

Statistical bulletin

Low and high pay in the UK: 2024

The distribution of hourly earnings of high-paid and low-paid jobs and jobs paid below the National Minimum Wage.

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Correction

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We have corrected an error in Data Sources and Quality under the heading Methodological changes in 2023 to 2024. The previous version read Median hourly pay for full-time employees has risen from £17.40 to £17.52.

It should have read Median hourly pay (excluding overtime) for full-time employees has risen from £17.40 to £17.52.

This happened because of a human error.

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1 . Other pages in this release

Commentary on topics covered in the Annual Survey of Hours and Earnings (ASHE) is split between three separate bulletins. The other two can be found on the following pages:

- [Employee earnings in the UK: 2024](#)
- [Gender pay gap in the UK: 2024](#)

2 . Main points

- The proportion of low-paid employee jobs fell to 3.4% in April 2024 from 9.8% in April 2023, the lowest since the series began in 1997, while the proportion of high-paid employee jobs fell 0.7 percentage points on-the-year to 22.7% in April 2024; both declines are record lows.
- Average hourly pay (excluding overtime) in April 2024 has increased for all percentiles year-on-year, but the increase has been larger in the lower deciles.
- The lowest-earning employees tend to be younger, aged between 16 and 21 years, and in elementary occupations (including bar staff, cleaners among others) or the hospitality industry.
- The highest-earning employees are concentrated in the managerial and professional occupations, aged between 40 and 49 years, or work in the information and communication, and finance and insurance service industries.
- The number of employee jobs paid below the National Minimum Wage and National Living Wage is estimated to be 371,000, or 1.3% of the total, although this is not a measure of non-compliance.

The terms “jobs” and “employees” are used interchangeably throughout this bulletin.

3 . Low- and high-paid employee jobs

We have introduced improvements to our methods for processing returns for the Annual Survey of Hours and Earnings (ASHE) to help address differences between ASHE and other earnings data sources. More information is available in [Section 6: Data sources and quality](#).

Low-paid jobs are defined as those paid below two-thirds of median hourly earnings and high-paid jobs are defined as those paid more than 1.5 times median hourly earnings, in line with the [Organisation for Economic Co-operation and Development \(OECD\) definition](#) (see [Section 5: Glossary](#) for details). In April 2024, low-paid jobs were those paid below £11.39 per hour and high-paid jobs were those paid more than £25.63 per hour.

In April 2024, 3.4% of all employee jobs were low-paid (paid less than £11.39 per hour). This was a record low and a sharp decrease; in 2023, 9.8% of all employee jobs were low-paid jobs, accelerating a trend observed since 2015. The steep decrease in 2024 can be partly explained by recent increases in the [National Minimum Wage \(NMW\) and National Living Wage \(NLW\) rates](#) and the addition of those aged 21 and 22 to the NLW rates. In April 2024, the National Living Wage (for those aged 21 and over) was £11.44 per hour, which is 5 pence more than the maximum pay that defines low-paid jobs (£11.39 per hour).

Figure 1: Low- and high-paid jobs both fell to record lows in April 2024

Proportion of low- and high-paid employee jobs, whole economy, UK, April 1997 to April 2024

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Proportion of low- and high-paid employee jobs, whole economy, UK, April 1997 to April 2024



Source: Annual Survey of Hours and Earnings from the Office for National Statistics

Notes:

1. Estimates for 2024 are provisional.
2. Employees are on adult rates, where pay is unaffected by absence.
3. Low pay is defined as the value that is two-thirds of median hourly earnings and high pay is defined as the value that is 1.5 times median hourly earnings.
4. Due to methodological changes, data for 2023 and 2024 might not be directly comparable with data for 2022 and earlier years (see [Section 6: Data sources and quality](#)). Data for 2020 and 2021 are subject to more uncertainty and should be treated with caution because of the effect of the coronavirus (COVID-19) pandemic on the data and collection.

Among employees aged 16 years and over, the estimated proportion of employee jobs paid below the NLW and NMW has increased slightly in April 2024 (1.3%, approximately 371,000 employee jobs) compared with April 2023 (1.2%, approximately 351,000 employee jobs). These estimates of employee jobs paid below NMW and NLW in this bulletin and the [Annual Survey of Hours and Earnings \(ASHE\)](#) cannot be used as a measure of non-compliance with minimum wage legislation as it is not always possible to determine eligibility from survey data (see [Section 6: Data sources and quality](#) for details).

The proportion of high-paid employee jobs (paid more than £25.63 per hour) fell to 22.7% in April 2024, continuing its downward trend.

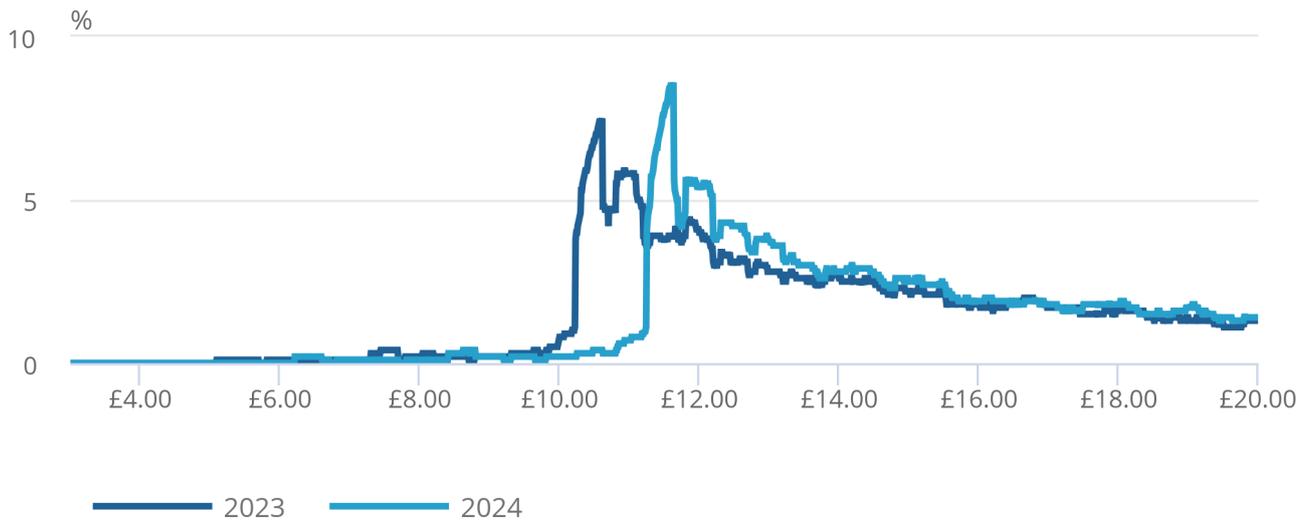
Distribution of pay

Figure 2: The proportion of people earning at or below the minimum wage has slightly increased in April 2024

Distribution of hourly earnings (excluding overtime) for all employees, from April 2023 to April 2024, UK (proportion of jobs within plus or minus 20 pence of shown pay rate)

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Source: Annual Survey of Hours and Earnings from the Office for National Statistics

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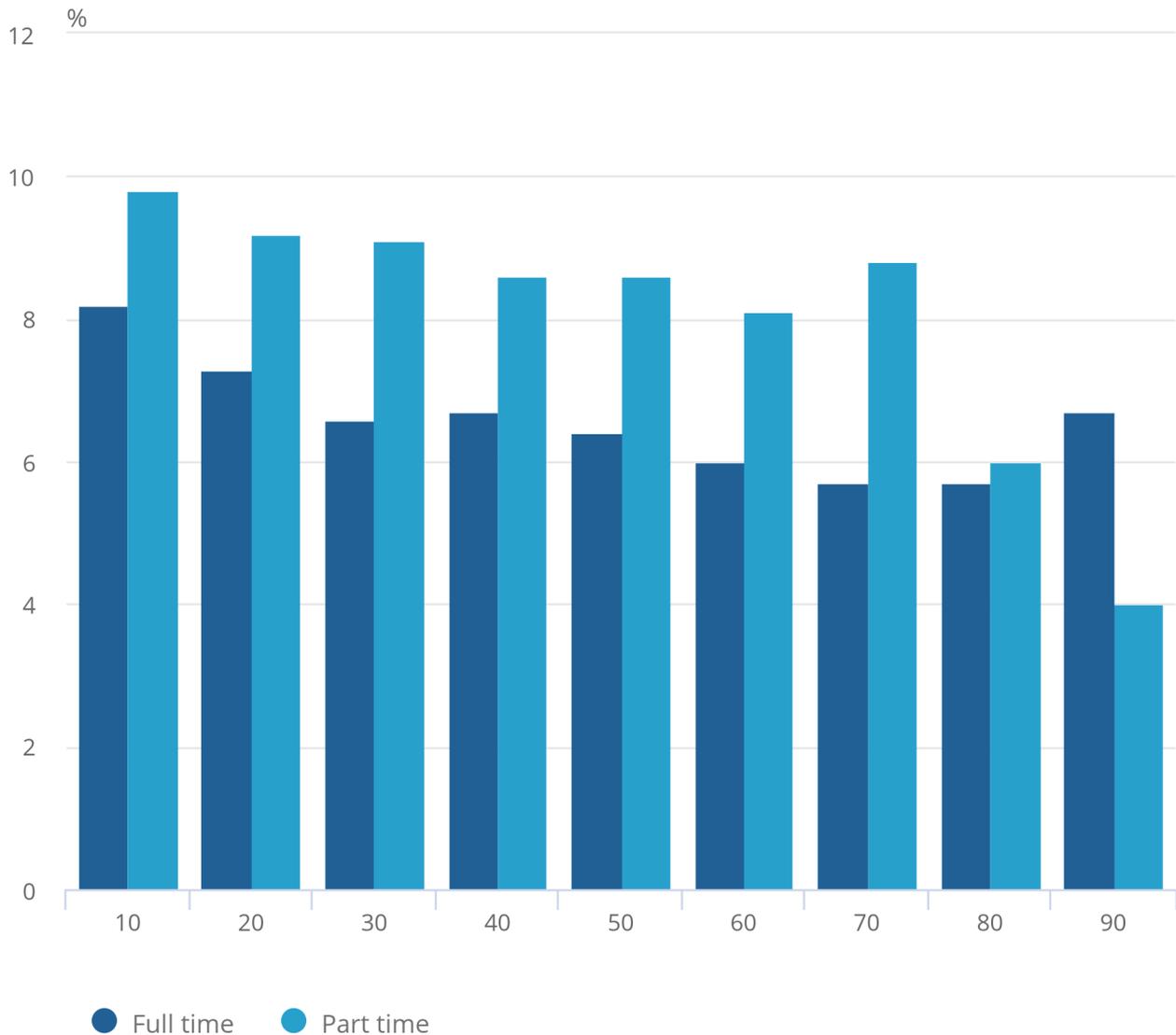
There was a large concentration of jobs paid within 20 pence of the National Living Wage (NLW) in both April 2024 and April 2023, which was £11.44 for those aged 21 years and over in April 2024 and £10.42 for those aged 23 years and over in April 2023. This corresponds to the highest peak observed in April 2024, at around £11.61. The second highest peak in April 2024 is between £11.81 to £12.19, around £12 an hour. This can probably be attributed to employers choosing to pay employees £12 per hour instead of the NMW, to either round up the figure or pay the living wage as defined by the [Living Wage Foundation](#), which was £12.00 in April 2024 for employees outside London and £13.15 for employees in London. There is also a smaller peak forming at the £12.50 and £13 an hour mark in the 2024 distribution.

Figure 3: Average hourly pay in April 2024 has increased for all deciles year-on-year, but there is larger growth in the lower deciles

Year-on-year percentage change to the distribution of full-time and part-time hourly earnings (excluding overtime) for every decile, UK, April 2023 to April 2024

Figure 3: Average hourly pay in April 2024 has increased for all deciles year-on-year, but there is larger growth in the lower deciles

Year-on-year percentage change to the distribution of full-time and part-time hourly earnings (excluding overtime) for every decile, UK, April 2023 to April 2024



Source: Annual Survey of Hours and Earnings from the Office for National Statistics

Notes:

1. Estimates for 2024 are provisional.
2. Employees are on adult rates, where pay is unaffected by absence.
3. Full-time is defined as employees working more than 30 paid hours per week (or 25 or more for the teaching professions).

There has been an increase in pay across all deciles in the pay distribution in April 2024 compared with April 2023, both for full-time employees and part-time employees. This increase has been particularly large for lower-paying jobs. The lowest-paying jobs (10th decile) have had the largest increase in average hourly pay (excluding overtime), at 8.2% for full-time jobs and 9.8% for part-time jobs. Jobs in the 20th decile have experienced the next largest increase: 7.3% for full-time jobs and 9.2% for part-time jobs.

The 20% of highest paying jobs have experienced the smallest wage increases for part-time employee jobs, on average, but full-time employees in the highest-paid jobs (90th decile) increased their salaries by 6.7%, more than all other earning deciles except the 20% lowest-paid jobs (10th and 20th deciles) and the 40th decile.

Characteristics of employees in low and high paid jobs

Figure 4: Low-paid employees tend to be part-time, younger, in elementary occupations and the hospitality industry

Low-paid employees, high-paid employees and middle-paid employees broken down by various characteristics, UK, April 2024

Notes

1. Estimates for 2024 are provisional.
2. Employees are on adult rates, where pay is unaffected by absence.
3. Low pay is defined as the value that is two-thirds of median hourly earnings and high pay is defined as the value that is 1.5 times median hourly earnings.

The characteristics of low-paid jobs and employees (paid less than two-thirds of median hourly pay) are different on average than those of high-paid jobs and employees (paid more than 1.5 times the median).

The highest proportion of low-paid jobs in April 2024 was observed in elementary occupations (12.9%) and the hospitality industry (17%). Elementary occupations include jobs such as cleaners or delivery drivers. Also, the employees more likely to be in low-paid jobs were the young (36.1% of employees aged 16 to 21 were in low pay) and women (3.9% of women were in low paid jobs, compared with 2.8% of men). Among the regions and countries, the highest proportion of employees working in low-paid jobs was in Northern Ireland (4.7%).

The proportions of employees who were high-paid were largest for managerial and professional occupations (50.1% and 46.0%, respectively), those working in the information and communication industry or the finance and insurance industry (45.0% and 50.8%, respectively), workers aged between 45 and 49 years (31.5%) or those working in London (39.9%). Similarly, men were more likely to be high-paid than women (27.1% compared with 18.3%) and full-time employees were more likely to be high-paid than part-time employees (26.6% compared with 12.1%).

4 . Data on low and high pay

[Jobs paid below minimum wage by category](#)

Dataset | Released 29 October 2024

Annual estimates of the number of UK jobs paid below the minimum wage by sex, age, occupation and industry, full-time and part-time, and region, from 1998 to 2024.

[Number and proportion of employee jobs with hourly pay below the living wage](#)

Dataset | Released 29 October 2024

Estimates of the number and proportion of employee jobs with hourly pay below the living wage, as defined by the Living Wage Foundation. Estimates are provided by parliamentary constituency and local authority.

[Distribution of low-paid jobs by 10 pence bands](#)

Dataset | Released 29 October 2024

Annual estimates of the number and proportion of UK jobs paying below various 10 pence thresholds and the National Minimum Wage and National Living Wage, by employee age group, from 1998 to 2024.

5 . Glossary

Low pay and high pay

In this bulletin, low and high pay are calculated using the [Organisation for Economic Co-operation and Development \(OECD\) definitions](#). Low pay is defined as the value that is two-thirds of median hourly earnings and high pay is defined as the value that is 1.5 times median hourly earnings.

For example, median hourly earnings for all employees in April 2024 are £17.08, therefore low-pay employees are anyone earning below two-thirds of £17.08, which is £11.39. High-pay employees are those earning anything above 1.5 times £17.08, which is £25.63.

Full-time and part-time

Full-time is defined as employees working more than 30 paid hours per week (or 25 or more hours for the teaching professions). Part-time is defined as employees working less than or equal to 30 paid hours per week (or less than or equal to 25 hours for the teaching professions).

Standard Occupational Classification

The [Standard Occupational Classification \(SOC\)](#) is a common classification of occupational information for the UK.

National Minimum Wage and National Living Wage

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 rates of minimum wage depending on a worker's age and whether they are an apprentice. The NMW applies to employees aged between 16 and 20 years. The government's National Living Wage (NLW) was introduced on 1 April 2016 and applies to employees aged 25 years and over, then subsequently employees aged 23 years and over from 2021 onwards. However, the NLW was changed to apply to those aged 21 years and over from 2024 onwards.

On the Annual Survey of Hours and Earnings (ASHE) reference date in April 2024, the NMW and NLW rates were:

- £11.44 for employees aged 21 years and over
- £8.60 for employees aged 18 to 20 years
- £6.40 for employees aged 16 to 17 years
- £6.40 for apprentices aged 16 to 18 years and those aged 19 years or over who are in the first year of their apprenticeship

The National Minimum Wage and National Living Wage estimates in this bulletin and Annual Survey of Hours and Earnings (ASHE) datasets cannot be used as a measure of non-compliance with the minimum wage legislation. This is because it is not always possible to determine from the survey data whether an individual is eligible for the minimum wage. For example, if employees receive free accommodation, employers are entitled to offset hourly rates.

Percentiles

The Xth percentile indicates the value at which X% of the population falls under. For example, the fifth percentile means that 5% of the population earn under this amount and 95% of the population earn above this amount. The median corresponds to the 50th percentile, that is, the value at which half the population falls under.

6 . Data sources and quality

Data sources

The Annual Survey of Hours and Earnings (ASHE) collects information on actual payments made to the employee and the hours on which this pay was calculated. It is based on employer responses for a 1% sample of employee jobs, using HM Revenue and Customs Pay As You Earn (PAYE) records to identify individuals' current employer. All estimates for 2024 are provisional and relate to the pay period that includes 17 April 2024. Estimates for 2023 have been revised and relate to the pay period that includes 19 April 2023.

Before the coronavirus pandemic, the achieved sample size of ASHE was approximately 180,000 each year. However, given the challenges to data collection during the pandemic, the final achieved sample sizes were:

- 144,000 for 2020
- 142,000 for 2021
- 148,000 for 2022
- 164,000 for 2023

Response rates have improved to 173,000 in 2024.

Data methods

ASHE data are weighted to UK population totals from the Labour Force Survey (LFS), based on classes defined by region, occupation, age and sex.

From 2021, we have moved our occupation coding to Standard Occupation Classification 2020 (SOC 2020), from SOC 2010. This means estimates for earnings in April 2021 on an SOC 2020 basis represent a break in the ASHE time series. Estimates will not be directly comparable with estimates for earnings on an SOC 2010 basis and, as such, should not be used in direct comparison with each other.

ASHE estimates are affected by the composition of the employee workforce, which is the types of workers and jobs. This can vary year on year. Differences in levels and growth rates in ASHE estimates reflect both changes in earnings and changes in the composition of the employee workforce.

Methodological changes in 2023 to 2024

Since 2020, during and after the coronavirus (COVID-19) pandemic, ASHE has shown some differences, compared with other earnings data sources, such as our [Average Weekly Earnings dataset](#) and our [Earnings and employment from Pay As You Earn Real Time Information datasets](#). There are inherent reasons for differences between ASHE and other earnings data sources, as set out in our [Comparison of labour market data sources methodology](#).

We know that ASHE has not always accurately estimated the number of high earners in each profession in recent years. So, it may have been understating both the earnings of the highest earners and, to a lesser extent, underestimating both mean and median average wages. To address this concern, we have started to introduce improvements to the methods for processing returns to our survey for 2024 provisional data and 2023 revised data, focusing first on the treatment of high earners. This has resulted in more high earners in each profession being counted in the final data. This has increased the achieved sample size and improved the quality of ASHE estimates.

The impact of these method improvements is that we have larger than average revisions for 2023 data. Median hourly pay (excluding overtime) for full-time employees has risen from £17.40 to £17.52. Annual median earnings for full-time employees is now estimated to be £35,004, up from the previous estimate of £34,963.

We will shortly be engaging with users about whether we can bring this new method in for 2022 and earlier data. In the meantime, we caution against comparing 2023 and 2024 with 2022 and earlier years.

In addition to improving our methods, we have followed usual practice and applied the latest LFS weights. This will also have an impact on the revised 2023 data, compared with the provisional 2023 data. We will continue to update the LFS weights as they are made available to us. This will result in revised ASHE data, which we will communicate with users.

Additionally, the following factors are also likely to be contributing to the divergence between ASHE and other data sources since 2020:

- differential non-response
- the calibrating to the LFS
- increased variance because of sample size reduction
- the way the bonus element of ASHE is captured

We have a plan of future work to improve the quality of ASHE that can be found in our accompanying [Exploring this year's earnings figures blog](#).

Uncertainty

Sampling variability for ASHE estimates are provided in our [accompanying datasets](#).

More quality and methodology information

Our [guide to interpreting ASHE estimates methodology](#) addresses common questions about our data.

More quality and methodology information on strengths, limitations, appropriate uses, and how the data were created is available in our [ASHE methodology and guidance](#) and in our [ASHE, Low pay and ASHE pension results QMI](#).

Accredited official statistics

These accredited official statistics were independently reviewed by the Office for Statistics Regulation in June 2013. They comply with the standards of trustworthiness, quality, and value in the [Code of Practice for Statistics](#) and should be labelled "accredited official statistics".

7 . Related links

[Low Pay Commission Report 2023](#)

Report | Released 4 March 2024

This report sets out the full analysis and evidence underpinning the LPC's recommendations on the National Minimum Wage rates to apply from April 2023.

[Low Pay Britain 2023 – Resolution Foundation](#)

Report | Released 19 April 2023

Since 2011, the Resolution Foundation has published an annual review. This year's report, the 10th edition of Low Pay Britain based on pay data from April 2022, focuses on low pay and insecurity in the job market.

[Average weekly earnings in Great Britain](#)

Bulletin | Released 15 October 2024

Monthly estimates of growth in employee earnings before tax and other deductions from pay.

[Earnings and employment from Pay As You Earn Real Time Information, UK](#)

Bulletin | Released 15 October 2024

Experimental monthly estimates of payrolled employees and their pay from HM Revenue and Customs' (HMRC's) Pay As You Earn (PAYE) Real Time Information (RTI) data.

[Comparison of labour market data sources](#)

Bulletin | Released 27 April 2022

The strengths and weaknesses of the main data sources we use to produce the labour market figures, including the advantages of new administrative data sources and limitations of some of our published figures.

[Income and earnings statistics guide](#)

Bulletin | released on 22 May 2024

Explains the relationship between income and earnings data and outlines the statistics produced by the Office for National Statistics, Department for Work and Pensions and HM Revenue and Customs.

8 . Cite this statistical bulletin

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