

Statistical bulletin

# Annual Survey of Hours and Earnings: 2011 (based on SOC 2010)

Levels, distribution and make-up of earnings and hours worked for UK employees by sex and full-time/part-time status across all industries and occupations.



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Next release: 22 November 2012

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# 1. Key points

- This bulletin provides 2011 ASHE results on a Standard Occupational Classification (SOC) 2010 basis
- Earnings estimates under SOC 2010 are lower than for the same period under the previous classification, SOC 2000. The SOC 2010 figure for median full-time gross weekly earnings is £498, 0.5 per cent lower than the SOC 2000 figure of £501
- The impact of the move to SOC 2010 is greater for women's earnings estimates than for men's. The full-time median gender pay gap is 10.5 per cent, compared with 9.1 per cent under SOC 2000
- In April 2011 median gross weekly earnings for full-time employees were £498
- For men, full-time earnings were £538, compared with £440 for women
- Median gross weekly earnings for all employees were £400
- Median gross annual earnings for full-time employees (including those whose pay was affected by absence) were £26,100
- Median gross weekly earnings for full-time employees were highest in London at £649 and lowest in Northern Ireland at £446
- There were 297 thousand jobs paid below the National Minimum Wage held by people aged 16 and over, which constitutes 1.2 per cent of all employee jobs in the labour market

# 2. Summary

The Annual Survey of Hours and Earnings (ASHE) is based on a 1 per cent sample of employee jobs. This is drawn from HM Revenue and Customs Pay As You Earn (PAYE) records. ASHE collects information on the levels, distribution and make-up of earnings and hours paid. Results are produced for various industrial, occupational and geographic breakdowns, as well as by public and private sectors and age groups. This bulletin contains provisional ASHE estimates, Low Pay estimates and pensions tables from the 2011 survey.

In 2011 the Office for National Statistics replaced the Standard Occupational Classification 2000 (SOC 2000) with the Standard Occupational Classification 2010 (SOC 2010). Since the SOC forms part of the methodology by which ASHE data are weighted to produce estimates for the UK, two full sets of results have been produced for 2011. This publication provides results on a SOC 2010 basis for the first time. They are the first in a new time-series and should not be used in comparisons with earlier years.

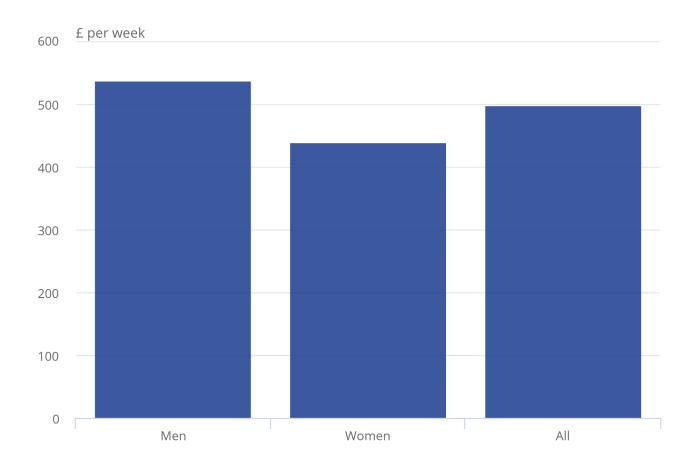
2011 ASHE Results were first published on a SOC 2000 basis on 23 November 2011. Those results provide timeseries continuity with earlier years, but they should not be used to calculate growth in earnings into 2012.

# 3. Weekly earnings

Median gross weekly earnings for full-time employees were £498. Men's median full-time weekly earnings were £538, compared with £440 for women.

Figure 1: Median full-time gross weekly earnings

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Source: Annual Survey of Hours and Earnings (ASHE) - Office for National Statistics

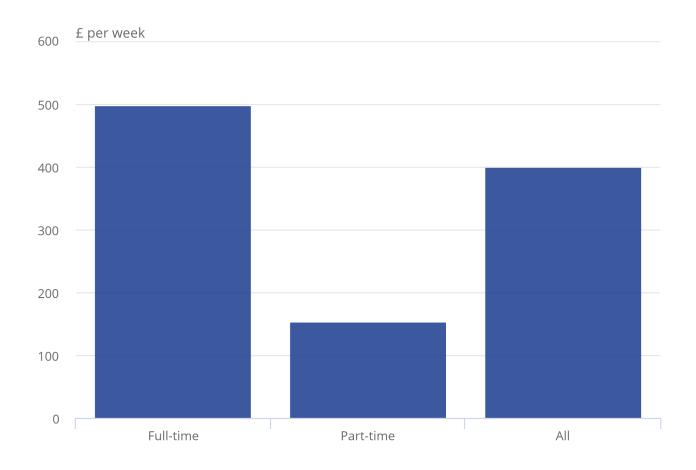
#### Notes:

1. Employees on adult rates, pay unaffected by absence

Median gross weekly earnings for part-time employees were £153. For women, the figure was £156, compared with £143 for men. Median gross weekly earnings for all employee jobs, regardless of whether the employee was full-time or part-time, were £400.

Figure 2: Median gross weekly earnings

Figure 2: Median gross weekly earnings



Source: Annual Survey of Hours and Earnings (ASHE) - Office for National Statistics

#### Notes:

# Median gross weekly earnings

| £ per week |       | Full-time | Part-time | All   |
|------------|-------|-----------|-----------|-------|
| April 2011 | Men   | 538.1     | 142.6     | 492.7 |
|            | Women | 440.0     | 156.5     | 313.4 |
|            | All   | 498.3     | 152.9     | 400.0 |

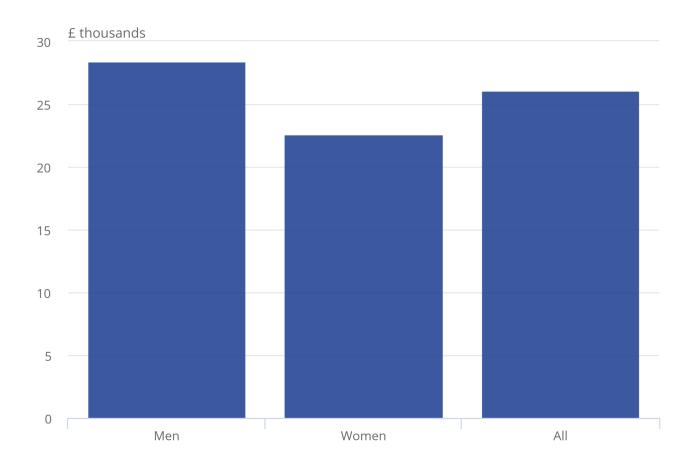
Notes:

# 4. Annual earnings

For the tax year ending 5 April 2011 the median gross annual earnings for full-time employees were £26,100. For men, the figure was £28,400, while for women the figure was £22,600.

<sup>1.</sup> Employees on adult rates, pay unaffected by absence

Figure 3: Median full-time gross annual earnings



Source: Annual Survey of Hours and Earnings (ASHE) - Office for National Statistics

#### Notes:

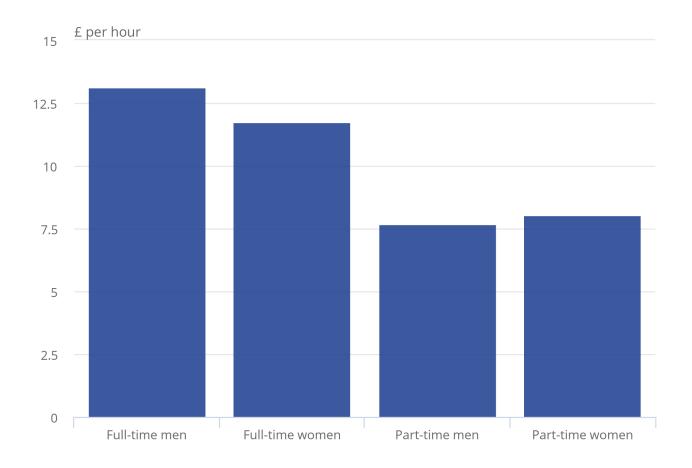
1. Employees on adult rates who have been in the same job for at least 12 months, including those whose pay was affected by absence

# 5. Hourly earnings, excluding overtime

Excluding overtime, median hourly earnings of full-time employees on adult rates of pay whose earnings were not affected by absence were £12.56 per hour. The median hourly earnings of men were £13.11, compared with £11.74 for women.

Figure 4: Median hourly earnings, excluding overtime

Figure 4: Median hourly earnings, excluding overtime



Source: Annual Survey of Hours and Earnings (ASHE) - Office for National Statistics

#### Notes:

# Median hourly earnings, excluding overtime

| £ per hour |       | Full-time | Part-time | All   |
|------------|-------|-----------|-----------|-------|
| April 2011 | Men   | 13.11     | 7.66      | 12.41 |
|            | Women | 11.74     | 8.03      | 9.90  |
|            | All   | 12.56     | 8.00      | 11.08 |

Notes:

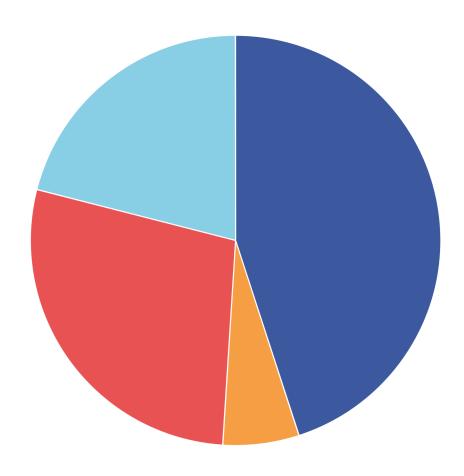
1. Employees on adult rates, pay unaffected by absence

# Gender pay differences

The earnings of women relative to men vary according to whether an employee is full-time or part-time. Median hourly earnings, excluding overtime, of part-time employees were 36.6 per cent less than the earnings of full-time employees in April 2011. At the same time the UK employee workforce consisted of approximately 12.8 million males (51 per cent of workforce) and 12.3 million females (49 per cent of workforce).

# Composition of the employee workforce

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Source: Annual Survey of Hours and Earnings (ASHE) - Office for National Statistics

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For male employees, 88 per cent worked full-time and 12 per cent worked part-time, while the comparable figures for female employees were 58 per cent and 42 per cent respectively. This highlights the fact that women work part-time more than men and consequently are more likely to receive lower hourly rates of pay.

### Workforce composition of men / women and full-time / part-time employees

|           | Mer    | 1    | Wom    | en   | All    |      |
|-----------|--------|------|--------|------|--------|------|
|           | 000's  | %    | 000's  | %    | 000's  | %    |
| Full-time | 11,319 | 88.4 | 7,089  | 57.7 | 18,409 | 73.4 |
| Part-time | 1,486  | 11.6 | 5,198  | 42.3 | 6,684  | 26.6 |
| Workforce | 12,805 |      | 12,287 |      | 25,093 |      |

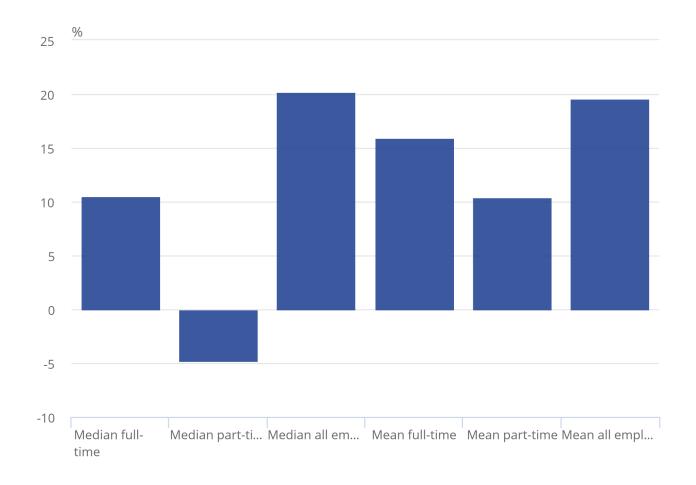
Source: Office for National Statistics

# Median hourly earnings, excluding overtime

In 2011 men's full-time hourly earnings were £13.11, compared with £11.74 for women. The full-time gender pay gap is therefore 10.5 per cent. For part-time employees, men's median hourly earnings excluding overtime were £7.66, while the figure for women was £8.03. This gives a negative gender pay difference of -4.8 per cent. The median gender pay comparison for all employees is 20.2 per cent.

Figure 6: Gender pay gap for median and mean hourly earnings, excluding overtime

Figure 6: Gender pay gap for median and mean hourly earnings, excluding overtime



Source: Annual Survey of Hours and Earnings (ASHE) - Office for National Statistics

#### Notes:

1. Employees on adult rates, pay unaffected by absence

# Mean hourly earnings, excluding overtime

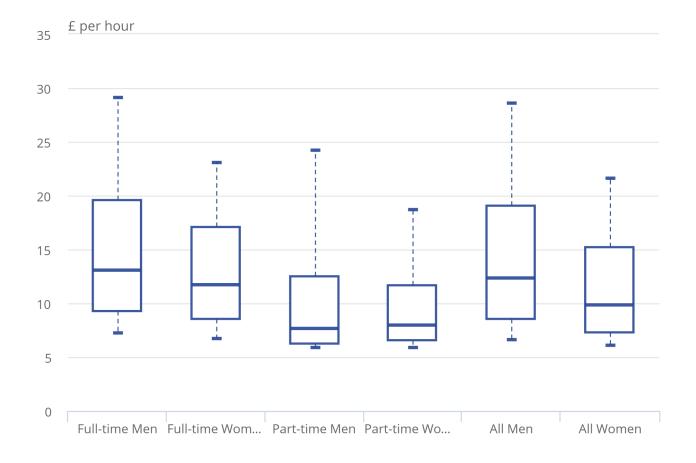
In 2011 men's full-time hourly earnings were £16.43, compared with £13.82 for women. The full-time mean gender pay gap is therefore 15.9 per cent. For part-time employees, men's mean hourly earnings excluding overtime were £11.94, while the figure for women was £10.69. This gives a gender pay difference of 10.4 per cent. The mean gender pay comparison for all employees is 19.6 per cent.

# Distribution of hourly earnings, excluding overtime

In 2011 10 per cent of full-time employees earned less than £7.00 per hour, while 10 per cent earned more than £26.60. The hourly earnings of the top decile of full-time employees were 212 per cent of the median while the hourly earnings of the bottom decile were 56 per cent of the median.

Figure 7: Distribution of hourly earnings, excluding overtime

Figure 7: Distribution of hourly earnings, excluding overtime



Source: Annual Survey of Hours and Earnings (ASHE) - Office for National Statistics

Source: Annual Survey of Hours and Earnings (ASHE) - Office for National Statistics

### Notes:

# Distribution of hourly earnings, excluding overtime

|                              | Full-time | Part-time All |
|------------------------------|-----------|---------------|
| Men                          |           |               |
| 10 per cent earned less than | 7.19      | 5.93 6.58     |
| 50 per cent earned less than | 13.11     | 7.66 12.41    |
| 10 per cent earned more than | 29.08     | 24.19 28.59   |
| Women                        |           |               |
| 10 per cent earned less than | 6.77      | 5.93 6.11     |
| 50 per cent earned less than | 11.74     | 8.03 9.90     |
| 10 per cent earned more than | 23.04     | 18.74 21.65   |
| Men and women                |           |               |
| 10 per cent earned less than | 7.00      | 5.93 6.29     |
| 50 per cent earned less than | 12.56     | 8.00 11.08    |
| 10 per cent earned more than | 26.60     | 19.94 24.98   |

Notes:

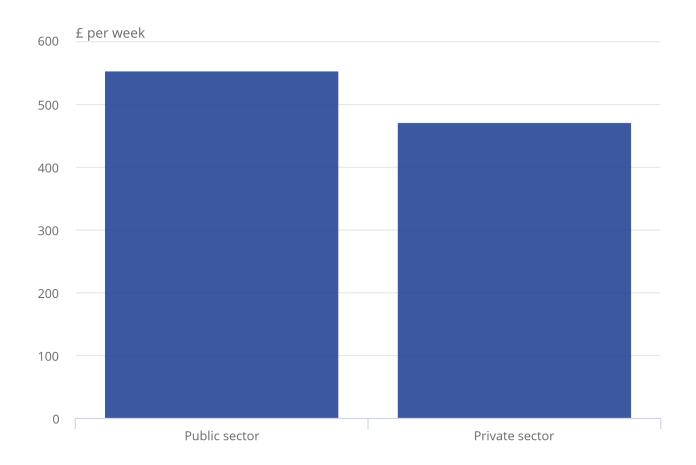
# 6. Public and private sector pay

The median gross weekly pay of full-time employees in the public sector was £554 in 2011. For the private sector the figure was £472.

<sup>1.</sup> Employees on adult rates, pay unaffected by absence

Figure 8: Median full-time gross weekly earnings public and private sectors

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Source: Annual Survey of Hours and Earnings (ASHE) - Office for National Statistics

#### Notes:

1. Employees on adult rates, pay unaffected by absence

# Gender pay differences

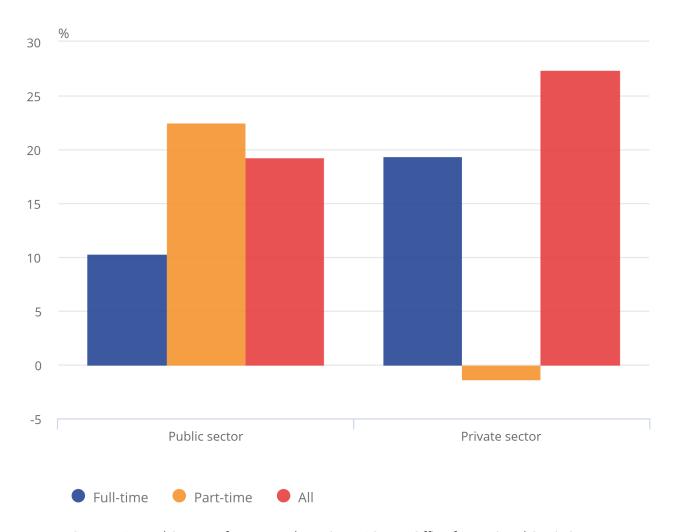
For full-time employees the median gender pay difference in the public sector was 10.3 per cent. In the private sector the pay gap was 19.4 per cent.

For part-time employees, the gender pay difference in the public sector was 22.5 per cent. This contrasts with the part-time gender pay gap in the private sector where women's part-time hourly earnings were higher than men's, resulting in a negative gender pay difference of -1.4 per cent.

For all employees the public sector gender pay difference was 19.3 per cent, compared with 27.4 per cent in the private sector.

Figure 9: Gender pay difference for median hourly earnings, excluding overtime: by public/private

Figure 9: Gender pay difference for median hourly earnings, excluding overtime: by public/private



Source: Annual Survey of Hours and Earnings (ASHE) - Office for National Statistics

Source: Annual Survey of Hours and Earnings (ASHE) - Office for National Statistics

#### Notes:

# Gender pay difference for median hourly earnings, excluding overtime: by public/private sector

Percentage pay difference (men/women)

|                | Full-time | Part-time | All  |
|----------------|-----------|-----------|------|
| Public sector  | 10.3      | 22.5      | 19.3 |
| Private sector | 19.4      | -1.4      | 27.4 |

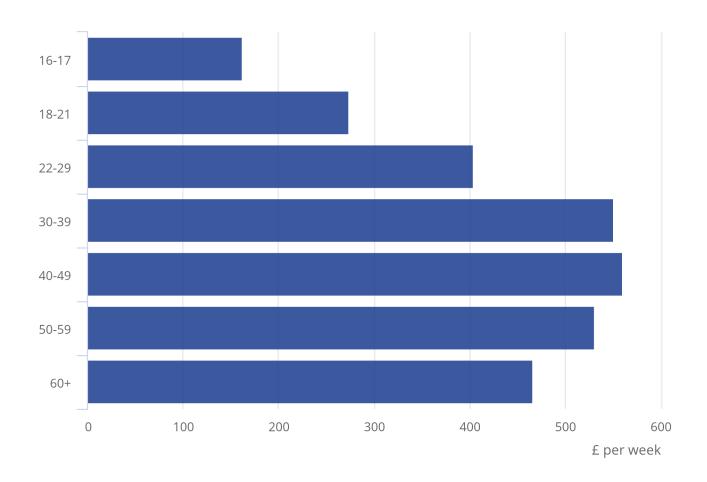
Notes:

# 7. Earnings by age group

In April 2011 the distribution of median gross weekly earnings for full-time employees showed that earnings for 40 to 49-year-olds were highest at £560. Earnings increased until employees reached this age band and steadily decreased thereafter.

<sup>1.</sup> Employees on adult rates, pay unaffected by absence

Figure 10: Median full-time gross weekly earnings by age



Source: Annual Survey of Hours and Earnings (ASHE) - Office for National Statistics

#### Notes:

#### Median full-time gross weekly earnings by age

£ per week April 2011 Men Women ΑII 16-17\* 167.3 150.0 162.4 18-21 284.8 259.8 273.8 22-29 394.1 413.5 404.1 30-39 574.9 513.8 550.8 40-49 616.6 468.9 560.4 50-59 530.5 588.9 443.1 60+ 498.7 395.9 466.4

Notes:

1. All employees aged 16 - 17 and employees on adult rates, whose pay was unaffected by absence

### Gender pay differences

In 2011 the largest gender pay difference for full-time employees was for 50 to 59-year-olds at 17.3 per cent. There was a negative gender pay gap (women's earnings were higher than men's) in the 22 to 29 age group (-2.5 per cent).

For part-time employees, the gender pay difference was largest for 50 to 59-year-olds at 15.2 per cent. There were negative gender pay gaps in the 22 to 29 and 30 to 39 age groups, at -2.4 per cent and -4.8 per cent.

The largest pay gap for all employees was in the 40 to 49 age group, at 28.3 per cent. The smallest pay difference was in the 16 to 17 age group at 0.8 per cent.

#### Gender pay difference for median hourly earnings, excluding overtime, by age

Percentage pay difference (men/women)

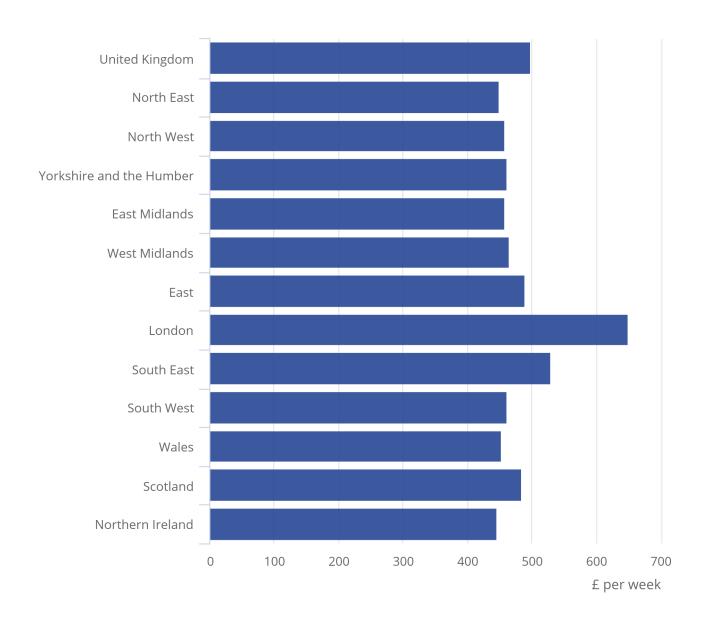
|               | Full-time | Part-time | All  |
|---------------|-----------|-----------|------|
| All employees | 10.5      | -4.8      | 20.2 |
| 16-17         | 0.0       | 8.9       | 0.8  |
| 18-21         | 4.2       | 1.9       | 4.0  |
| 22-29         | -2.5      | -2.4      | 3.6  |
| 30-39         | 2.7       | -4.8      | 13.5 |
| 40-49         | 16.9      | 12.9      | 28.3 |
| 50-59         | 17.3      | 15.2      | 27.8 |
| 60+           | 11.1      | 8.9       | 20.9 |

Notes:

# 8. Regional earnings

In April 2011 median gross weekly earnings for full-time employees were highest in London at £649 (30 per cent higher than the national median) and lowest in Northern Ireland at £446 (10 per cent lower than the national median).

Figure 11: Median full-time gross weekly earnings by region



Source: Annual Survey of Hours and Earnings (ASHE) - Office for National Statistics

#### Notes:

### Median full-time gross weekly earnings by region

£ per week

|                          |       | •     |       |
|--------------------------|-------|-------|-------|
| April 2011               | Men   | Women | All   |
| United Kingdom           | 538.1 | 440.0 | 498.3 |
| North East               | 487.0 | 408.7 | 449.4 |
| North West               | 497.5 | 412.4 | 457.3 |
| Yorkshire and the Humber | 498.3 | 402.6 | 460.7 |
| East Midlands            | 497.9 | 394.4 | 457.7 |
| West Midlands            | 501.3 | 401.2 | 464.4 |
| East                     | 532.8 | 422.8 | 489.7 |
| London                   | 708.0 | 580.5 | 649.4 |
| South East               | 584.1 | 451.5 | 529.4 |
| South West               | 508.0 | 402.5 | 461.5 |
| Wales                    | 483.0 | 398.6 | 451.9 |
| Scotland                 | 517.5 | 435.4 | 484.5 |
| Northern Ireland         | 462.2 | 418.6 | 446.4 |

Notes:

1. Employees on adult rates, pay unaffected by absence

# Gender pay differences

For full-time employees the gender pay difference was highest for the South East at 16.6 per cent. In Northern Ireland there was a negative gender pay gap of -1.0 per cent.

In 11 of the 12 regions, women's part-time hourly earnings were higher than men's, resulting in negative gender pay differences. The widest pay gap for part-time workers, minus 10.3 per cent, was in Scotland, while there was a positive pay gap of 1.4 per cent in the North East.

For all employees, the gender pay difference was largest in the South East (25.3 per cent) and smallest in Northern Ireland (8.7 per cent).

### Gender pay differences for median hourly earnings, excluding overtime, by region

% (men/women)

| April 2011               | Full-time | Part-time | All  |
|--------------------------|-----------|-----------|------|
| United Kingdom           | 10.5      | -4.8      | 20.2 |
| North East               | 7.6       | 1.4       | 16.6 |
| North West               | 8.4       | -3.6      | 16.0 |
| Yorkshire and the Humber | 9.8       | -3.1      | 19.3 |
| East Midlands            | 13.2      | -1.7      | 21.0 |
| West Midlands            | 11.8      | -4.1      | 20.4 |
| East                     | 12.5      | -8.1      | 20.2 |
| London                   | 14.3      | -9.9      | 19.0 |
| South East               | 16.6      | -7.3      | 25.3 |
| South West               | 13.1      | -4.3      | 19.0 |
| Wales                    | 9.5       | -8.0      | 18.4 |
| Scotland                 | 6.7       | -10.3     | 16.5 |
| Northern Ireland         | -1.0      | -4.7      | 8.7  |

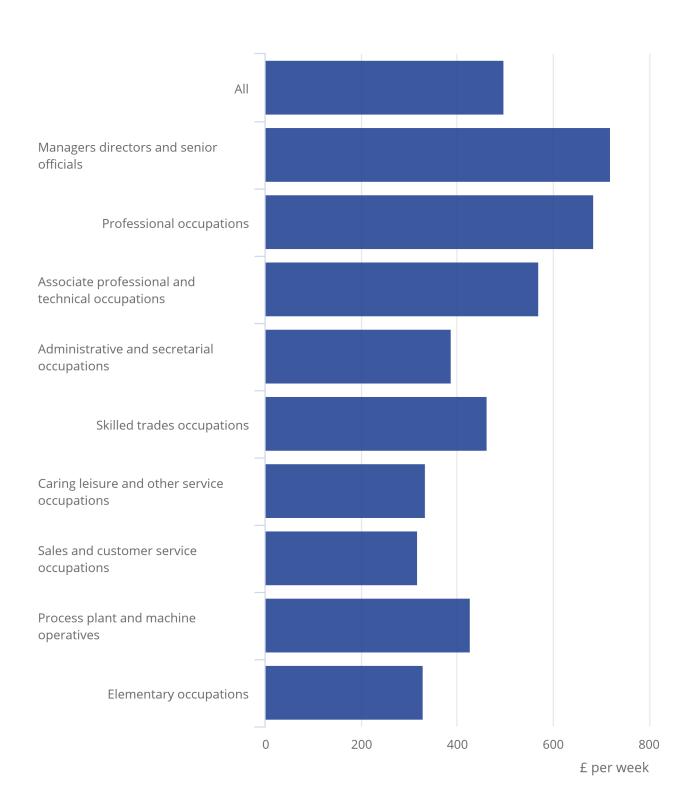
Notes:

# 9. Earnings by occupation

In April 2011 median gross weekly earnings for full-time employees were highest for Managers, directors and senior officials at £721 (45 per cent higher than the figure for all employees) and lowest for Sales and customer service occupations at £319 (36 per cent lower than median weekly earnings for all employees).

<sup>1.</sup> Employees on adult rates, pay unaffected by absence

Figure 12: Median full-time gross weekly earnings by occupation



Source:

#### Notes:

1. Employees on adult rates, pay unaffected by absence

### Median full-time gross weekly earnings by occupation

£ per week

|  |       | ~ po        |
|--|-------|-------------|
| April 2011   | Men \ | Women All   |
| All employees  | 538.1 | 440.0498.3  |
| 1 - Managers, directors and senior officials         | 787.9 | 599.9720.7  |
| 2 - Professional occupations                         | 729.1 | 644.6685.9  |
| 3 - Associate professional and technical occupations | 614.8 | 499.8570.4  |
| 4 - Administrative and secretarial occupations       | 432.2 | 376.0388.7  |
| 5 - Skilled trades occupations                       | 472.3 | 332.7 463.1 |
| 6 - Caring, leisure and other service occupations    | 370.1 | 322.5 333.8 |
| 7 - Sales and customer service occupations           | 334.6 | 304.1 318.9 |
| 8 - Process, plant and machine operatives            | 440.4 | 318.6 427.0 |
| 9 - Elementary occupations                           | 351.7 | 275.6 328.9 |

#### Notes:

1. Employees on adult rates, pay unaffected by absence

# Gender pay differences

For full-time employees the gender pay difference was highest for the Skilled trades occupations at 25.2 per cent and lowest for Sales and customer service occupations at 5.8 per cent.

The largest gender pay gap for part-time employees was for Managers, directors and senior officials at 15.9 per cent. The widest negative pay gap, -9.6 per cent, was in the Administrative and secretarial occupations.

For all employees, the gender pay comparison was largest for the Skilled trades occupations at 28.8 per cent, and lowest for Caring, leisure & other service occupations at 6.7 per cent.

#### Gender pay differences for median hourly earnings, excluding overtime, by occupation

Percentages (men/women) April 2011 Full-Part-ΑII time time All employees 10.5 -4.8 20.2 1 - Managers, directors and senior officials 21.3 15.924.0 2 - Professional occupations 9.5 12.0 8.7 3 - Associate professional and technical 6.5 17.0 14.1 occupations 4 - Administrative and secretarial occupations 9.5 -9.610.4 5 - Skilled trades occupations 25.2 6.628.86 - Caring, leisure and other service occupations 8.5 -1.2 6.7 7 - Sales and customer service occupations 5.8 1.2 8.3 8 - Process, plant and machine operatives 22.1 5.021.6 9 - Elementary occupations 15.8 0.114.8

Notes:

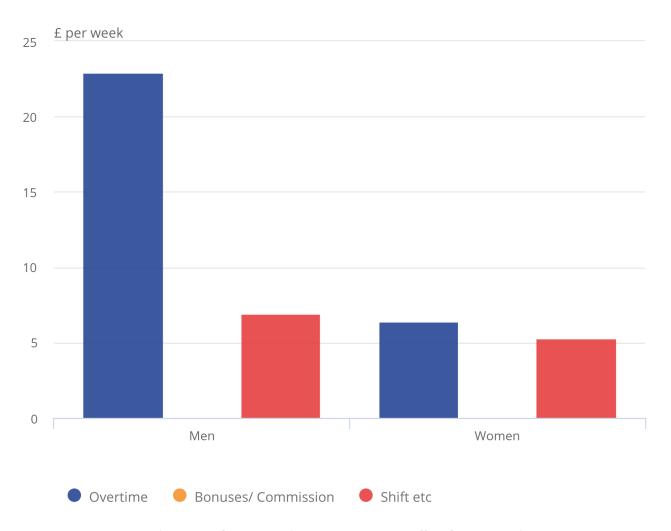
# 10. The make-up of earnings

Additional payments accounted for 5.2 per cent of mean full-time gross weekly earnings in April 2011. For male employees additional earnings accounted for 6.2 per cent of mean total weekly earnings, compared with 3.0 per cent for women.

<sup>1.</sup> Employees on adult rates, pay unaffected by absence

Figure 13: Components of full-time mean weekly earnings

Figure 13: Components of full-time mean weekly earnings



Source: Annual Survey of Hours and Earnings (ASHE) - Office for National Statistics

#### Notes:

# Components of full-time mean gross weekly earnings

£ per week, Mean (including zero responses)

| April 2011 Gross Pay Overtime Bonuses/ Commission |       |      |      | Shift<br>etc | Sub<br>total |
|---|-------|------|------|--------------|--------------|
| Men   | 658.1 | 22.9 | 11.1 | 6.9          | 40.9         |
| Women   | 515.4 | 6.4  | 4.0  | 5.3          | 15.7         |
| All   | 602.6 | 16.5 | 8.3  | 6.3          | 31.1         |

Notes:

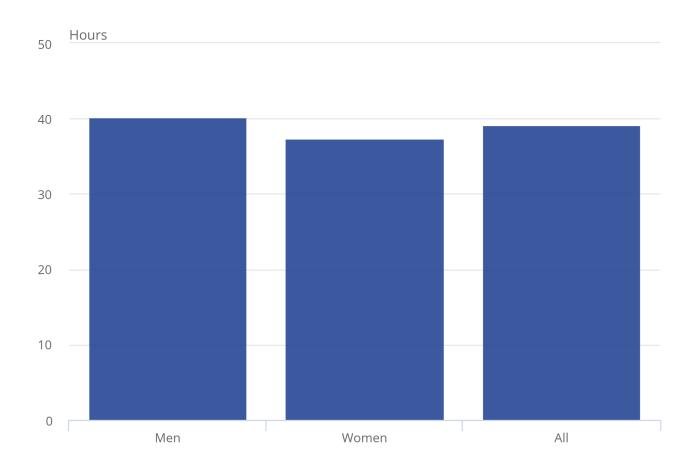
# 11 . Total weekly and overtime paid hours

Mean weekly paid hours of full-time employees were 39.1 hours in April 2011. Mean part-time paid hours were 18.1 hours.

<sup>1.</sup> Employees on adult rates, pay unaffected by absence

Figure 14: Mean full-time weekly paid hours of work

Figure 14: Mean full-time weekly paid hours of work



Source: Annual Survey of Hours and Earnings (ASHE) - Office for National Statistics

#### Notes:

# Mean weekly paid hours of work

| April 2011 | Full-time | Part-time | All  |
|------------|-----------|-----------|------|
| Men        | 40.2      | 17.5      | 37.0 |
| Women      | 37.4      | 18.2      | 29.0 |
| All        | 39.1      | 18.1      | 33.1 |

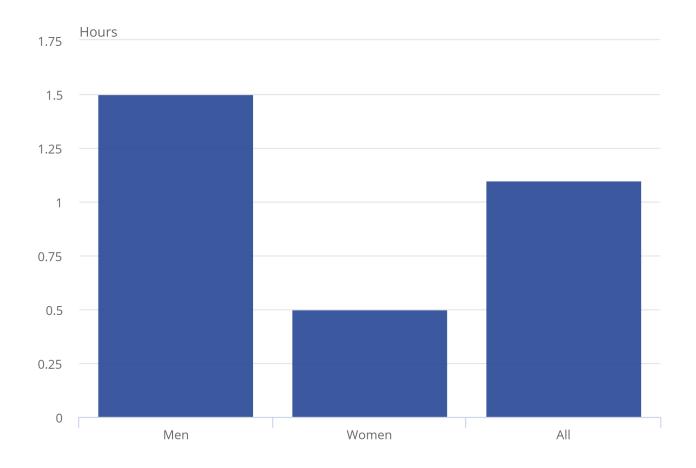
Notes:

1. Employees on adult rates, pay unaffected by absence

The proportion of full-time employees working paid overtime in 2011 was 18.4 per cent. The mean number of paid overtime hours for full time employees was 1.1. The percentage of men working full-time who were paid overtime was 22.7 per cent, while 11.7 per cent of full-time women worked paid overtime.

Figure 15: Paid overtime hours: mean hours worked by full-time employees

Figure 15: Paid overtime hours: mean hours worked by fulltime employees



Source: Annual Survey of Hours and Earnings (ASHE) - Office for National Statistics

#### Notes:

# Paid overtime hours: percentage who worked overtime and mean hours worked

|            |       | Full- | Full-time |      | time  |
|------------|-------|-------|-----------|------|-------|
|            |       | %     | Hours     | %    | Hours |
| April 2011 | Men   | 22.7  | 1.5       | 15.5 | 1.1   |
|            | Women | 11.7  | 0.5       | 15.9 | 0.7   |
|            | All   | 18.4  | 1.1       | 15.8 | 0.8   |

Notes:

1. Employees on adult rates, pay unaffected by absence

# **12** . Low Pay

There were 297 thousand jobs paid below the National Minimum Wage held by people aged 16 and over, which constitutes 1.2 per cent of all employee jobs in the labour market.

The National Minimum Wage (NMW) is a minimum amount per hour that most workers in the UK are entitled to be paid. There are different levels of NMW depending on a worker's age and whether they are an apprentice. The April 2011 estimates are the first estimates to be released since the age at which employees are entitled to the main NMW was reduced from 22 to 21 in October 2010.

# Number and percentage of jobs paid below the National Minimum Wage in the UK, April 2011

|           | Men Women |     | en All jobs |     | S    |     |
|-----------|-----------|-----|-------------|-----|------|-----|
|           | 000s      | %   | 000s        | %   | 000s | %   |
| Full-time | 86        | 0.8 | 64          | 0.9 | 297  | 1.2 |
| Part-time | 33        | 1.8 | 114         | 2.0 | 150  | 0.8 |
| All       | 120       | 0.9 | 178         | 1.4 | 147  | 2.0 |

Notes:

1. All employees aged 16 and over whose pay was unaffected by absence

There were 14 thousand jobs held by 16 to 17-year-olds (5.4 per cent of jobs held by those in this age group) with pay less than £3.64 per hour. For 18 to 20-year-olds, there were 50 thousand jobs with pay less than £4.92 per hour (4.5 per cent of jobs held by those in this age-group). For employees aged 21 and over, there were 233 thousand jobs with pay less than £5.93 per hour (1.0 per cent of jobs held by those in this age group).

### Number and percentage of jobs paid below the National Minimum Wage in the UK, April 2011

|            | Age 16-17 |     | Age 18-20 |     | Age 21 and over |     | All jobs |     |
|------------|-----------|-----|-----------|-----|-----------------|-----|----------|-----|
|            | 000s      | %   | 000s      | %   | 000s            | %   | 000s     | %   |
| April 2011 | 14        | 5.4 | 50        | 4.5 | 233             | 1.0 | 297      | 1.2 |

Notes:

1. All employees aged 16 and over whose pay was unaffected by absence

# 13. Pensions

In 2011 the proportion of employees who belonged to a workplace pension scheme was below half (48 per cent) for the first time since the series began in 1997. In all, 83 per cent of public sector employees and 32 per cent of private sector employees were members of a workplace pension scheme. The most common types of employee pension schemes were defined benefit schemes (30 per cent of all employees). This is despite a consistent decline in membership since 1997, when 46 per cent of employees were in defined benefit schemes.

### Proportion of employees with workplace pensions by type of pension

|   | Public<br>sector | Private sector | All employees |
|---|------------------|----------------|---------------|
| Occupational Defined Benefit            | 79%              | 9%             | 30%           |
| Occupational Defined Contribution       | 2%               | 9%             | 6%            |
| Group Personal and Group<br>Stakeholder | 1%               | 14%            | 10%           |
| Any pension                             | 83%              | 32%            | 48%           |

# 14. Comparisons with SOC 2000 results

ASHE 2011 results were first published on a SOC 2000 basis on 23 November 2011. The move to SOC 2010 has an impact on all ASHE estimates because the occupational classification is used as part of the methodology by which individual jobs are allocated calibration weights. These weights determine the extent to which each job in the ASHE dataset influences overall estimates. The higher the weight for any job, the greater its influence will be on an overall estimate. SOC 2010 results are the first in a new time-series and should not be used in comparisons with earlier years. SOC 2000 results for 2011 provide time-series continuity with earlier years, and should not be used in comparisons with 2012.

#### Headline ASHE estimates - comparison of SOC 2000 and SOC 2010

|   | SOC 2000 S | SOC 2010 C | hange (%) |
|---|------------|------------|-----------|
| Full-time median gross weekly earnings              | £500.70    | £498.30    | -0.5      |
| Men   | £538.50    | £538.10    | -0.1      |
| Women   | £445.10    | £440.00    | -1.1      |
| Full-time median gross annual earnings              | £26,200    | £26,100    | -0.6      |
| Men   | £28,400    | £28,400    | -0.1      |
| Women   | £22,900    | £22,600    | -1.3      |
| Full-time median hourly earnings excluding overtime | £12.62     | £12.56     | -0.5      |
| Men   | £13.11     | £13.11     | 0.0       |
| Women   | £11.91     | £11.74     | -1.4      |

Overall, earnings estimates produced under SOC 2010 are lower than those produced under SOC 2000. Primarily, this is because many of the highly paid jobs have a smaller influence on domain estimates due to having lower weights than they did under SOC 2000. For example, many of the jobs that were classified to major group 1, which has high calibration weights, under SOC 2000 are classified to other groups under SOC 2010. This is consistent with the employee population totals given by the Labour Force Survey. The new classification has greater specificity in group 1 (managers, directors and senior officials), than the old SOC. Under SOC 2000, group 1 included many managerial jobs from the retail and service sectors, which are classified to other groups under SOC 2010. There is also a substantial increase of jobs in group 2 (professional occupations) under SOC 2010, which is driven largely by migration from groups 1 and 3.

2011 Labour Force Survey employee population counts

| Major Occupational Group                         | SOC 2000   | SOC 2010 C | Change |
|--|------------|------------|--------|
| Managers, directors and senior officials         | 3,941,667  | 2,335,867  | -41%   |
| Professional occupations                         | 3,585,486  | 5,151,958  | 44%    |
| Associate professional and technical occupations | 3,839,618  | 3,445,089  | -10%   |
| Administrative and secretarial occupations       | 3,077,211  | 3,183,565  | 3%     |
| Skilled trades occupations                       | 1,957,418  | 2,089,226  | 7%     |
| Caring, leisure and other service occupations    | 2,449,562  | 2,506,405  | 2%     |
| Sales and customer service occupations           | 2,115,592  | 2,352,067  | 11%    |
| Process, plant and machine operatives            | 1,571,081  | 1,559,111  | -1%    |
| Elementary occupations                           | 3,296,405  | 3,210,752  | -3%    |
| Total  | 25,834,040 | 25,834,040 |        |

The impact of the new classification is greater for women than for men. This is because, on the whole, the migration of well-paid jobs into groups with lower weights and the migration of low and average paid jobs into groups with higher weights is more pronounced for women than for men. This impact can be seen in the gender pay gaps for full-time employees and all employees, which are wider under SOC 2010 than under SOC 2000, and also for part-time employees where the negative pay gap is narrower.

#### Gender pay gap - comparison of SOC 2000 and SOC 2010

|                              |          | £ per hour |
|------------------------------|----------|------------|
|                              | SOC 2000 | SOC 2010   |
| Full-time men                | 13.11    | 13.11      |
| Full-time women              | 11.91    | 11.74      |
| Full-time gender pay gap     | 9.1%     | 10.5%      |
| Part-time men                | 7.67     | 7.66       |
| Part-time women              | 8.10     | 8.03       |
| Part-time gender pay gap     | -5.6%    | -4.8%      |
| All men                      | 12.42    | 12.41      |
| All women                    | 10.00    | 9.90       |
| All employees gender pay gap | 19.5%    | 20.2%      |

Notes:

<sup>1.</sup> Full-time employees on adult rates, pay unaffected by absence

# Comparisons of SOC 2000 and SOC 2010 results for various domains

The private sector full-time gross weekly earnings are 0.9 per cent lower under the new SOC, while the public sector estimate is 0.4 per cent lower. For the age-groups, the largest change is seen in the 18 to 21 group, where the new SOC brings a decrease of 1.5 per cent. The 16 to 17 and the 60 and over age-groups each see small increases under SOC 2010. Among the regions only the South East sees an increase in median full-time gross weekly earnings under SOC 2010. The largest change is in the West Midlands where the SOC 2010 figure is 1.3 per cent lower than the SOC 2000 figure.

The impact of the SOC change among the major occupational groups is somewhat diverse. Estimates are lower under SOC 2010 than under SOC 2000 for groups 1 and 2, 1.2 per cent lower and 3.7 per cent lower respectively. For group 1, this is largely due to some relatively well-paid jobs being re-classified to other groups. For group 2, the decrease is driven by migration into the group of jobs with lower average earnings than the existing group 2 jobs. For all other major occupational groups, median full-time gross weekly earnings estimates are higher under the new SOC. This is largely due to the movements of relatively well-paid jobs out of groups 1, 2 and 3 into the other groups. The largest difference is in group 7, sales and customer service occupations, where the SOC 2010 estimate is 4.7 per cent higher than the SOC 2000 estimate. The largest contributor to this change is the reclassification of many managerial jobs in the retail sector from group 1 into group 7.

# Comparisons of SOC 2000 and SOC 2010 results - selected breakdowns for full-time median gross weekly earnings

| Earnings by sector Public sector   |   | SOC 2000 SOC 2010 Change ( |       |       |
|--|---|----------------------------|-------|-------|
| Private sector         476.2         472.0         -0.9%           Earnings by age groups         161.9         162.4         0.3%           18-21         277.8         273.8         -1.5%           22-29         406.6         404.1         -0.6%           30-39         553.7         550.8         -0.5%           40-49         564.7         560.4         -0.8%           50-59         531.8         530.5         -0.2%           60+         466.1         466.4         0.1%           Earnings by region         North East         451.8         449.4         -0.5%           North West         460.3         457.2         -0.7%           Yorkshire and the Humber         465.5         460.7         -1.0%           East Midlands         461.3         457.7         -0.8%           West Midlands         470.6         464.4         -1.3%           East         494.5         489.7         -1.0%           London         650.9         649.4         -0.2%           South East         528.1         529.4         0.2%           South West         464.5         461.5         -0.6%           Wales         4   | Earnings by sector                                |                            |       |       |
| Earnings by age groups  16-17  | Public sector                                     | 555.9                      | 553.9 | -0.4% |
| 16-17       161.9       162.4       0.3%         18-21       277.8       273.8       -1.5%         22-29       406.6       404.1       -0.6%         30-39       553.7       550.8       -0.5%         40-49       564.7       560.4       -0.8%         50-59       531.8       530.5       -0.2%         60+       466.1       466.4       0.1%         Earnings by region       North East       451.8       449.4       -0.5%         North West       460.3       457.2       -0.7%         Yorkshire and the Humber       465.5       460.7       -1.0%         East Midlands       461.3       457.7       -0.8%         West Midlands       470.6       464.4       -1.3%         East       494.5       489.7       -1.0%         London       650.9       649.4       -0.2%         South East       528.1       529.4       0.2%         South West       464.5       461.5       -0.6%         Wales       454.4       451.9       -0.5%         Scotland       488.8       484.5       -0.9%         Morthern Ireland       729.1       720.7   | Private sector                                    | 476.2                      | 472.0 | -0.9% |
| 18-21       277.8       273.8       -1.5%         22-29       406.6       404.1       -0.6%         30-39       553.7       550.8       -0.5%         40-49       564.7       560.4       -0.8%         50-59       531.8       530.5       -0.2%         60+       466.1       466.4       0.1%         Earnings by region       North East       451.8       449.4       -0.5%         North West       460.3       457.2       -0.7%         Yorkshire and the Humber       465.5       460.7       -1.0%         East Midlands       461.3       457.7       -0.8%         West Midlands       470.6       464.4       -1.3%         East       494.5       489.7       -1.0%         London       650.9       649.4       -0.2%         South East       528.1       529.4       0.2%         South West       464.5       461.5       -0.6%         Wales       454.4       451.9       -0.5%         Scotland       488.8       484.5       -0.9%         Morthern Ireland       450.6       446.4       -0.9%         Earnings by occupation       71.2       685.   | Earnings by age groups                            |                            |       |       |
| 22-29       406.6       404.1       -0.6%         30-39       553.7       550.8       -0.5%         40-49       564.7       560.4       -0.8%         50-59       531.8       530.5       -0.2%         60+       466.1       466.4       0.1%         Earnings by region       North West       460.3       457.2       -0.7%         North West       460.3       457.2       -0.7%       -0.7%         Yorkshire and the Humber       465.5       460.7       -1.0%       -1.0%         East Midlands       461.3       457.7       -0.8%       -0.2%       -0.5%       -0.2%       -0.2%       -0.2%       -0.2%       -0.2%       -0.2%       -0.2%       -0.2%       -0.2%       -0.2%       -0.2%       -0.2%       -0.2%       -0.2%       -0.2%       -0.2%       -0.2%       -0.2%   | 16-17   | 161.9                      | 162.4 | 0.3%  |
| 30-39       553.7       550.8       -0.5%         40-49       564.7       560.4       -0.8%         50-59       531.8       530.5       -0.2%         60+       466.1       466.4       0.1%         Earnings by region       North West       451.8       449.4       -0.5%         North West       460.3       457.2       -0.7%         Yorkshire and the Humber       465.5       460.7       -1.0%         East Midlands       470.6       464.4       -1.3%         West Midlands       470.6       464.4       -1.3%         East       494.5       489.7       -1.0%         London       650.9       649.4       -0.2%         South East       528.1       529.4       0.2%         South West       464.5       461.5       -0.6%         Wales       454.4       451.9       -0.5%         Scotland       488.8       484.5       -0.9%         Northern Ireland       450.6       446.4       -0.9%         Earnings by occupation       712.0       685.9       -3.7%         3 - Associate professional and technical occupations       712.0       685.9       -3.7%      <   | 18-21   | 277.8                      | 273.8 | -1.5% |
| 40-49       564.7       560.4       -0.8%         50-59       531.8       530.5       -0.2%         60+       466.1       466.4       0.1%         Earnings by region       North West       451.8       449.4       -0.5%         North West       460.3       457.2       -0.7%         Yorkshire and the Humber       465.5       460.7       -1.0%         East Midlands       470.6       464.4       -1.3%         West Midlands       470.6       464.4       -1.3%         East       494.5       489.7       -1.0%         London       650.9       649.4       -0.2%         South East       528.1       529.4       0.2%         South West       464.5       461.5       -0.6%         Wales       454.4       451.9       -0.5%         Scotland       488.8       484.5       -0.9%         Northern Ireland       450.6       446.4       -0.9%         Earnings by occupation       712.0       685.9       -3.7%         3 - Associate professional and technical occupations       712.0       685.9       -3.7%         3 - Associate professional and technical occupations       560.6   | 22-29   | 406.6                      | 404.1 | -0.6% |
| 50-59       531.8       530.5       -0.2%         60+       466.1       466.4       0.1%         Earnings by region         North East       451.8       449.4       -0.5%         North West       460.3       457.2       -0.7%         Yorkshire and the Humber       465.5       460.7       -1.0%         East Midlands       470.6       464.4       -1.3%         West Midlands       470.6       464.4       -1.3%         East       494.5       489.7       -1.0%         London       650.9       649.4       -0.2%         South East       528.1       529.4       0.2%         South West       464.5       461.5       -0.6%         Wales       454.4       451.9       -0.5%         Scotland       488.8       484.5       -0.9%         Earnings by occupation       450.6       446.4       -0.9%         Earnings by occupations       712.0       685.9       -3.7%         3 - Associate professional and technical occupations       560.6       570.4       1.8%         5 - Skilled trades occupations       460.7       463.1       0.5%         6 - Caring, leisure and other service occupations <td>30-39</td> <td>553.7</td> <td>550.8</td> <td>-0.5%</td>  | 30-39   | 553.7                      | 550.8 | -0.5% |
| 60+       466.1       466.4       0.1%         Earnings by region  | 40-49   | 564.7                      | 560.4 | -0.8% |
| Earnings by region  North East   | 50-59   | 531.8                      | 530.5 | -0.2% |
| North East   | 60+   | 466.1                      | 466.4 | 0.1%  |
| North West       460.3       457.2       -0.7%         Yorkshire and the Humber       465.5       460.7       -1.0%         East Midlands       461.3       457.7       -0.8%         West Midlands       470.6       464.4       -1.3%         East       494.5       489.7       -1.0%         London       650.9       649.4       -0.2%         South East       528.1       529.4       0.2%         South West       464.5       461.5       -0.6%         Wales       454.4       451.9       -0.5%         Scotland       488.8       484.5       -0.9%         Northern Ireland       450.6       446.4       -0.9%         Earnings by occupation       712.0       685.9       -3.7%         2 - Professional occupations       712.0       685.9       -3.7%         3 - Associate professional and technical occupations       560.6       570.4       1.8%         c- Skilled trades occupations       383.3       388.7       1.4%         5 - Skilled trades occupations       332.7       333.8       0.3%         7 - Sales and customer service occupations       304.7       318.9       4.7%         8 - Process, plant and machine o   | Earnings by region                                |                            |       | _     |
| Yorkshire and the Humber       465.5       460.7       -1.0%         East Midlands       461.3       457.7       -0.8%         West Midlands       470.6       464.4       -1.3%         East       494.5       489.7       -1.0%         London       650.9       649.4       -0.2%         South East       528.1       529.4       0.2%         South West       464.5       461.5       -0.6%         Wales       454.4       451.9       -0.5%         Scotland       488.8       484.5       -0.9%         Northern Ireland       450.6       446.4       -0.9%         Earnings by occupation       1 - Managers, directors and senior officials       729.1       720.7       -1.2%         2 - Professional occupations       712.0       685.9       -3.7%         3 - Associate professional and technical occupations       560.6       570.4       1.8%         5 - Skilled trades occupations       383.3       388.7       1.4%         5 - Skilled trades occupations       460.7       463.1       0.5%         6 - Caring, leisure and other service occupations       304.7       318.9       4.7%         8 - Process, plant and machine operatives       426.7  | North East  | 451.8                      | 449.4 | -0.5% |
| East Midlands       461.3       457.7       -0.8%         West Midlands       470.6       464.4       -1.3%         East       494.5       489.7       -1.0%         London       650.9       649.4       -0.2%         South East       528.1       529.4       0.2%         South West       464.5       461.5       -0.6%         Wales       454.4       451.9       -0.5%         Scotland       488.8       484.5       -0.9%         Northern Ireland       450.6       446.4       -0.9%         Earnings by occupation         1 - Managers, directors and senior officials       729.1       720.7       -1.2%         2 - Professional occupations       712.0       685.9       -3.7%         3 - Associate professional and technical occupations       560.6       570.4       1.8%         5 - Skilled trades occupations       383.3       388.7       1.4%         5 - Skilled trades occupations       460.7       463.1       0.5%         6 - Caring, leisure and other service occupations       332.7       333.8       0.3%         7 - Sales and customer service occupations       304.7       318.9       4.7%         8 - Process, plant and machine opera  | North West  | 460.3                      | 457.2 | -0.7% |
| West Midlands       470.6       464.4       -1.3%         East       494.5       489.7       -1.0%         London       650.9       649.4       -0.2%         South East       528.1       529.4       0.2%         South West       464.5       461.5       -0.6%         Wales       454.4       451.9       -0.5%         Scotland       488.8       484.5       -0.9%         Northern Ireland       450.6       446.4       -0.9%         Earnings by occupation       729.1       720.7       -1.2%         2 - Professional occupations       712.0       685.9       -3.7%         3 - Associate professional and technical occupations       560.6       570.4       1.8%         occupations       383.3       388.7       1.4%         5 - Skilled trades occupations       383.3       388.7       1.4%         5 - Caring, leisure and other service occupations       332.7       333.8       0.3%         7 - Sales and customer service occupations       304.7       318.9       4.7%         8 - Process, plant and machine operatives       426.7       427.0       0.1%  | Yorkshire and the Humber                          | 465.5                      | 460.7 | -1.0% |
| East 494.5 489.7 -1.0% London 650.9 649.4 -0.2% South East 528.1 529.4 0.2% South West 464.5 461.5 -0.6% Wales 454.4 451.9 -0.5% Scotland 488.8 484.5 -0.9% Northern Ireland 450.6 446.4 -0.9% Earnings by occupation 1 - Managers, directors and senior officials 729.1 720.7 -1.2% 2 - Professional occupations 712.0 685.9 -3.7% 3 - Associate professional and technical occupations 4 - Administrative and secretarial occupations 383.3 388.7 1.4% 5 - Skilled trades occupations 460.7 463.1 0.5% 6 - Caring, leisure and other service occupations 332.7 333.8 0.3% 7 - Sales and customer service occupations 304.7 318.9 4.7% 8 - Process, plant and machine operatives 426.7 427.0 0.1%   | East Midlands                                     | 461.3                      | 457.7 | -0.8% |
| London       650.9       649.4       -0.2%         South East       528.1       529.4       0.2%         South West       464.5       461.5       -0.6%         Wales       454.4       451.9       -0.5%         Scotland       488.8       484.5       -0.9%         Northern Ireland       450.6       446.4       -0.9%         Earnings by occupation   | West Midlands                                     | 470.6                      | 464.4 | -1.3% |
| South East       528.1       529.4       0.2%         South West       464.5       461.5       -0.6%         Wales       454.4       451.9       -0.5%         Scotland       488.8       484.5       -0.9%         Northern Ireland       450.6       446.4       -0.9%         Earnings by occupation  | East  | 494.5                      | 489.7 | -1.0% |
| South West       464.5       461.5       -0.6%         Wales       454.4       451.9       -0.5%         Scotland       488.8       484.5       -0.9%         Northern Ireland       450.6       446.4       -0.9%         Earnings by occupation  | London  | 650.9                      | 649.4 | -0.2% |
| Wales       454.4       451.9       -0.5%         Scotland       488.8       484.5       -0.9%         Northern Ireland       450.6       446.4       -0.9%         Earnings by occupation   | South East  | 528.1                      | 529.4 | 0.2%  |
| Scotland       488.8       484.5       -0.9%         Northern Ireland       450.6       446.4       -0.9%         Earnings by occupation   | South West  | 464.5                      | 461.5 | -0.6% |
| Northern Ireland       450.6       446.4       -0.9%         Earnings by occupation       1 - Managers, directors and senior officials       729.1       720.7       -1.2%         2 - Professional occupations       712.0       685.9       -3.7%         3 - Associate professional and technical occupations       560.6       570.4       1.8%         4 - Administrative and secretarial occupations       383.3       388.7       1.4%         5 - Skilled trades occupations       460.7       463.1       0.5%         6 - Caring, leisure and other service occupations       332.7       333.8       0.3%         7 - Sales and customer service occupations       304.7       318.9       4.7%         8 - Process, plant and machine operatives       426.7       427.0       0.1%  | Wales   | 454.4                      | 451.9 | -0.5% |
| Earnings by occupation  1 - Managers, directors and senior officials  2 - Professional occupations  3 - Associate professional and technical occupations  4 - Administrative and secretarial occupations  5 - Skilled trades occupations  6 - Caring, leisure and other service occupations  7 - Sales and customer service occupations  8 - Process, plant and machine operatives  7 - 1.2%  7 - 20.71.2%  5 - 6.6 5 - 570.4  1.8%  5 - 50.6 5 - 570.4  1.8%  5 - 50.6 5 - 570.4  1.8%  5 - Skilled trades occupations  3 - 40.7 463.1  3 - 333.8  3 -     | Scotland  | 488.8                      | 484.5 | -0.9% |
| 1 - Managers, directors and senior officials 2 - Professional occupations 3 - Associate professional and technical occupations 4 - Administrative and secretarial occupations 5 - Skilled trades occupations 6 - Caring, leisure and other service occupations 7 - Sales and customer service occupations 7 - Yes - 1.2% 7 - 1 | Northern Ireland                                  | 450.6                      | 446.4 | -0.9% |
| 2 - Professional occupations 712.0 685.9 -3.7% 3 - Associate professional and technical occupations 560.6 570.4 1.8% 6 - Caring, leisure and other service occupations 712.0 685.9 -3.7% 560.6 570.4 1.8% 7 - Sales and customer service occupations 712.0 685.9 -3.7% 7 - Sales and customer service occupations 712.0 685.9 -3.7% 7 - Sales and secretarial occupations 712.0 685.9 -3.7% 7 - Sales and secretarial occupations 712.0 685.9 -3.7% 7 - Sales and secretarial occupations 712.0 685.9 -3.7% 7 - Sales and secretarial occupations 712.0 685.9 -3.7% 7 - Sales and secretarial occupations 712.0 685.9 -3.7% 7 - Sales and secretarial occupations 712.0 685.9 -3.7% 7 - Sales and secretarial occupations 712.0 685.9 -3.7% 7 - Sales and secretarial occupations 712.0 685.9 -3.7% 7 - Sales and secretarial occupations 712.0 685.9 -3.7% 7 - Sales and customer service occupations 712.0 685.9 -3.7% 7 - Sales and customer service occupations 712.0 685.9 -3.7% 7 - Sales and customer service occupations 712.0 685.9 -3.7% 7 - Sales and customer service occupations 712.0 685.9 -3.7% 7 - Sales and customer service occupations 712.0 685.9 -3.7% 7 - Sales and customer service occupations 712.0 685.9 -3.7% 7 - Sales and customer service occupations 712.0 685.9 -3.7% 7 - Sales and customer service occupations 712.0 685.9 -3.7%  | Earnings by occupation                            |                            |       |       |
| 3 - Associate professional and technical occupations  4 - Administrative and secretarial occupations  560.6 570.4 1.8% as 383.3 388.7 1.4% 5 - Skilled trades occupations  6 - Caring, leisure and other service occupations 332.7 333.8 0.3% 7 - Sales and customer service occupations 304.7 318.9 4.7% 8 - Process, plant and machine operatives 426.7 427.0 0.1%   | 1 - Managers, directors and senior officials      | 729.1                      | 720.7 | -1.2% |
| occupations  4 - Administrative and secretarial occupations  5 - Skilled trades occupations  6 - Caring, leisure and other service occupations  7 - Sales and customer service occupations  8 - Process, plant and machine operatives  383.3  388.7  463.1  0.5%  332.7  333.8  0.3%  4.7%  427.0  0.1%  | 2 - Professional occupations                      | 712.0                      | 685.9 | -3.7% |
| 5 - Skilled trades occupations460.7463.10.5%6 - Caring, leisure and other service occupations332.7333.80.3%7 - Sales and customer service occupations304.7318.94.7%8 - Process, plant and machine operatives426.7427.00.1%   | •   | 560.6                      | 570.4 | 1.8%  |
| 6 - Caring, leisure and other service occupations 332.7 333.8 0.3% 7 - Sales and customer service occupations 304.7 318.9 4.7% 8 - Process, plant and machine operatives 426.7 427.0 0.1%  | 4 - Administrative and secretarial occupations    | 383.3                      | 388.7 | 1.4%  |
| 7 - Sales and customer service occupations 304.7 318.9 4.7% 8 - Process, plant and machine operatives 426.7 427.0 0.1%   | 5 - Skilled trades occupations                    | 460.7                      | 463.1 | 0.5%  |
| 8 - Process, plant and machine operatives 426.7 427.0 0.1%   | 6 - Caring, leisure and other service occupations | 332.7                      | 333.8 | 0.3%  |
|  | 7 - Sales and customer service occupations        | 304.7                      | 318.9 | 4.7%  |
| 9 - Elementary occupations 325.9 328.9 0.9%  | 8 - Process, plant and machine operatives         | 426.7                      | 427.0 | 0.1%  |
|  | 9 - Elementary occupations                        | 325.9                      | 328.9 | 0.9%  |

Notes:

<sup>1.</sup> Full-time employees on adult rates, pay unaffected by absence

### SOC comparisons for low pay in the UK

Jobs paid below the National Minimum Wage in April 2011 (000s)

|               | SOC 2000 | SOC 2010 | Change |
|---------------|----------|----------|--------|
| All employees | 299      | 297      | -0.6%  |
| Full-time     | 160      | 150      | -5.9%  |
| Part-time     | 139      | 147      | 5.5%   |
| Men           | 125      | 120      | -4.3%  |
| Full-time     | 94       | 86       | -8.3%  |
| Part-time     | 31       | 33       | 7.7%   |
| Women         | 174      | 178      | 2.1%   |
| Full-time     | 66       | 64       | -2.6%  |
| Part-time     | 108      | 114      | 4.9%   |

Estimates of the proportion of employees who are members of workplace pension schemes differ very little between SOC 2000 and SOC 2010 for all employees.

#### Proportion of employees with workplace pension, by type of pension

|                                      | SOC 2000<br>Percentage | SOC 2010<br>Percentage | Change (percentage points) |
|--------------------------------------|------------------------|------------------------|----------------------------|
| Occupational Defined Benefit         | 30                     | 30                     | 0                          |
| Occupational Defined Contribution    | 6                      | 6                      | 0                          |
| Group Personal and Group Stakeholder | 10                     | 10                     | 0                          |
| Any pension                          | 48                     | 48                     | 0                          |

However, since many employees are classified to different major occupational groups under the two SOCs, there are some notable differences at this level. The largest increase is in group 7 (Sales and customer service occupations), where the estimate for membership of workplace pensions is 3.2 per cent higher under SOC 2010. The largest decrease is in group 3 (Associate professional and technical occupations), where the estimate for membership of workplace pensions is 5.1 per cent lower under SOC 2010.

#### Proportion of employees with workplace pension, by major occupational group

|  | SOC 2000<br>Percentage | SOC 2010<br>Percentage | Change (percentage points) |
|--|------------------------|------------------------|----------------------------|
| 1 - Managers, directors and senior officials         | 56.6                   | 55.0                   | -1.6                       |
| 2 - Professional occupations                         | 76.1                   | 75.2                   | -0.9                       |
| 3 - Associate professional and technical occupations | 65.5                   | 60.4                   | -5.1                       |
| 4 - Administrative and secretarial occupations       | 53.0                   | 52.0                   | -1.0                       |
| 5 - Skilled trades occupations                       | 35.1                   | 34.5                   | -0.6                       |
| 6 - Caring, leisure and other service occupations    | 38.3                   | 39.0                   | 0.7                        |
| 7 - Sales and customer service occupations           | 18.7                   | 21.9                   | 3.2                        |
| 8 - Process, plant and machine operatives            | 31.7                   | 32.6                   | 0.9                        |
| 9 - Elementary occupations                           | 22.1                   | 21.5                   | -0.6                       |

# 15. Background notes

### 1. Survey details

The Annual Survey of Hours and Earnings (ASHE) is based on a 1 per cent sample of employee jobs taken from HM Revenue & Customs (HMRC) PAYE records. Information on earnings and hours is obtained from employers and treated confidentially. ASHE does not cover the self-employed nor does it cover employees not paid during the reference period. In 2011 information related to the pay period which included 13 April.

This bulletin contains results from the 2011 survey which have been reworked according to the <u>Standard Occupational Classification 2010</u>.

2. A <u>Summary Quality Report for ASHE (189.4 Kb Pdf)</u> is available on the ONS website. This report describes, in detail, the intended uses of the statistics presented in this publication, their general quality and the methods used to produce them.

#### 3. Key issues specific to this release

In October 2010 the age at which employees are entitled to the main national minimum wage was reduced from 22 to 21.

# 4. Common pitfalls in interpreting the series

The headline statistics for ASHE are based on the median rather than the mean. The median is the value below which 50 per cent of employees fall. It is ONS's preferred measure of average earnings as it is less affected by a relatively small number of very high earners and the skewed distribution of earnings. It therefore gives a better indication of typical pay than the mean.

Various methods can be used to measure the earnings of women relative to men. ONS's headline estimates of the gender pay gap are for 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.

Although the low pay estimates attempt to measure the number of jobs that are paid below the national minimum wage, it should be noted that the estimates cannot be used as a measure of non-compliance with the legislation. This is because it is not possible to determine from the survey data whether an individual is eligible for the minimum wage. For example, it is not possible to identify people such as apprentices and

those undergoing training who are exempt from the minimum wage rate or are entitled to lower rates. In addition, if employees receive free accommodation, employers are entitled to offset hourly rates.

#### 5. Relevance

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 others no settlement at all.

Most of the published ASHE analyses (that is excluding annual earnings) relate to full-time employees on adult rates whose earnings for the survey pay period were not affected by absence. ASHE and Low Pay estimates do not include the earnings of those who did not work a full week, and whose earnings were reduced for other reasons, such as sickness. Also, they do not include the earnings of employees not on adult rates of pay, most of whom will be young people. More information on the earnings of young people and part-time employees is available in the main survey results. Full-time employees are defined as those who work more than 30 paid hours per week or those in teaching professions working 25 paid hours or more per week.

As ASHE is a survey of employers, it only covers workplace pensions, which are those that are either provided or facilitated by employers; it does not cover individual personal or stakeholder pensions, where individuals enter into a contract with an insurance company that is not facilitated by an employer.

#### 6. Accuracy

#### Revisions

This release consists of a reworked version (according to the new SOC) of 2011 results. It contains no revisions to previous years' results.

#### Coefficient of Variation

The coefficient of variation (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 for 2011 ASHE and Low Pay estimates are shown below:

# Coefficients of variation (in per cent) for estimates of median gross weekly earnings and hourly earnings, excluding overtime

|  | Full-<br>time | Part-<br>time |
|--|---------------|---------------|
| Median gross weekly earnings               |               |               |
| Men  | 0.2           | 1.0           |
| Women                                      | 0.3           | 0.5           |
| All  | 0.1           | 0.5           |
| Median hourly earnings, excluding overtime |               |               |
| Men  | 0.3           | 0.8           |
| Women                                      | 0.4           | 0.3           |
| All  | 0.2           | 0.2           |

# Coefficients of variation for estimates of UK jobs paid below the National Minimum Wage in April 2011

|                   | Estimate<br>(000s) | Coefficient of Variation (%) |
|-------------------|--------------------|------------------------------|
| 16 - 17           | 14                 | 12.0                         |
| 18 - 20           | 50                 | 6.1                          |
| 21 and over       | 233                | 2.4                          |
| All over 16 years | 297                | 2.2                          |

#### Notes:

1. Employees on adult rates, pay unaffected by absence

### Response

The 2011 ASHE is based on approximately 190,000 returns.

### 7. Coherence

The Average Weekly Earnings (AWE) statistic, based on the Monthly Wages and Salaries Survey of about 9,000 employers, is the lead measure of short-term changes in average earnings in Great Britain. Figures are available with industrial breakdowns and public/private sector splits. No information is available on occupation, hours worked, and other characteristics of the workforce.

The Labour Force Survey (LFS) collects information on the earnings and normal and actual hours worked of about 15,000 people aged 16 and over each quarter. In addition it collects data on a wide range of personal characteristics, including education level and ethnic origin. This enables the preparation of

statistics on levels and distribution of earnings similar to the ASHE but with lower precision due to the much smaller sample size.

#### 8. Notes on tables

The percentage changes of constituent items in tables may not always agree exactly with the values shown due to rounding.

### 9. Publication policy

Details of the policy governing the release of new data are available from the <u>Media Relations Office</u>. Also available is a <u>list of the names of those given pre-publication access to the contents of this release (48.2 Kb Pdf)</u>.

National Statistics are produced to high professional standards set out in the <u>Code of Practice for Official Statistics</u>. They undergo regular quality assurance reviews to ensure that they meet customer needs. They are produced free from any political interference.

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These National Statistics are released according to the arrangements approved by the <u>UK Statistics</u> <u>Authority</u>.

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