

October 2018

Northern Ireland Annual Survey of Hours and Earnings

Geographical Area: Northern Ireland
Theme: Labour Market
Frequency: Annual

Key points

- Median gross weekly earnings for full-time employees (“weekly earnings”) in April 2018 were £521, an increase of 4.2% from £500 in 2017. This is the largest increase recorded since 2015 (5.4%).
- When adjusted for inflation, weekly earnings increased by 2.0%, following a decrease in real earnings last year.
- In the UK, weekly earnings were £569, an increase of 3.5% from 2017 (£550). This is the largest increase in 10 years. When adjusted for inflation, UK weekly earnings increased by 1.2%, which, similar to NI, followed a decrease in real earnings last year.
- Northern Ireland experienced, along with West Midlands, the largest increase (4.2%) in weekly earnings of the 12 UK regions, which all saw an increase over the year, and improved from third lowest earning region last year to fifth lowest in April 2018.
- Private sector weekly earnings increased by 4.5% over the year, while public sector weekly earnings decreased by 0.3%. Private sector weekly earnings (£465) were 25% lower than public sector earnings (£621).
- In part due to the continued impact of the National Living Wage, those in the lowest 10% of the full-time weekly earnings distribution experienced a larger increase (4.4%) than those in the highest 10% (1.9%).
- Median hourly earnings for full-time females (£12.94) were 3.5% greater than those for full-time males (£12.50). This is the largest difference in favour of females since females first experienced higher average hourly rates than men in NI in 2010.
- NI remains the only region in the UK where full-time females earn more per hour on average than full-time males. In the UK as whole full-time males earned 8.6% more than full-time females per hour.
- Median annual earnings increased by 4.1% for all full-time employees in NI over the year to £27,006, but remained lower than the UK median of £29,574. The highest 10% of earners earned above £48,941.
- The total weekly hours worked by full-time employees in NI increased by 0.2 hours over the year to 38.3 hours, and are now 0.8 hours higher than the UK.

Commentary

The Annual Survey of Hours and Earnings (ASHE) results for 2018 show increases in earnings for full-time employees across a range of measures including median weekly, hourly and annual earnings. The headline measure of earnings from ASHE is median gross weekly earnings for full-time employees and is referred to as 'weekly earnings' for ease of reporting.

Weekly earnings increased over the year to April 2018 by 4.2% to £521. While earnings in cash terms have generally been increasing each year since 2008 (with the exception of a decrease in 2014), real earnings have not. Real earnings (earnings adjusted for inflation) were on a downward trend between 2009 and 2014, and an upward trend since 2014. Despite improvements since 2014 and the increase of 2.0% in real earnings over the year, real earnings are still below 2009 levels (£527).

At 4.2%, the increase over the year in weekly earnings was the joint largest of the 12 UK regions. However, NI earnings have remained below the UK average over the past 20 years and in 2018, were the fifth lowest of the 12 UK regions.

The increase in weekly earnings over the year was driven by increases in the private sector. Increases in pay were experienced across the spectrum for private sector workers, with those in the lowest 10% of the earnings distribution experiencing an increase of 4.8% and those in the top 10% experiencing a 5.5% increase. The increase in hourly rates of pay at the 10th percentile of the private sector pay distribution is in line with the increase in the National Living Wage from £7.50 in 2017 to £7.83 in 2018. This is a clear indication of its impact on low pay.

Earnings in the public sector decreased marginally (0.3%), however remain above earnings in the private sector (34% higher). Whilst public sector earnings in NI were similar to those in the UK, earnings in the private sector in NI remained below those in the UK and are now equivalent to 85% of the UK private sector median.

NI remains the only region in the UK with a gender pay gap for full-time employees in favour of women. Females earned 3.5% more per hour than males in 2018, in contrast to the UK where females earned 8.6% less than males. The gender pay gap in NI is driven by a larger proportion of full-time females working in higher paid occupations than males, and a larger proportion of full-time females than males working in the public sector. When all employees (full-time and part-time employees) are considered, the gender pay gap is reversed, and males earn more on average than females. This is because a greater proportion of females than males are in part-time work, where average pay is lower.

Context

The headline measure of earnings from the Annual Survey of Hours and Earnings (ASHE) is gross median weekly earnings for full-time employees. This measure is the main focus of this release, but sections are also included for hourly and annual earnings of full-time employees. Figures for full-time and part-time employees combined (as well as part-time employees alone) 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.

This report presents provisional results from the NI element of the 2018 ASHE, which surveyed employee earnings for the pay-week (or other pay-period if the employee was paid less frequently) which included 18th April 2018, the reference date for the latest survey. A total of 6,805 returns were received by NISRA (90% of those employees sampled).

ASHE replaced the New Earnings Survey (NES) from 2004, and ASHE comparisons are therefore only available on a consistent basis from that year onwards. In addition, the introduction of methodological changes in 2006 and 2011 resulted in 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 NI ASHE statistics include the Department for the Economy (DfE) economists who analyse and create briefing on current labour market trends for policy purposes and Trade Unions who use the data to monitor pay levels and the differences between NI and UK earnings.

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

[Annual Survey of Hours and Earnings methodology and guidance](#)

[Quality and Methodology Information for the Annual Survey of Hours and Earnings](#)

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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 gross median 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.

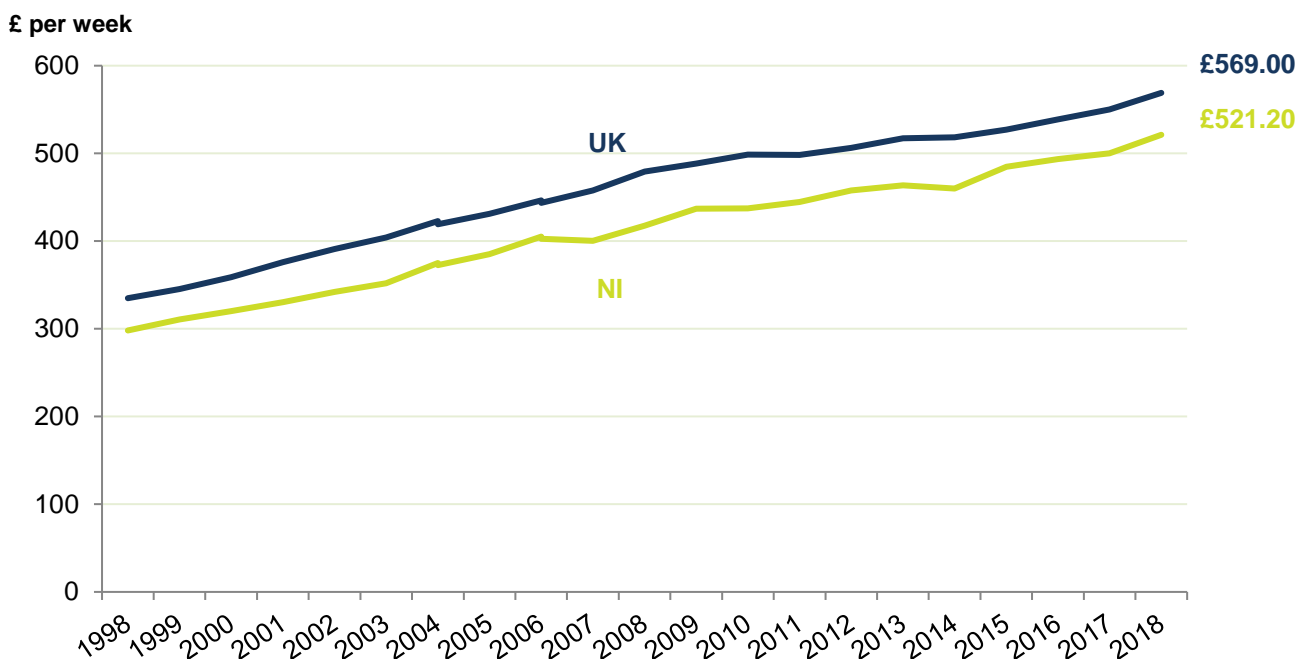
Median measures the amount earned by the average individual, i.e. the level of earnings at which half the population are above and half the population are below.

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.

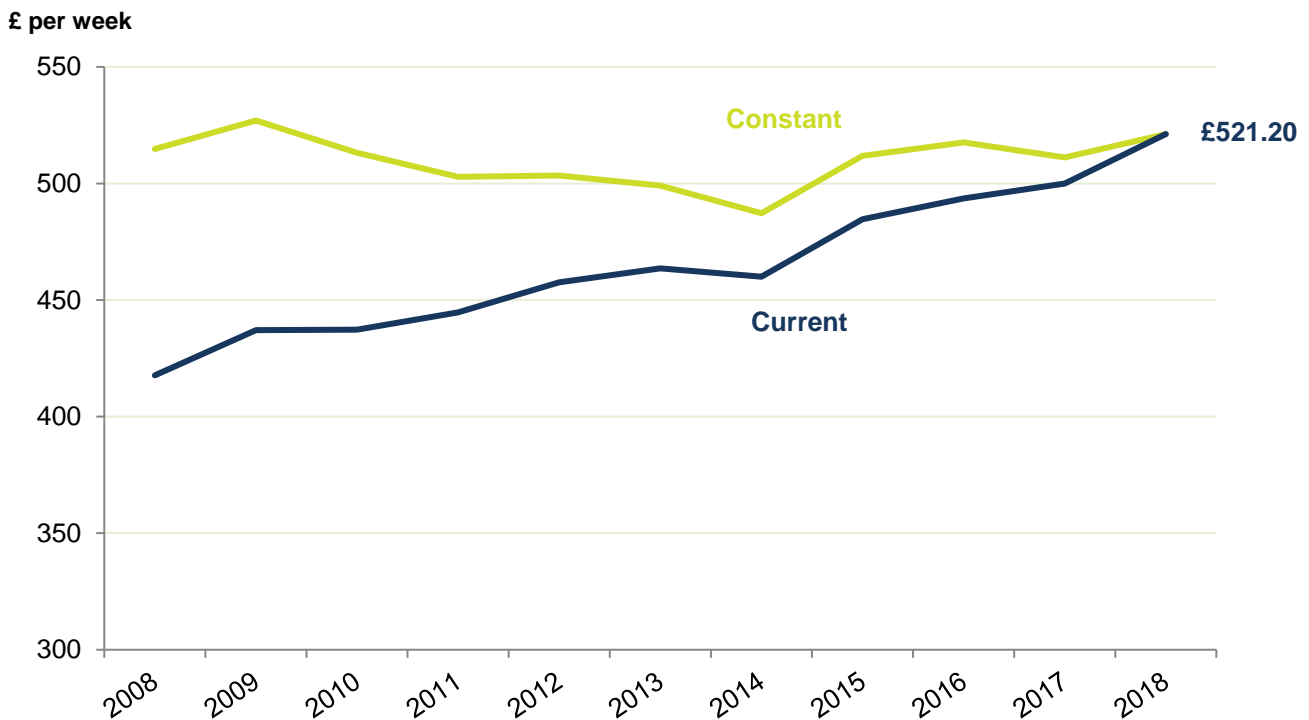
1.2 Constant prices

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.

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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).

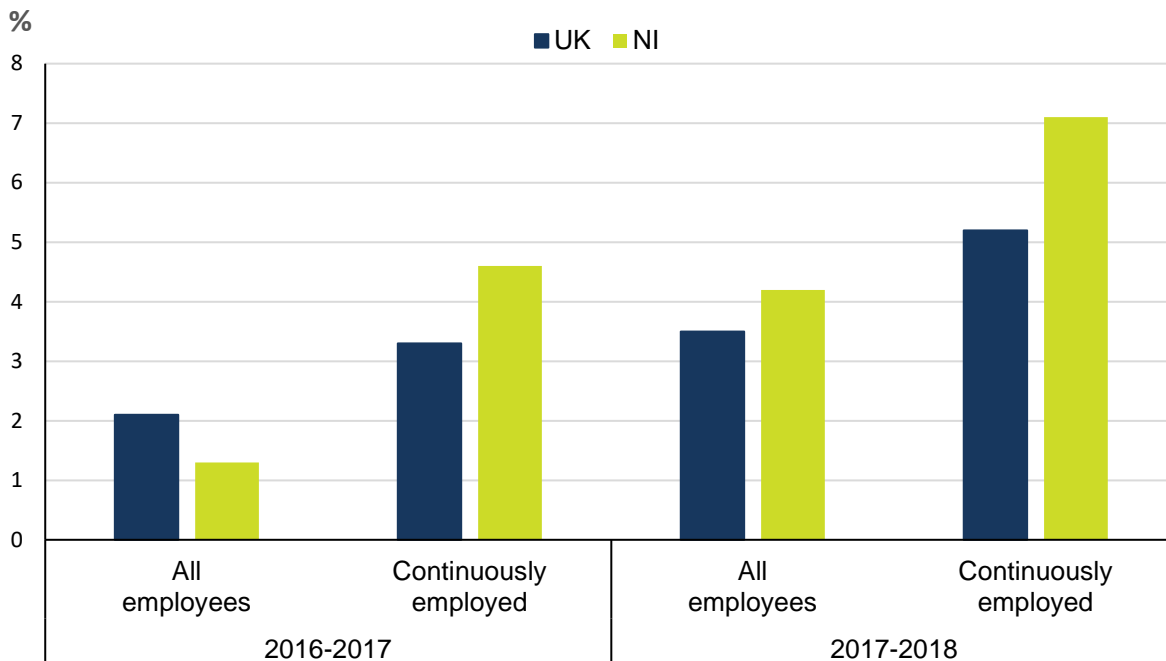
1.3 Continuous employment

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
- NI had a larger increase than 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.

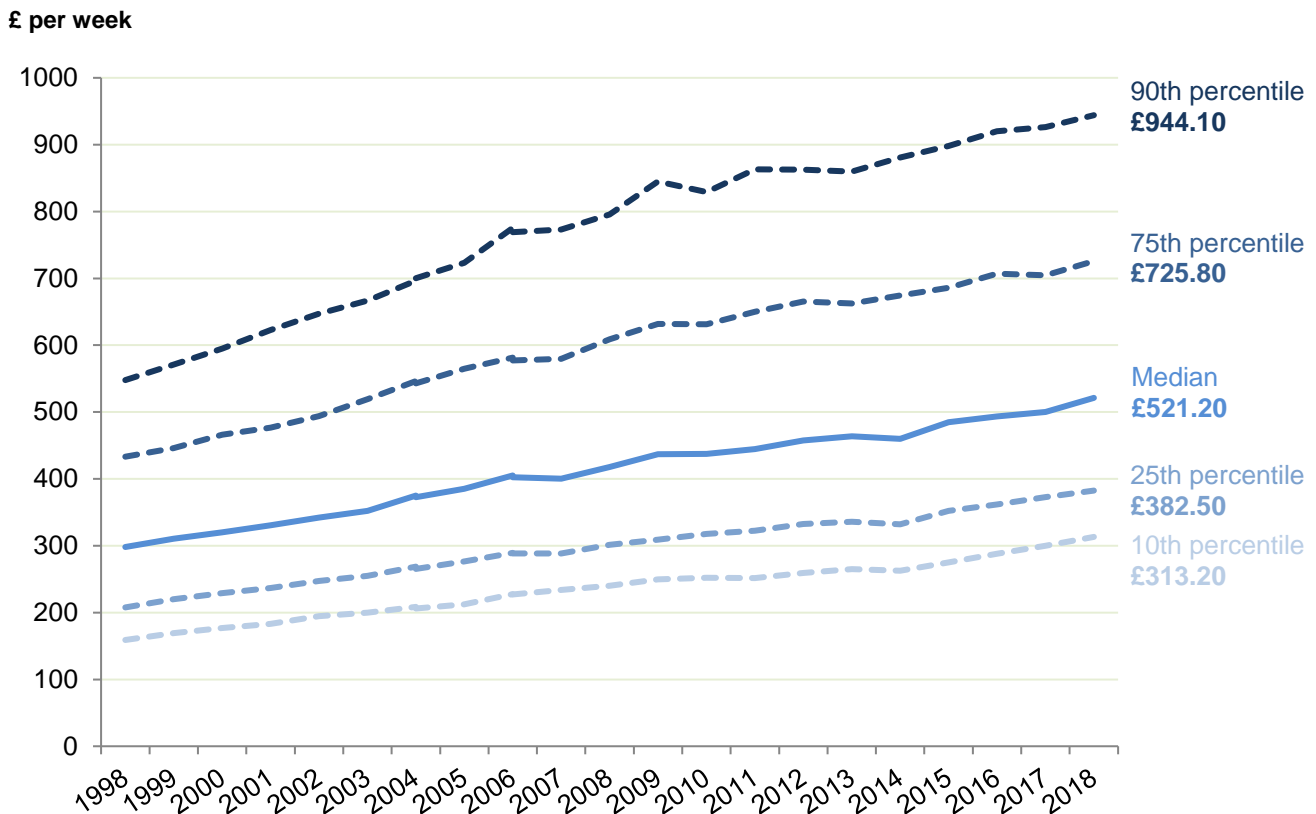
1.4 Distribution of earnings

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 50th percentile.

Key findings

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

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



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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 90th percentile to the 10th percentile has decreased from 3.4 in 1998 to 3.0 in 2018
- earnings at the 10th percentile increased by 4.4% over the year, whilst earnings at the 90th percentile increased by 1.9%.

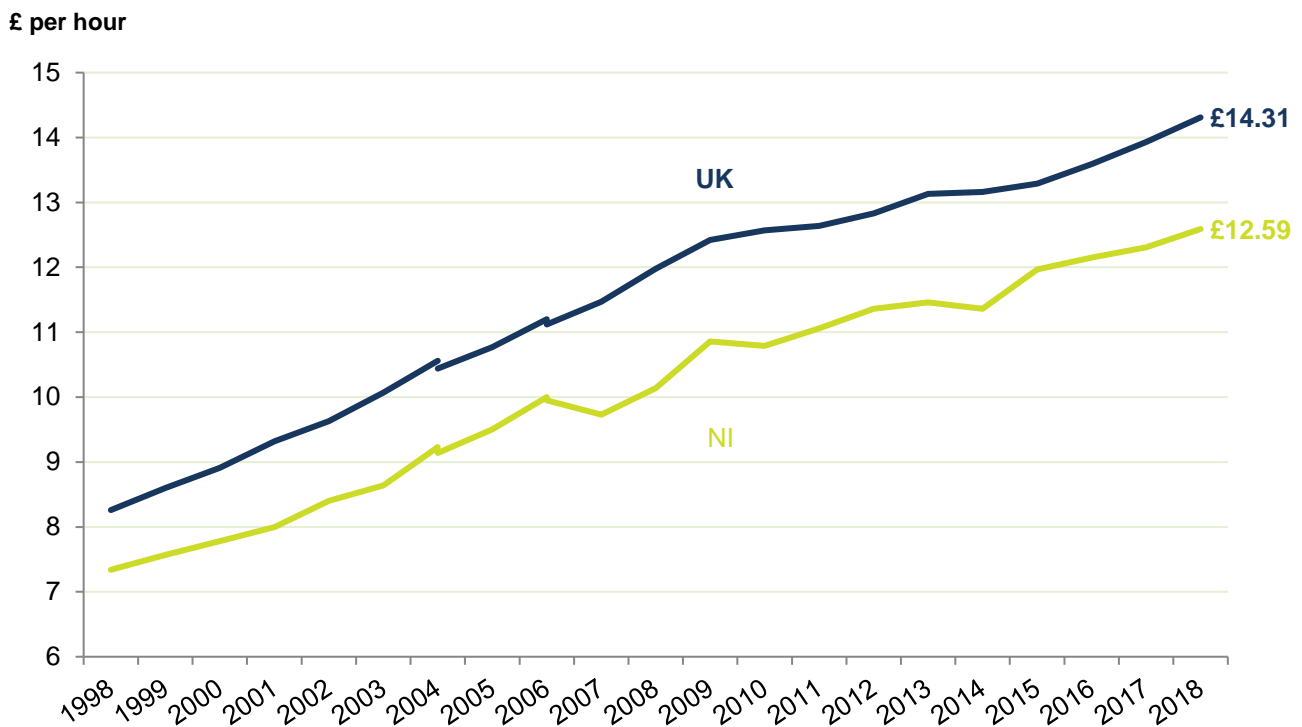
1.5 Median hourly earnings excluding overtime

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.

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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 inflation¹
- has decreased by 3.1% since 2008 in the UK, when adjusted for inflation.

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

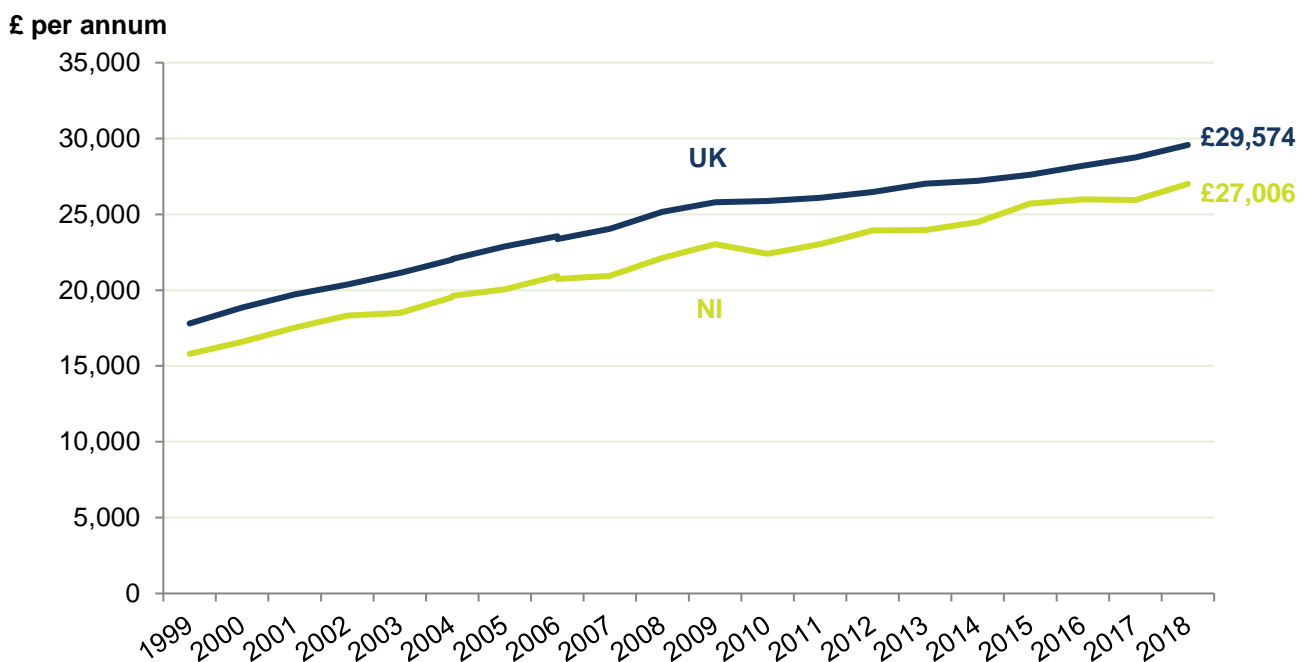
1.6 Median annual earnings

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](#).

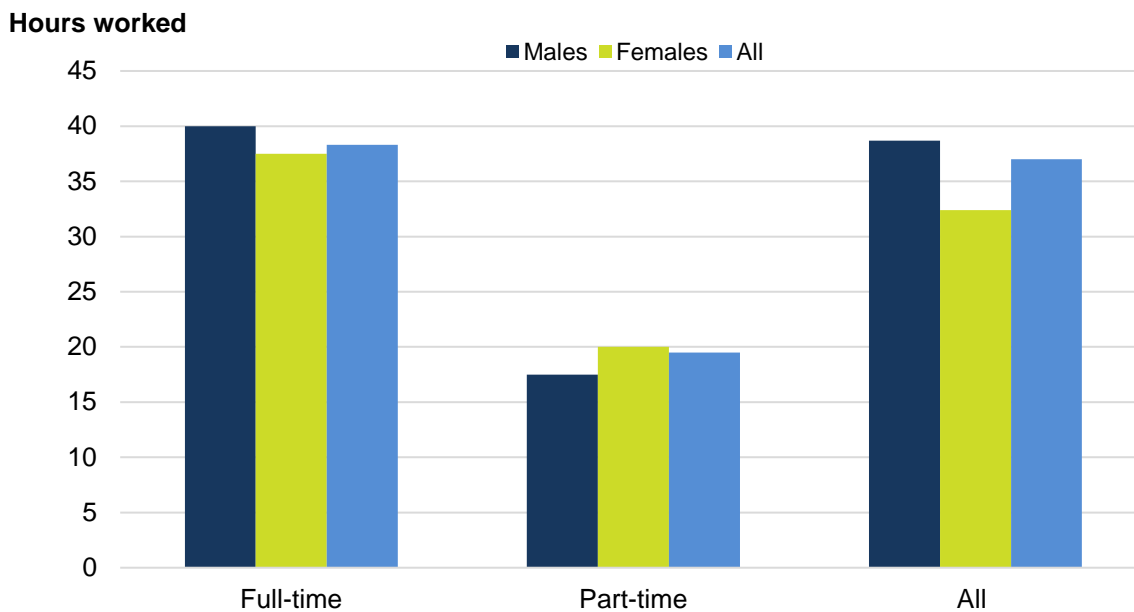
1.7 Paid hours

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 paid weekly 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.

2 Earnings by Occupation & Industry

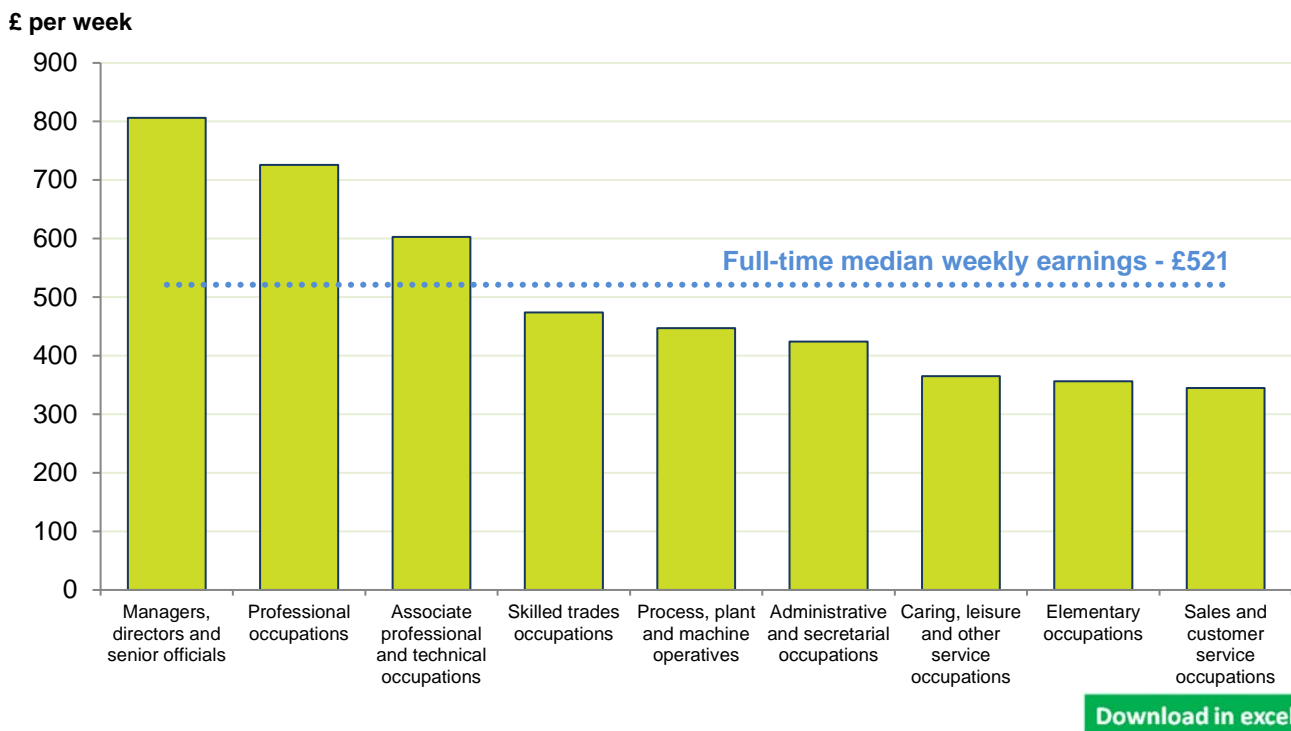
2.1 Earnings by occupation

Occupation: Results are collated using the 2010 Standard Occupation Classification (SOC10). The major group structure is a set of broad occupational categories which are designed to be useful in bringing together unit groups which are similar in terms of the qualifications, training, skills and experience commonly associated with the competent performance of work tasks.

Key findings

- **Managers, directors and senior officials had the highest full-time median weekly earnings**
- **Sales and customer service occupations had the lowest full-time median weekly earnings**
- **Process, plant and machine operatives showed the largest increase for full-time employees in median gross weekly earnings**

Figure 8: Median gross weekly earnings for full-time employees in NI by occupation, April 2018



Analysis of median full-time gross weekly earnings by occupation groups shows:

- Sales and customer service occupations (£345) remained the lowest paid full-time occupational group, while Managers, directors and senior officials (£806) remained the highest
- All nine occupational groups increased over the year
- Process, plant and machine operatives (£447) experienced the largest increase (8.9%) in earnings between April 2017 and April 2018, followed by Caring, leisure and other service occupations (7.5% to £365).
- The smallest increase occurred in Professional occupations (£726), which increased by 1.0%, followed by Administrative and secretarial occupations (£424), which increased by 1.4%

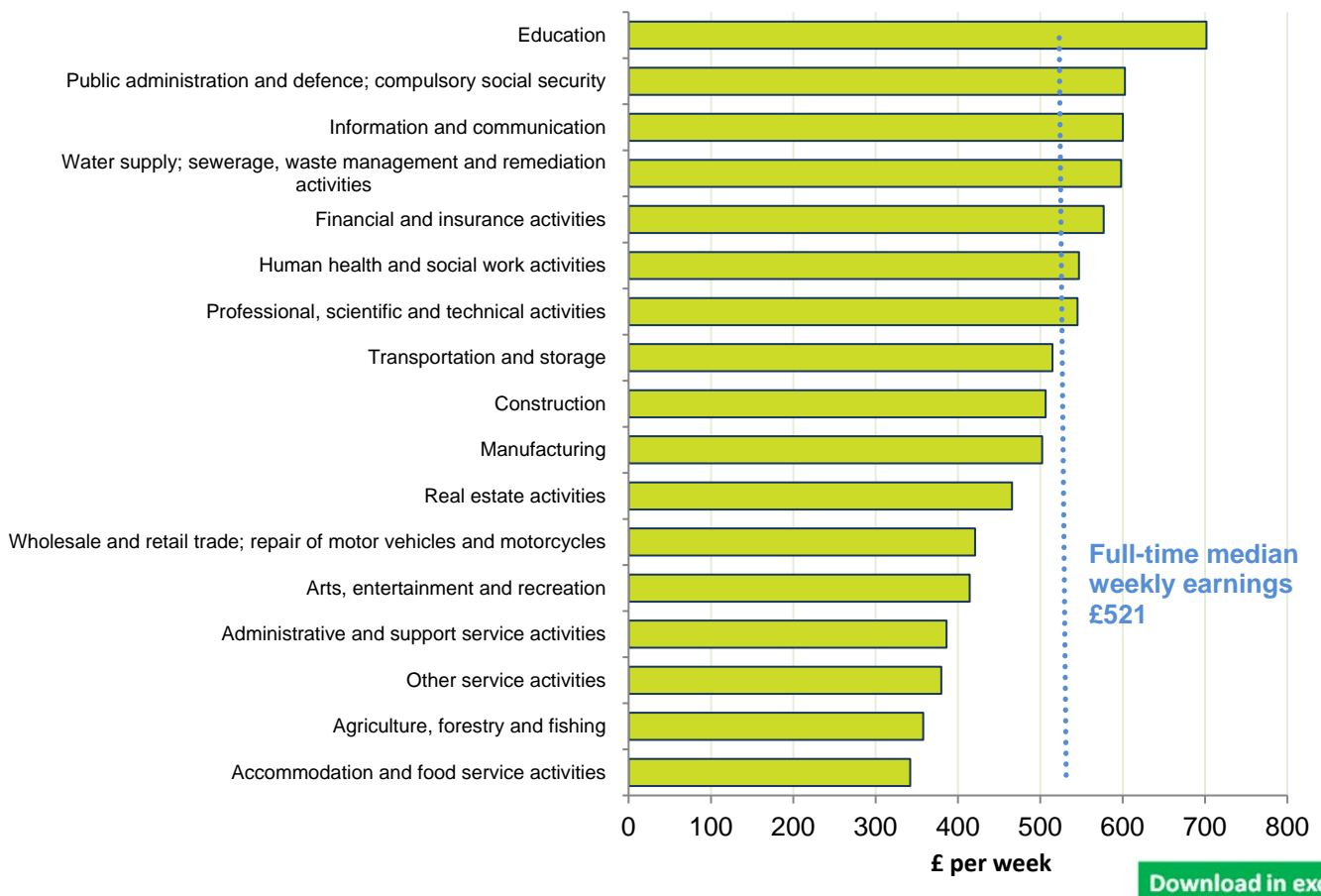
2.1 Earnings by industry

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

Key findings

- Education industry had the highest full-time weekly earnings
- Accommodation and food services activities had the lowest weekly earnings for full-time employees
- Increases in full-time earnings were reported in the majority of industry sectors over the year (11 out of the 17 reported in the survey in both years¹)

Figure 9: Median gross weekly earnings for full-time employees in NI by industry, April 2018



In NI, the median gross weekly earnings for full-time employees at April 2018:

- were highest in the Education industry (£702) and lowest in Accommodation and food service activities (£342)
- increased in 11 of the 17 sectors that were reported for full-time employees¹.
- saw the largest increase (8.7%) in Arts, entertainment and recreation (£414), followed by Accommodation and food service activities (8.4% to £342).
- saw the largest decrease (17.6%) in Other service activities (£380), followed by Information and communication (9.1% to £600).

For information on the output of different NI industries, users may be interested in referring to results from the [Index of Production](#) and the [Index of Services](#) on the NISRA website.

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

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 \(2013\)](#)

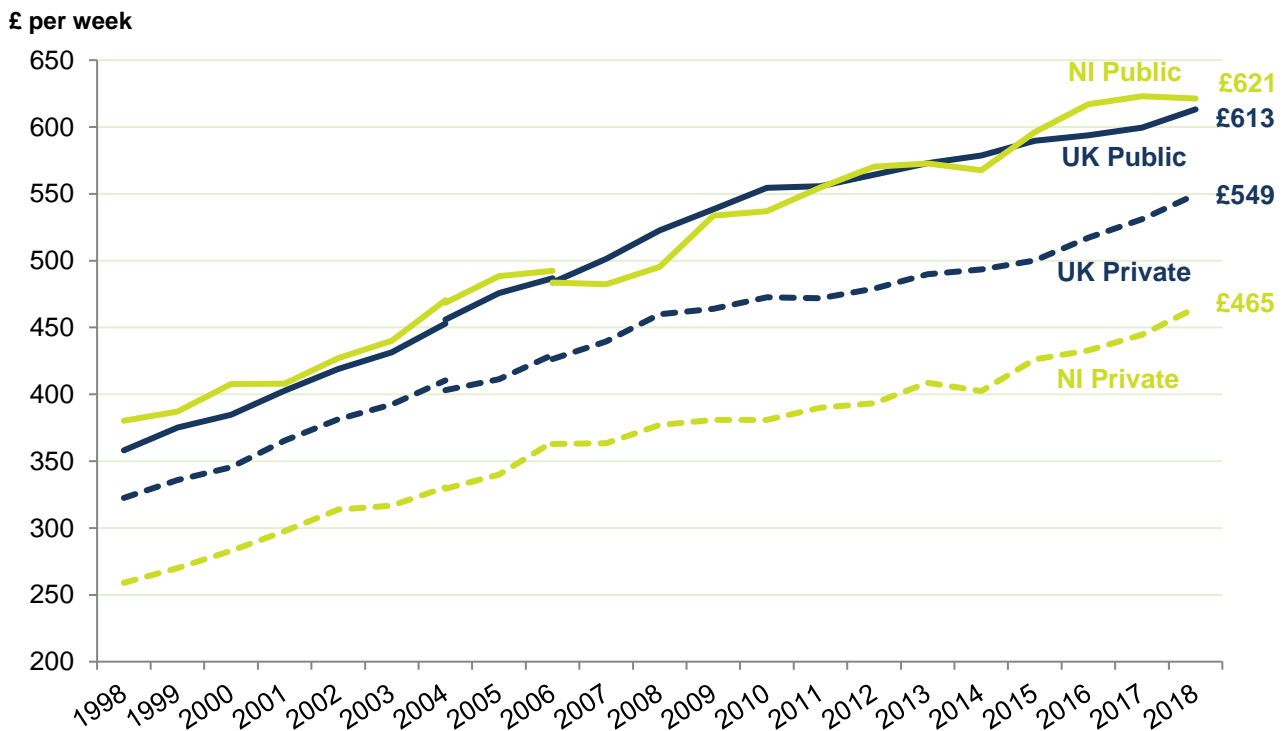
Public sector: The NI public sector can be broken down into five areas: NI central government; Bodies under aegis of NI central government; UK central government employees based in Northern Ireland; Local government; Public corporations.

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).

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.

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

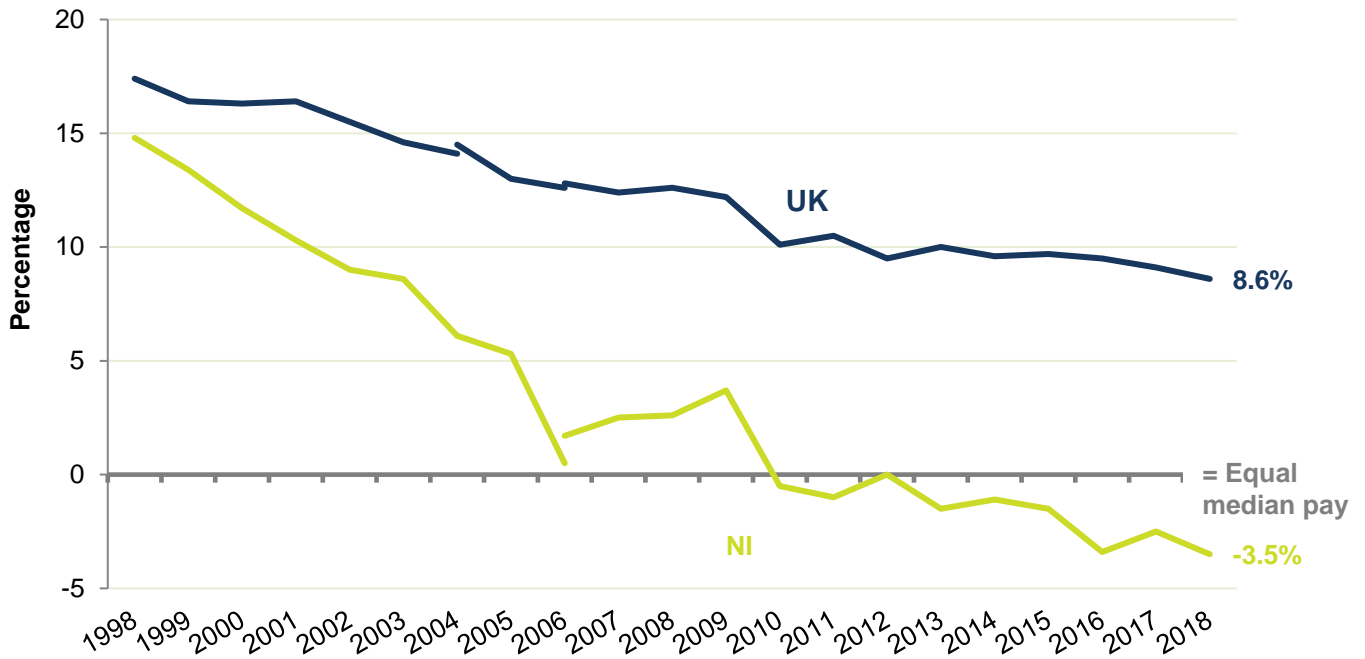
Figure 11, which follows, presents the gender pay gap for NI and UK, while **Figures 12 and 13** illustrate why full-time females earn more than full-time males in NI. **Figure 14** shows that, when the analysis is expanded to include all workers (full-time and part-time), the gender pay gap changes 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 earn less than males in all of the nine occupation groups
- NI is the only region in the UK where full-time females earn more than full-time males
- When all (full-time and part-time employees) are considered, males earn more than females

Figure 11: Gender Pay Gap 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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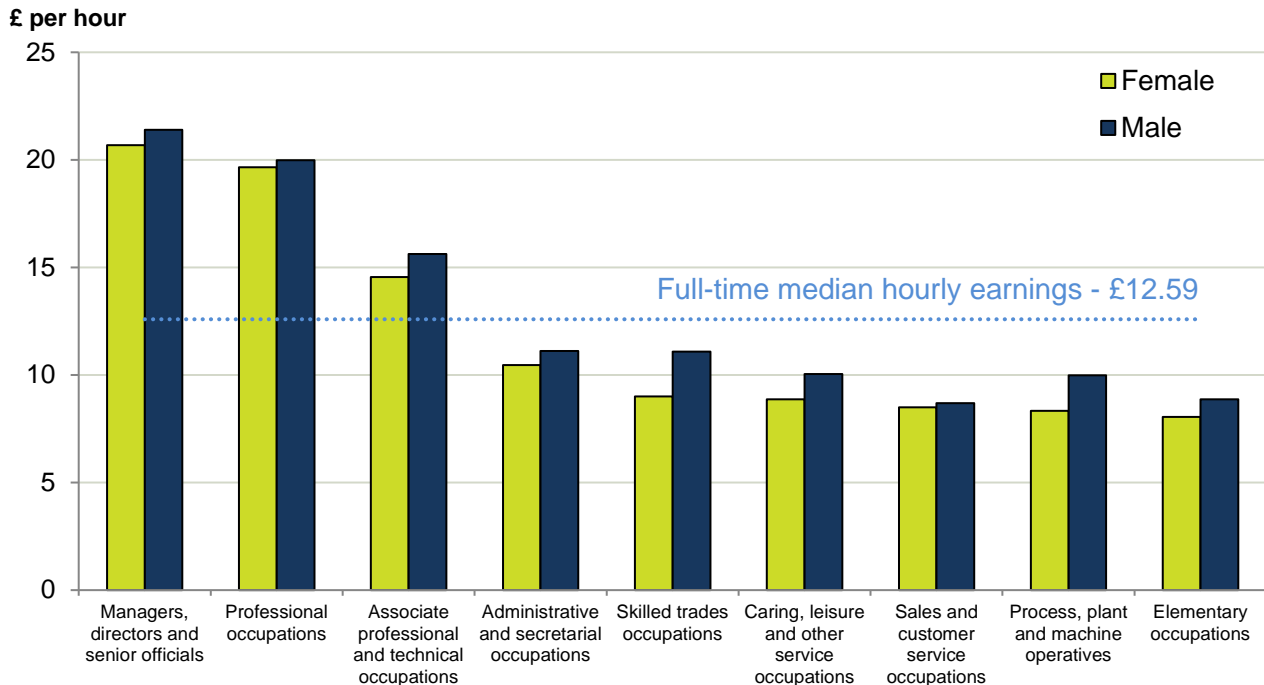
Figure 11 shows that:

- females earned 3.5% more than 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 full-time males (£12.50). This contrasts with the UK where, although the gap is at an all-time low, full-time females still earn 8.6% less than full-time males (£13.54 and £14.81 respectively)
- NI is the only UK region where full-time females earn more than full-time males on average.

4.2 Hourly Pay by Occupation and Sector

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



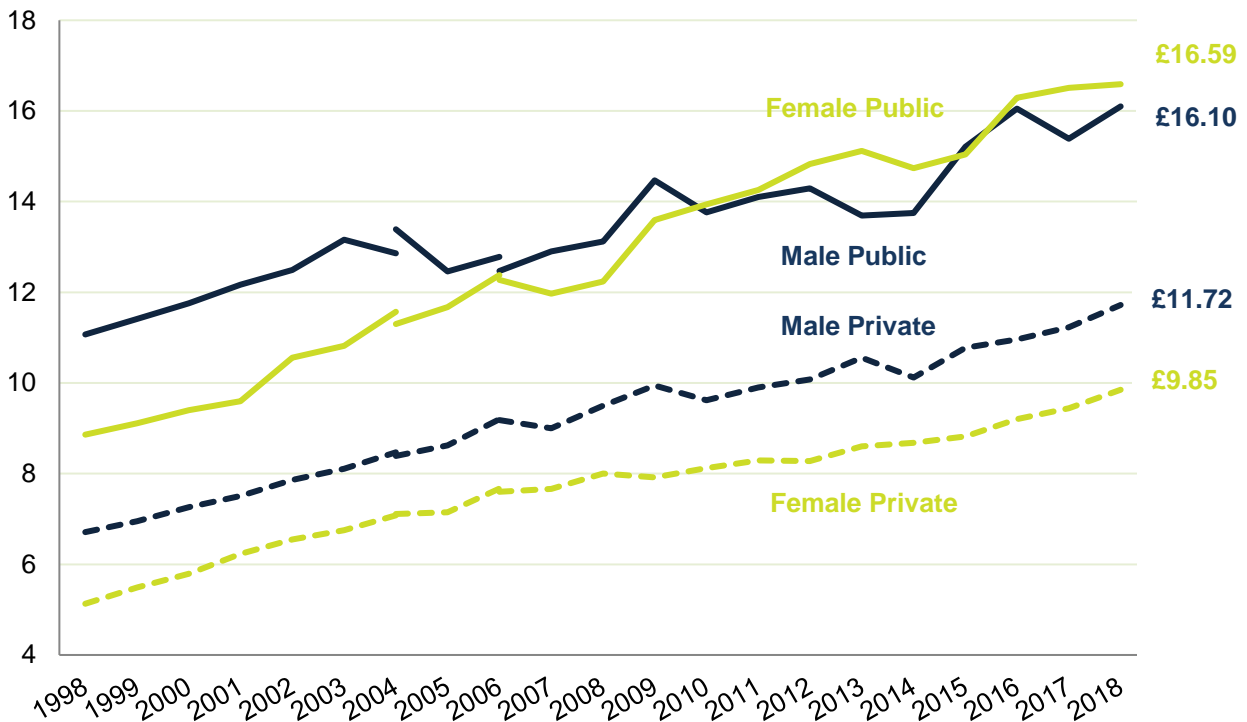
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An analysis of median full-time hourly earnings excluding overtime for 2018 across the occupational groupings shows that:

- females earn 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 is 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 the higher proportion of females working in the higher paying occupations, the average pay of females is 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



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

[Download in excel](#)

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

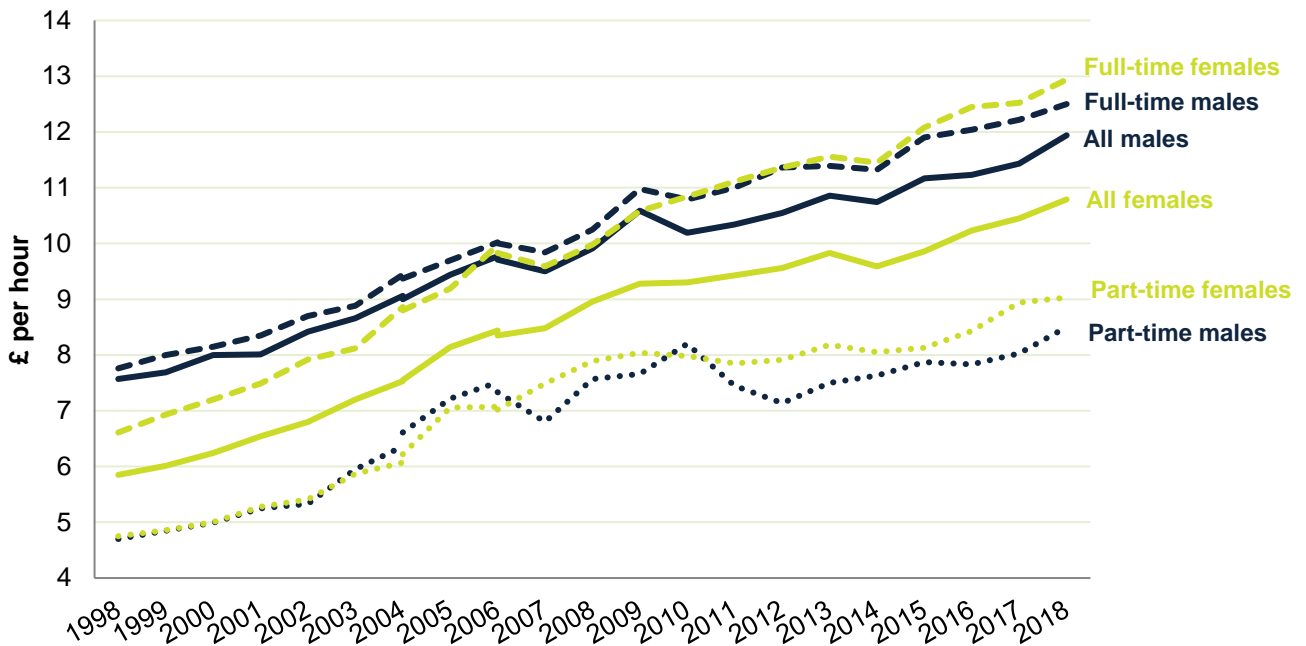
- females earn more in the public sector on average than males
- females earn less in the private sector on average than males
- public sector employees earn more on average than private sector employees
- close to half of full-time females work in the public sector compared to approximately a quarter 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 are 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

[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 [here](#).

5 Low pay analysis

This section presents information on the proportions of employees earning less than the National Living Wage (NLW). The estimates in this section cannot be used as a measure of non-compliance with the minimum wage legislation. This is because 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.

The proportion earning less than the 'Real Living Wage' is also included. Following agreed methodology the hourly rate used to compare against the Real Living Wage is hourly earnings excluding overtime and shift premium pay while the minimum wage threshold is based on hourly wages excluding overtime. This is also the headline hourly rate used in Section 4.

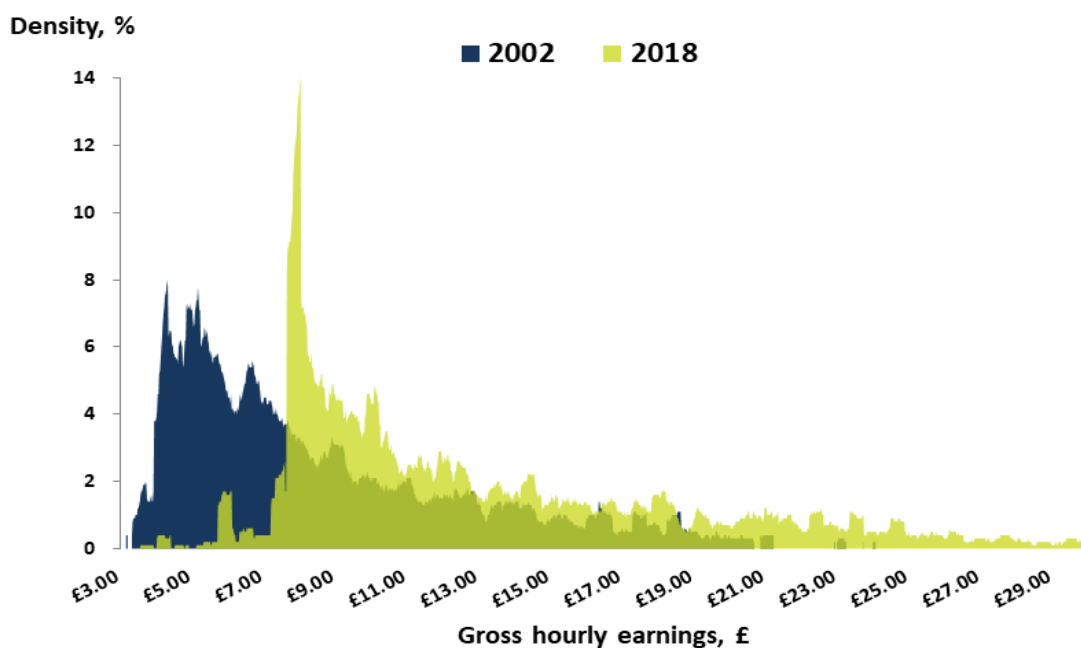
The **National Living Wage (NLW)** was introduced by the Government on 1 April 2016 for all working people aged 25 and over, and is currently set at £7.83 per hour.

The **National Minimum Wage (NMW)** applies for those under the age of 25. It was introduced in 1 April 1999. Further details and a full breakdown on rates can be found in section 6.

The **Real Living Wage** is produced by the Living Wage Foundation. The value of the Living Wage is re-calculated each year. The 2017/2018 rate is £8.75 across the UK and £10.20 in London. For further information about the Living Wage, please refer to the Living Wave Foundation website: www.livingwage.org.uk/calculation

The following [interactive chart](#) shows how the distribution of pay has change since 2002:

ASHE - earnings distribution for Northern Ireland



Source: Annual Survey of Hours and Earnings
Note: Density shows proportion of jobs within +/-20p of shown pay rate

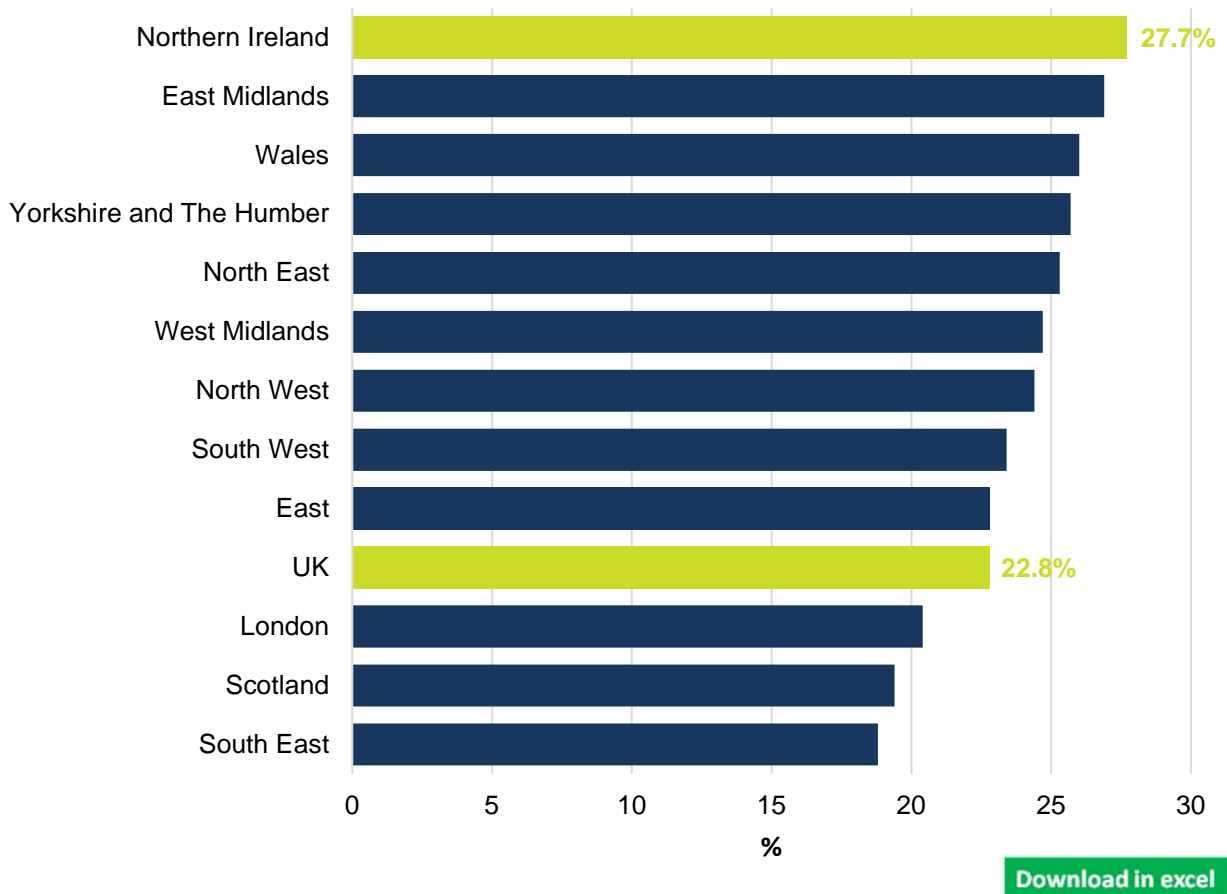


5.1 National Living/Minimum Wage and Real Living Wage

Key findings

- Approximately 1% of employees earn below the National Minimum/Living Wage
- 28% earn below the Real Living Wage (£8.75)

Figure 15: Proportion of employee jobs with hourly earnings (excluding overtime and shift premium pay) less than the Real Living Wage, by Government region, April 2018



Analysis of the Real Living Wage as presented in figure 15, shows that:

- NI has the highest proportion (27.7%) of jobs earning less than the Real Living Wage, followed by East Midlands (26.9%) and Wales (26.0%)
- South East (18.8%) had the lowest proportion under the Real Living Wage, followed by Scotland (18.4%) and London (19.2%, which is based on a higher rate)
- overall, regions in the south of the UK had lower proportions than the north with the exception of Scotland (19.4%).

Analysis of the National Living Wage/National Minimum Wage show that:

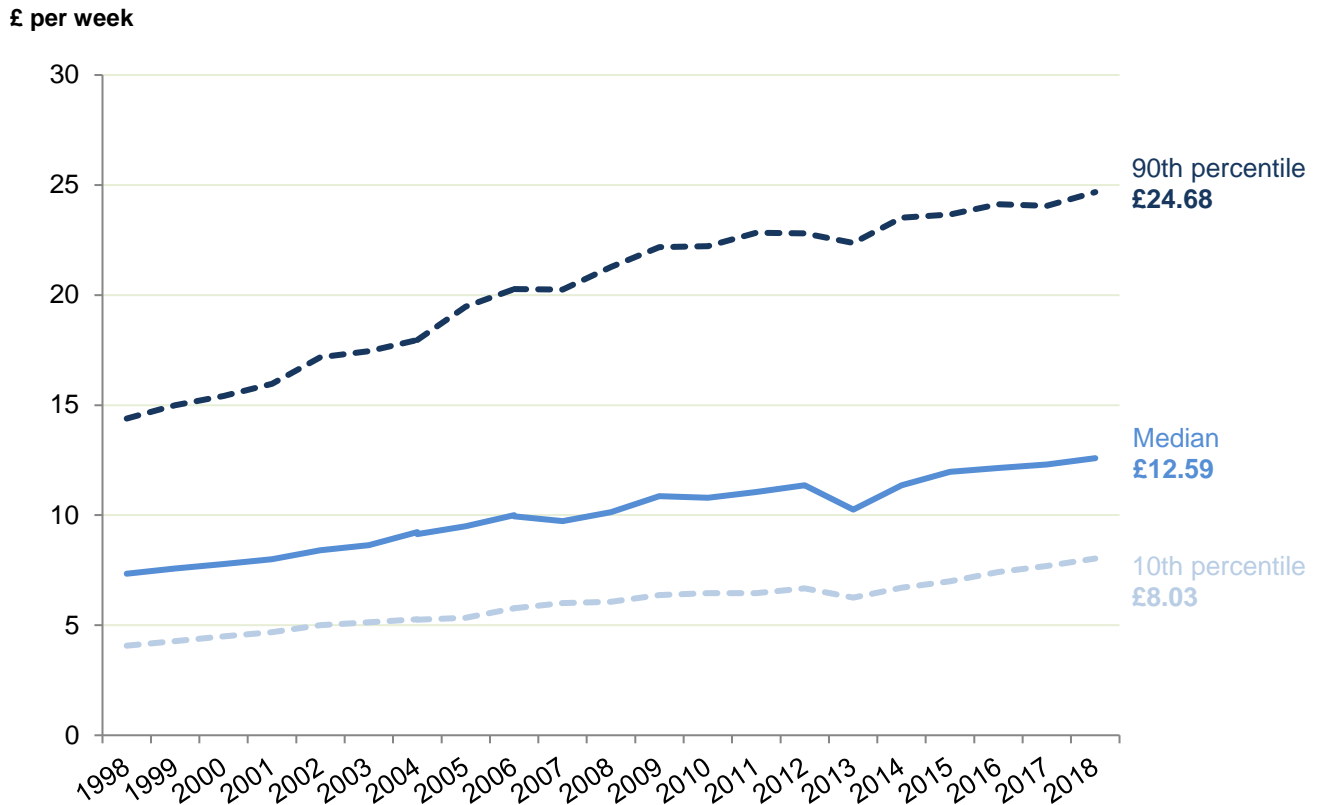
- in NI 0.8% of all employees earned less than the NLW/NMW
- there has been a slight decrease from the 1.0% recorded last year.

5.2 Low earners and high earners

Key findings

- The hourly rate at the 90th percentile is 3 times that at the 10th percentile
- 10th percentile has a larger increase than the 90th percentile over the year

Figure 16: Distribution of gross hourly earnings excluding overtime, 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.

[Download in excel](#)

Figure 16 shows that:

- the 10th percentile (lower earners) increased by 4.3% over the year to April 2018
- the 90th percentile (higher earners) increased by 2.6%, however they earn more than 3 times that of the 10th percentile

Further analysis of hourly earnings (excluding overtime) for full-time employees shows that:

- elementary occupations (£8.50) and Sales and customer service occupations (£8.62) are the only two occupation groups that earn within £1 of the current NLW
- accommodation and food service activities (£8.50) is the only industry that earns within £1 of the current NLW
- the 10th percentile of the private sector (£7.83) earn the same as the current NLW
- the 10th percentile of the public sector (£9.95) earn more than the 40th percentile of the private sector (£9.89).

Figure 17: Ratio of highest and lowest 10% of hourly earnings (excluding overtime) in each UK Government region, April 2018

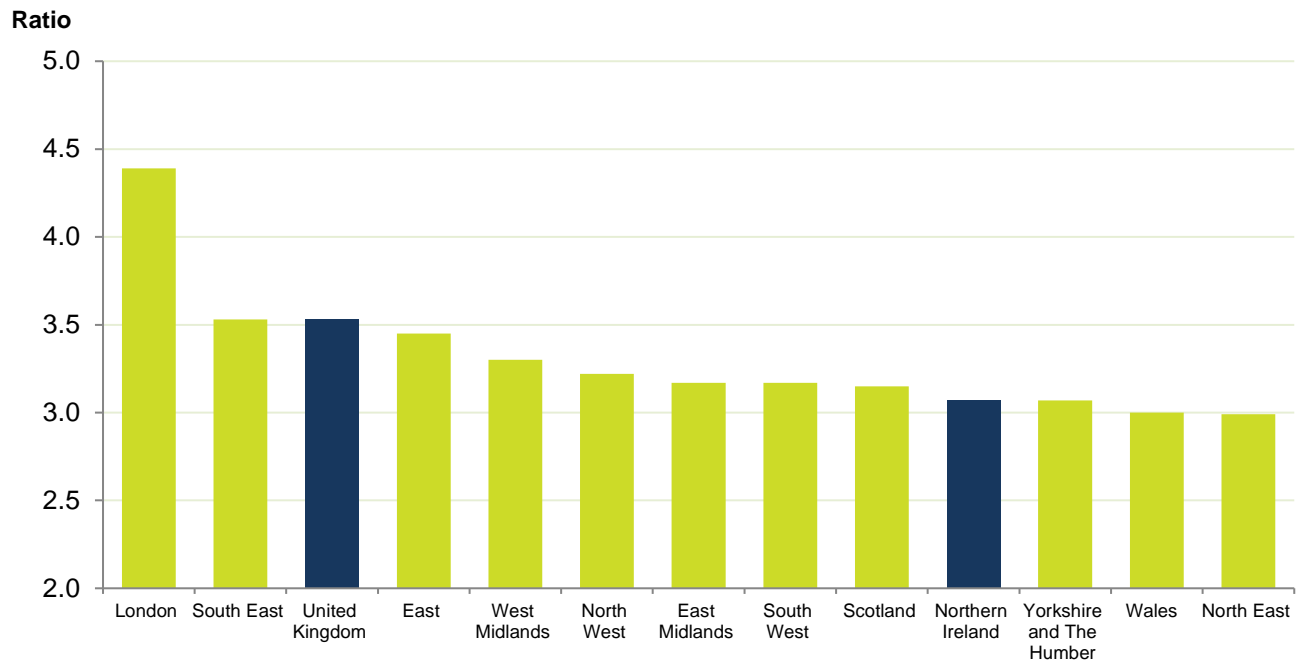


Figure 17 shows that:

- the 90th percentile in NI earned 3.1 times more than the 10th percentile
- at 4.4, London had the highest ratio between high and low earners
- NI had the joint third lowest ratio of the 12 UK government regions.

[Download in excel](#)

6 Further information

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 18th April 2018, the reference date for the latest survey. The results are therefore 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.

Coverage and sampling

As in previous years, the sample used for the survey included approximately 1% of all employees in NI who were covered by PAYE schemes and therefore is subject to an associated level of sampling error. 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 3 below.

Table 1: Coefficient of variation (%) for key NI ASHE estimates, 2018

		Full-time	Part-time
Median gross weekly earnings	Males	2.0	5.8
	Females	2.5	2.9
	All	1.5	2.6
Median gross hourly earnings (excluding overtime)	Males	1.9	2.9
	Females	3.0	1.4
	All	1.5	1.2

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.

Revisions

In line with normal practice, this release contains revised estimates from the 2017 survey results published on 26th October 2017. These results take account of some corrections to the original 2017 data that were identified during the validation of the results for 2018, as well as late returns.

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 and in particular in 2004, 2007 and 2011.

ASHE replaced the New Earnings Survey (NES) from 2004. Since the 2004 survey, supplementary information has been collected in order to improve coverage and make the survey more representative. This includes employees who have either moved jobs or entered the labour market between February, when the main ASHE sample is identified from Her Majesty's Revenue and Customs (HMRC) records, and April, when the survey is conducted.

In 2007, ONS also introduced a small number of methodological changes (to the sample design) to improve the quality of the results. The ASHE results since 2004 are therefore discontinuous with earlier results, as are those since 2007. For 2004 two sets of results are available (the first exclude supplementary information and the second include this information), and similarly for 2006 (the first set not reflecting the methodological changes to the sample design and the second set consistent with the new methodological changes).

In 2009, in line with the major revision to the European Union's industrial classification system, NACE, ASHE moved from using the SIC 2003 to the SIC 2007 activity codes. [More information on the extent of the revisions and correspondence between SIC 2007 and the former SIC 2003.](#)

From 2012 the Standard Occupational Classification 2000 (SOC 2000) used for ASHE has been replaced by SOC 2010. Since the SOC forms part of the methodology by which ASHE data are weighted to produce estimates for NI, this has caused a further discontinuity in the ASHE time series. Therefore, the revised estimates for 2011, and all subsequent estimates, are not directly comparable to earlier results. [The major differences between the SOC 2000 and SOC 2010 classifications are summarised in this linked document, starting at page 62.](#)

In 2013, HM Revenue and Customs (HMRC) changed the criteria which determine how businesses are obliged to report employees' earnings via their Pay as You Earn (PAYE) schemes. The PAYE system is the frame for the ASHE sample. Until this change, businesses were only required to operate PAYE for employees whose earnings were above the Lower Earnings Limit (LEL) for National Insurance contributions (£113 per week for 2017/18) and they did not report all new jobs until the end of the tax year. The new rules required employers to report the details of all of their employee jobs via their PAYE schemes, whatever their earnings, provided that they had at least one employee earning above the LEL. In addition, employers must report for all jobs in 'real-time', meaning that they cannot wait until the end of the tax year. This new system is known as 'Real-Time Information' (RTI). In theory, it is possible that the move to RTI resulted in a coverage change for the ASHE sample.

2014 was not the first year in which the ASHE sample included the types of jobs that are affected by RTI. This is because many employers, particularly large businesses, which account for a large proportion of the labour market, chose to report many or all such jobs on their PAYE schemes in previous years. This means that the composition of the sample was not substantially distorted as a result of RTI. Consequently, ONS judged that the impact of the move to RTI on the estimates for ASHE from 2014 onwards is negligible. It is possible that at some lower levels of disaggregation, there may be a more pronounced effect, perhaps because RTI has resulted in different behavioural changes for employers in particular regions or in particular sectors.

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

The NLW rate that applied in April 2018 was £7.83 per hour for employees aged 25 and over. The NMW rates that applied in April 2018 were: £7.38 per hour for employees aged 21 to 24, £5.90 for employees aged 18 to 20, £4.20 for employees aged under 18, and £3.70 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 2010.

Table 2: National Living Wage, 2016-2018 and National Minimum Wage, 2010 to 2015

Year	25+	21 to 24	18 to 20	Under 18	Apprentice
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
2015		£6.70	£5.30	£3.87	£3.30
2014		£6.50	£5.13	£3.79	£2.73
2013		£6.31	£5.03	£3.72	£2.68
2012		£6.19	£4.98	£3.68	£2.65
2011		£6.08	£4.98	£3.68	£2.60
2010		£5.93	£4.92	£3.64	£2.50
		22+	18 to 21	Under 18	
2009		£5.80	£4.83	£3.57	
2008		£5.73	£4.77	£3.53	

*Introduction of National Living Wage for 25 and over

More information on the [National Minimum Wage and National Living Wage rates](#) can be found on the Gov.uk website.

Pre Release Access

The UK Office for National Statistics (ONS) announced the removal of early access by Ministers and officials to all ONS official statistics from 1 July 2017. As a number of ONS publications affected by this decision include Northern Ireland (NI) level statistics, NISRA also removed early release access for NI officials to the equivalent NISRA publications. This is based on analysis of the proxy nature of NI data for UK trends. The ASHE report published on 26th October 2017 was the first release under these new arrangements.

Further information

If you require further information about the figures contained in this publication or the accompanying tables, please use the contact details below:

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Web: [Annual Survey of Hours and Earnings](#)

7 Index of tables

Reporting Periods:

2018 (provisional)
2017 (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](#)
[Age](#)
[Public/Private Sector](#)
[Local Government District](#)
[Parliamentary Constituency](#)

These data, along with Headline Statistics for the years 1997 to 2018 can be found on the [Annual Survey of Hours and Earnings](#) section on the NISRA website.

In addition, [further data for 2018 \(provisional\) and 2017 \(revised\)](#) will be published as available. These will include earnings by skill level.