had the largest increase in weekly earnings for full-time employees (20%), this followed the largest decrease across all industries in the previous year (17%). This means that earnings in April 2021 remained just below the weekly earnings reported in April 2019 (£568). 'Construction' was the industry most affected by furlough in 2020, with 48% of employees furloughed with reduced rates of pay. Although this had dropped significantly by April 2021, it still had the fifth highest furlough rate of all the industries.

Similarly, 'Accommodation and food service activities' had a large increase in weekly earnings for full-time employees (15%) following a large decrease in the previous year (14%), resulting in lower average earnings in 2021 than in 2019 (1.7% below £353). This was the sector with the highest percentage of furloughed staff on reduced pay (59%) in April 2021, down from 69% in April 2020.

'Arts, entertainment and recreation' had the largest decrease in weekly earnings for full-time employees (4.8%). This is the second consecutive year in which earnings have fallen within this sector, after a decrease of 1.0% in April 2020. Both years have seen over 30% of employees in this sector furloughed on reduced pay.

'Financial and insurance activities' is the only private sector industry to record no furloughed staff with reduced pay in the 2021 survey. Although average pay has increased in this sector over the year financial and insurance activities has seen the biggest drop in pay over the last two years. Average earnings are now 7.4% below those recorded in 2019 (£502 compared to £543).

Figure 10: Median gross weekly earnings for full-time employees and change in earnings in NI by industry, April 2019 to April 2021



Note: number of jobs is illustrated by the size of the data point

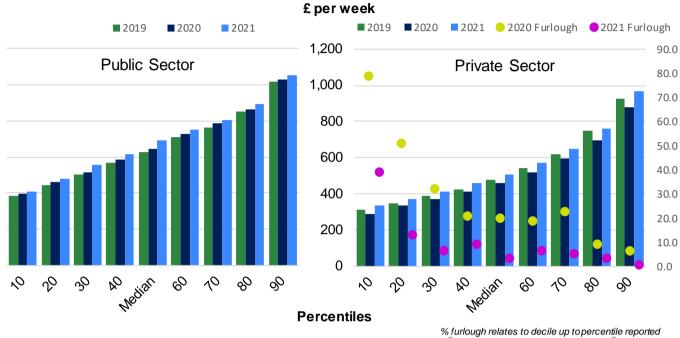
Click here for interactive chart

Figure 10 shows that the largest growth (19%) over the two year period was seen in the 'Information & communication' industry, with average earnings increasing to £708. In contrast, 'Arts, entertainment & recreation' experienced the second greatest drop (5.8%) in earnings (after 'Financial and insurance activities') and was the second lowest paid industry group (after 'Accommodation & food service activities') in 2021 (£415). Of note also is the increase in earnings of 'Public administration & defence', which saw an increase of 11%, averaging weekly earnings of £685 in 2021. An interactive version of this chart can be viewed at **Employee earnings in 2021 and their change from 2019.**

2.4 Public/private sector comparison

Increases across the distribution in the Public and Private sector

Figure 11: Median gross weekly earnings for public and private sector full-time employees, April 2019 and April 2021



e.g. at 10thpercentile the % furlough is for 0 to 10th percentile

Download figure 11 data

Increases were experienced right across the distribution of full-time NI private sector employees, both over the year, and between 2019 and 2021. Approximately 9% of these employees were furloughed on reduced pay, down from 26% recorded in 2020. Those in the lowest 10% earnings group experienced the largest increase in earnings over the year (16%); within this grouping, over three-quarters received furlough pay at a reduced rate in 2020, which fell to 40% in 2021. The pay at the 90th percentile increased by 9.9% following a 5.1% decrease the previous year.

In the public sector, which was not affected by furlough, increases were seen across all percentiles in the last two years. Those in the lower percentiles had the largest increases, with those at the 30th percentile increasing the most (7.5%) over the year to 2021. The smallest increase (2.2%) occurred in the 70th percentile.

3 Low and high pay analysis

Key findings

- Median hourly pay for all employees in NI is joint second lowest of all regions (£12.78)
- The percentage of low-paid jobs in NI is at its lowest in 20 years
- NI has the highest percentage of low-paid jobs of all the UK regions

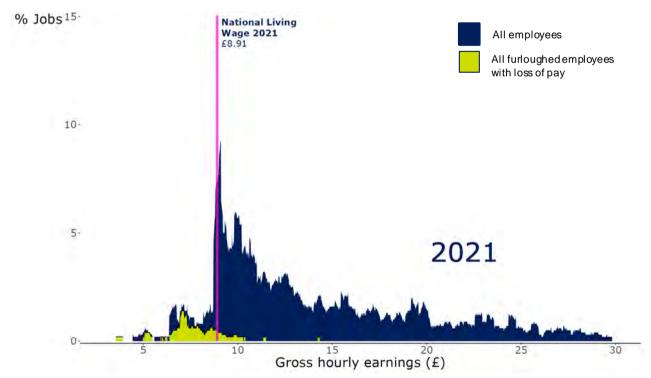
The **National Living Wage (NLW)** was introduced by the Government on 1 April 2016. It is currently set at £8.91 per hour for those aged 23 and over.

The **National Minimum Wage (NMW)** applies for those under the age of 23. It was introduced on 1 April 1999 and ranges between £4.30 and £8.36 per hour. Further details and a full breakdown of rates can be found in section 4.

At £12.78, median hourly pay for all employees (full-time and part-time combined) in Northern Ireland is the joint second lowest of all the UK regions and is currently £1.32 below the UK median (£14.10). This has been the broad trend since 2000, with NI median hourly pay recording the lowest or second lowest of all the regions in each of the last 20 years.

A comparison of the distribution of hourly pay between 2002 and 2021, with particular focus on the impact of furlough over the last two years, can be viewed in a scrollytelling article on the NISRA website - Scrollytellingthrough Employee Earnings.

Figure 12: Gross hourly earnings distribution for all employees and furloughed employees with reduced earnings in NI, April 2021



Note: Jobs shows proportion of jobs within +/-20p of shown pay rate

This cannot be used as a measure of non-compliance with the minimum wage legislation as it is not always possible to determine from the survey data whether an individual is eligible for the minimum wage. For example, if employees receive free accommodation, employers are entitled to offset hourly rates.

Download figure 12 data

Furlough continues to impact number paid below National Living Wage

Figure 12 shows the earnings distribution for 2021. The shape of the chart is typical of a skewed earnings distribution with more jobs at the lower earnings end, tailing off towards higher earnings.

When the <u>interactive version</u> is played showing 2002 to 2021, the peak of the chart, which shows the wage rate with the largest proportion of jobs, can be seen moving to the right each year in line with increases in the National Minimum/Living Wage (NLW).

Not only has the peak shifted, but the shape of the distribution has also changed over time. In 2002, 5% of jobs were within 20p of the minimum wage, compared with 10% in 2019. Between 2008 and 2019, the peak generally became more pronounced each year as earnings compressed around the National Minimum/Living Wage. The largest increase in compression coincided with the largest increase in minimum wage (70p) which occurred in 2016 when the National Living Wage was introduced (increasing for those aged 25+ from a National Minimum Wage of £6.50 in April 2015 to National Living Wage of £7.20 in April 2016). The proportion of jobs within 20p of the minimum wage increased from 9% in 2015 to 11% in 2016.

From 2020, there has been a reversal in the trend of increased compression, with the proportion within 20p of the NLW reducing from 10% in 2019 to 7% in both 2020 and 2021. In 2020, a cluster (3%) at 80% of the NLW is evident, and to a lesser extent a cluster (1.4%) is visible in 2021. This reflects those paid at the minimum wage and furloughed at 80% of their pay.

When considering the hourly earnings of all employees, the lowest earning 10% of workers (those at the 10th percentile) in the private sector (£8.00) earned less than the current National Living Wage (£8.91), whilst those in the 20^{th} percentile earned within 2p of it (£8.93). In contrast, those at the 10th percentile of the public sector (£10.31) earned more per hour than those at the 40th percentile of the private sector (£10.08).

Using a different derived hourly rate, which excludes overtime and shift premium payments and inline with **ONS methodology**, the proportion of jobs paid below the National Living Wage and National Minimum Wage in 2019 was 1.1%, this increased to 11% in 2020, but fell to 5.8% in 2021. However, almost 90% of those below these rates were on furlough rates of pay in the last two years.

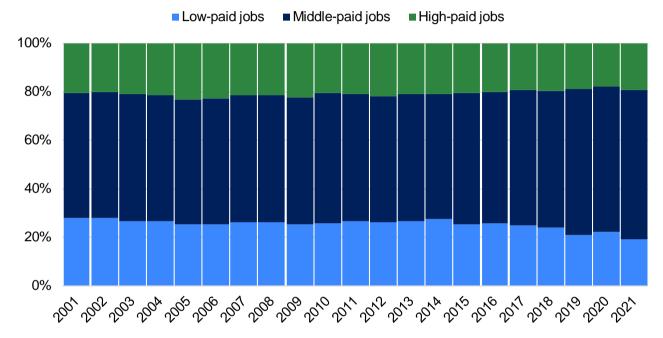
Proportion of low-paid jobs is lowest on record

The following <u>Organisation for Economic Co-operation and Development (OECD)</u> definitions of low pay and high pay are used.

Low pay is defined as the value that is two-thirds of the UK median hourly earnings (e.g. £14.10 \times 2/3 = £9.40 in 2021)

<u>High pay</u> is defined as the value that is 1.5 times the UK median hourly earnings (e.g. £14.10 \times 1.5 = £21.15 in 2021).

Figure 13: Proportion of low-paid and high-paid employee jobs in NI, April 2001 to April 2021



Note: there were a number of methodological changes during the series in 2004, 2006 and 2011. See Section 5 Further information for full details.

Hourly earnings for all employees is used to calculate high and low pay in line with ONS methodology.

Download figure 13 data

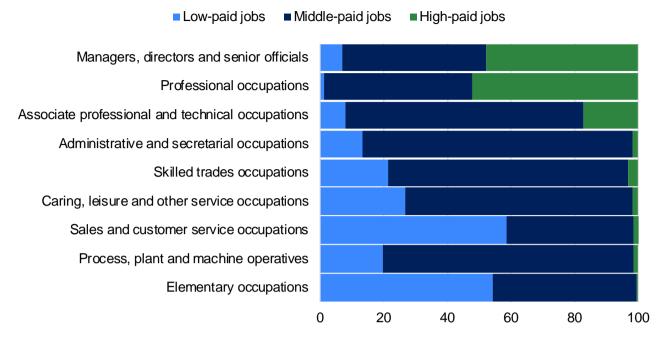
Figure 13 shows that, over the last 20 years the proportion of low-paid jobs has decreased from 28% in 2001 to its lowest proportion of 19% in 2021. The majority of this drop has occurred since the introduction of the National Living Wage in 2016. The largest annual increase (1.1pps) occurred in 2020, followed by the largest annual decrease in 2021 (3.2pps).

At the other end of the spectrum, the proportion of high-paid jobs has stayed more consistent, with a slight decrease of 1.3% between 2001 and 2021. The latest year saw an increase (1.5pps) following the lowest level in the 20 year period (18% in 2020).

As a result of the decrease in both low and high-paid jobs, the proportion of middle-paid jobs has now increased to 62%, the highest on record and 10pps above the proportion recorded in 2001.

Sales & customer services, and elementary occupations make up half of low-paid jobs

Figure 14: Proportion of low-paid and high-paid employee jobs in NI by occupation, April



Hourly earnings for all employees is used to calculate high and low pay in line with ONS methodology.

Download figure 14 data

The highest percentage of low-paid employee jobs are in 'Sales and customer service occupations' (59%), and this sector only consists of 1.6% high-paid jobs. Similarly, within 'Elementary occupations' 54% of jobs are low-paid, whilst only 0.3% are high-paid jobs. These two occupational groups made up 51% of all low-paid jobs in NI in 2021.

In contrast, over half (52%) of all 'Professional occupations' jobs are high-paid, with 1.3% low-paid within this sector. When considered alongside 'Managers, directors and senior officials', these two sectors account for over 80% of all high-paid jobs in NI. Whilst 17% of 'Associate professional and technical occupation' jobs are high-paid, there are less than 2% of high-paid jobs within all the remaining six occupational groups.

Figure 15: Proportion of low- and high-paid employee jobs in NI by working pattern, April 2021

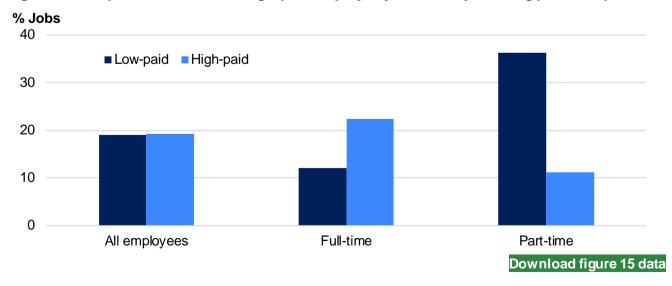


Figure 15 shows that there is an equal balance of high and low-paid jobs across all employees, however when broken down by working pattern, there is a clear indication of imbalance between those working full-time and those working part-time. There is a greater proportion of low-paid part-time employee jobs (36%), compared with full-time (12%) and similarly the lower proportion of high-paid part-time jobs (11%) compared with full-time (23%).

A closer examination of the pay difference between part-time and full-time jobs shows that, not only are part-time jobs more likely in lower-paid occupation groups but, even within 8 of the 9 occupation groups, part-time workers' hourly pay rates are, on average, lower than full-time hourly pay rates.

Ratio 5 4 more high-paid iobs 3 2 1 more low-paid iobs 0 London Scotland North South Yorkshire Northern North East Midlands and The Midlands Humber

Figure 16: Ratio of high-paid to low-paid employee jobs, by Government region, April 2021

Hourly earnings for all employees is used to calculate high and low pay in line with ONS methodology.

Download figure 16 data

The proportion of low-paid jobs has decreased over the year in NI (to 19.1%) but it still has the highest proportion of low-paid jobs of all the UK regions. The second highest was in East Midlands (17.7%), with London (8.4%) having the lowest.

Analysis of ratios of high-paid to low-paid employee jobs in the different regions of the UK (Figure 16) shows that NI had the joint second lowest ratio. Along with North East and East Midlands, NI had a ratio of around 1, meaning that the proportion of low-paid jobs was equal to the proportion of high-paid jobs in these areas. In all other regions, high-paid jobs exceeded low-paid. London had the highest ratio, with five times more high-paid than low-paid jobs, followed by South East (2.4) and Scotland (1.9). These three regions were all above the UK average (1.7).

4 Gender pay gap

Key findings

- In 2021, considering all employees regardless of working pattern, females earned 5.7% less than males in NI i.e. for every £1 earned by men, women earned 94p
- In the UK females earned 15% less than males when all employees are considered
- The gender pay gap in NI is due to the higher proportion of female part-time employees than male part-time employees and the higher proportion of part-time jobs that are low paid

Various methods can be used to measure the earnings of females relative to males. This year's Gender Pay Gap section leads with the Gender Pay Gap for **all employees regardless of working pattern** before disaggregating by sector, working pattern, age of employee and occupation.

The majority of the analysis is based on the median hourly earnings excluding overtime; including overtime can distort the picture as males work relatively more overtime than females, and using hourly earnings better accounts for the fact that males work, on average, more hours per week than females (see figure 23).

It should be noted that although median hourly pay excluding overtime provides a useful comparison of male and female earnings, it is a measure across all jobs and a not a measure of the difference in pay between men and women doing the same job.

Gross hourly earnings (excluding overtime) includes basic 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

Gender pay gap: calculated as the difference between the median hourly earnings (excluding overtime) of males and females, as a proportion of median hourly earnings (excluding overtime) of males earnings.

male earnings — female earnings male earnings

Gender pay gap for all employees has decreased over the last twenty years

26.4%
25

18.4%

15

NI

5.7%

Figure 17: Gender Pay Gap for all employees in NI and the UK, April 2001 to April 2021

Note: there were a number of methodological changes during the series in 2004, 2006 and 2011. See Section 5 Further information for full details

Download figure 17 data

Figure 17 shows that the UK and NI gender pay gaps for all employees (regardless of working pattern) have narrowed over time although they have both consistently been in favour of males.

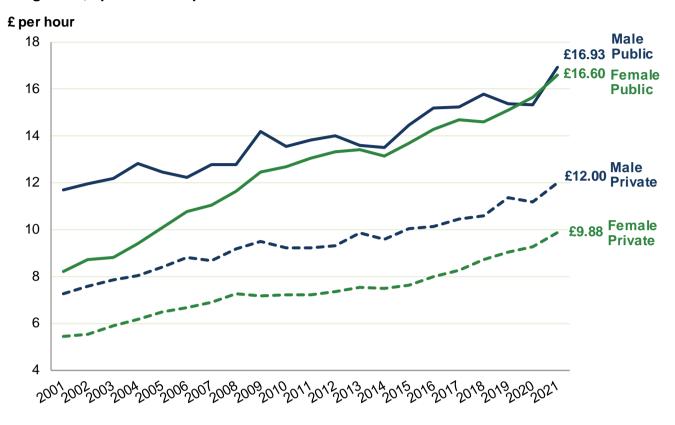
The results from the 2021 ASHE show that the gender pay gap for all employees in NI, regardless of working pattern, is in favour of males, who earn 75p per hour more on average than females (£13.11 per hour compared to £12.36 per hour for females). This is equivalent to a 5.7% gender pay gap in favour of males; similar to the 5.9% gender pay gap in favour of males recorded in 2020 and below the 2019 rate (10%). This is the smallest gender pay gap on record for all employees and means that for every £1 earned by men, women earned 94p on average.

In the UK, males (£15.27) also earned more on average than females (£12.92) in 2021. However, the UK gender pay gap was 15.4% in favour of males, more than two and a half times the gap recorded in NI.

It is the relatively lower pay of the private sector in NI and the notably smaller gender pay gap in the NI public sector (compared to those in NI and UK private sector, and UK public sector) that drives the difference between the NI and UK gender pay gap.

Males have higher earnings in both the public and private sectors

Figure 18: Median gross hourly earnings excluding overtime for all employees in NI by sector and gender, April 2001 to April 2021



Note: there were a number of methodological changes during the series in 2004, 2006 and 2011. See Section 5 Further information for full details

Non-zero axis

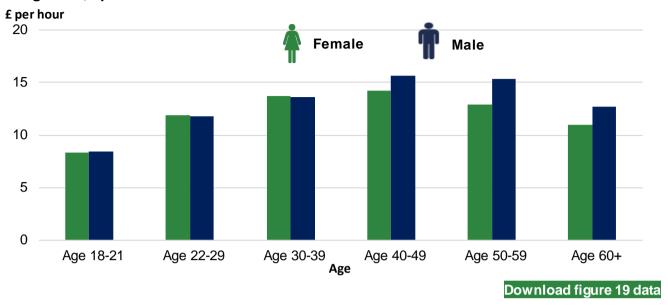
Download figure 18 data

Overall, public sector employees earned more on average than private sector employees. Within this, males earned more in both the public and private sector on average than females. This has been the broad trend since 2001; however, there has been a notable closing of the gap between males and females in the public sector, whilst male earnings have remained consistently higher than female earnings in the private sector.

In 2001, male earnings in the public sector were around £3.50 more per hour than female earnings. This gap is now just 33p. In comparison, in the private sector, where average earnings are lower than in the public sector, males have consistently earned around £2 per hour more than females since 2001.

Largest gender pay gap in the 40+ age groups

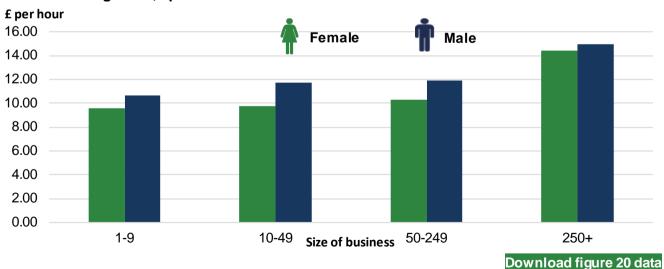
Figure 19: Median gross hourly earnings excluding overtime for all employees in NI by age and gender, April 2021



Male and female employees have similar median hourly earnings (excluding overtime) for all age groups under 40. Both male and female earnings peaked in the 40-49 age group, however males earned around £1.50 per hour more (£15.65 compared to £14.27). While male earnings remained similar in the 50-59 age group (£15.33), female earnings were 10% lower for 50-59 year olds than 40-49 year olds (£12.87), creating a gender pay gap of almost £2.50 per hour in the 50-59 age group.

Smallest gender pay gap in businesses with 250 or more employees

Figure 20: Median gross hourly earnings excluding overtime for all employees in NI by size of business and gender, April 2021

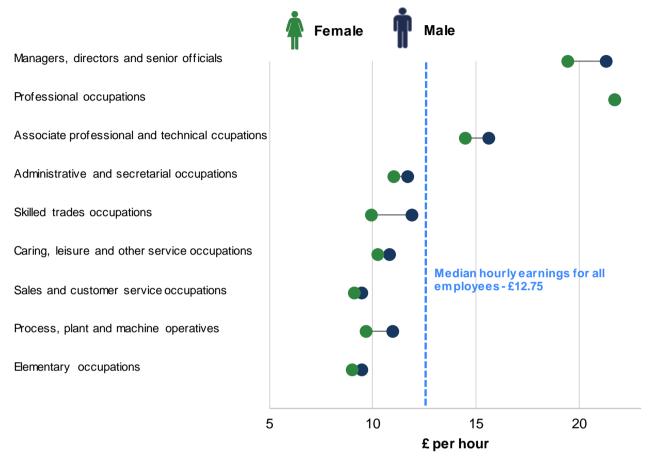


On average, males earn more than females across all business size groups. The smallest gender pay gap in 2021 was recorded for those employed in businesses with 250 or more employees, where both male and female earnings were highest. Females (£14.40 per hour) earned 56p less per hour than males (£14.96 per hour) on average. This is reflective of the relatively high number of public sector organisations with more than 250 employees. In contrast, the pay gap was largest in businesses with between 10 and 49 employees. Females earned 17% less than males on average, meaning for every £1 earned by a man, a woman earned 83p.

Females earned less on average than males in eight of the nine occupation groups

Occupation: Results are collated using the 2010 Standard Occupation Classification (SOC10).

Figure 21: Median gross hourly earnings excluding overtime for all employees in NI by occupation and gender, April 2021



Note: Non-zero axis

Download figure 21 data

The gender pay gap is in favour of males when considering all employees. Disaggregating the data into occupation groups shows that this holds in eight out of nine occupation groups. The occupation group in which females earned more on average was 'Professional occupations' and there was only a small difference of 1p per hour. Around three-fifths of those employed in 'Professional occupations' are females (58%).

The largest difference between male and female average pay was in the 'Skilled trades occupations' group, where, on average, for every pound earned by males, females earned 83p (£11.89 compared to £9.92 per hour). Almost 90% of employees within this occupation group were male.

The second largest difference between male and female average pay was in the 'Managers, directors and senior officials' group, where, on average, for every pound earned by males, females earned 91p (£21.29 compared to £19.42 per hour). Around two thirds of employees within this occupation group were male.

Full-time and part-time females earn more than males

Full-time employee is defined as anyone aged 16 years or over that is directly paid from a business's payroll for carrying out more than 30 paid hours per week (or 25 or more for the teaching professions).

Part-time employee is defined as anyone aged 16 years or over working 30 or less paid hours a week (or less than 25 for the teaching professions).

Figure 22: Median gross hourly earnings excluding overtime by gender in NI, April 2021



Note: Non-zero axis

Download figure 22 data

Figure 22 presents hourly earnings for males and females disaggregated by working pattern. It shows that part-time earnings for females (£10.23) were greater than part-time earnings for males (£9.89), and full-time earnings for females (£14.64) were greater than full-time earnings for males (£14.07). This is in contrast to earnings for all employees (full and part-time combined), where hourly earnings for males (£13.11), were 75p higher than for females (£12.36).

These higher earnings for 'all' males is primarily due to a larger proportion of males (84% compared with 58% of females) in full-time work, which has higher hourly rates of pay on average than part-time employment and proportionately fewer low-paid jobs. (The higher earnings for 'all' males, despite the reverse for each working pattern is an example of Simpson's paradox and is illustrated in the **Gender Pay Gap explanation** on the NISRA website.)

The chart also highlights the difference in full and part-time earnings, with part-time workers earning less per hour than full-time workers.

Median annual pay higher for all males due to longer working hours

Total paid hours worked is made up of paid basic hours and paid overtime hours. It is calculated using employees on adult rates whose pay was unaffected by absence.

Median full-time gross annual earnings in NI in 2021 was £29,109 for all employees, £27,396 for female employees, and £30,130 for males. This was an increase of 1.8% for females over the year, and a 1.4% increase for males.

The gender pay gap reverses for full-time employees when calculated on annual earnings (in favour of men, whereas it is in favour of women when calculated on hourly pay), however, the gap remains in favour of women when considering part-time annual earnings. The difference between the annual and hourly earnings pay gap measure can be attributed to males working more hours on average and receiving higher bonuses than females.

Hours worked Male Female 45 40 35 30 25 20 15 10 5 0 Full-time Part-time All Employees

Figure 23: Median weekly paid hours worked by working pattern and gender, NI, April 2021

Download figure 23 data

In April 2021, males in full-time employment worked 2.4 more paid hours per week than females (39.9 hours compared with 37.5 hours), whilst for those in part-time employment, males worked 1.3 hours less than females (18.7 hours compared with 20 hours).

Overall, males (38 hours) worked 5.6 hours more than females (32.4 hours), and a greater proportion of males (84%) worked full-time compared with females (58%).

5 Further information

Alternative sources of employee earnings information - HMRC PAYE

Monthly experimental statistics on payrolled employees and their earnings from HM Revenue and Customs' (HMRC) Pay As You Earn (PAYE) Real Time Information (RTI) system are available on the NISRA and ONS websites. HMRC PAYE RTI is the system employers use to take Income Tax and National Insurance contributions before they pay wages to employees. Data relate to employees paid by employers only, and do not include self-employment income or income from pensions, property rental or investments. Data are based on where employees live and not the location of their place of work within the UK. Data are seasonally adjusted but not adjusted for inflation. The HMRC PAYE covers the whole population rather than a sample of employees or companies. The data are classed as Experimental Statistics as the methodologies used to produce the statistics are still in their development phase. As a result, the series are subject to revisions.

Estimates from ASHE remain the principal source of employee earnings information and are National Statistics. While estimates from PAYE provide a more timely indication of employee earnings trends, they are still in the development stage and are classed as Experimental Statistics.

PAYE does not differentiate based on full-time or part-time job status, and includes those whose work was affected by absence. It also measures pay per person, which can include pay from more than one job, while ASHE measures pay per job.

The most comparable statistic to median earnings from PAYE is ASHE data on median gross weekly earnings of all employees surveyed, including those who work part-time. A comparison of ASHE and PAYE data based on April data in both sources shows that PAYE is typically lower, though both show the same trend. Likely reasons for this is that ASHE excludes workers whose pay is affected by absence and those not on adult rates of pay, while PAYE includes these. Further details have been published by <a href="https://example.com/hmmc/mainle.com/

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 Northern Ireland Statistics and Research Agency (NISRA) in NI.

The survey information related to the pay-week (or other pay period if the employee was paid less frequently) which included 21st April 2021, the reference date for the latest survey. The results, therefore, are 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.

The survey reference date was within the time period for the full Coronavirus Job Retention Scheme (CJRS) grant. The CJRS was first introduced to support employers from 1st March 2020 whose businesses were impacted by the pandemic. The first CJRS worked by providing grants to employers of up to 80% of the salary to a maximum value of £2,500 per employee per month, while covering some of the cost of employer pension and National Insurance Contributions. By April 2021, the scheme had changed so that employees could be fully furloughed, or flexi-furloughed, where earnings would be no less than 80%.

Businesses were asked to include employees who were supported by the CJRS in their ASHE return, and to provide information relating to the earnings they received, the hours to which their earnings related, and whether they had a loss of pay. Final results showed that approximately 11% of ASHE employee jobs were identified as furloughed and approximately 7% were identified as furloughed with reduced pay (i.e. earnings not topped up by their employer).

In Section 2 of the report, where sub-groups (e.g. age groups, industries, occupations) are considered, the proportion of employees furloughed and on reduced pay *from the survey results* is provided for context. The proportions should not be used as standalone furlough estimates. (Coronavirus Job Retention Scheme statistics are available online).

Coverage and sampling

As in previous years, the sample used for the survey comprised approximately 1% of all employees in NI who were covered by PAYE schemes. 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 (Northern Ireland) 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. The CVs are published alongside the estimates, and CVs for the key ASHE estimates are shown in Table 1 below.

Table 1: Coefficient of variation (%) for key NI ASHE estimates, 2021

		Full-time	Part-time
	Males	1.7	6.8
Median gross weekly earnings	Females	2.6	2.9
	All	1.4	2.7
	Males	2.0	2.5
Median gross hourly earnings	Females	3.0	1.2
(excluding overtime)	All	1.6	1.1

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.

Rounding and revisions

Throughout this report, figures less than 100 are rounded to two-significant figures.

In line with normal practice, this release contains revised estimates from the 2020 survey results published on 3rd November 2020. These results take account of some corrections to the original 2020 data that were identified during the validation of the results for 2021, as well as late returns. The 2021 results presented in this report are provisional and will be revised alongside next year's results.

Methodology Changes 2004 to date

The ASHE bulletin presents the most recent data in the context of a 20 year time trend. As such it is worth noting a number of methodological changes that have taken place since the survey was introduced, in particular in 2004, 2007 and 2012. For 2004 and 2006, two sets of results are available based on the existing and updated methodologies at the time. Users should note that data used in the report relate to the updated methodology and superseded data has not been included in the time series charts.

The impact of the changes increases as the size of the group being considered decreases. For example, conclusions can be drawn when considering broad time trends over the 20 year period, but caution should be taken when comparing across occupations and industries.

Table 2: Methodology changes to the ASHE Survey

Year	Change	Impact
2004	ASHE replaced the New Earnings Survey	Coverage improved
2007	Sample design improvements	Results between 2004-2007 not directly comparable
2009	Change in industry classification from SIC 2003 to SIC 2007	Industries not directly comparable. For more information see Operation 2007.
2012	Change in occupation coding from SOC2000 to SOC 2010	Occupations are used to weight ASHE results. Estimates before 2011 not directly comparable with later estimates. For more information on the impact see the Economic and Labour Market Review (from page 62).
2013	Change in sample frame from PAYE to RTI PAYE	Small impact on coverage

Mean, Median and Percentiles

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 skewed 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 at which half the population are above and half the population are below. A visual explanation of this is available on the NISRA website. Please note that changes in median values for sub-sectors of the population are not necessarily additive at the population level.

A percentile is a statistical measure which shows the value below which a given percentage of observations fall, i.e. the 10th percentile is the value below which the lowest earning 10% of employees fall, and the 50th percentile (median) is the value below which 50% of employees fall.

National Living Wage (NLW) and National Minimum Wage (NMW)

The NLW rate that applied in April 2021 was £8.91 per hour for employees aged 23 and over. The NMW rates that applied in April 2021 were: £8.36 per hour for employees aged 21 and 22, £6.56 for employees aged 18 to 20, £4.62 for employees aged under 18, and £4.30 for apprentices aged 19

and older and in the first year of their apprenticeship and those aged under 19. The following table provides a breakdown of NLWs and NMWs since April 2008.

Table 3: National Living Wage, 2016 to 2019 and National Minimum Wage, 2010 to 2021

Year	23+	21 to 22	18 to 20	Under 18	Apprentice
2021	£8.91	£8.36	£6.56	£4.62	£4.30
	25+	21 to 24	18 to 20	Under 18	Apprentice
2020	£8.72	£8.20	£6.45	£4.55	£4.15
2019	£8.21	£7.70	£6.15	£4.35	£3.90
2018	£7.83	£7.38	£5.90	£4.20	£3.70
2017	£7.50	£7.05	£5.60	£4.05	£3.50
2016 (Oct 16 to Mar 17)	£7.20	£6.95	£5.55	£4.00	£3.40
2016 (Apr 16 to Sep 17)*	£7.20	£6.70	£5.30	£3.87	£3.30
		21+	18 to 20	Under 18	Apprentice
			10 10 20	Onaci io	, 4pp. 0111100
2015		£6.70	£5.30	£3.87	£3.30
2015 2014					
		£6.70	£5.30	£3.87	£3.30
2014		£6.70 £6.50	£5.30 £5.13	£3.87 £3.79	£3.30 £2.73
2014 2013		£6.70 £6.50 £6.31	£5.30 £5.13 £5.03	£3.87 £3.79 £3.72	£3.30 £2.73 £2.68
2014 2013 2012		£6.70 £6.50 £6.31 £6.19	£5.30 £5.13 £5.03 £4.98	£3.87 £3.79 £3.72 £3.68	£3.30 £2.73 £2.68 £2.65
2014 2013 2012 2011		£6.70 £6.50 £6.31 £6.19 £6.08	£5.30 £5.13 £5.03 £4.98 £4.98	£3.87 £3.79 £3.72 £3.68 £3.68	£3.30 £2.73 £2.68 £2.65 £2.60
2014 2013 2012 2011		£6.70 £6.50 £6.31 £6.19 £6.08 £5.93	£5.30 £5.13 £5.03 £4.98 £4.98 £4.92	£3.87 £3.79 £3.72 £3.68 £3.68 £3.64	£3.30 £2.73 £2.68 £2.65 £2.60
2014 2013 2012 2011 2010		£6.70 £6.50 £6.31 £6.19 £6.08 £5.93	£5.30 £5.13 £5.03 £4.98 £4.98 £4.92	£3.87 £3.79 £3.72 £3.68 £3.68 £3.64 Under 18	£3.30 £2.73 £2.68 £2.65 £2.60

^{*}Introduction of National Living Wage for 25 and over

More information on the <u>National Minimum Wage and National Living Wage rates</u> can be found on the Gov.uk website.

Simpson's Paradox

A trend that appears in groups of data but not when the groups are combined is referred to as Simpson's Paradox. In particular this phenomenon is apparent when NI earnings data is split by gender and other characteristics. For example, gender and working pattern, and gender and occupation. The following <u>slideshow</u> explains the occurrence within the NI earnings data and an ONS blog describes it here: <u>Decoding the gender pay gap</u>.

Further information

If you require further information about the figures contained in this publication or the accompanying tables, or would like to provide feedback on the content, please use the contact details below:

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Email: ashehelpline@finance-ni.gov.uk

Website: Annual Survey of Hours and Earnings

6 Index of tables

Reporting Periods:

2021 (provisional) 2020 (revised)

Data available:

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

Breakdowns provided:

Headline Statistics
Headline Coefficients of Variation
Industry
Occupation*
SOC 4-digit*
Age
Public/Private Sector
Local Government District
Parliamentary Constituency
Skill level

These data, along with Headline Statistics for the years 1997 to 2019 can be found on the **Annual Survey of Hours and Earnings** section on the NISRA website.

^{*}These tables are based on the 2010 Standard Occupational Classification (SOC10) – SOC20 breakdowns will be published early 2022.