

Article

Supplementary analysis of average weekly earnings: February 2016



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1. Introduction

This note presents 2 analyses of the Average Weekly Earnings (AWE) figures, which are published in the [UK Labour Market Statistical Bulletin](#). We will update these analyses every month. The first section describes real AWE (AWE deflated by the Consumer Price Index). The second section analyses single month movements in the nominal AWE.

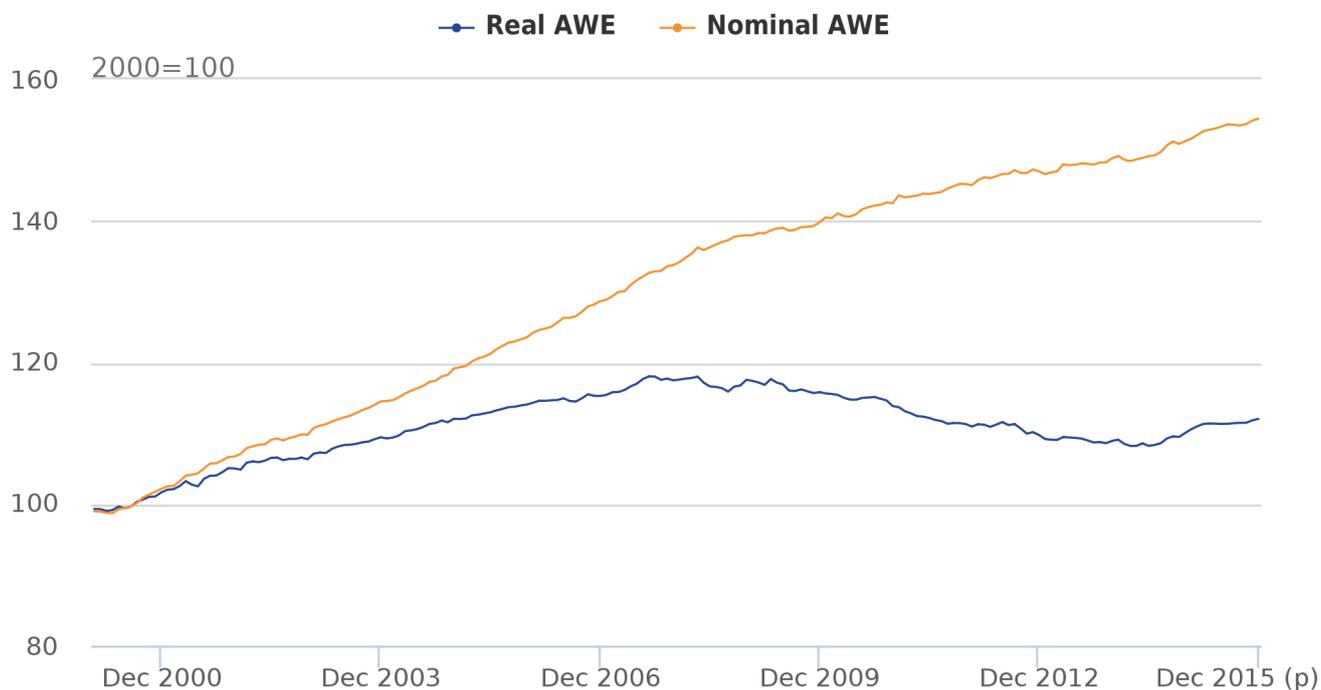
2. Real AWE

The charts below show the recent movements in real AWE (whole economy). This is calculated as nominal unadjusted AWE, divided by the Consumer Price Index (CPI). This series is calculated for regular and total pay at the whole economy level and then seasonally adjusted. The data in Figures 1 and 2 are levels of real and nominal AWE, shown on a monthly basis, with an index of 2000 = 100. Figure 3 shows 3 months on 3 months previous year increases in these derived indices. The data are available at [data table X04 \(125.5 Kb Excel sheet\)](#), together with estimates of real AWE at 2000 prices.

Comparing the 3 months to December 2015 with the same period in 2014, real AWE (total pay) grew by 1.8%, compared with 2.1% in the 3 months to November. Nominal AWE (total pay) grew by 1.9% in the three months to December, while the CPI rose by 0.2% in the year to December. Over the same period, real AWE (regular pay) grew by 1.9%, compared with 2.0% in the 3 months to November. Nominal AWE (regular pay) rose by 2.0% in the 3 months to December 2015.

Figure 1: AWE, Great Britain, regular pay: real and nominal, seasonally adjusted, 2000=100

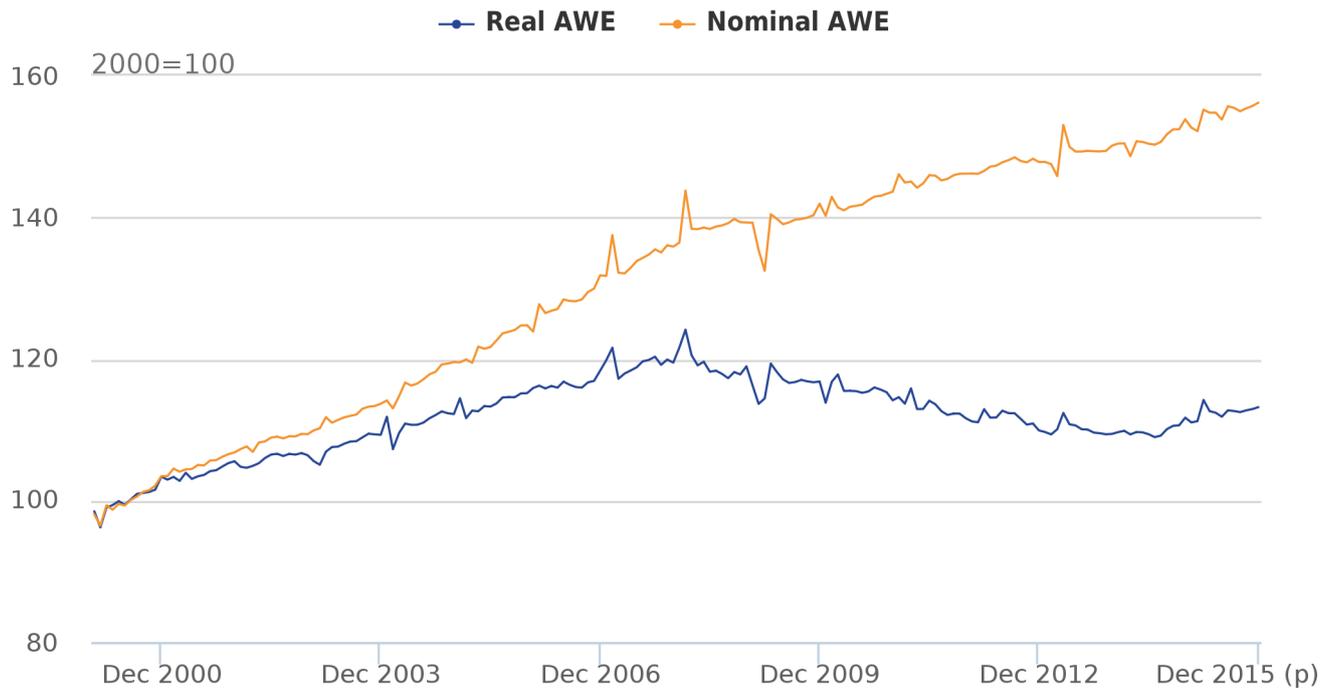
January 2000 to December 2015



Source: Monthly Wages and Salaries Survey - Office for National Statistics

Figure 2: AWE, Great Britain, total pay: real and nominal, seasonally adjusted, 2000=100

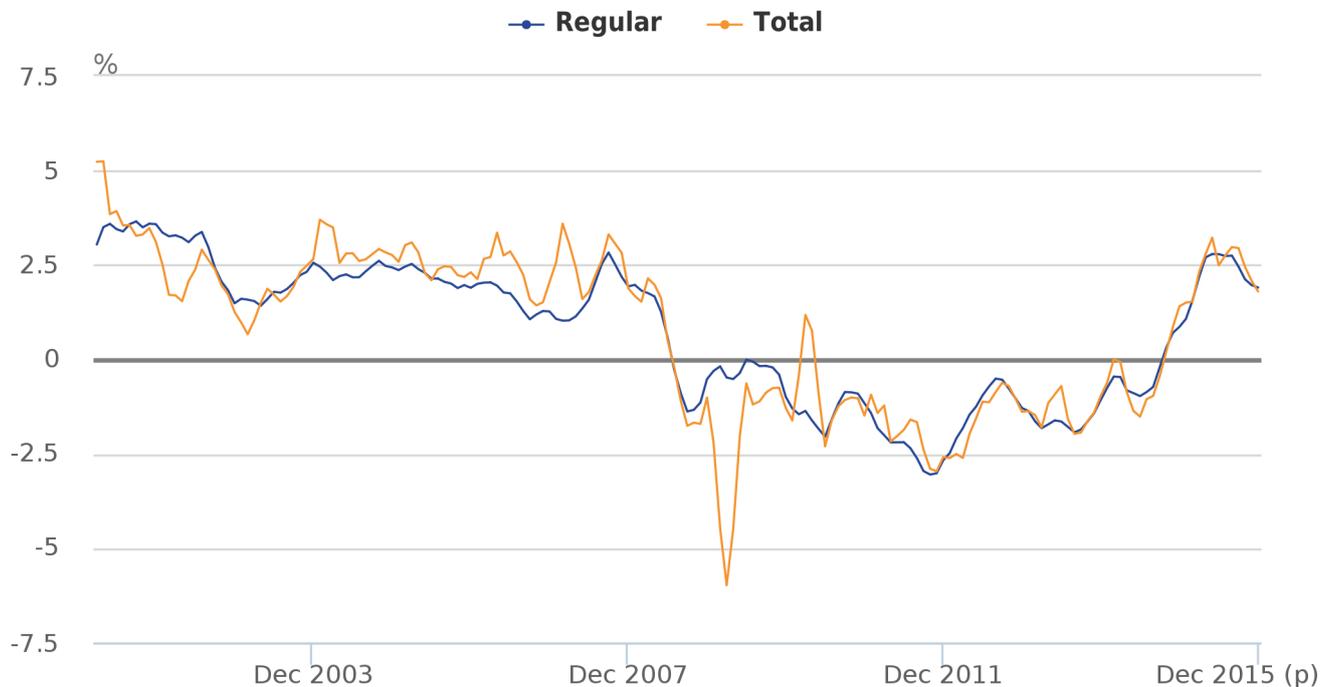
January 2000 to December 2015



Source: Monthly Wages and Salaries Survey - Office for National Statistics

Figure 3: AWE, Great Britain, total and regular real pay annual growth rates, seasonally adjusted

January to March 2001 to October to December 2015 (3 month average time periods)



Source: Monthly Wages and Salaries Survey - Office for National Statistics

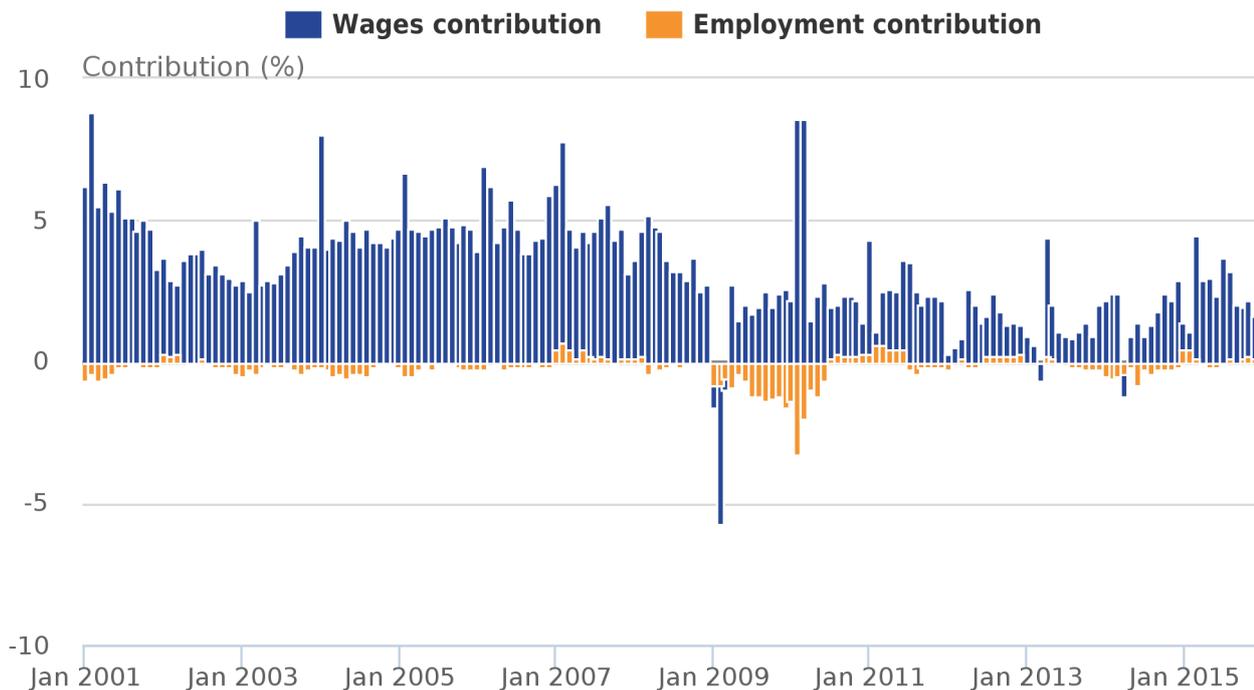
3. Contributions to nominal AWE – single month

The wages and employment contributions underlying the latest AWE data are available on our website in the [EARN02 data table \(552.5 Kb Excel sheet\)](#) each month. The "employment contribution", shown in these charts, changes if the relative proportion of employment in the 24 industrial headings changes, but will not necessarily change if total employment increases. Employment contributions were significantly negative in 2009 and 2010, largely caused by a shift away from employment in Financial and Insurance Activities, which are relatively highly paid industries.

Figures 4 and 5 summarise the recent figures:

Figure 4: AWE, Great Britain, total pay by contributions

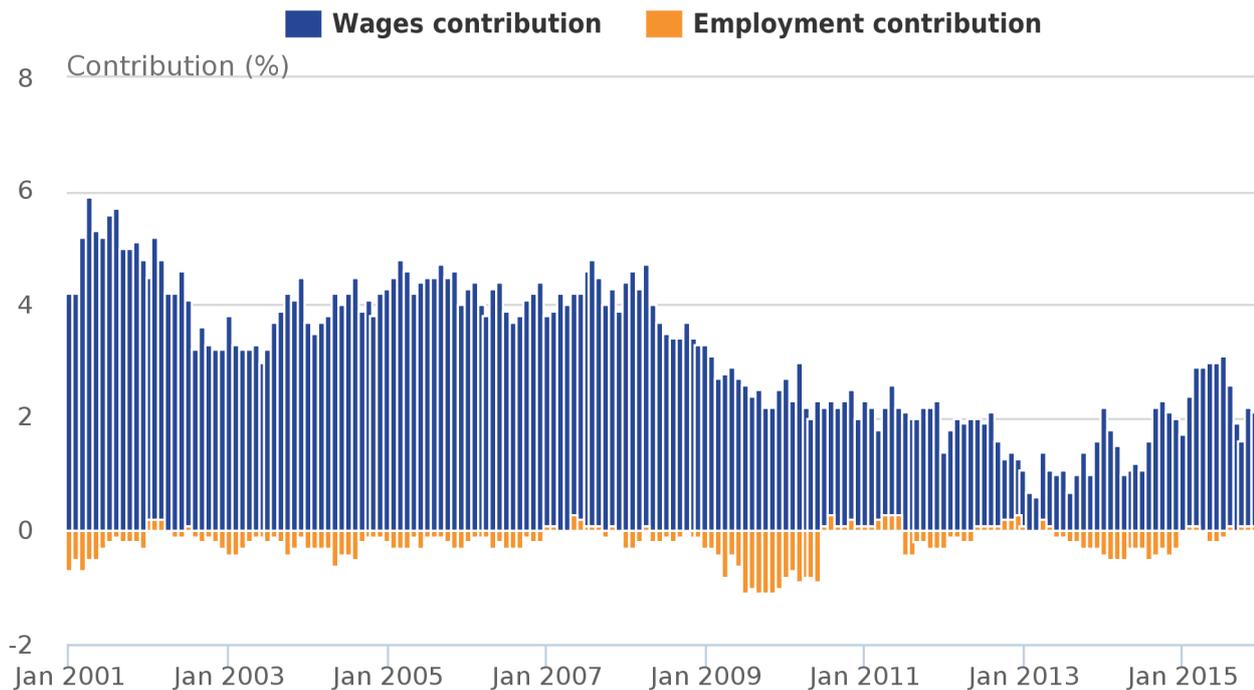
January 2001 to December 2015



Source: Monthly Wages and Salaries Survey - Office for National Statistics

Figure 5: AWE, Great Britain, regular pay by contributions

January 2001 to December 2015



Source: Monthly Wages and Salaries Survey - Office for National Statistics

Employment contributions were relatively small (0.1% for both total and regular pay) in December 2015.

4. Background notes

1. Details of the policy governing the release of new data are available by visiting www.statisticsauthority.gov.uk/assessment/code-of-practice/index.html or from the Media Relations Office email: media.relations@ons.gsi.gov.uk

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.

Designation can be broadly interpreted to mean that the statistics:

- meet identified user needs
- are well explained and readily accessible
- are produced according to sound methods
- are managed impartially and objectively in the public interest

Once statistics have been designated as National Statistics it is a statutory requirement that the Code of Practice shall continue to be observed.