4 Gender pay gap

Various methods can be used to measure the earnings of women relative to men. This section is based on full-time median hourly earnings excluding overtime; including overtime can distort the picture as men work relatively more overtime than women, and using hourly earnings better accounts for the fact that men work, on average, more hours per week than women. Although median hourly pay excluding overtime provides useful comparisons of men's and women's earnings, it does 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. For example, a higher proportion of women work in professional occupations, which tend to offer higher salaries.

Gender pay gap: The headline measure is calculated as the difference between the average full-time hourly earnings (excluding overtime) of men and women, as a proportion of average full-time hourly earnings (excluding overtime) of men's earnings.

 $\frac{male\ earnings-females\ earnings}{male\ earnings}$

Figure 11, which follows, presents the gender pay gap for NI and UK, while **Figures 12 and 13** illustrate why full-time females earn more than full-time males in NI. **Figure 14** shows that, when the analysis is expanded to include all employees (full-time and part-time), the gender pay gap changes in favour of men.

4.1 Overview of gender pay gap

Key findings

- Largest gender pay gap in favour of woman since the survey began
- Females earned less than males in all of the nine occupation groups
- NI is the only region in the UK where full-time females earned more than full-time males
- When all employees (full-time and part-time) are considered, males earned more than females

Figure 11: Gender Pay Gap in NI and the UK, April 1998 to 2018

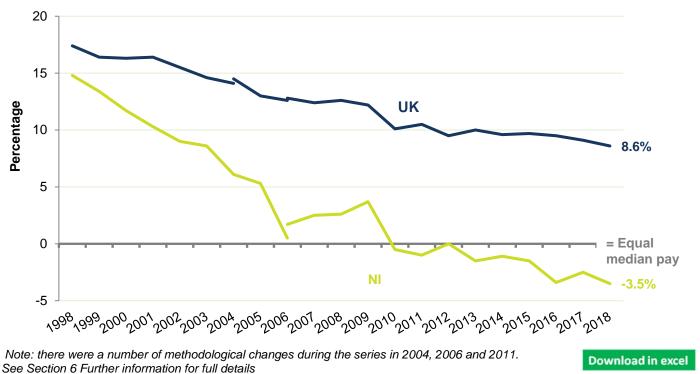


Figure 11 shows that:

- full-time females earned 3.5% more than full-time males in 2018, the largest gender pay gap in favour of females since the series began in 1997
- since 2010 the full-time female median hourly earnings excluding overtime have been greater than or equal to that of full-time male earnings
- in 2018 full-time hourly earnings for females (£12.94) were 3.5% greater than those for fulltime males (£12.50). This contrasts with the UK where, although the gap is at an all-time low, full-time females still earned 8.6% less than full-time males (£13.54 and £14.81 respectively)
- NI is the only UK region where full-time females earned more than full-time males on average.

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

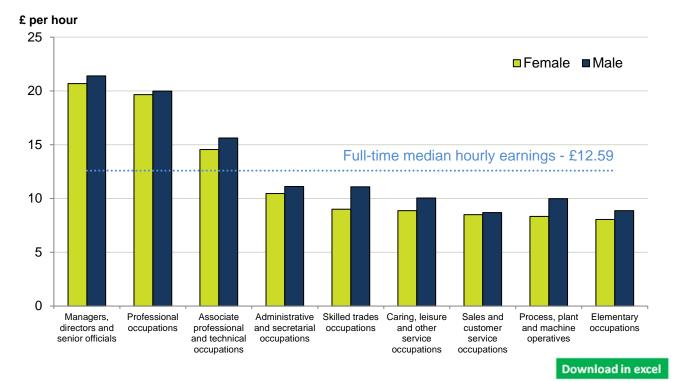


Figure 12: Median gross hourly earnings excluding overtime for full-time employees in NI by occupation and gender, April 2018

An analysis of median full-time hourly earnings excluding overtime for 2018 across the occupational groupings shows that:

- females earned less than men on average in all of the nine occupation groups
- the difference in male and female pay tended to be higher in occupations with a higher proportion of males. The greatest difference in earnings was in Skilled Trades occupations where males earned £2.07 more per hour than females. Over 90% of employees within this occupation group were male
- there are differences in the jobs that males and females do. There was a larger proportion of full-time females (39%) than full-time males (30%) employed in the top two earning occupation groups, both paying more than £19 per hour on average
- due to a greater proportion of females working in the higher paying occupations, the average pay of females was higher than males, despite males earning more on average in each occupation.

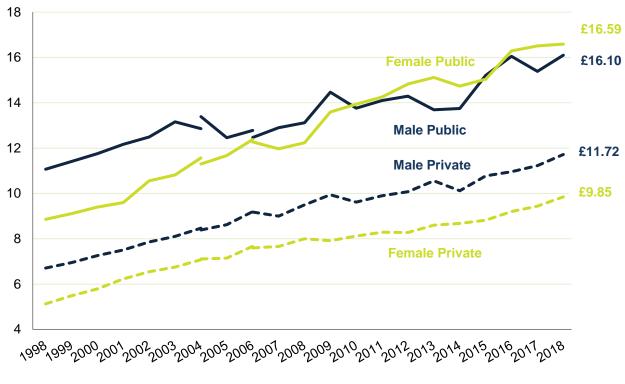


Figure 13: Median gross hourly earnings excluding overtime for full-time employees in NI by sector and gender, April 1998 to 2018

£ per hour

Non-zero axis

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

An analysis of median full-time hourly earnings excluding overtime in the public and private sectors shows that:

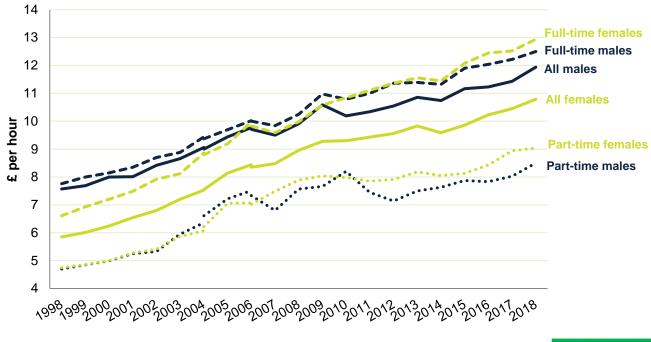
- · females earned more in the public sector on average than males
- females earned less in the private sector on average than males
- public sector employees earned more on average than private sector employees
- close to half of full-time females work in the public sector compared to approximately a quarter of full-time males
- due to the composition effect of a higher relative proportion of females than males (50% compared with 25% respectively) working in the public sector, where earnings are higher on average, median earnings for females were higher than males.

4.3 Gender pay gap for all employees

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 14: Median gross hourly earnings excluding overtime by gender in NI, April 1998 to April 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 Download in excel

Figure 14, presenting hourly earnings for males and females disaggregated by working pattern, shows that:

- part-time earnings for females (£9.03) were greater than part-time earnings for males (£8.50)
- full-time earnings for females (£12.94) were greater than full-time earnings for males (£12.50)
- total hourly earnings (full-time and part-time combined) for males (£11.94) were £1.15 higher than the total hourly earnings for females (£10.79)
- the higher earnings for 'all' males is primarily due to a higher proportion of males in full-time work, which has higher hourly rates of pay on average than part-time employment. This concept is known as the 'part-time effect' and is explained visually <u>here</u>.