

# 3 Public/private sector comparison

This section presents weekly earnings for the public and private sector. Some of the difference between earnings in the public and private sectors 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 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 \(2013\)](#)

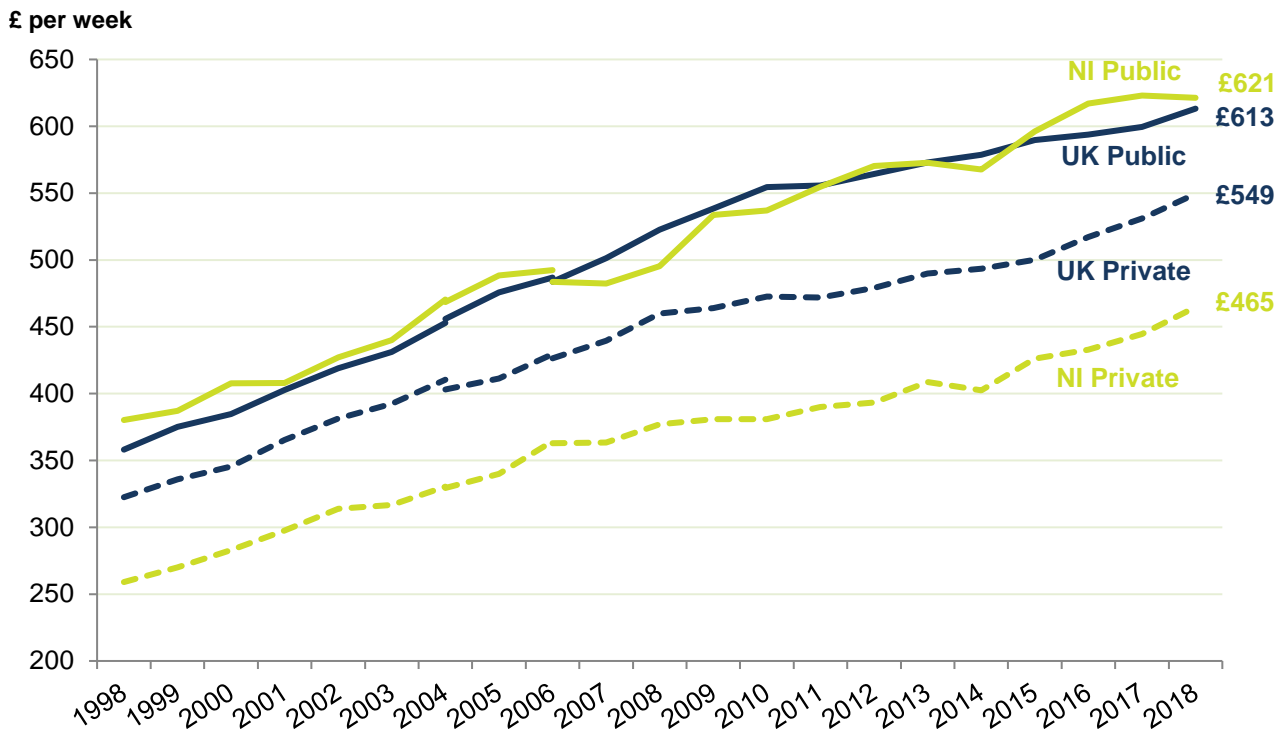
**Public sector:** The NI public sector can be broken down into five areas: NI central government; Bodies under aegis of NI central government; UK central government employees based in Northern Ireland; Local government; Public corporations.

**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 a third higher than private sector earnings
- Private sector full-time weekly earnings increased over the year while public sector weekly earnings decreased
- Gap between NI and UK private sector median decreases

**Figure 10: Median gross weekly earnings for full-time employees in NI and the UK in the public and private sectors, 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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Analysis of median gross weekly earnings for full-time employees at April 2018 shows that:

- earnings of public sector employees (£621) in NI were 33.7% higher than those for private sector employees (£465). In the UK, earnings were 11.6% higher in the public sector (£613) than in the private sector (£549)
- earnings of public sector employees in NI were 1.3% higher than in the UK. This is the fourth consecutive year where earnings in the public sector have been higher in NI than UK.
- earnings of private sector employees in NI were 15.4% lower than in the UK, which is a smaller gap than last year (16.3%).
- over the year earnings for NI public sector employees decreased (0.3%), while they increased in the private sector (4.5%). The UK had increases of 2.3% in public sector and 3.5% in private sector earnings.

Further breakdowns of employees in the public and private sectors show that:

- those in the lowest 10% of the private sector full-time weekly earnings distribution experienced an increase (4.8%) at a similar rate to those in the highest 10% (5.5%), and increases were experienced right across the distribution
- those in the lowest 10% and highest 10% of the public sector full-time weekly earnings distribution experienced similar decreases (0.4% and 1.1% respectively)
- the lowest earning 10% of workers in the private sector (those at the 10th percentile) earned the same as the current National Living Wage (£7.83). In contrast, those at the 10th percentile of the public sector (£9.95) earned more per hour than those at the 40th percentile of the private sector (£9.89)
- within the industries that are dominated by public sector jobs, Education decreased (3.3% to £702), and Public administration and defence remained unchanged (£603), while Human health and social work activities increased at a higher rate than the NI average (4.3% to £547).