

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. All monetary values presented are nominal unless otherwise stated.

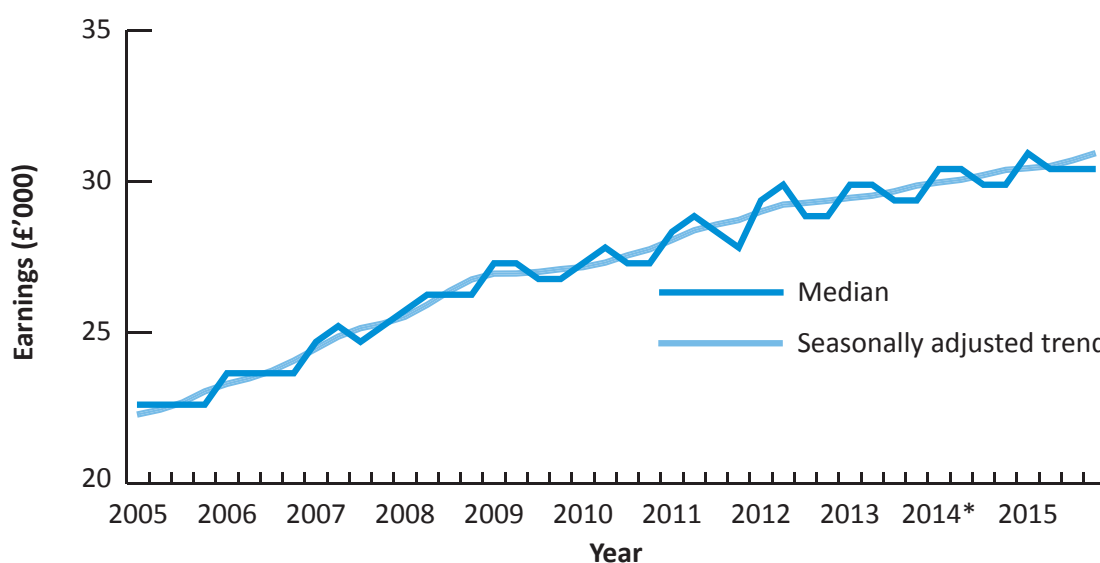
Data is supplied by the Social Security Department and includes all (full and part-time) employed people earning over the lower earnings limit. Incomes from self-employment, secondary employments and other non-earned sources are not included. This, therefore, gives a measure of the average change in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

This is the last bulletin of its kind as it will be replaced with a Population, Employment and Earnings bulletin, the first of which is due to be published at the end of April 2016.

1.2 Headlines

- The median of all employees' earnings was £30,550 in 2015, which, compared with 2014, is 1.3% higher in nominal terms and 0.2% higher in real terms.
- The median of male employees' earnings was £33,800 in 2015, 1.6% higher in nominal terms and 0.5% higher in real terms than in 2014.
- The median of female employees' earnings was £27,170 in 2015, 1.5% higher in nominal terms and 0.4% higher in real terms than in 2014.
- Employees aged 40 to 44 had the highest median earnings in 2015 at £37,310, whilst 15 to 19 year old employees had the lowest median earnings at £16,510.
- The median earnings of finance sector employees was 42.6% higher than the overall median in 2015.

Figure 1.2.1: Median annual earnings (all employees)



* Figures for 2014 have been re-stated following the discovery of an error in the median earnings figure as reported in the December 2014 bulletin.

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

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

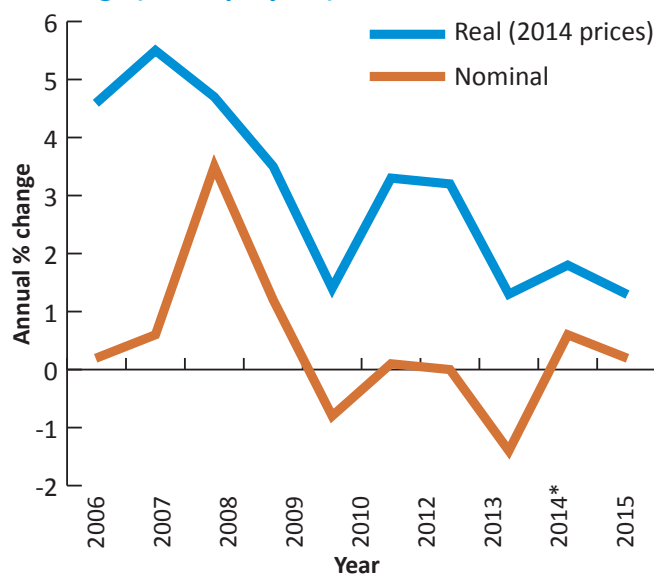


Table 2.1.1: Median earnings (all employees)

Date	Nominal median earnings (£)	Nominal percentage change (%)	Real median earnings (£) 2015 prices	Real percentage change (%)
2006	23,660	4.6	29,375	0.2
2007	24,960	5.5	29,541	0.6
2008	26,130	4.7	30,572	3.5
2009	27,040	3.5	30,943	1.2
2010	27,430	1.4	30,696	-0.8
2011	28,340	3.3	30,739	0.1
2012	29,250	3.2	30,737	0.0
2013	29,640	1.3	30,319	-1.4
2014*	30,160	1.8	30,492	0.6
2015	30,550	1.3	30,550	0.2

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

Date	Nominal lower quartile earnings (£)	Real lower quartile earnings (£) 2015 prices	Nominal upper quartile earnings (£)	Real upper quartile earnings (£) 2015 prices
2006	15,990	19,853	34,450	42,772
2007	16,900	20,002	36,400	43,081
2008	17,680	20,685	38,610	45,173
2009	18,460	21,124	39,650	45,372
2010	18,720	20,949	40,300	45,099
2011	19,240	20,869	41,990	45,544
2012	19,890	20,901	43,160	45,354
2013	20,150	20,612	43,550	44,548
2014*	20,670	20,898	44,590	45,082
2015	21,060	21,060	45,110	45,110

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.

Median earnings have increased in nominal terms every year since 2005, when data first became available (see [Figure 2.1.1](#) and [Table 2.1.1](#)). Nominal median earnings increased by 1.3% between 2014* and 2015 to £30,550.

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 2015 prices.

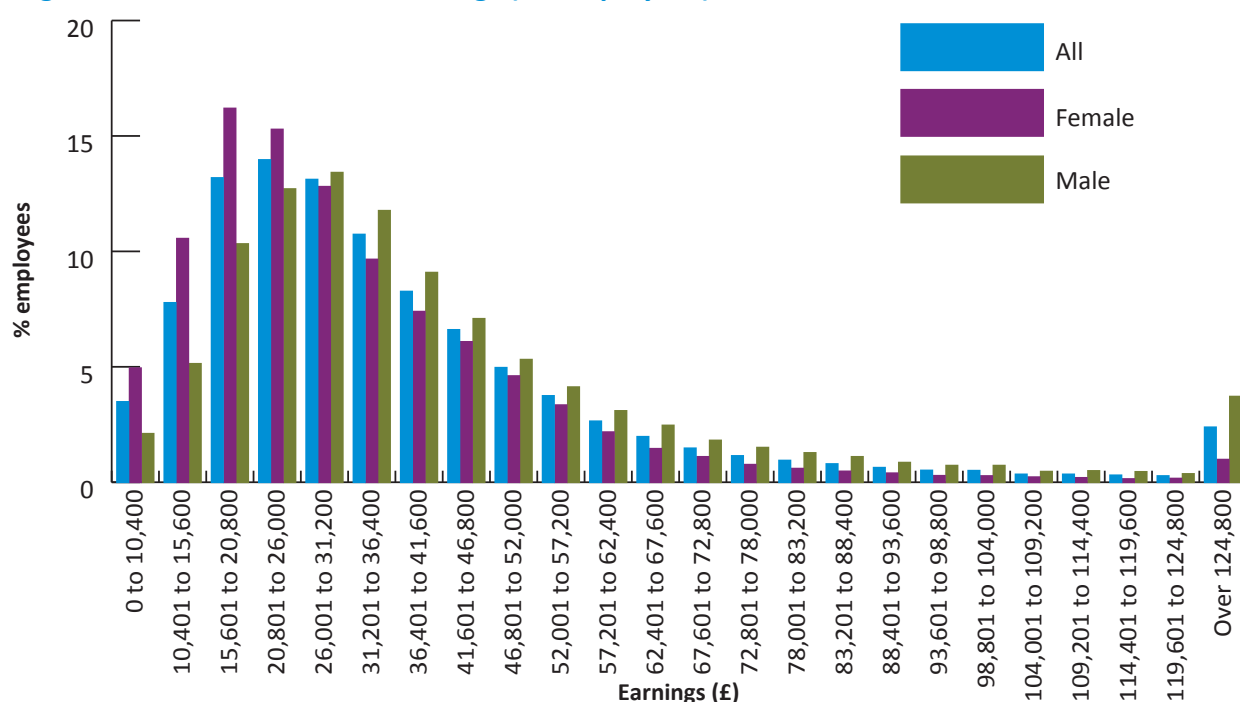
Median annual earnings, in real terms, were 0.2% higher in 2015 than in 2014.

The lower and upper quartile earnings for 2015 and the previous nine years are presented in [Table 2.1.2](#). The inter-quartile range decreased by 0.6% in real terms over the year between 2014 and 2015 and decreased by 0.4% over the five years ending in 2015. There were also decreases in the five year inter-quartile ranges for the periods ending 2014 and 2013. Prior to 2013, there were increases in the inter-quartile range over the five year periods ending in 2010, 2011 and 2012, indicating that earnings from employment were becoming more widely spread. The decrease in inter-quartile range in recent periods show that earnings from employment have been moving closer together.

* Figures for 2014 have been re-stated following the discovery of an error in the median earnings figure as reported in the December 2014 bulletin.

3.1 Median earnings - all employees by gender

Figure 3.1.1: Distribution of earnings (all employees) at 2015



The percentage of employees in each income band for 2015 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 £33,800 in 2015, 0.5% higher than in 2014 in real terms. Female employees' earnings increased, in real terms, by 0.4% between 2014 and 2015 to £27,170.

Table 3.1.1: Median earnings (male employees)

Date	Nominal median earnings (£)	Nominal percentage change (%)	Real median earnings (£) 2014 prices	Real percentage change (%)
2006	26,390	3.6	32,765	-0.8
2007	27,950	5.9	33,080	1.0
2008	29,250	4.7	34,222	3.5
2009	30,030	2.7	34,364	0.4
2010	30,680	2.2	34,333	-0.1
2011	31,590	3.0	34,264	-0.2
2012	32,500	2.9	34,152	-0.3
2013	32,760	0.8	33,511	-1.9
2014	33,280	1.6	33,647	0.4
2015	33,800	1.6	33,800	0.5

Table 3.1.2: Median earnings (female employees)

Date	Nominal median earnings (£)	Nominal percentage change (%)	Real median earnings (£) 2014 prices	Real percentage change (%)
2006	20,280	4.7	25,179	0.3
2007	21,450	5.8	25,387	0.8
2008	22,750	6.1	26,617	4.8
2009	23,660	4.0	27,075	1.7
2010	24,310	2.7	27,205	0.5
2011	25,090	3.2	27,214	0.0
2012	25,870	3.1	27,185	-0.1
2013	26,000	0.5	26,596	-2.2
2014*	26,780	3.0	27,075	1.8
2015	27,170	1.5	27,170	0.4

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

Table 4.1.1: Median earnings (all employees) by age at 2015

Age group	Lower quartile earnings (£)	Median earnings (£)	Upper quartile earnings (£)
15-19	12,870	16,510	19,760
20-24	17,810	21,970	27,300
25-29	20,800	27,820	36,010
30-34	23,660	33,280	45,240
35-39	24,310	35,880	52,260
40-44	25,480	37,310	54,080
45-49	24,830	36,790	54,340
50-54	23,790	34,710	52,130
55-59	22,100	32,370	47,840
60-64	18,980	28,210	40,170
65 & over	12,610	19,760	31,200

Figure 4.1.1: Median, lower and upper quartile earnings (all employees) by age at 2015

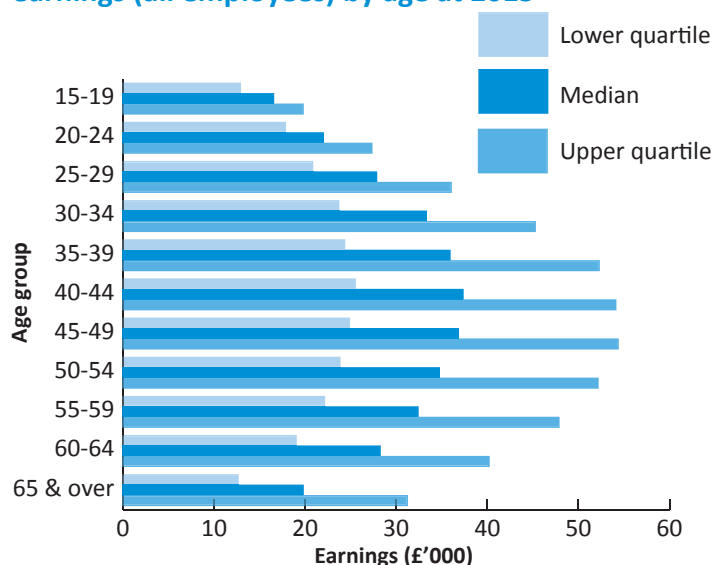


Figure 4.1.2: Median earnings (all employees) by age in 2015 compared with 2010

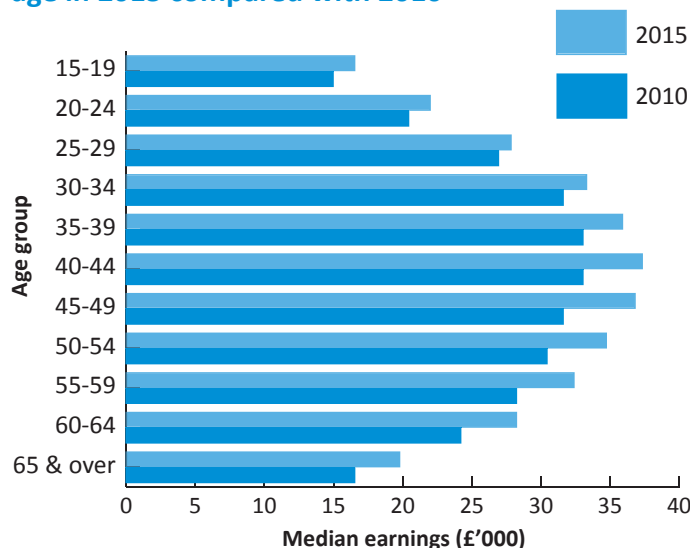


Table 4.1.1 and **Figure 4.1.1** show the median, lower and upper quartile earnings of all employees by age group. The highest median earnings (£37,310) occurred in the 40-44 age group. The lowest median earnings were in the youngest and oldest age groups, at £16,510 and £19,760 respectively.

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 (£29,510) and the smallest was in the 15-19 age group (£6,890). 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 2010 and 2015. Increases can be seen across all age groups. The highest median earnings level in 2010 (£33,020) was in the 35-39 and the 40-44 age groups.

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 (£43,550) in 2015, which was 42.6% higher than the overall median.

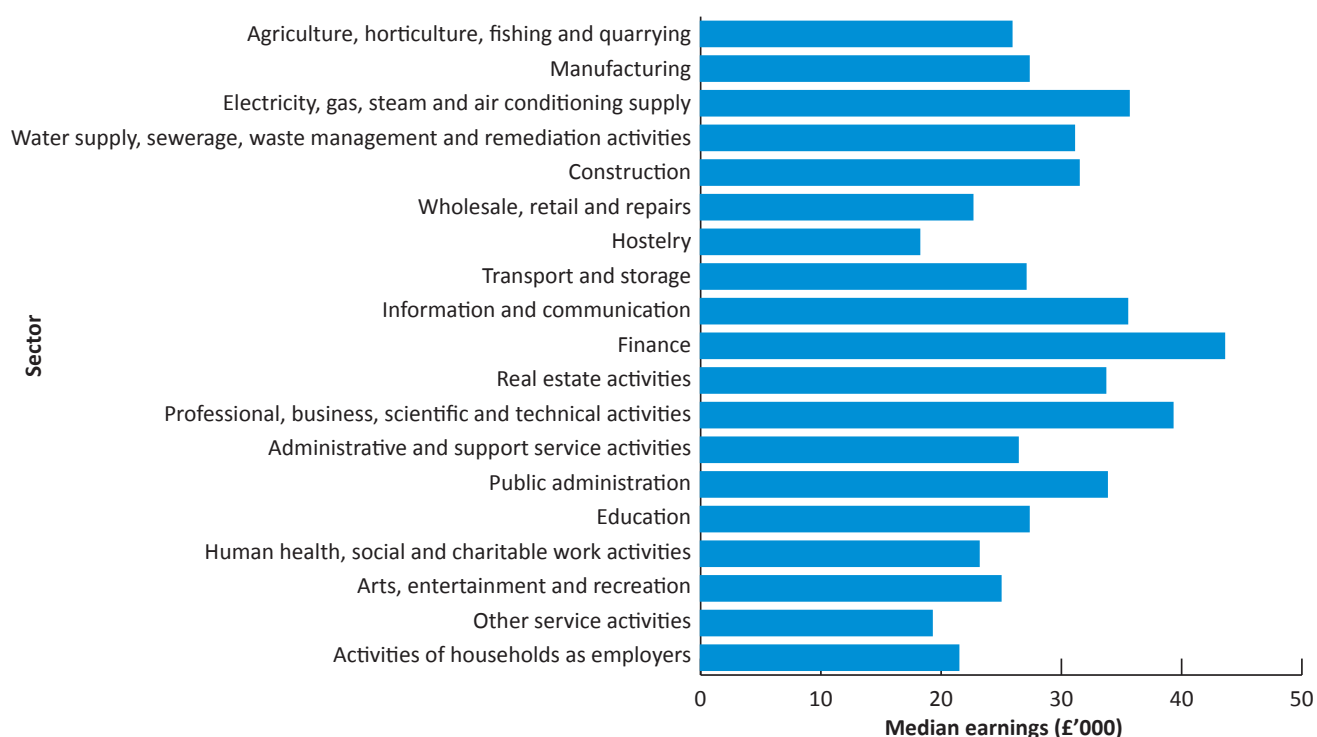
The Hospitality sector had the lowest median earnings (£18,200) in 2014 which was 40.4% lower than the overall median.

5.1 Median earnings - all employees by sector

Table 5.1.1: Median earnings (all employees) by sector at 2015

Sector	Lower quartile earnings (£)	Median earnings (£)	Upper quartile earnings (£)
Agriculture, horticulture, fishing and quarrying	19,370	25,870	36,920
Manufacturing	19,370	27,300	35,750
Electricity, gas, steam and air conditioning supply	28,990	35,620	46,150
Water supply, sewerage, waste management and remediation activities	24,830	31,070	36,920
Construction	24,050	31,460	38,740
Wholesale, retail and repairs	16,510	22,620	31,200
Hostelry	15,340	18,200	23,660
Transport and storage	21,320	27,040	36,140
Information and communication	27,170	35,490	49,400
Finance	30,030	43,550	65,780
Real estate activities	23,400	33,670	52,650
Professional, business, scientific and technical activities	27,300	39,260	59,670
Administrative and support service activities	20,020	26,390	36,530
Public administration	23,400	33,800	46,540
Education	18,720	27,300	46,020
Human health, social and charitable work activities	16,770	23,140	32,110
Arts, entertainment and recreation	18,070	24,960	33,150
Other service activities	14,690	19,240	25,350
Activities of households as employers	13,650	21,450	27,170

Figure 5.1.1: Median earnings (all employees) by sector at 2015



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 2015 prices.

7.1 Contact details and further information

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