



## STATISTICAL PRESS RELEASE

### NORTHERN IRELAND ANNUAL SURVEY of HOURS and EARNINGS APRIL 2009

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The Annual Survey of Hours and Earnings provides a wide range of information on hourly, weekly and annual earnings of employees in Northern Ireland at April 2009. Headline data from the survey show that:

- The estimated median gross weekly earnings for **all** (i.e. both full- and part-time) employees in NI at April 2009 was £356.7, some 90% of the UK figure (£397.3). Growth in NI median earnings for **all** employees was 3.4% over the year to April 2009, compared to growth in the UK of 2.2%. This was slower than the annual rate of growth reported last year (NI growth: 4.6%, UK growth: 3.4%).
- NI **full-time** employees experienced higher growth in their gross weekly earnings over the year to April 2009 (NI growth: 5.1%; UK growth: 2.0%). This narrowed the NI/UK full-time pay gap to 90% of the UK figure compared to 87% a year earlier.
- **Part-time** NI employees experienced 6.3% growth in their gross weekly earnings at April 2009, compared to 4.0% growth in UK earnings.
- Median **full-time private sector** gross weekly earnings grew by 1.6% over the year in NI compared to 1.0% in the UK. NI private sector pay remained at 82% of the UK figure over the year.
- Growth in median **full-time** weekly earnings in NI's **public sector**<sup>3</sup> (8.1%) was higher than in the UK's (3.1%). The mean gross full-time weekly earnings for the public administration sub-sector increased by 3.9% over the year.
- Median **full-time** weekly earnings in the **public sector** in NI (£535.4) were almost 40% higher than the **private sector** (£383.0). This was more marked than in the UK (where full-time earnings were 16% higher in the **public** than the **private sector**).
- There has been a widening of the gender pay gap for **all** employees in NI. Female median **hourly earnings** excluding overtime were some 87.3% of male earnings (compared to 90.4% a year earlier). The NI gender pay gap remained less marked than in the UK, where the equivalent female to male earnings ratio was 78.0% at April 2009, up from 77.5% a year earlier.
- The median gross **annual earnings** for **full-time** employees in NI grew by 4.7% to £23,152 in 2009, compared to 2.6% growth in the UK (to £25,816).

The ASHE estimates are based on a sample and are therefore subject to an associated level of variability. Differences between the NI and UK public and private sectors can be influenced by the timing of pay settlements and the composition of the workforces.



## EXECUTIVE SUMMARY

### Introduction

The Annual Survey of Hours and Earnings (ASHE) is a UK wide survey that provides a wide range of information on hourly, weekly and annual earnings by gender, work pattern, industry and occupation including public versus private sector pay comparisons. The sample used covers approximately 1% of all employees in Northern Ireland who were covered by PAYE schemes, and therefore is subject to an associated level of sampling error. Details of the sampling error can be found in the ASHE section of the DETI website ([www.deti.gov.uk](http://www.deti.gov.uk)).

ASHE replaced the New Earnings Survey (NES) from 2004 and ASHE comparisons are therefore only available on a consistent basis from that year onwards. The development of the survey follows the recommendations made in the National Statistics Quality Review of the Distribution of Earnings Statistics for improving the collection of earnings statistics, with ASHE results satisfying a variety of different user-needs identified in that document (e.g. low pay issues).

This report presents provisional results from the Northern Ireland element of the 2009 ASHE, which surveyed employee earnings for the pay period including 22nd April 2009.

### NI Versus UK

#### 1. All Employees

Results show that the median gross weekly earnings for all employees<sup>1</sup> in NI at April 2009 was £356.7, or approximately 90% of the UK figure (£397.3). This gap partly reflects differences in the composition and changing structures of the respective workforces, by full-/part-time status, gender, industry and occupation structure etc. Growth over the year to April 2009 in NI was 3.4%, compared with growth in the UK of 2.2%. This was slower than the annual rates of growth recorded last year, which were 4.6% in NI and 3.4% in the UK. Faster growth in NI was also evident in the median hourly rate of pay excluding overtime for all employees in NI. Hourly earnings excluding overtime grew by 5.6% in NI, (compared to 4.2% in the UK) between April 2008 and 2009.

#### 2. Full-time Employees

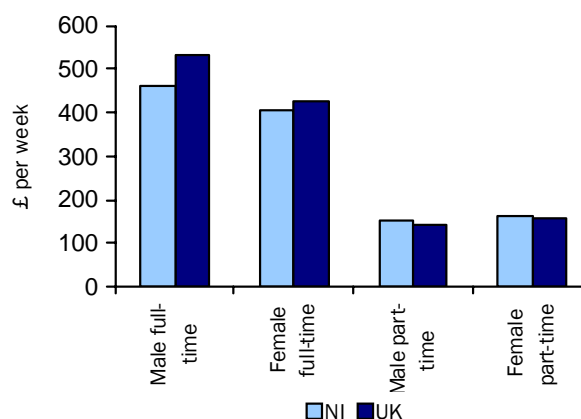
The median gross weekly full-time wage in NI in 2009 was £439.1, which was approximately 90% of the figure in the UK (£488.7). NI full-time earnings increased by 5.1% over the period, compared with an increase of 2.0% in the UK.

### 3. Part-time Employees

The median gross weekly part-time earnings in NI at April 2009 was £159.5, over 4% higher than the figure in the UK (£152.9). As such, growth over the year was substantially higher in NI (6.3%) than in the UK (4.0%) for part-time employees.

### Median gross weekly earnings by full-/part-time and gender, April 2009

Figure 1



See also Table 1 overleaf.

### Comparison with UK Regions

At April 2009 full-time employees in Northern Ireland had the second lowest median gross weekly earnings of the UK regions. Only employees in the North East (£435.9) had median weekly earnings lower than employees in NI (£439.1).

Full-time male earnings in NI continued to be the lowest of any UK region. However, full-time female earnings were higher than in several other regions.

### Gender Differences

Over the period 2008-2009 there has been a widening of the gender pay gap of all employees in NI by approximately 3 percentage points. At April 2009 female median hourly earnings excluding overtime were 87.3% of male earnings in NI, compared to 90.4% a year earlier. However, this gap continued to be narrower than in the UK (78.0%).

Female full-time hourly earnings were 96.5% of male earnings at April 2009, compared to 97.4% a year earlier. The NI gender pay gap remains less marked than in the UK, where the equivalent female to male earnings ratio was 87.8% at April 2009.

The part-time ratio has however remained relatively unchanged, increasing by 0.1% to 104.4% (UK: 102.0%), meaning that women working part-time in NI earned more than men for the third year running.

<sup>1</sup> Data from the Annual Survey of Hours and Earnings (ASHE) relates to all employees (i.e. full- and part-time) on adult rates whose pay was unaffected by absence during the survey period, unless otherwise specified.

## Median gross weekly earnings (NI/UK) by full-/part-time and gender, 2007-2009

Table 1

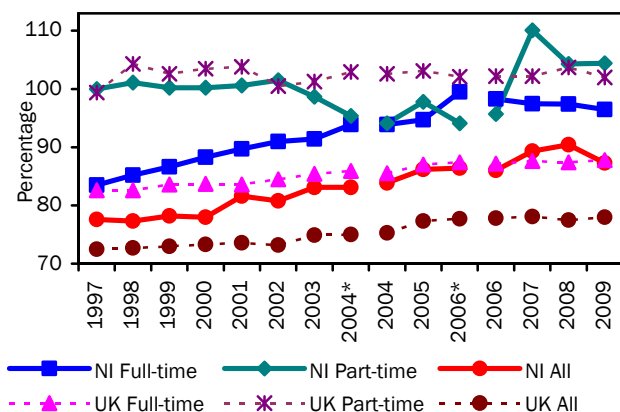
£	NORTHERN IRELAND			UNITED KINGDOM		
	FULL-TIME	PART-TIME	ALL	FULL-TIME	PART-TIME	ALL
<b>April 2009</b>						
Men	460.9	150.0	418.8	531.1	143.6	491.0
Women	406.5	161.4	297.8	426.4	155.6	309.8
All	439.1	159.5	356.7	488.7	152.9	397.3
<b>April 2008</b>						
Men	439.8	139.9	404.3	522.0	136.6	484.5
Women	385.2	152.6	287.0	412.4	149.9	299.4
All	417.7	150.0	345.0	479.1	147.0	388.8
<b>April 2007</b>						
Men	421.7	126.9	394.2	498.3	136.5	464.7
Women	367.7	145.3	272.6	394.8	145.4	287.5
All	400.3	140.8	329.9	457.6	143.6	376.0
<b>% change 08-09</b>						
Men	4.8	7.3	3.6	1.8	5.1	1.4
Women	5.5	5.8	3.8	3.4	3.8	3.5
All	5.1	6.3	3.4	2.0	4.0	2.2
<b>% change 07-08</b>						
Men	4.3	10.2	2.5	4.8	0.0	4.2
Women	4.8	5.0	5.3	4.4	3.1	4.2
All	4.3	6.5	4.6	4.7	2.3	3.4

It should be noted that all males had median annual earnings<sup>2</sup> of £22,322, 48.7% more than the equivalent female figure of £15,007. The differences between the annual and hourly gender pay gap for all employees partly reflect differences in the median amount of hours worked per week (33.6 hours per week among females compared to 38.0 hours worked among males).

In addition to the three overall gender pay gap figures in Northern Ireland, gender pay differences continue to exist for various occupational and industry groupings (see main report).

### Median female hourly earnings excluding overtime (NI versus UK) as a percentage of male earnings, 1997-2009

Figure 2



\* The introduction of methodological changes to improve the quality of ASHE data has resulted in discontinuities in trends. More details of this can be found in the background notes.

<sup>2</sup> Employees on adult rates who have been in the same job for at least 12 months, including those whose pay was affected by absence.

### NI Private versus UK Private

Median gross weekly earnings for full-time employees in the NI private sector increased at a marginally faster rate (1.6% to £383.0) than in the UK, where growth was 1.0% over the year (to £464.7). This represented little change in the NI/UK private sector pay gap, from 82.0% of the UK figure at April 2008 to 82.4% at April 2009.

### Public versus Private<sup>3</sup>

In NI, the median weekly earnings for full-time employees in the public sector was almost 40% higher than in the private sector at April 2009, and this was true for both men (40% higher) and women (57% higher). This was more marked than in the UK as a whole, where public sector earnings were 16% higher than in the private sector.

Growth in median full-time public sector weekly earnings in NI (8.1% to £535.4) was markedly higher than in the UK public sector (3.1% to £538.9), meaning that the NI/UK public sector pay gap narrowed to 99.3% (from 94.8% in 2008). The mean gross full-time weekly earnings for the public administration sub-sector increased by 3.9% over the year.

The rate of growth of median gross weekly earnings for all (i.e. full- and part-time) NI employees in the public sector between April 2008 and 2009 (6.8%) was higher than for their counterparts in the private sector, who experienced a decrease of 1.1%.

<sup>3</sup> ASHE includes breakdowns by public and private sector according to the legal status of the employers. Between 2008 and 2009 Lloyds Banking Group, the Royal Bank of Scotland Group, HBOS PLC and Northern Rock PLC were reclassified from the private sector to the public sector. Interpretation of public/private sector movements for NI and the UK are therefore more difficult between 2008 and 2009.

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Some of the difference between the respective public and private sectors' earnings figures in NI and the UK may be due to differences in the composition of the respective workforces and the timing of pay settlements.

**Median gross weekly earnings for full-time employees in the public and private sectors**  
**Table 2**

£	NORTHERN IRELAND		UNITED KINGDOM	
	PUBLIC	PRIVATE	PUBLIC	PRIVATE
<b>April 2009</b>				
Men	580.2	415.5	591.2	508.7
Women	498.6	317.2	496.3	373.2
All	535.4	383.0	538.9	464.7
<b>April 2008</b>				
Men	550.4	410.4	574.5	504.9
Women	472.1	313.4	481.3	367.7
All	495.2	377.0	522.6	460.0
<b>% change</b>				
Men	5.4	1.3	2.9	0.8
Women	5.6	1.2	3.1	1.5
All	8.1	1.6	3.1	1.0

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## BACKGROUND NOTES

### 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 Department of Enterprise, Trade & Investment (DETI) in Northern Ireland.

ASHE is the first survey to be designed as part of the ONS statistical modernisation programme and benefits from improved methodologies and statistical tools. The development of the survey follows the recommendations made in the National Statistics Quality Review of the Distribution of Earnings Statistics for improving the collection of earnings statistics. This release contains summary statistics from the 2009 survey.

### Coverage and Sampling

As in previous years, the sample used for the survey included approximately 1% of all employees in Northern Ireland who were covered by PAYE schemes. 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.

In March 2007, ONS released information on its statistical work priorities over the period 2008-2011. ONS announced that the ASHE sample size was to be reduced by twenty per cent. The impact of this change was minimised by reducing the sample in an optimal way, with the largest sample reductions occurring in industries where earnings are least variable. The sample cut excluded returns for Northern Ireland. Following the negative reaction to the ASHE sample cut, in January 2009 it was agreed that the sample size would be restored to the full one per cent for the years 2009-2011; therefore ASHE 2009 is based on a one per cent sample of employees whose employers have registered PAYE schemes.

The survey information related to the pay-week (or other pay-period if the employee was paid less frequently) which included 22<sup>nd</sup> April 2009. 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.

**The resulting analyses do not show information about identifiable people or private businesses.**

Since the 2004 survey, supplementary information has been collected in order to improve coverage and hence 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. However, for 2004 two sets of results are available (the first include supplementary information and the second exclude 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).

For 2009, in line with the major revision to the European Union's industrial classification system, NACE, ASHE has moved from using the SIC 2003 categorisation of business activities to the new SIC 2007 activity codes. The UK is required by European legislation to revise the SIC in parallel with NACE so that both systems remain identical down to and including the 4 digit class level.

These revisions are motivated by the need to adapt the classifications to changes in the world economy. The revised classifications reflect the growing importance of service activities in the economy over the last fifteen years, mainly due to the developments in information and communication technologies (ICT).

More information on the extent of the revisions and correspondence between SIC 2007 and the former SIC 2003 can be accessed via the following link:

<http://www.ons.gov.uk/about-statistics/classifications/future-developments/operation-2007/index.html>

The earnings information presented relates to gross pay before tax, National Insurance or other deductions, and excludes payments in kind. With the exception of annual earnings, the results are restricted to earnings relating to the survey pay period and so exclude payments of arrears from another period made during the survey period; any payments due as a result of a pay settlement but not yet paid at the time of the survey will also be excluded.

For particular groups of employees, changes in median earnings between successive surveys may be affected by changes in the timing of pay settlements, in some cases reflecting more than one settlement and in some others no settlement at all.

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## Response and Weighting

A total of 6,499 returns were received by the Department (96% of those sampled).

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.

From 2006, the LFS moved from using seasonal quarters to calendar quarters. As ASHE uses LFS data in the calculation of aggregation weights, it was necessary to move from using data taken from LFS Spring to LFS Quarter 2.

In May 2008 the LFS was re-weighted to the latest (2007/08) population estimates. Previously LFS results were based on population totals published in 2003. ASHE uses LFS to calculate aggregation weights. The revised LFS figures have been used for 2008 (revised) and 2009 ASHE results.

## Revisions

In line with normal practice this release contains revised estimates from the 2008 survey results published on 14th November 2008. These results take account of some corrections to the original 2008 data that were identified during the validation of the results for 2009, as well as late returns. 2009 ASHE results will be made available from 12 November 2009. Full details of the revised estimates for 2008 ASHE will be available from 26 November 2009.

## Median

The mean and the median measure different things and either can be appropriate depending on what the user is trying to measure. The mean measures the average amount earned by individuals, but in a skew distribution such as earnings this measure is susceptible to small numbers of very high earners. The median measures the amount earned by the average individual, i.e. the level of earnings above which half the population fall.

## Gender Pay Gap

Various methods can be used to measure the earnings of women relative to men. ONS and DETI prefer to use hourly earnings excluding overtime; including overtime can distort the picture as men work relatively more overtime than women. Although median and mean hourly pay excluding overtime provide useful comparisons of men's and women's earnings, they do 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.

To better capture the composition of today's labour market and the complexity of this issue, the ONS

Position Paper 'Presentation of the Gender Pay Gap', released November 2009, recommended that all future ASHE bulletins, starting with ASHE 2009, headline on a set of measures rather than focussing on a single headline measure when presenting the gender pay gap.

Therefore, estimates of the gender pay gap for full-time, part-time and all employees have been included in this bulletin.

## Definitions

**Gross weekly pay** includes basic pay, overtime pay, shift premium pay, bonus or incentive pay and allowances, and is before deductions for PAYE, National Insurance, pension schemes, voluntary deductions and Income Tax.

**Full-time employees** are those working more than 30 hours each week excluding overtime and main meal breaks (25 hours for teachers and academics).

## FURTHER INFORMATION

Further information is available on request from:

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