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### **National Statistics**

The United Kingdom 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.

National Statistics status means that official statistics meet the highest standards of trustworthiness, quality and public value.

All official statistics should comply with all aspects of the Code of Practice for Official Statistics. They are awarded National Statistics status following an assessment by the Authority's regulatory arm. The Authority considers whether the statistics meet the highest standards of Code compliance, including the value they add to public decisions and debate.

It is a producer's responsibility to maintain compliance with the standards expected of National Statistics. If we become concerned about whether these statistics are still meeting the appropriate standards, we will discuss any concerns with the Authority promptly. National Statistics status can be removed at any point when the highest standards are not maintained, and reinstated when standards are restored.

# 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. The mean is not used to summarise earnings as it is susceptible to small numbers of very high earners. The median measures the level of earnings at which half the population are above and half the population are below.

**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.

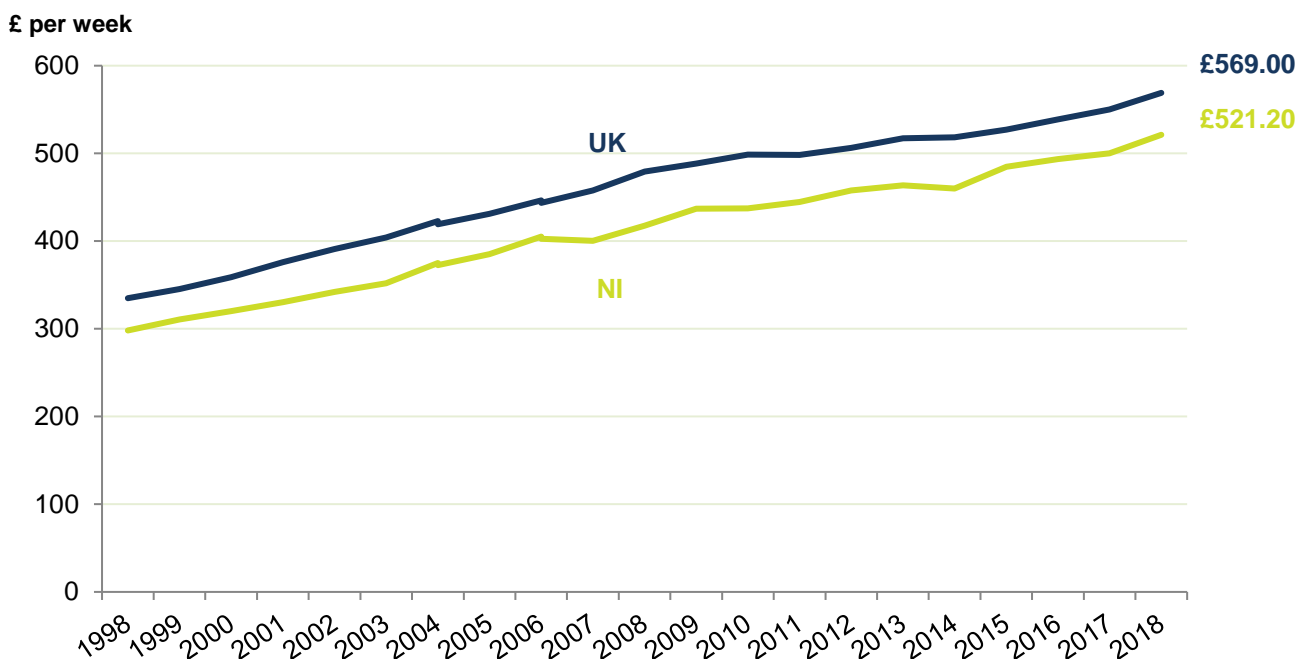
**Median** measures the amount earned by the average individual, i.e. the level of earnings at which half the population are above and half the population are below.

**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

- The median full-time weekly earnings in NI was £521 compared with £569 in the UK
- Nominal and Real earnings increased over the year in both NI and the UK

Figure 1: Median gross weekly earnings for full-time employees in NI and the UK, April 1998 to 2018



Note: there were a number of methodological changes during the series in 2004, 2006 and 2011. See Section 6 Further information for full details.

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The median gross weekly earnings for full-time employees in NI at April 2018 (£521):

- was the fifth lowest of the 12 UK regions and 8.4% lower than the UK median (£569)
- increased by more (4.2%) than the UK median (3.5%) and had the joint highest increase of the UK regions over the year.

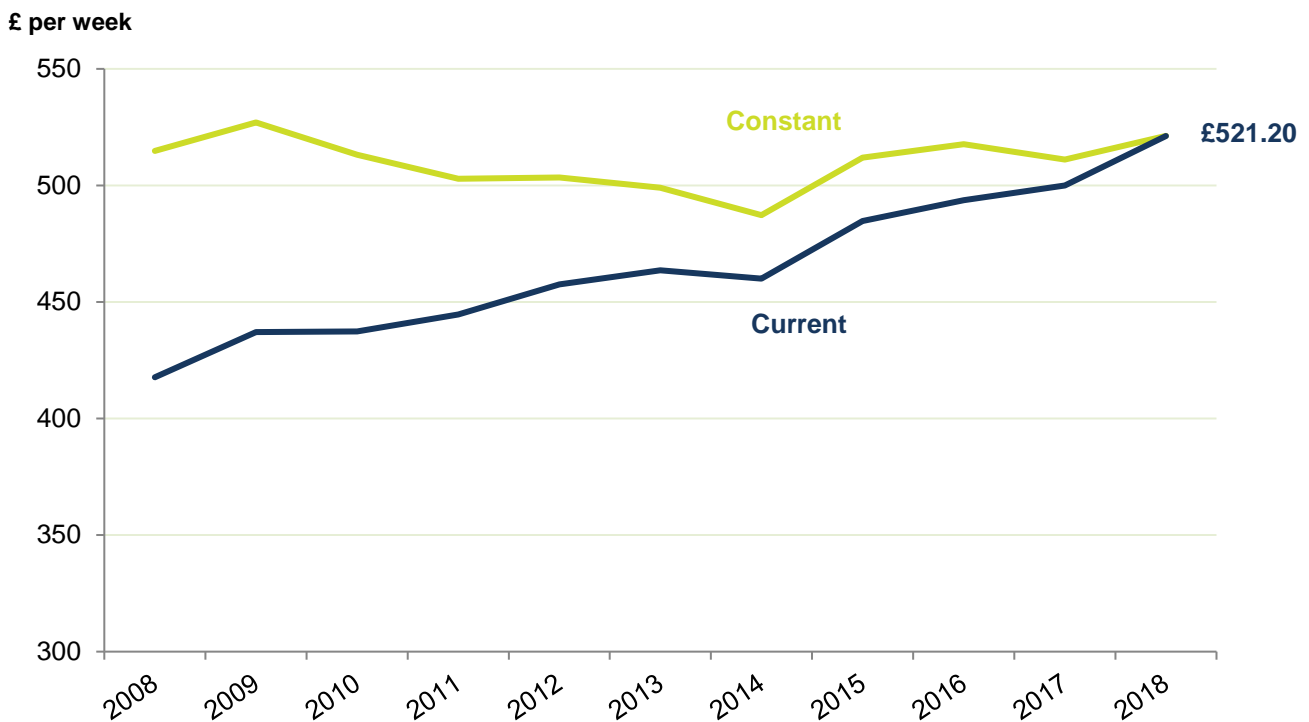
## 1.2 Constant prices

**Constant prices** are calculated by adjusting historic data using the Consumer Price Index including owner occupiers' housing costs (CPIH). These are referred to as constant prices and give a measure of the 'real' value of earnings, with an increase meaning that earnings growth is above inflation. Earnings adjusted for inflation are referred to as real earnings.

### Key findings

- Adjusted for inflation weekly earnings increase over the year
- Real earnings have increased 3 out of the last 4 years

**Figure 2: Median full-time gross weekly earnings in current and constant (2018) prices, April 2008 to 2018**



Note: there were a number of methodological changes during the series in 2006 and 2011.  
See Section 6 Further information for full details.  
Non-zero axis

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Figure 2 shows that while earnings have generally been increasing each year since 2008 (with the exception of a decrease in 2014), real earnings have not. Real earnings were on a downward trend between 2009 and 2014, and have increased in three out of the four years since the recent low point in 2014.

When adjusted for inflation, weekly earnings:

- increased by 2.0% in 2018, following a decrease of 1.3% in the previous year
- increased in the UK by 1.2%, following a decrease of 0.5%
- are similar to real earnings in 2016 (£518)
- are 7.0% higher than the series low (£487) recorded in 2014
- have yet to return to 2009 levels (£527).

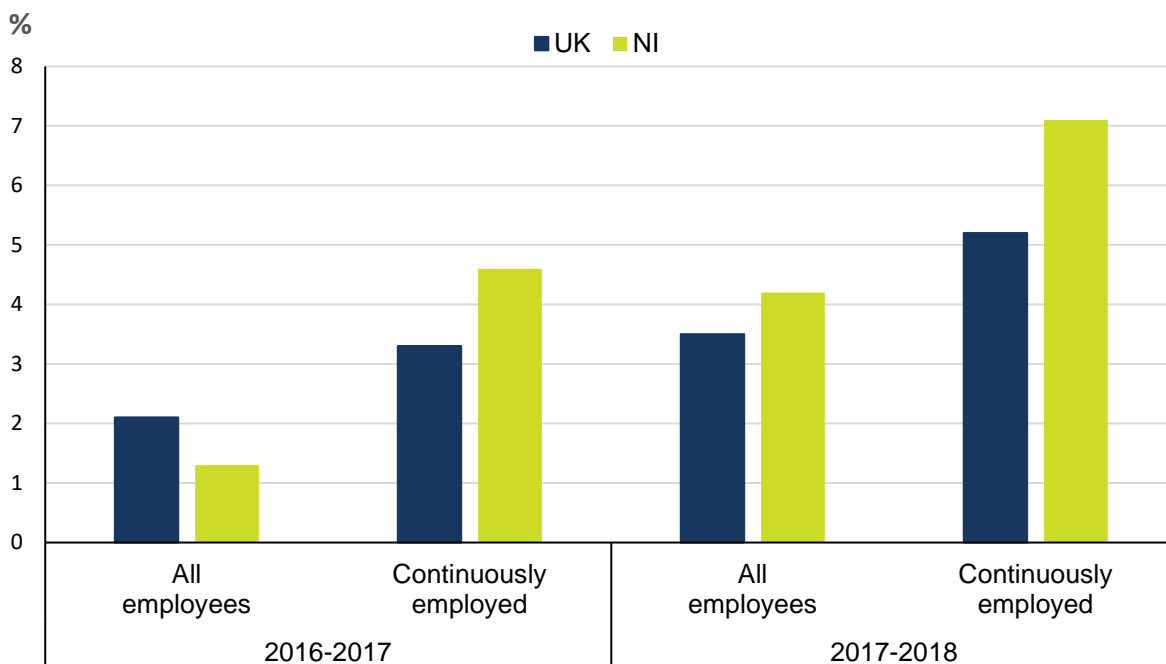
### 1.3 Continuous employment

**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.

#### Key findings

- Employees in continuous employment had a larger increase in earnings than all employees in NI and the UK
- NI had a larger increase than the UK for those in continuous employment

**Figure 3: Annual percentage change in median full-time gross weekly earnings for all employees and those in continuous employment, in NI and UK, April 2017 and 2018**



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In 2018, median gross weekly earnings for those in full-time continuous employment:

- increased by 7.1% in NI compared to an increase of 4.6% in 2017
- increased by 5.2% in the UK, compared with 3.3% in 2017
- were higher than the overall full-time median gross weekly increase (4.2%).

Basing analysis on the continuously employed removes any ‘compositional effect’ caused by the composition of the workforce in the ASHE sample changing from year to year. Annual changes for the continuously employed cohort tend to be higher than for all employees. This is due to factors such as progression through the pay scale.

The continuously employed group is made up of 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.

The ONS article [Understanding Average Earnings for the continuously employed](#) gives further guidance on using these statistics.

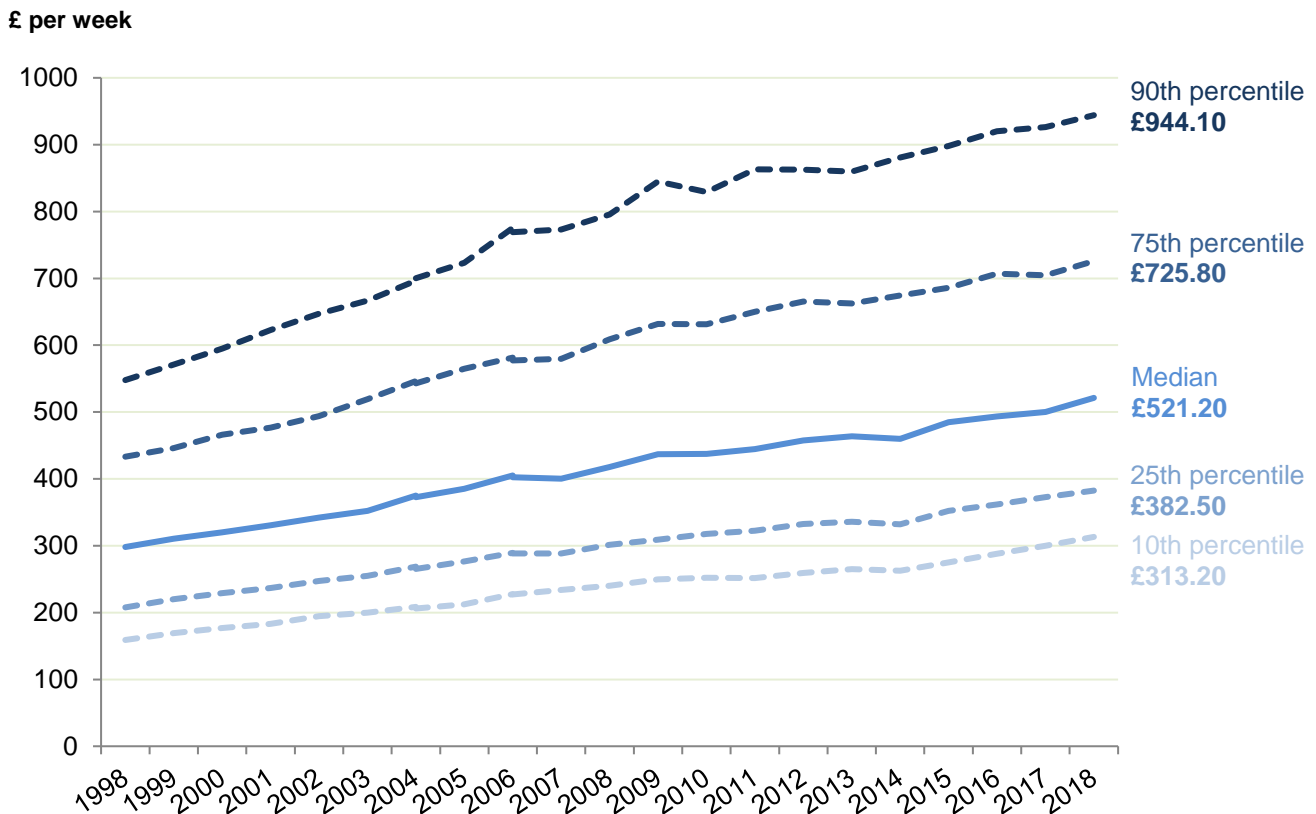
## 1.4 Distribution of earnings

**Percentile:** The  $n$ th percentile of a set of data is the value at which  $n\%$  of the data is below. The median is the 50<sup>th</sup> percentile.

### Key findings

- Larger increase for lower earners when compared with top earners
- Top earners make over 3 times more a week than lower earners

**Figure 4: Distribution of gross weekly earnings for full-time employees in NI, April 1998 to 2018**



Note: there were a number of methodological changes during the series in 2004, 2006 and 2011. See Section 6 Further information for full details.

Figure 4 shows that:

- 10% of full-time employees earned less than £313 per week while 10% earned more than £944 per week
- the top 10% of earners earned at least three times as much as the bottom 10% of earners per week
- the ratio of earnings at the 90<sup>th</sup> percentile to the 10<sup>th</sup> percentile has decreased from 3.4 in 1998 to 3.0 in 2018
- earnings at the 10<sup>th</sup> percentile increased by 4.4% over the year, whilst earnings at the 90<sup>th</sup> percentile increased by 1.9%.

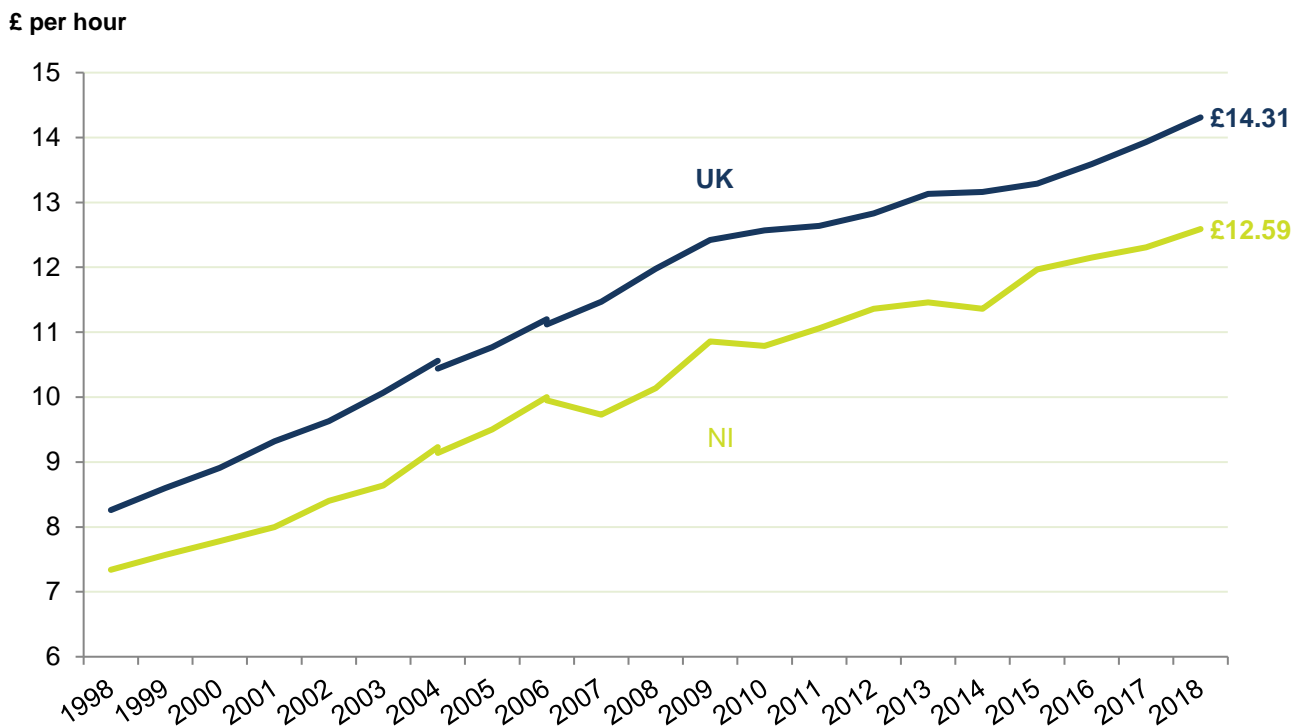
## 1.5 Median hourly earnings excluding overtime

**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

### Key findings

- Full-time hourly earnings in NI increased over the year
- Full-time hourly earnings remain below UK earnings (12%)

**Figure 5: Median gross hourly earnings excluding overtime, for full-time employees in NI and the UK, April 1998 to 2018**



Note: there were a number of methodological changes during the series in 2004, 2006 and 2011. See Section 6 Further information for full details.  
Non-zero axis

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An analysis of full-time hourly earnings (excluding overtime) shows that the median:

- increased by 2.3% to £12.59 in 2018
- was 12.0% lower than the equivalent UK earnings (£14.31)
- had the largest annual decrease in 2007 (2.2%)
- has increased by 24.2% over the last 10 years, from £10.14 to £12.59 (nominal terms)
- has increased by 19.4% since 2008 in the UK, from £11.98 to £14.31 (nominal terms)
- has increased by 0.7% since 2008 in NI, when adjusted for inflation<sup>1</sup>
- has decreased by 3.1% since 2008 in the UK, when adjusted for inflation<sup>1</sup>.

<sup>1</sup> Historic data are adjusted using the Consumer Price Index including owner occupiers' housing costs (CPIH).

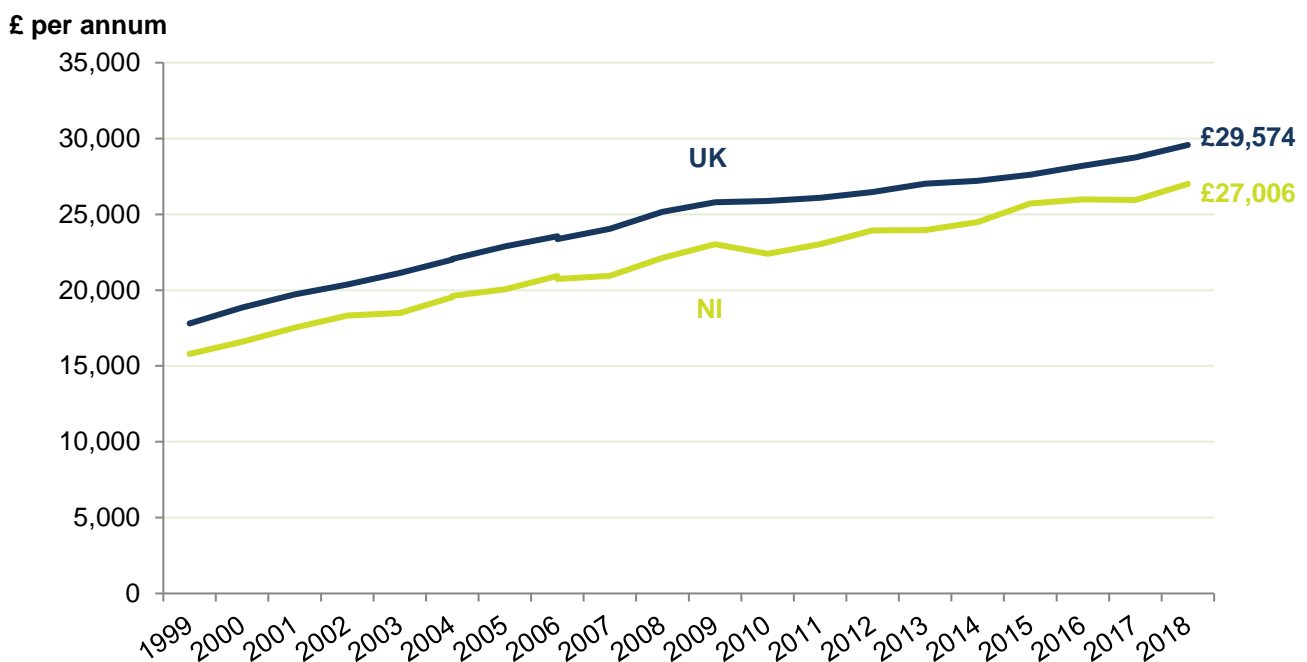
## 1.6 Median annual earnings

**Gross annual earnings** is estimated using annual earnings for the tax year ending 5th April 2018 for employees on adult rates of pay who have been in their job for more than one year.

### Key findings

- Annual earnings increased for full-time employees in NI over the year, but remained lower than UK
- An increase of 4.1% was recorded in full-time earnings for NI compared with a 2.8% increase in the UK
- Male full-time annual earnings increased more than female annual earnings

**Figure 6: Median gross annual earnings for full-time employees in NI and the UK by gender, April 1999 to 2018**



Note: there were a number of methodological changes during the series in 2004, 2006 and 2011. See Section 6 Further information for full details. Annual earnings data is only available from 1999.

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

- increased (4.1%) over the last reporting period (to £27,006), compared with a 2.8% increase recorded in the UK
- were 8.7% lower than the UK (£27,006 compared with £29,574)
- showed a higher increase in full-time male earnings than the UK (4.7% in NI compared with 2.3% in the UK)
- were greater than £48,941 for the top 10 percent of employees
- were £25,529 for females, an increase of 2.4% from 2017, and £27,973 for males, a 4.7% increase from 2017.

The difference between male and female annual earnings can partly be attributed to males working more hours on average (see section 1.7). Further information on annual earnings can be found on the [HMRC website](#).

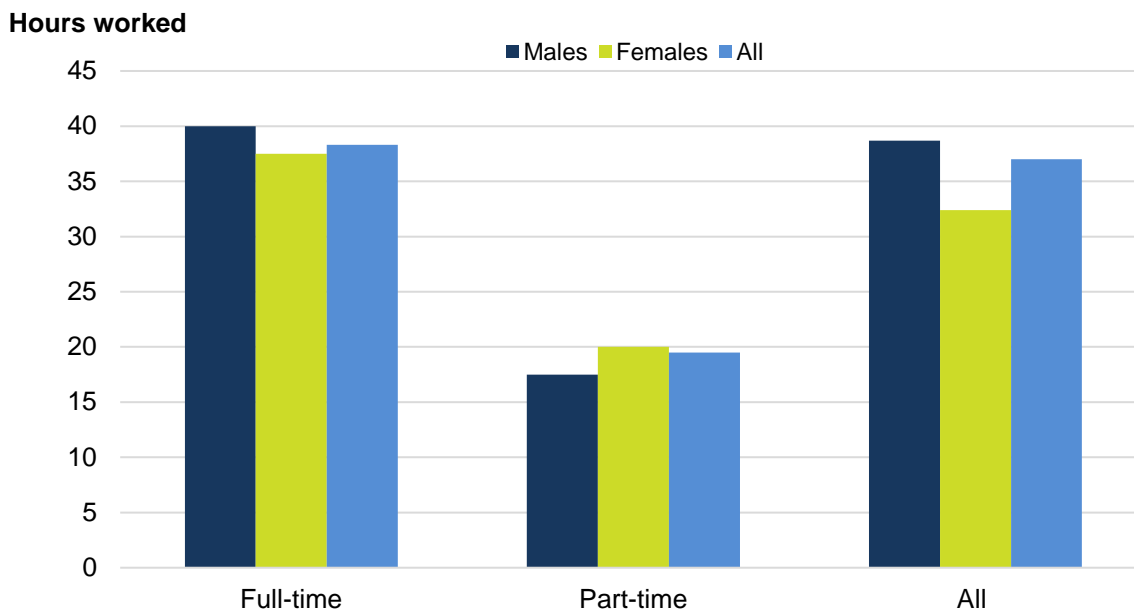
## 1.7 Paid hours

**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.

### Key findings

- Total weekly paid hours worked by full-time employees increased by 0.2 hours over the year and is now 0.8 hours greater than the UK
- Paid hours increased for the third consecutive year

**Figure 7: Median weekly paid hours worked by working pattern and gender, NI, April 2018**



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Figure 7 shows that, in April 2018:

- in full-time employment, males worked more paid hours per week (40 hours) than females (37.5 hours)
- in part-time employment, females worked more paid hours per week (20 hours) than males (17.5 hours)
- overall, males (38.7 hours) worked over 6 hours more than females (32.4 hours), driven by the fact that a greater proportion of males work full-time (84%) compared with females (58%).

The median total weekly paid hours worked by full-time employees:

- has remained constant in the UK since 2004 (37.5 hours)
- has been more varied in NI, ranging from a low of 37.5 hours in 2003 to a high of 38.9 hours in 2008
- is now 0.8 hours higher in NI (38.3 hours) than in the UK (37.5 hours)
- was higher in NI across the whole series
- has increased in NI for the third consecutive year.