

# 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 [NISRA 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.

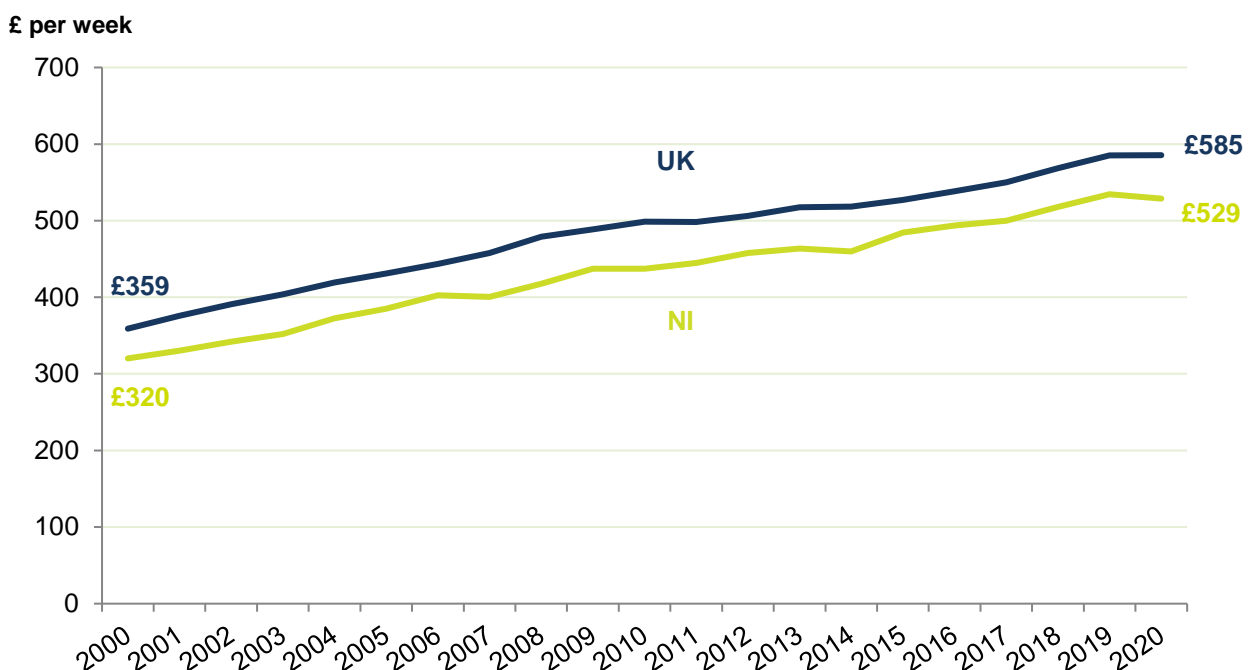
**Full-time employee** is defined as anyone aged 16 years or over that is directly paid from a business’s payroll for carrying out more than 30 paid hours per week (or 25 or more for the teaching professions).

### Key findings

- Weekly earnings in NI decreased by £5.90 (1.1%) over the year and increased by £0.30 (0.1%) in the UK
- This is the largest of only three decreases recorded in NI over the last 20 years

### Largest annual decrease in earnings in 20 years – impacted by furlough pay

Figure 1: Median gross weekly earnings for full-time employees in NI and the UK, April 2000 to April 2020



Note: there were a number of methodological changes during the series in 2004, 2006 and 2011. See Section 4 Further information for full details.

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Over the last 20 years in NI, the median gross weekly earnings for full-time employees has increased by an average of around £10 each year. However, over the year to April 2020, weekly earnings decreased by £6 to £529. This is only the third annual decrease in the last 20 years, and is the largest decrease on record.

Weekly earnings decreased in 5 of the 12 UK regions over the year. The decrease of 1.1% in NI was the second largest decrease of all the regions (second only to North East which decreased by 2.2%), and weekly earnings in NI remain the second lowest of all the UK regions.

Weekly earnings overall in the UK increased by 0.1% to £586. The difference between the UK and NI median therefore widened over the year with NI median weekly earnings now £57 or 9.7% below the UK median.

## 1.2 Real earnings

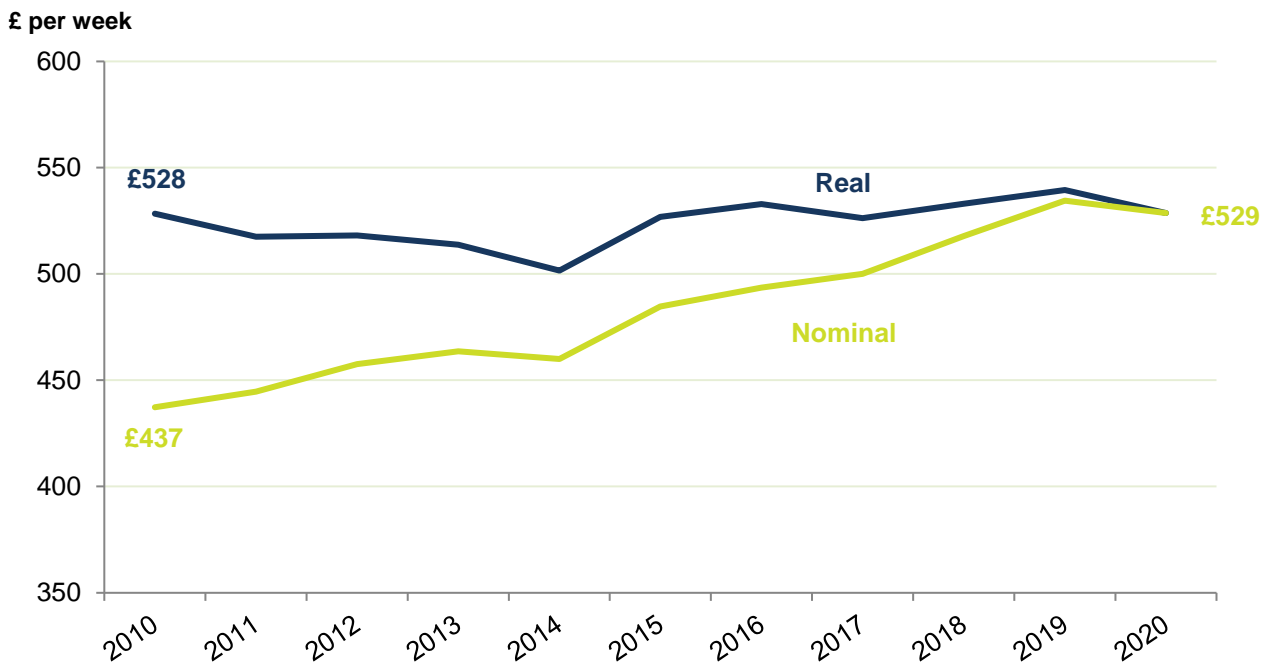
**Real earnings** are earnings with the effects of inflation removed. This provides a comparison of the amount of goods and services that can be bought over time (also known as purchasing power). Real earnings are calculated by adjusting historic earnings data using the Consumer Price Index including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

### Key findings

- Real earnings decreased over the year (2.0%)
- Real earnings have returned to 2010 levels

### Gains in real earnings in 2018 and 2019 reversed as earnings return to 2010 levels

**Figure 2: Median gross weekly earnings for full-time employees in nominal and real (2020) terms, April 2010 to April 2020**



Note: there was a methodological change during the series in 2011.  
See Section 4 Further information for full details.  
Non-zero axis

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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 2020 are approximately £90 more than in 2010, while real earnings have remained relatively unchanged.

Over the year, real weekly earnings decreased by 2.0%, in contrast to the increase of 1.2% recorded the previous year. This compares with an annual decrease of 0.9% in the UK, following an increase of 1.0% over the year to 2019.

### 1.3 Total Paid hours

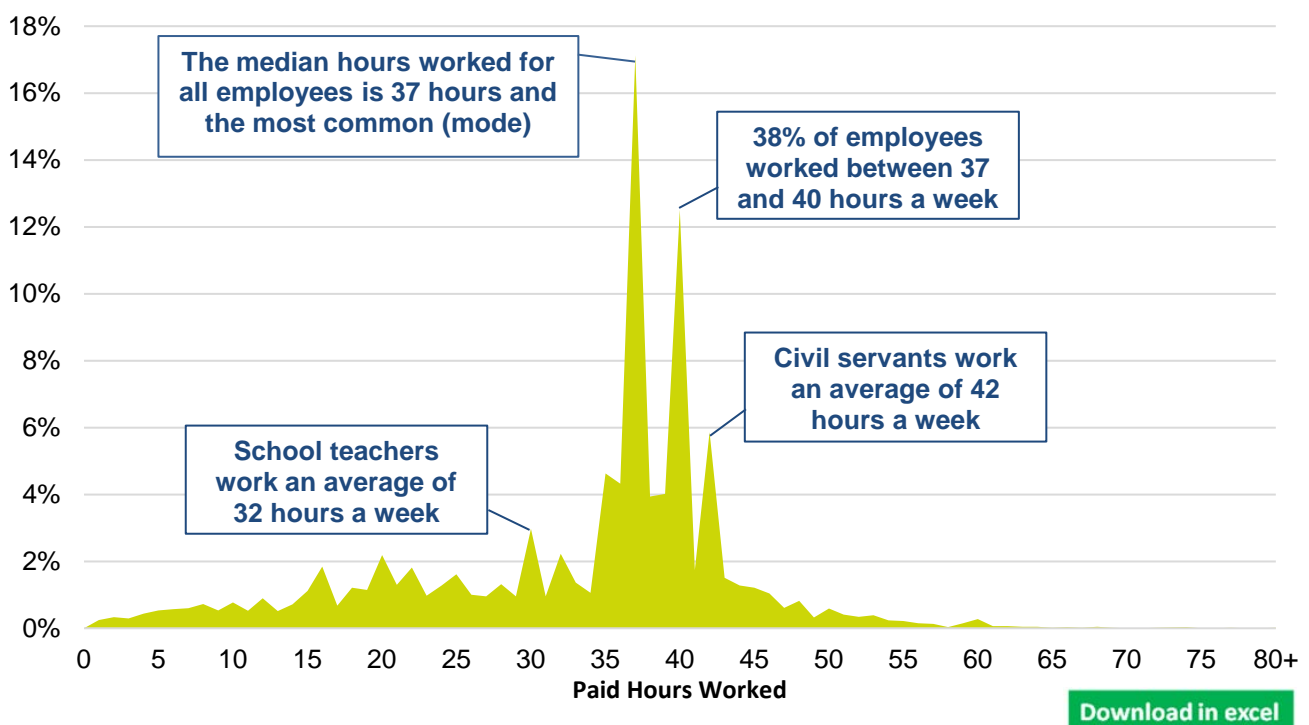
**Total weekly paid hours worked** is made up of paid basic hours and paid overtime hours. It is calculated using employees on adult rates whose pay was unaffected by absence. It includes people on paid leave and furloughed staff who were paid for hours they didn't work, but excludes people on statutory 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 0.5 hours greater in NI than the UK

#### No notable change in total paid hours worked over the year

**Figure 3: Distribution of total weekly paid hours for all employees in NI, April 2020**



Although approximately a quarter of employees were furloughed and working zero hours, their *paid* hours were unaffected. In 2020, full-time employees in NI worked an average of 38.0 hours per week, 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. The median paid hours for full-time employees decreased over the year by 0.3 hours (0.6%).

When compared to the UK, the median paid hours in NI were 0.5 hours higher for full-time employees (38.0 hours compared with 37.5 hours), 1.0 hours higher for part-time employees (20.0 hours compared with 19.0 hours) and 0.5 hours higher for all employees in 2020 (37.4 hours compared with 36.9 hours).

Nearly 38% of employees worked between 37 and 40 hours per week, equivalent in hours to the standard '9 to 5'. 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. Comparing with last year, although those working under 30 hours per week remained unchanged (27%), those working over 42 hours decreased from 12% to 10%.

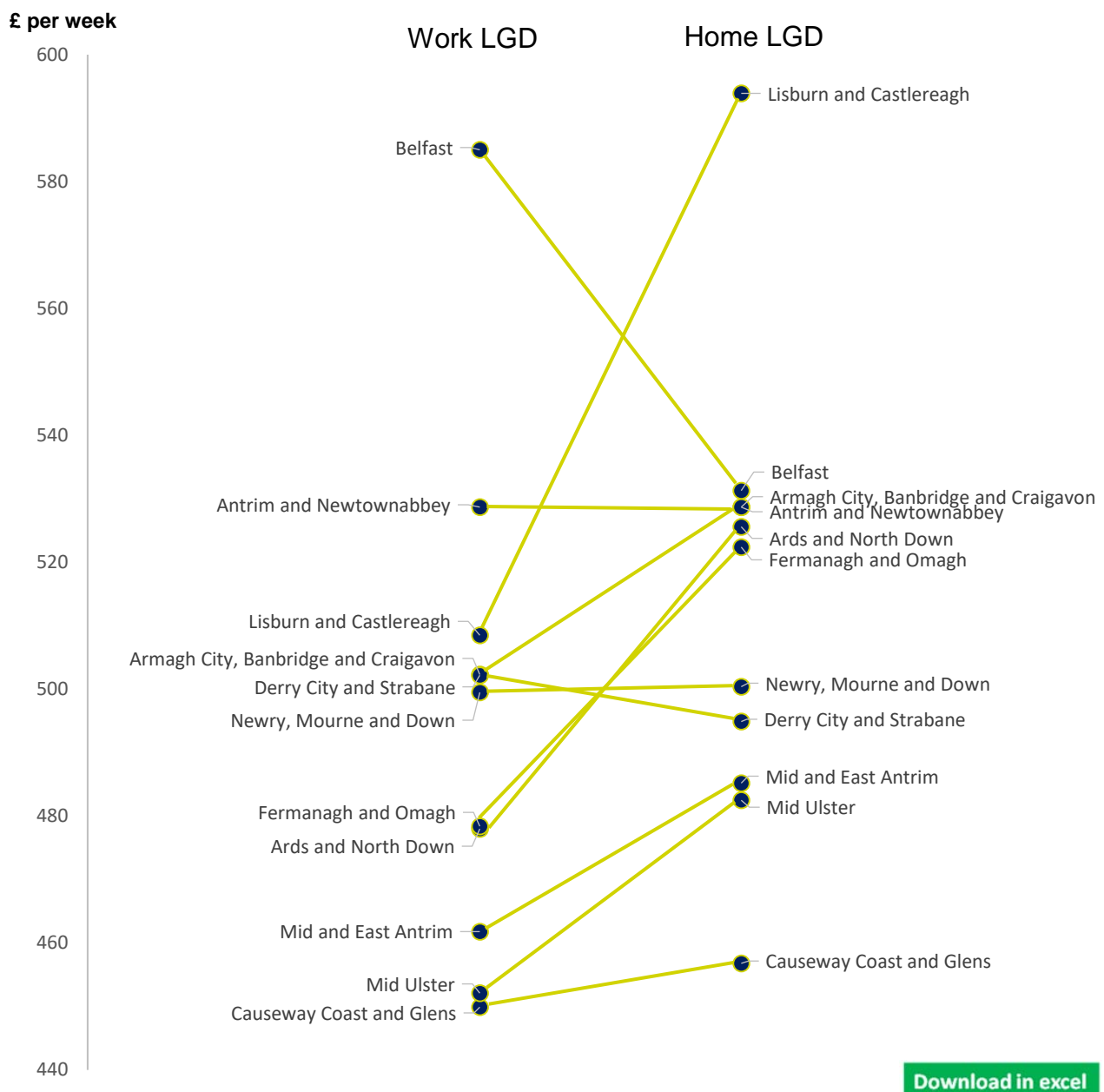
## 1.4 Earnings by Local Government District

### Key findings

- Weekly earnings by place of work were highest in Belfast and lowest in Causeway Coast and Glens
- Fermanagh and Omagh had the largest decrease in median earnings over the year
- Ards and North down had the largest increase in median earnings over the year

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

Figure 4: Median gross weekly earnings for full-time employees in NI by work and home LGD, April 2020



In April 2020, full-time employees working in Belfast earned £585 on average per week. This was £135 more than the median weekly earnings for those working in the Causeway Coast and Glens (£450).

Causeway Coast and Glens had the lowest earnings of the local government districts, but had a small increase in median weekly pay for full-time employees (0.4%) over the year. The largest decrease in earnings was in Fermanagh and Omagh, with a decrease of £54 over the year (10.1%) to £478. In contrast, Ards and North Down had the largest increase, with an increase of £31 over the year (6.9%) to £478. Only 4 of the 11 council areas reported an increase in median earnings for full-time employees who work there.

When earnings by place of residence are considered, the ranking of the LGDs changes, reflecting commuting patterns. Median weekly pay for full-time employees was highest for residents in Lisburn and Castlereagh (£594, up 0.5%) and lowest for Causeway Coast and Glens (£457, down 5.4%) residents. Similar to work location, only 4 of the 11 council areas reported an increase in median earnings for full-time employees who live there.

Median earnings were lowest in Causeway Coast and Glens, Mid Ulster, and Mid and East Antrim while Belfast, Antrim and Newtownabbey, and Lisburn and Castlereagh had the highest earnings when both place of work and residence were considered.

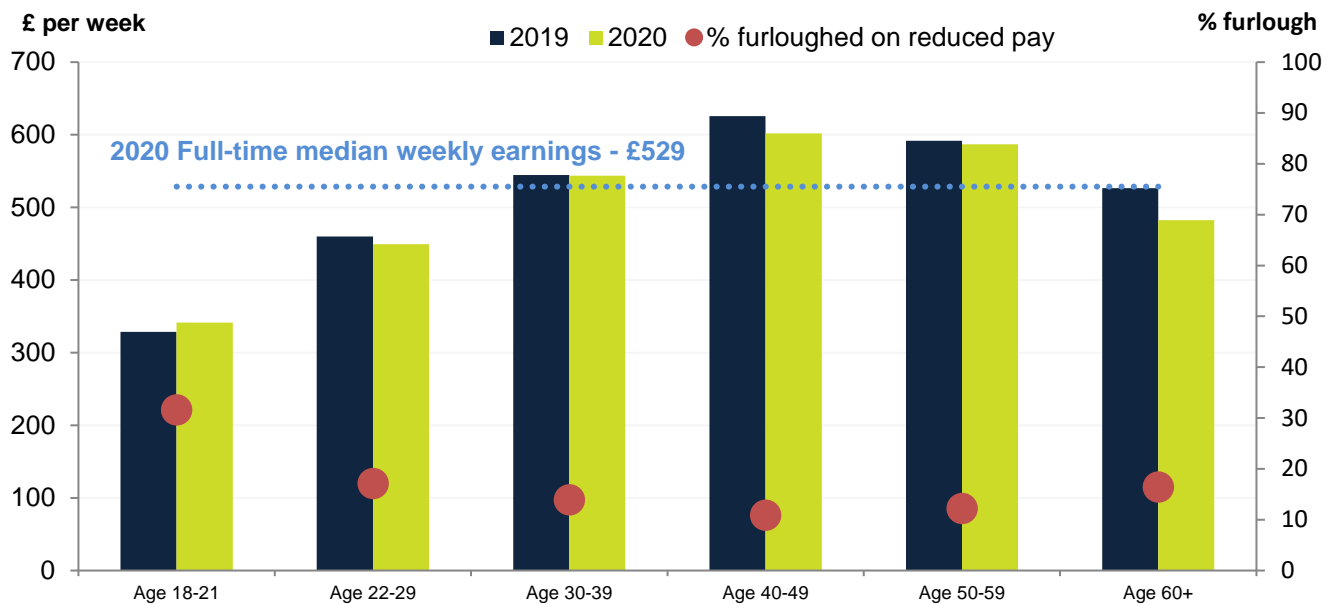
## 1.5 Earnings by age group

### Key findings

- Full-time employees aged 40-49 had the highest weekly earnings in 2020 and those aged 18-21 had the lowest
- Employees aged 60+ saw the largest decrease in earnings
- Those aged 18-21 had the only increase from the age groups considered

### 40-49 year olds have the highest earnings on average

Figure 5: Median gross weekly earnings for full-time employees in NI by age group, April 2020



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Figure 5 shows the median weekly earnings for full-time employees by age group in both 2019 and 2020. The proportion furloughed on reduced rates of pay in each age group is included for context. Within the survey sample, approximately 25% of all employees were furloughed and 15% furloughed and on reduced rates of pay.

Analysis of full-time weekly earnings by age group shows that those aged 18-21 (£341) are the lowest paid age group, earning on average approximately £190 a week below the median for all full-time employees. Although this age group had the highest percentage of employees furloughed at reduced rate of pay, it showed an increase in full-time weekly earnings over the year.

The largest decrease in weekly earnings over the year was recorded in the 60+ age group (8.4%).

Employees aged 40-49 had the highest weekly earnings and were the only age band with average earnings of more than £600 in 2020. They were also the age band with the lowest proportion of employees furloughed on reduced rate of pay at the time of the survey.

## 1.6 Earnings by occupation

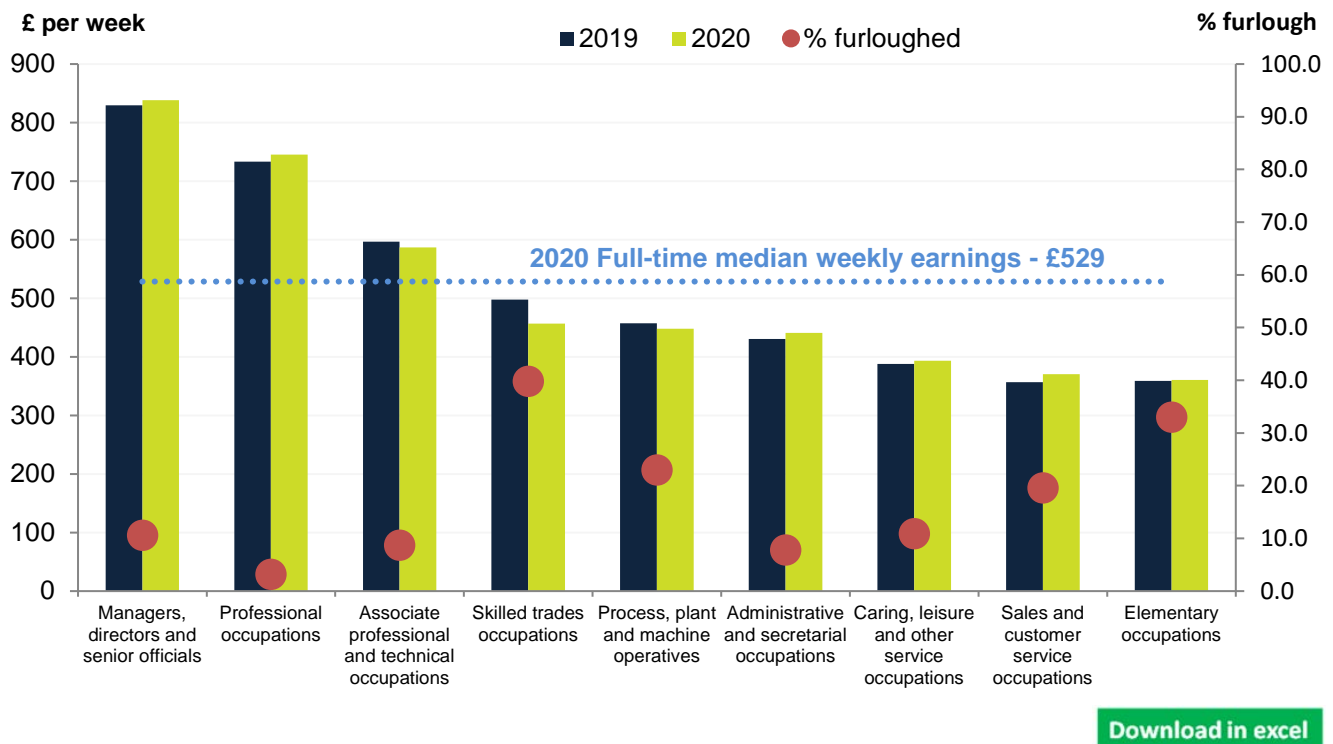
**Occupation:** Results are collated using the 2010 Standard Occupation Classification (SOC10).

### Key findings

- ‘Managers, directors and senior officials’ had the highest full-time weekly earnings and ‘Elementary occupations’ had the lowest
- ‘Sales and customer service occupations’ showed the largest increase in weekly earnings over the year and ‘Skilled trade occupations’ showed the largest decrease

### Skilled Trade Occupations saw the largest decrease in median earnings

**Figure 6: Median gross weekly earnings for full-time employees in NI by occupation, April 2020**



Analysis of full-time weekly earnings by occupation group shows that ‘Elementary occupations’ (£360) is the lowest paid group, earning on average approximately £170 a week below the median for all full-time employees. ‘Managers, directors and senior officials’ (£838) remained the highest paid group, at £310 a week above the median for all full-time employees and more than double that of the three lowest paid groups.

Weekly earnings decreased in three of the nine occupation groups over the year, with the largest decrease occurring in ‘Skilled trades occupations’ (£457), which decreased by £41 (8.3%) between April 2019 and April 2020. Earnings for ‘Process, plant and machine operatives’ and ‘Associate professional and technical occupations’ also decreased over the year (2.0% and 1.7% respectively).

The largest increase occurred in ‘Sales and customer service occupations’ (£370), which increased by £14 (3.8%) between April 2019 and April 2020. ‘Professional occupations’ and ‘Administrative and secretarial occupations’ also increased by more than £10 per week over the year. The highest earning occupation group, ‘Managers, directors and senior officials’, saw an increase of £9 (1.1%)



over the year, with 'Elementary occupations', at the other end of the earnings scale, seeing a smaller increase of £2 (0.5%).

Although 'Skilled trades occupations' had both the highest percentage of furloughed staff on reduced pay in the occupational headline groups (recorded by the ASHE survey) and the highest decrease in median earnings, there was no overall relationship between the proportion furloughed and change in median earnings across occupation groups. 'Administrative and secretarial occupations', and 'Associate professional and technical occupations' reported, respectively, an increase and a decrease in median earnings, despite having similar proportions furloughed on reduced rates of pay.

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](#)

## 1.7 Earnings by industry

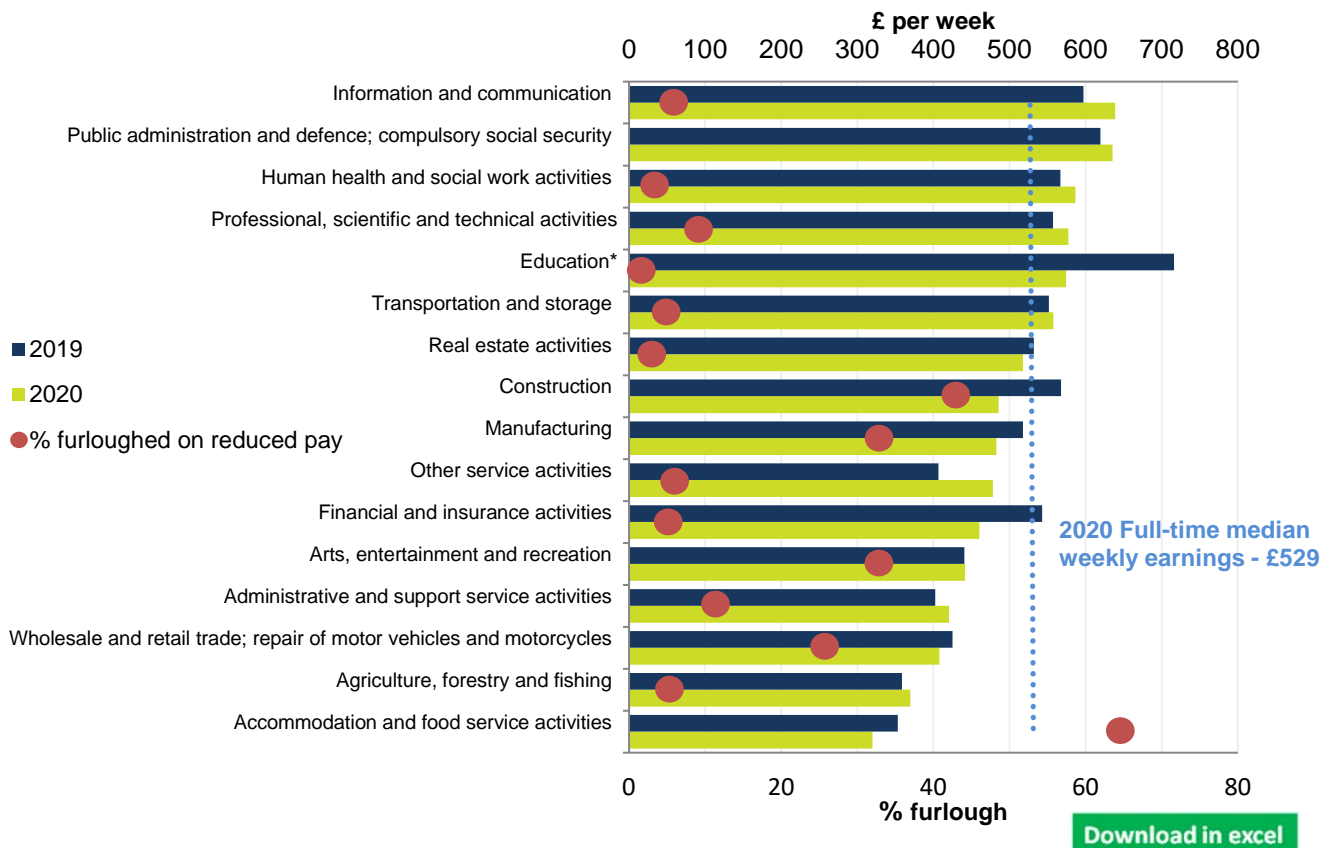
**Industry:** Results are collated using the 2007 Standard Industrial Classification (SIC07).

### Key findings

- ‘Information and communication’ industry had the highest full-time weekly earnings and ‘Accommodation and food services activities’ had the lowest
- Decreases in full-time earnings were reported in almost half of industry sectors over the year (7 out of the 16 reported in the survey in both years<sup>1</sup>)

### Change in median earnings varied by sector

**Figure 7: Median gross weekly earnings for full-time employees in NI by industry, April 2020**



In NI, weekly earnings for full-time employees at April 2020 were highest in ‘Information and communication’ (£639) and lowest in ‘Accommodation and food service activities’ (£320). Decreases were recorded in 7 of the 16 sectors that were reported for full-time employees<sup>1</sup>.

\*The quality of the provisional 2020 estimate in the ‘Education’ sector has been impacted by a relatively low response rate and bias in returns from this sector. A significant number of responses relating to the ‘Education’ sector were received after the survey closed and will be included in the 2020 final revised estimates. Changes in earnings across the industry sectors ranged from a decrease in ‘Financial and insurance activities’ (15% to £460), to an increase of 18% in ‘Other service activities’ (£478).

Four of the five industries with the largest proportion (all above 25%) of employees furloughed on reduced pay during the survey period saw decreases in earnings over the year ranging from 4.1% to 14%. The impact of furlough on individual industry sectors is dependent on the number of employees furloughed, where they are in the earnings distribution, and the distribution range.

<sup>1</sup> Full-time estimates were not published for 5 of the 21 industry sectors due to small sample sizes in those sectors.

## 1.8 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.

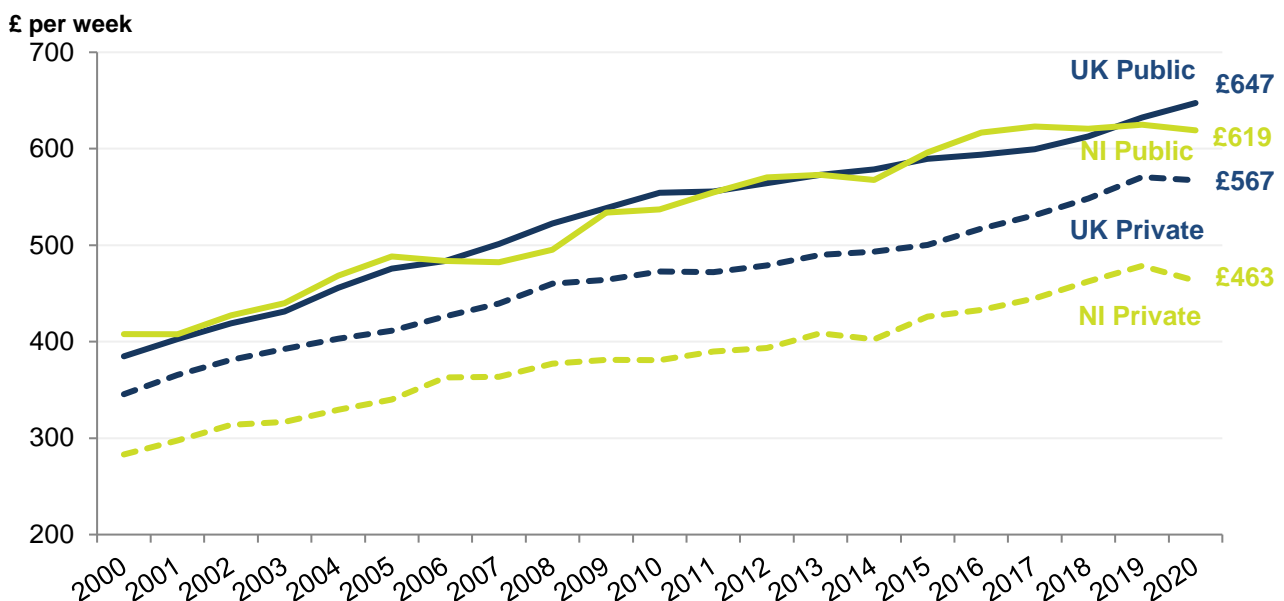
**Private sector:** The private sector encompasses all for-profit businesses (that are not owned or operated by the government). This does not include any non-profit body or mutual association.

### Key findings

- Median public sector earnings were a third higher than private sector earnings
- Larger decrease in private sector full-time weekly earnings over the year than in the public sector
- Largest difference between NI and UK median earnings in both public and private sector in the last 20 years

### Gap between NI and UK pay widens in both public and private sector

**Figure 8: Median gross weekly earnings for full-time employees in NI and the UK in the public and private sectors, April 2000 to April 2020**



Note: there were a number of methodological changes during the series in 2004, 2006 and 2011.

See Section 4 Further information for full details.

ASHE recorded 0% of public sector and 24% of private sector employees were furloughed at a reduced rate at 22<sup>nd</sup> April 2020

Non-zero axis

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

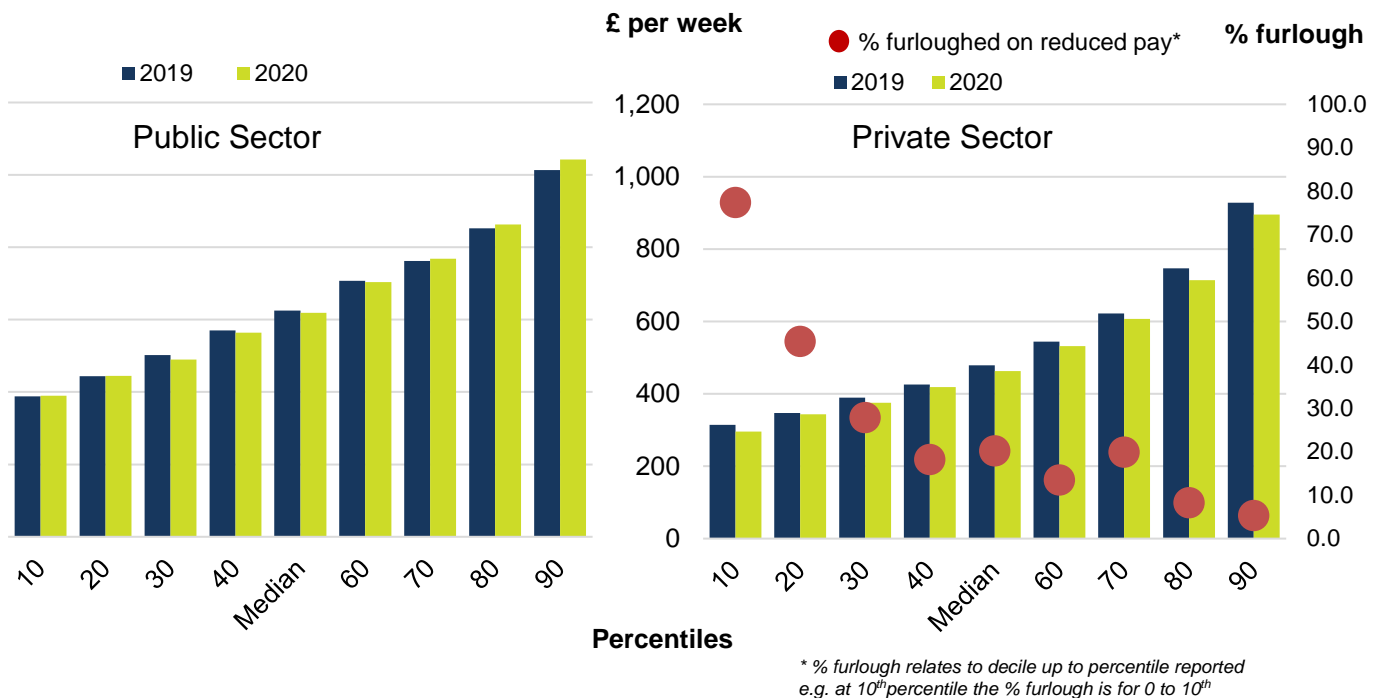
In April 2020, full-time weekly earnings of public sector employees (£619) in NI were 34% higher than those for private sector employees (£463). In comparison, full-time weekly earnings in the UK were 14% higher in the public sector (£647) than in the private sector (£567). Some of the difference between 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 2020 both the NI public and private sector full-time medians were below their UK equivalent, and, at £28 and £104 lower respectively, represented the largest differences since 2000. Within the public sector, the divergence resulted from an increase in UK public sector pay of 2.4% while public sector earnings in NI decreased by 0.9%. Within the private sector, although both NI and UK median earnings decreased over the year (the first private sector decrease in UK for 20 years), the rate of decrease was lower in UK at 0.6% than in NI at 3.2%.

### Decreases across all earning groups in the Private sector, where almost a quarter of employees were furloughed on reduced pay

**Figure 9: Median gross weekly earnings for public and private sector full-time employees, April 2019 and April 2020**



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Decreases were experienced right across the distribution of NI private sector employees, of whom 24% were furloughed on reduced pay. Those in the lowest 10% experienced the largest decrease in earnings over the year of 5.7%; within this grouping, over three-quarters received furlough pay at a reduced rate in the survey period. The pay at the 90<sup>th</sup> percentile (the value at which 10% are paid higher) decreased by 3.5%.

The picture varied within the public sector. Those in the lowest 10% of the public sector full-time weekly earnings distribution increased by 0.5%, and those in the highest 10% increased by 2.9%, the greatest increase within the deciles.