

Guernsey Annual Earnings Bulletin

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POLICY COUNCIL
THE STATES OF GUERNSEY

1.1 Introduction

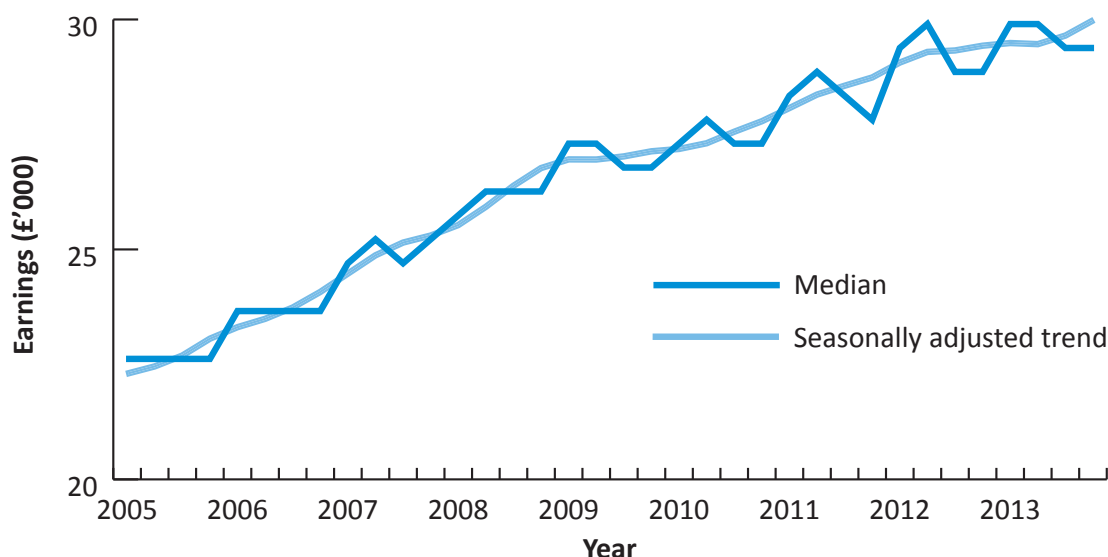
The Guernsey Annual Earnings Bulletin monitors average earnings of all employees in the Bailiwick (excluding Sark) and provides a headline analysis of trends in average earnings. The data shown in [Table 2.1.1](#) have been published in the States Strategic Monitoring Report (see www.gov.gg/kpi) since 2011. However, this bulletin contains additional information, which first became available in 2012. All monetary values presented are nominal unless otherwise stated.

Data is supplied by the Social Security Department and includes all (full and part-time) employed people earning over the lower earnings limit. Incomes from self-employment, secondary employments and other non-earned sources are not included. This, therefore, gives a measure of the average change in primary earnings from employment and reflects the underlying change.

1.2 Headlines

- The median of all employees' earnings was £29,640 in 2013, which, compared to 2012, is 1.3% higher in nominal terms and 1.4% lower in real terms.
- The median of male employees' earnings was £32,760 in 2013, 0.8% higher in nominal terms and 1.9% lower in real terms than in 2012.
- The median of female employees' earnings was £26,000 in 2013, 0.5% higher in nominal terms and 2.2% lower in real terms than in 2012.
- Employees aged 40 to 44 had the highest median earnings in 2013 at £36,010, whilst 15 to 19 year old employees had the lowest median earnings at £15,990.
- The median earnings of finance sector employees was 41.2% higher than the overall median in 2013.

Figure 1.2.1: Median annual earnings (all employees)



2.1 Median, lower quartile and upper quartile earnings - all employees

Figure 2.1.1: Annual percentage change in median earnings (all employees)

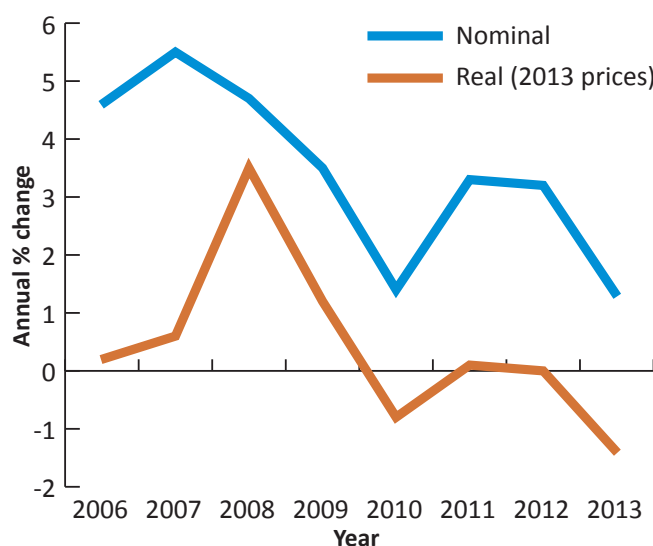


Table 2.1.1: Median earnings (all employees)

Date	Nominal median earnings (£)	Nominal percentage change (%)	Real median earnings (£) 2013 prices	Real percentage change (%)
2005	22,620	-	28,673	-
2006	23,660	4.6	28,717	0.2
2007	24,960	5.5	28,879	0.6
2008	26,130	4.7	29,887	3.5
2009	27,040	3.5	30,249	1.2
2010	27,430	1.4	30,009	-0.8
2011	28,340	3.3	30,050	0.1
2012	29,250	3.2	30,048	0.0
2013	29,640	1.3	29,640	-1.4

Table 2.1.2: Lower and upper quartile earnings (all employees)

Date	Nominal lower quartile earnings (£)	Real lower quartile earnings (£) 2013 prices	Nominal upper quartile earnings (£)	Real upper quartile earnings (£) 2013 prices
2005	15,600	19,774	33,020	41,856
2006	15,990	19,408	34,580	41,972
2007	16,900	19,554	36,400	42,116
2008	17,680	20,222	38,610	44,161
2009	18,460	20,651	39,650	44,356
2010	18,720	20,480	40,300	44,088
2011	19,240	20,401	41,990	44,524
2012	19,890	20,433	43,160	44,338
2013	20,150	20,150	43,550	43,550

Earnings data is recorded by the Social Security Department each quarter and is used to calculate median earnings of employees. The median is the middle value when data are sorted into numerical order. It is a measure of earnings from primary employment, unadjusted for the number of hours worked i.e. the level can be impacted both by changes in the number of hours worked and rates of pay. The measure does not include earnings which employees may also gain from self employment, secondary employments or income from any other sources.

Figure 2.1.1 and *Table 2.1.1* show that median earnings have increased in nominal terms every year since 2005, when data first became available. Nominal median earnings increased by 1.3% between 2012 and 2013 to £29,640.

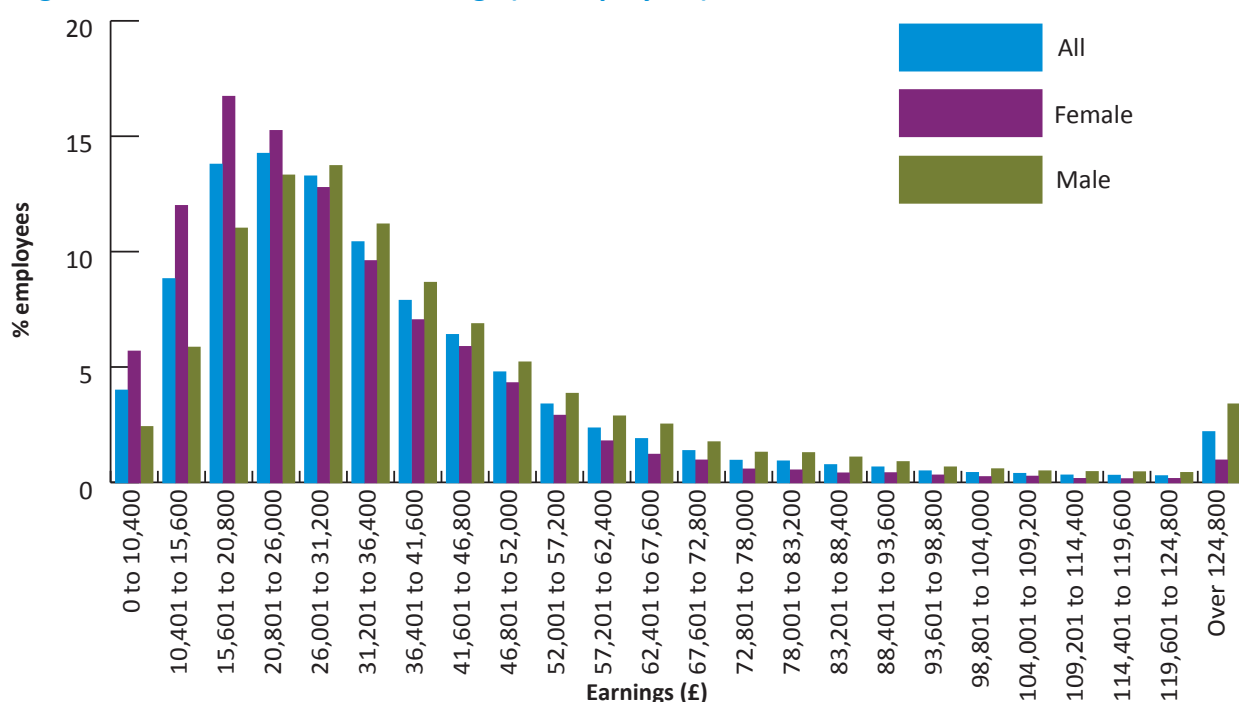
Real earnings are presented to show trends after the effects of inflation have been removed. All real figures shown in this report have been adjusted to 2013 prices.

Median annual earnings, in real terms, were 1.4% lower in 2013 than in 2012.

The lower and upper quartile earnings for 2013 and the previous eight years are presented in *Table 2.1.2*. The inter-quartile range decreased by 2.1% in real terms over the year between 2012 and 2013 and decreased by 2.3% over the five years ending in 2013. The inter-quartile range increased over the five year periods ending in 2010, 2011 and 2012, indicating that earnings from employment were becoming more widely spread. The decrease in the inter-quartile range over the five year period ending in 2013 indicates an opposite trend.

3.1 Median earnings - all employees by gender

Figure 3.1.1: Distribution of earnings (all employees) at 2013



The percentage of employees in each income band for 2013 is shown as a distribution graph in [Figure 3.1.1](#). It provides a comparison between earnings of all employees, male and female employees.

Please note that differences between male and female earnings may result from differences in numbers of hours worked as well as differences in rates of pay for different jobs. This is not intended to be used as a measure of pay equality.

The distribution of all earnings shows a peak in the £20,801 to £26,000 band. The highest percentage of female employees' earnings was in the £15,601 to £20,800 category, whilst that for male earnings showed a peak in the £26,001 to £31,200 category.

Median earnings and annual percentage changes for male and female employees are presented in [Tables 3.1.1](#) and [3.1.2](#). The median earnings of male employees was £32,760 in 2013, 1.9% lower than in 2012 in real terms. Female employees' earnings decreased, in real terms, by 2.2% between 2012 and 2013 to £26,000.

Table 3.1.1: Median earnings (all male employees)

Date	Nominal median earnings (£)	Nominal percentage change (%)	Real median earnings (£) 2013 prices	Real percentage change (%)
2005	25,480	-	32,298	-
2006	26,390	3.6	32,031	-0.8
2007	27,950	5.9	32,339	1.0
2008	29,250	4.7	33,455	3.5
2009	30,030	2.7	33,594	0.4
2010	30,680	2.2	33,564	-0.1
2011	31,590	3.0	33,497	-0.2
2012	32,500	2.9	33,387	-0.3
2013	32,760	0.8	32,760	-1.9

Table 3.1.2: Median earnings (all female employees)

Date	Nominal median earnings (£)	Nominal percentage change (%)	Real median earnings (£) 2013 prices	Real percentage change (%)
2005	19,370	-	24,553	-
2006	20,280	4.7	24,615	0.3
2007	21,450	5.8	24,818	0.8
2008	22,750	6.1	26,021	4.8
2009	23,660	4.0	26,468	1.7
2010	24,310	2.7	26,595	0.5
2011	25,090	3.2	26,604	0.0
2012	25,870	3.1	26,576	-0.1
2013	26,000	0.5	26,000	-2.2

4.1 Median, lower quartile and upper quartile earnings - all employees by age

Table 4.1.1: Median earnings (all employees) by age at 2013

Age group	Lower quartile earnings (£)	Median earnings (£)	Upper quartile earnings (£)
15-19	12,350	15,990	19,110
20-24	19,110	25,740	32,370
25-29	20,020	27,040	35,360
30-34	23,010	32,890	45,370
35-39	23,920	35,230	50,050
40-44	24,700	36,010	52,000
45-49	23,530	35,100	52,260
50-54	22,360	33,280	49,270
55-59	21,450	31,200	46,280
60-64	18,200	26,910	38,090
65 & over	12,090	18,590	29,120

Figure 4.1.1: Median, lower and upper quartile earnings (all employees) by age at 2013

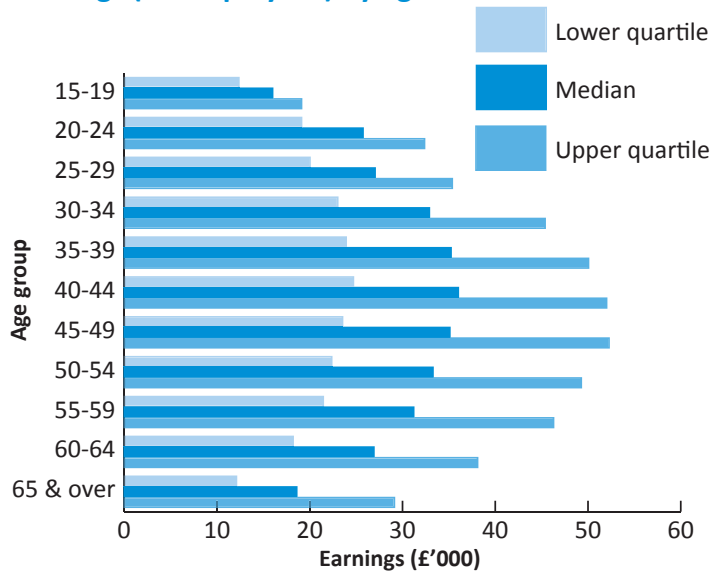


Figure 4.1.2: Median earnings (all employees) by age in 2013 compared to 2008

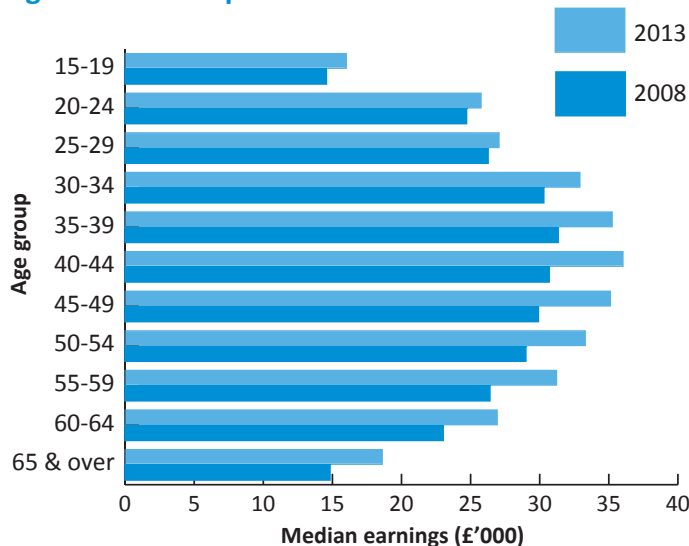


Table 4.1.1 and *Figure 4.1.1* show the median, lower and upper quartile earnings of all employees by age group. The highest median earnings (£36,010) occurred in the 40-44 age group. The lowest median earnings were in the youngest and oldest age groups, at £15,990 and £18,590 respectively.

This could result more from differences in numbers of hours worked than differences in rates of pay.

The largest inter-quartile range was in the 45-49 age group (£28,730) and the smallest was in the 15-19 age group (£6,760). This shows the difference in the relative spreads of earnings by age group.

Figure 4.1.2 also shows median earnings of all employees by age group. It provides a comparison between 2008 and 2013. Increases can be seen across all age groups. The highest median earnings level in 2008 (£31,330) was in the 35-39 age group, compared to the 40-44 age group in 2013.

Median earnings of all employees by sector are presented in *Table 5.1.1* and in *Figure 5.1.1*.

Finance sector employees had the highest median earnings (£41,860) in 2013, which was 41.2% higher than the overall median.

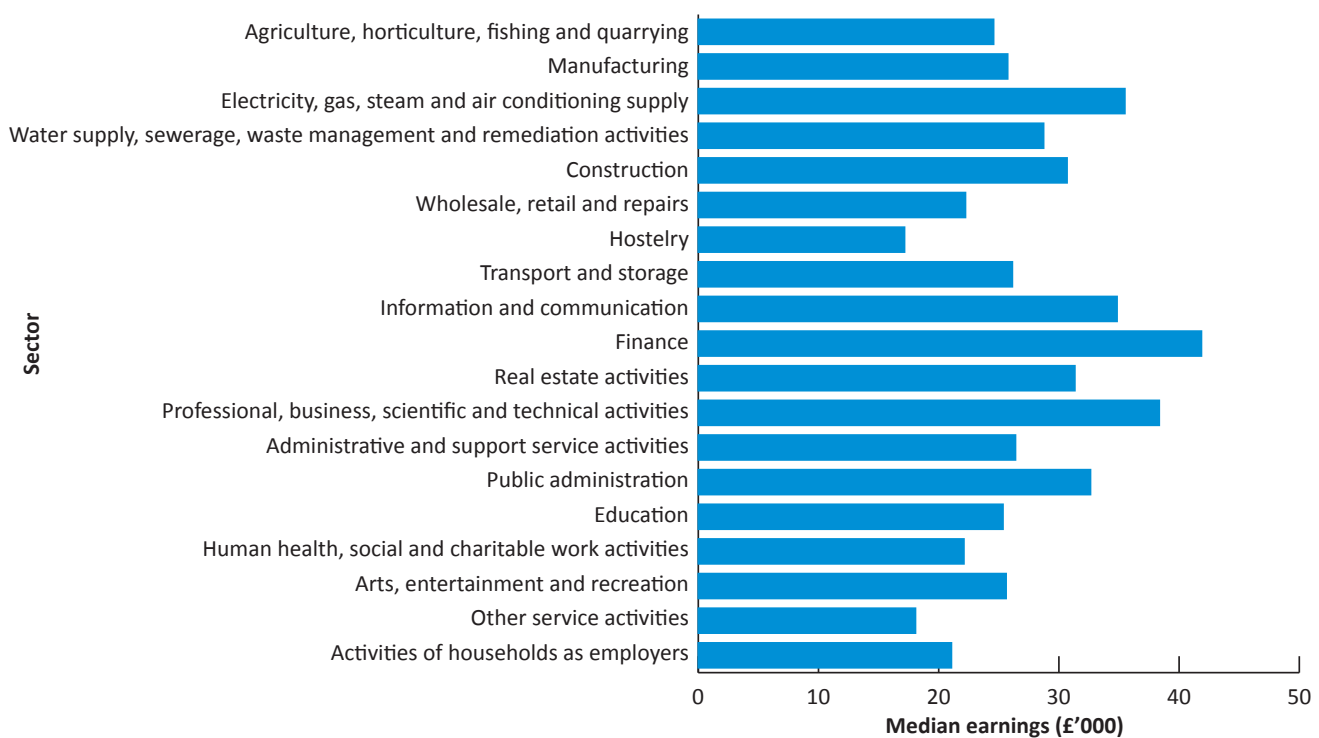
The Hostelry sector had the lowest median earnings (£17,160) in 2013 which was 42.1% lower than the overall median.

5.1 Median earnings - all employees by sector

Table 5.1.1: Median earnings (all employees) by sector at 2013

Sector	Lower quartile earnings (£)	Median earnings (£)	Upper quartile earnings (£)
Agriculture, horticulture, fishing and quarrying	17,550	24,570	33,410
Manufacturing	18,330	25,740	33,280
Electricity, gas, steam and air conditioning supply	28,340	35,490	47,580
Water supply, sewerage, waste management and remediation activities	21,710	28,730	32,539
Construction	23,140	30,680	38,480
Wholesale, retail and repairs	16,120	22,230	30,550
Hostelry	14,690	17,160	22,360
Transport and storage	20,930	26,130	34,970
Information and communication	26,780	34,840	47,320
Finance	28,860	41,860	64,090
Real estate activities	21,580	31,330	46,670
Professional, business, scientific and technical activities	26,260	38,350	57,850
Administrative and support service activities	19,760	26,390	36,400
Public administration	22,230	32,630	45,110
Education	17,290	25,350	43,940
Human health, social and charitable work activities	15,730	22,100	30,940
Arts, entertainment and recreation	18,070	25,610	34,580
Other service activities	13,780	18,070	24,700
Activities of households as employers	14,040	21,060	27,040

Figure 5.1.1: Median earnings (all employees) by sector at 2013



6.1 Methodology

The data used in this bulletin are supplied by the Social Security Department and include all employed people in the Bailiwick (excluding Sark) earning over the lower earnings limit. The numbers of hours worked by people are not currently recorded, so the trends in this bulletin reflect variations in hours worked as well as levels of pay.

Only incomes from primary employment are included. Other incomes which people may receive from self-employment, secondary employments and other non-earned sources (such as benefits, property or investments) are not included.

Data are based on the weekly earnings recorded at regular points throughout the year. These include a pro rata amount for wages paid as a regular salary or wages paid for hours worked. Annual earnings are derived by scaling up the weekly figures.

Nominal earnings are expressed at monetary values of the stated time period, i.e. without making allowance for changes in inflation over time. Real earnings are presented to show trends after the effects of inflation have been removed. All real figures shown in this report have been adjusted to 2013 prices.

7.1 Contact details and further information

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