

Article

Supplementary analysis of average weekly earnings: June 2016

Analyses of the Average Weekly Earnings (AWE) figures, which are published in the UK Labour Market Statistical Bulletin.



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Release date:
15 June 2016

Next release:
20 July 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, which is AWE deflated by the Consumer Price Index. The second section analyses single month movements in the nominal AWE.

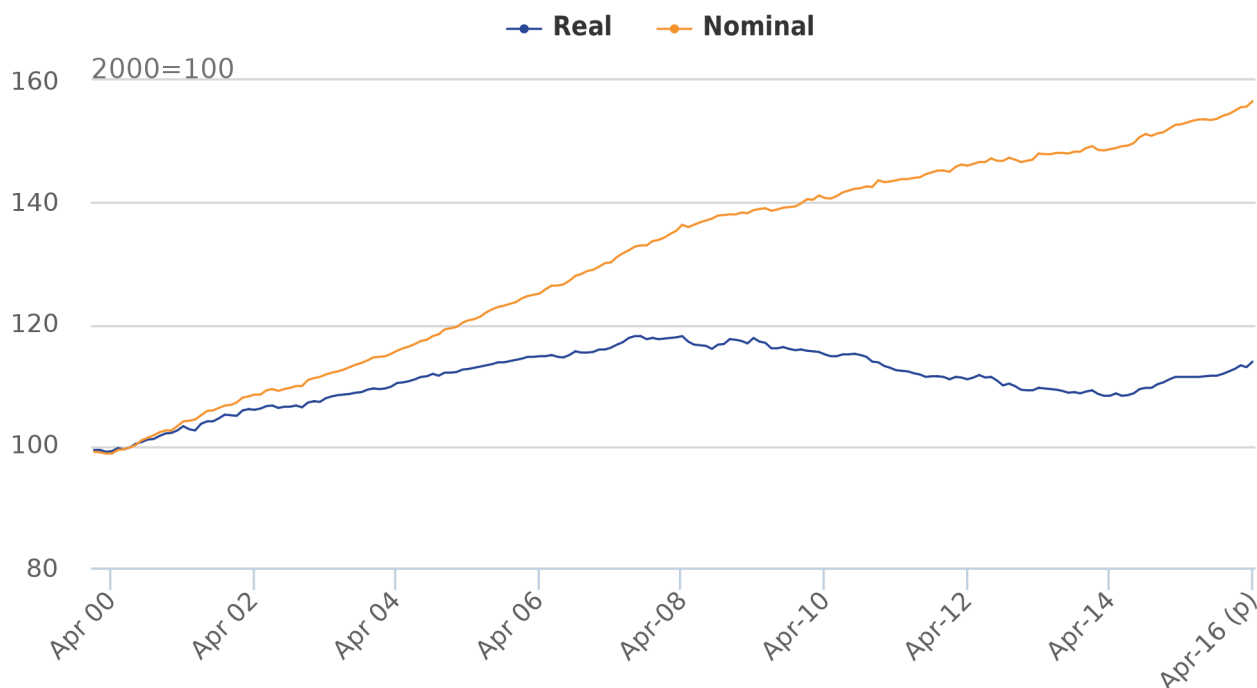
2. Real AWE

The charts 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 in dataset [EARN01](#), together with estimates of real AWE at 2000 prices.

Comparing the 3 months to April 2016 with the same period in 2015, real AWE (total pay) grew by 1.6%, 0.1 percentage points lower than as seen in the 3 months to March. Nominal AWE (total pay) grew by 2.0% in the 3 months to April, while the CPI increased by 0.3% in the year to April 2016. Over the same period, real AWE (regular pay) grew by 1.9%, compared with 1.8% in the 3 months to March. The nominal AWE (regular pay) rose by 2.3% in the 3 months to April.

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

January 2000 to April 2016



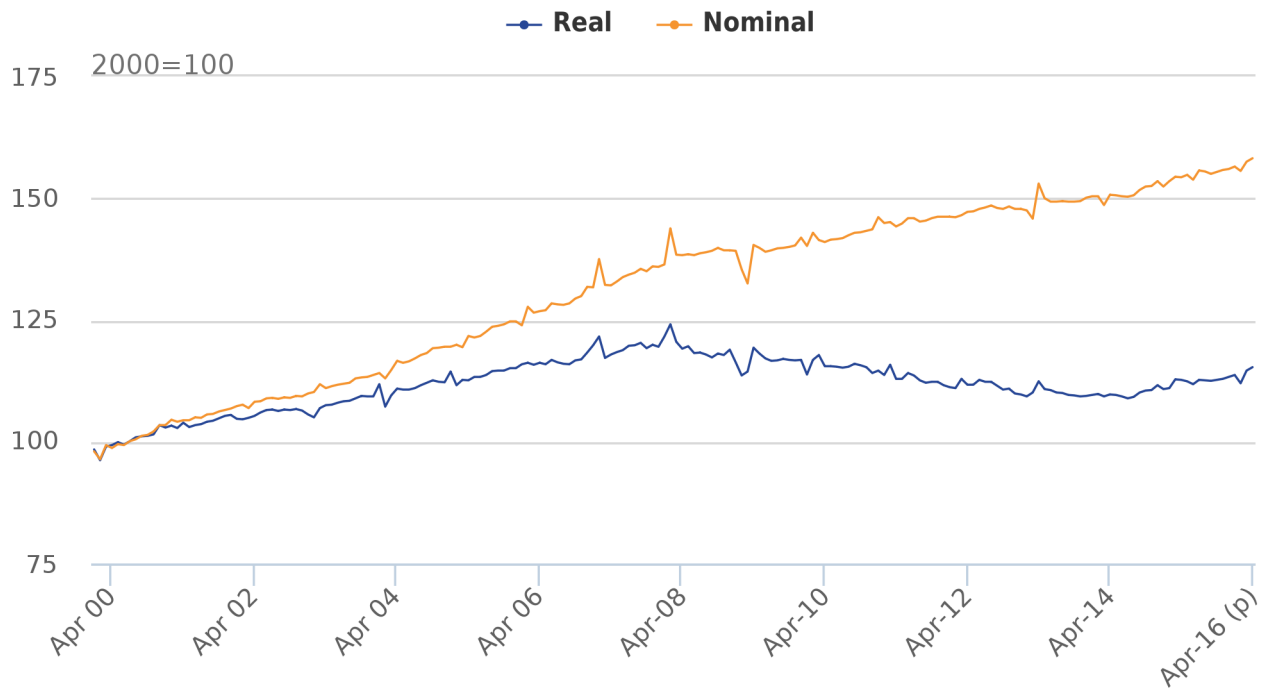
Source: Office for National Statistics, Monthly Wages and Salaries Survey (MWSS)

Notes:

1. p = provisional r = revised

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

January 2000 to April 2016



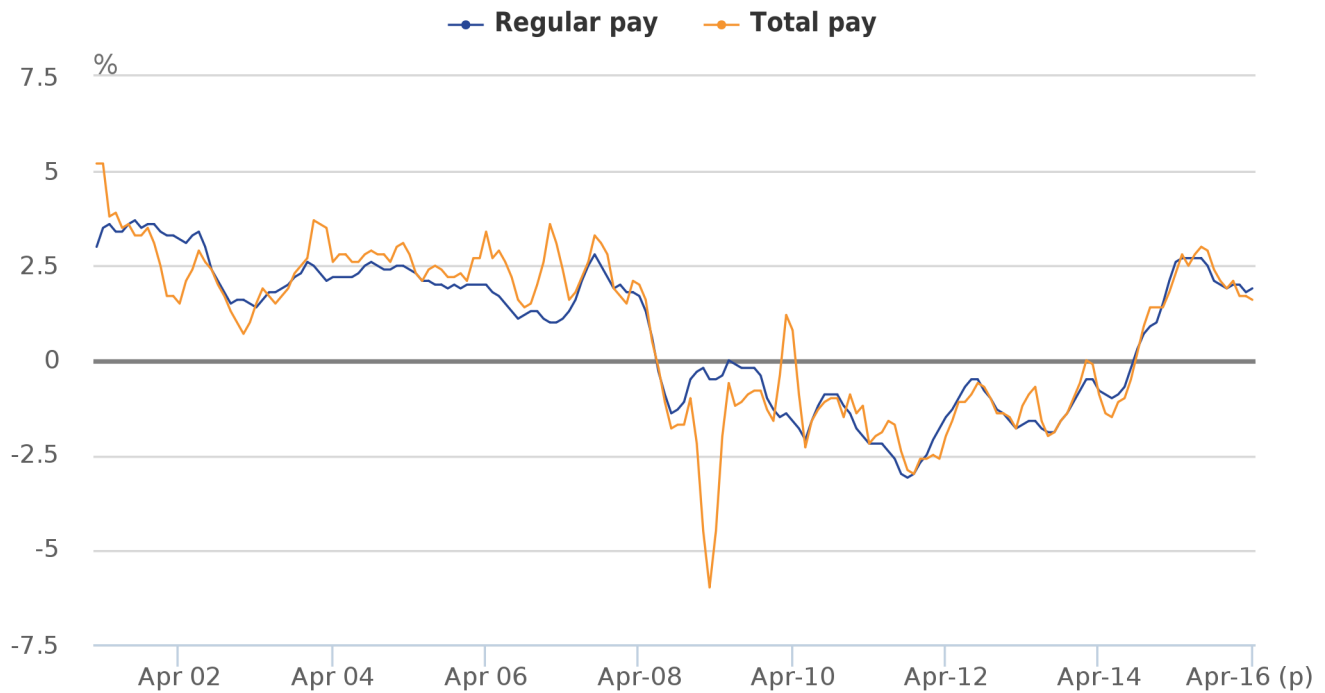
Source: Office for National Statistics, Monthly Wages and Salaries Survey (MWSS)

Notes:

1. p = provisional r = revised

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

January to March 2001 to February to April 2016 (3 month average time periods)



Source: Office for National Statistics, Monthly Wages and Salaries Survey (MWSS)

Notes:

1. p = provisional r = revised

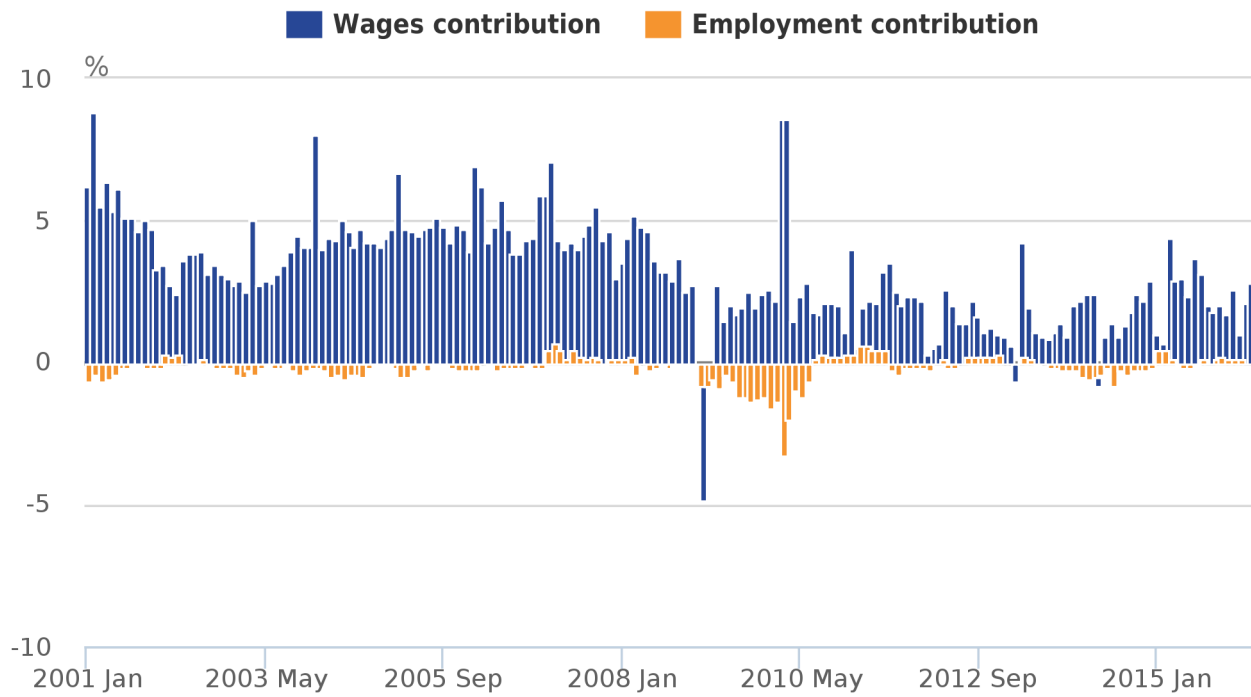
3. Contributions to nominal AWE – single month

The wages and employment contributions underlying the latest AWE data are available on our website in the [EARN02 dataset](#) 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 total pay by contributions

January 2001 to April 2016



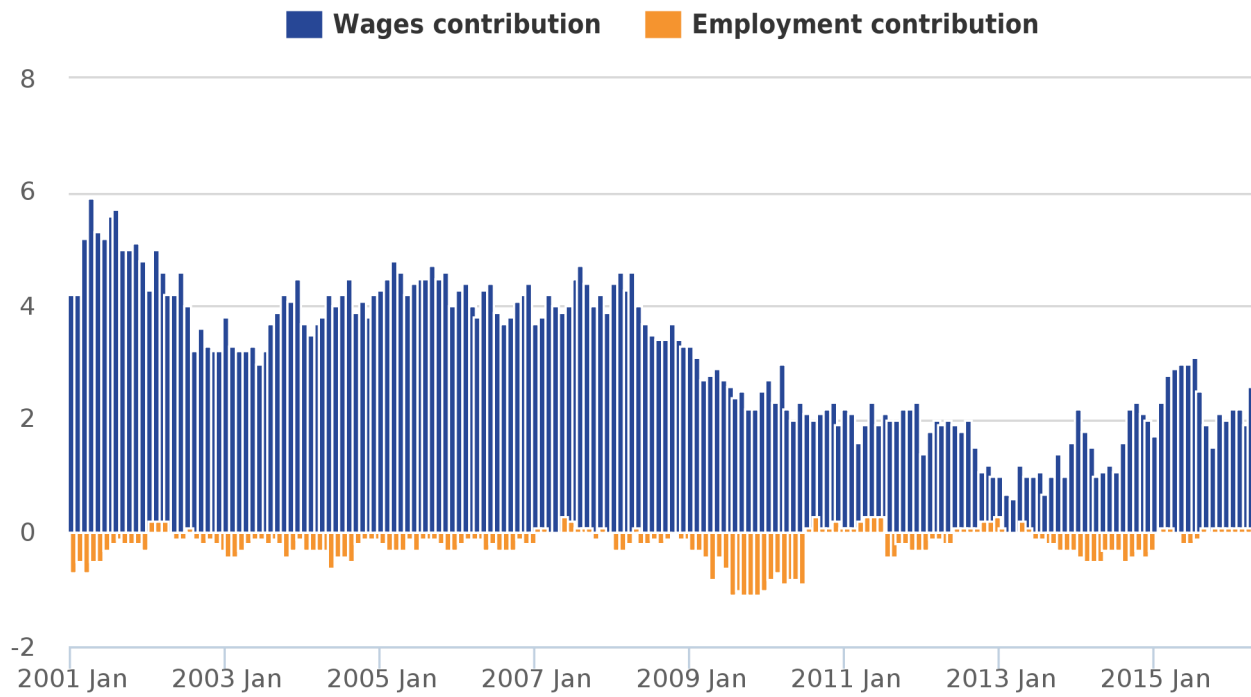
Source: Office for National Statistics, Monthly Wages and Salaries Survey (MWSS)

Notes:

- 1. p = provisional r = revised

Figure 5: AWE regular pay by contributions

January 2001 to April 2016



Source: Office for National Statistics, Monthly Wages and Salaries Survey (MWSS)

Notes:

- 1. p = provisional r = revised

Employment contributions were zero for both total pay and regular pay in April 2016.