

Guernsey Annual Earnings Bulletin

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POLICY COUNCIL
THE STATES OF GUERNSEY

1.1 Introduction

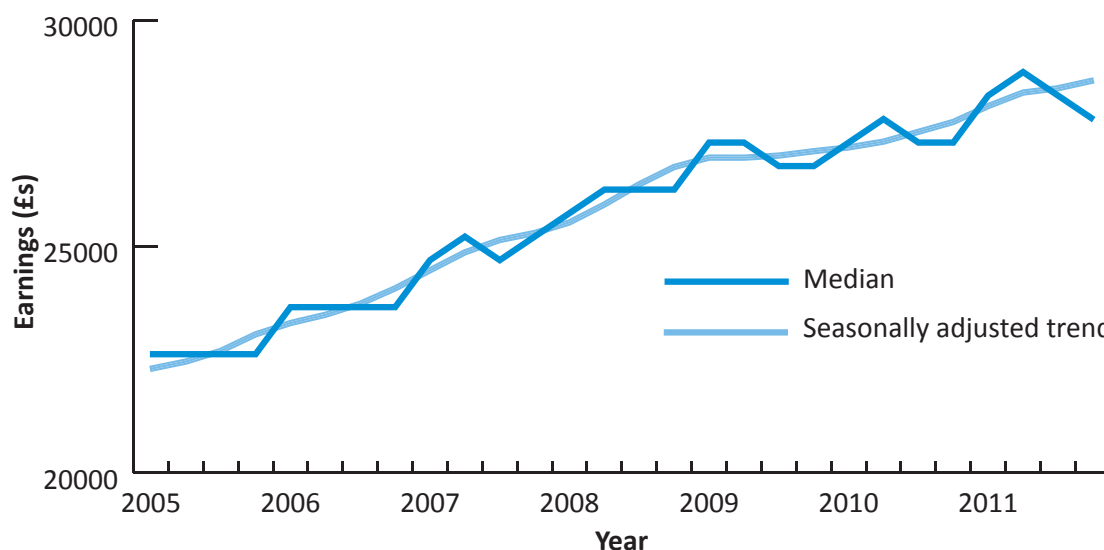
The Guernsey Earnings Bulletin monitors average earnings of all employees in the Bailiwick (excluding Sark) and provides a headline analysis of trends in average earnings. The data shown in [Table 2.1.1](#) have been published in the States Strategic Monitoring Report (see www.gov.gg/kpi) since 2011. However, this bulletin contains previously unpublished details and some additional information, which became available in 2012.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

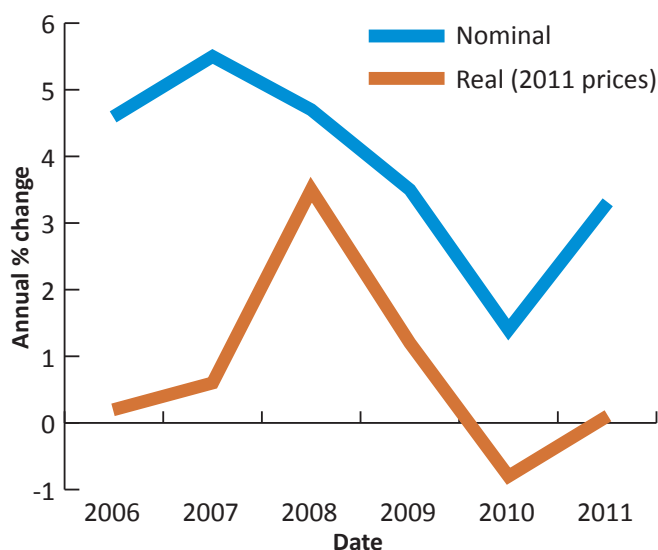
- The median of all employees' earnings was £28,340 in 2011, 3.3% higher in nominal terms or 0.1% higher in real terms than in 2010.
- The median of male employees' earnings was £31,590 in 2011, 3.0% higher in nominal terms or 0.2% lower in real terms than in 2010.
- The median of female employees' earnings was £25,090 in 2011, 3.2% higher in nominal terms or less than 0.1% higher in real terms than in 2010.
- Employees aged 40 to 44 had the highest median earnings in 2011 at £33,930 (2.2 times the median earnings of 15 to 19 year old employees).
- The median earnings of finance sector employees was 53% higher than the overall median at the end of March 2012.

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)



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 sorted into numerical order. It is a measure of earnings from primary employment, unadjusted for numbers of hours worked i.e. the level can be impacted both by changes in numbers of hours worked and rates of pay. The measure does not include earnings employees may also gain from self employment, secondary employments or incomes 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 3.3% between 2010 and 2011 to £28,340.

Table 2.1.1: Median earnings (all employees)

Date	Nominal median earnings (£)	Nominal percentage change (%)	Real median earnings (£) 2011 prices	Real percentage change (%)
2005	22,620	-	27,041	-
2006	23,660	4.6	27,083	0.2
2007	24,960	5.5	27,236	0.6
2008	26,130	4.7	28,186	3.5
2009	27,040	3.5	28,528	1.2
2010	27,430	1.4	28,301	-0.8
2011	28,340	3.3	28,340	0.1

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 2011 prices.

Median annual earnings increased by 0.1% in real terms in 2011, compared to -0.8% the previous year.

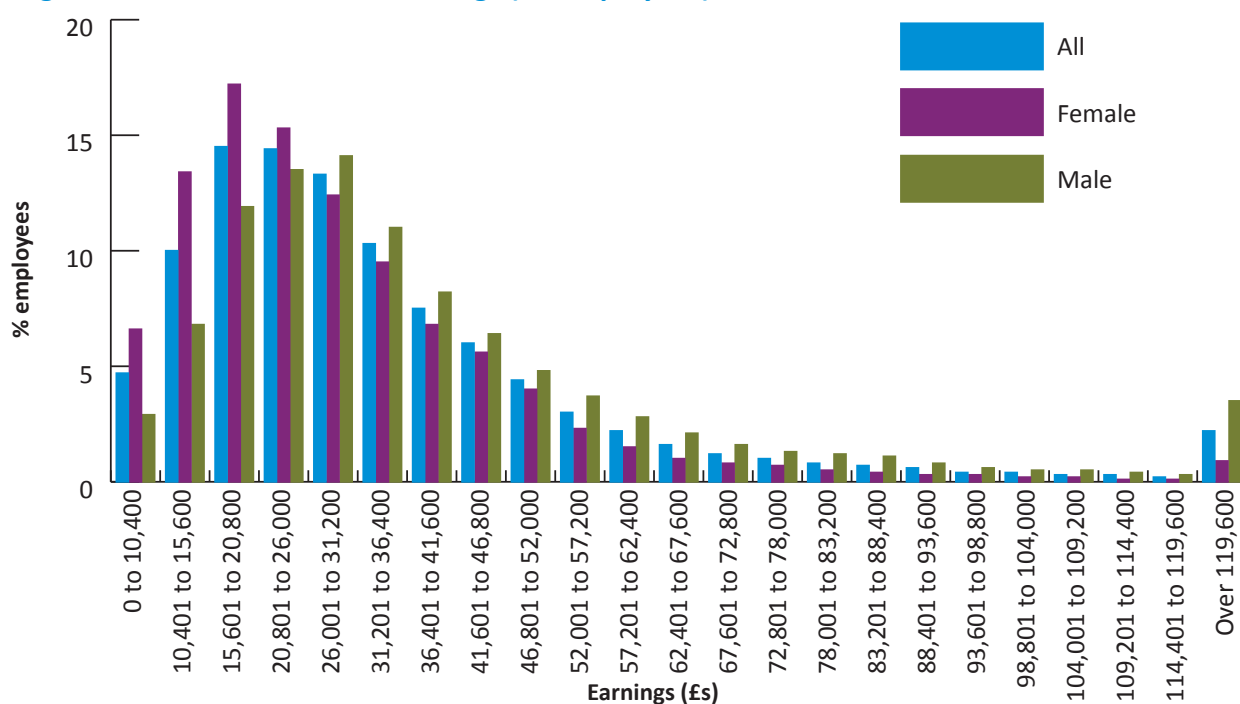
Table 2.1.2: Lower and upper quartile earnings (all employees)

Date	Nominal lower quartile earnings (£)	Real lower quartile earnings (£) 2011 prices	Nominal upper quartile earnings (£)	Real upper quartile earnings (£) 2011 prices
2005	15,600	18,649	33,020	39,473
2006	15,990	18,303	34,580	39,583
2007	16,900	18,441	36,400	39,719
2008	17,680	19,071	38,610	41,647
2009	18,460	19,476	39,650	41,831
2010	18,720	19,314	40,300	41,579
2011	19,240	19,240	41,990	41,990

The lower and upper quartile earnings for 2011 and the previous six years are presented in **Table 2.1.2**. The inter-quartile range increased by 2.2% in real terms over the year between 2010 and 2011 and by 6.9% over the five years ending in 2011. This indicates that earnings from employment have become more widely spread.

3.1 Median earnings - all employees by gender

Figure 3.1.1: Distribution of earnings (all employees)



The percentage of employees in each income band for 2011 is shown as a distribution graph in [Figure 3.1.1](#). It provides a comparison between earnings of all employees, male employees 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 £15,601 to £20,800 band. The highest percentage of female employees' earnings was also in the £15,601 to £20,800 category. By contrast 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 £31,590, 0.2% lower than in 2010 in real terms. Female employees continued to increase at a faster rate albeit with an increase of less than 0.1% since 2010, taking the median to £25,090.

Table 3.1.1: Median earnings (all male employees)

Date	Nominal median earnings (£)	Nominal percentage change (%)	Real median earnings (£) 2011 prices	Real percentage change (%)
2005	25,480	-	30,460	-
2006	26,390	3.6	30,208	-0.8
2007	27,950	5.9	30,498	1.0
2008	29,250	4.7	31,551	3.5
2009	30,030	2.7	31,682	0.4
2010	30,680	2.2	31,654	-0.1
2011	31,590	3.0	31,590	-0.2

Table 3.1.2: Median earnings (all female employees)

Date	Nominal median earnings (£)	Nominal percentage change (%)	Real median earnings (£) 2011 prices	Real percentage change (%)
2005	19,370	-	23,156	-
2006	20,280	4.7	23,214	0.3
2007	21,450	5.8	23,406	0.8
2008	22,750	6.1	24,540	4.8
2009	23,660	4.0	24,962	1.7
2010	24,310	2.7	25,082	0.5
2011	25,090	3.2	25,090	0.0

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

Table 4.1.1: Median earnings (all employees) by age at 2011

Age group	Lower quartile earnings (£s)	Median earnings (£s)	Upper quartile earnings (£s)
15-19	12,090	15,600	18,590
20-24	18,980	25,610	31,980
25-29	19,890	26,910	35,100
30-34	22,750	32,630	44,720
35-39	22,880	33,800	48,230
40-44	22,880	33,930	49,790
45-49	21,970	32,630	49,010
50-54	21,190	30,940	45,890
55-59	20,280	29,510	44,330
60-64	16,380	24,830	34,580
65 & over	11,180	16,770	26,130

Figure 4.1.1: Median, lower and upper quartile earnings (all employees) by age at 2011

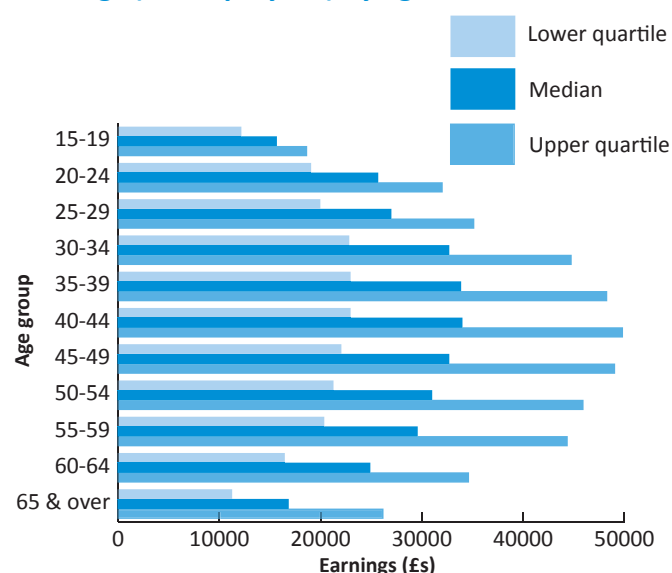


Figure 4.1.2: Median earnings (all employees) by age

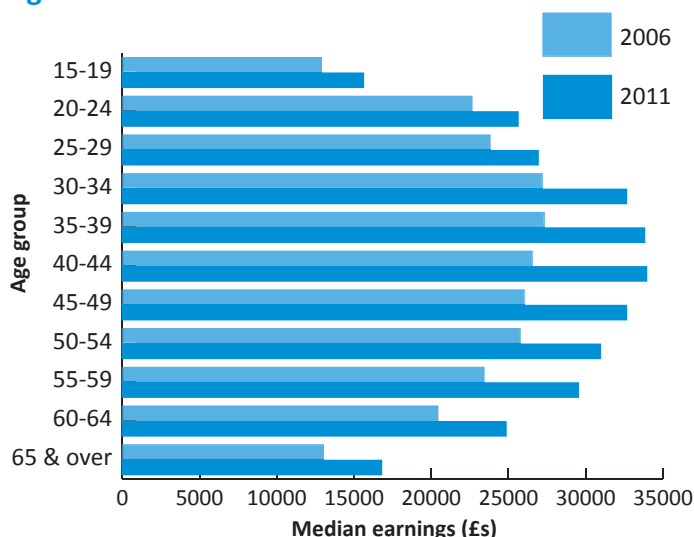


Table 4.1.1 and **Figure 4.1.1** show the median, lower and upper quartile earnings of all employees by age group. The highest median earnings (£33,930) occurred in the 40-44 age group. The lowest (£15,600) and second lowest (£16,770) median earnings are for the youngest and oldest age groups respectively.

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 (£27,040) and the smallest was in the 15-19 age group (£6,500). 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 2006 and 2011. Increases can be seen across all age groups. The distribution peaked in the 35-39 age group in 2006; a lower age band than in 2011.

Median earnings of all employees by sector for March 2012 are presented in **Table 5.1.1** and in **Figure 5.1.1**. Full year data are not available for 2011, but will be available for 2012 onward. The information is included for information, but will be superseded by full year data in the next edition. Please note that there are seasonal changes in earnings, so the level of earnings at March will differ to full year data.

Finance sector employees' had the highest median earnings (£44,980) at the end of March 2012. This was 53% higher than the overall median at the same point in time.

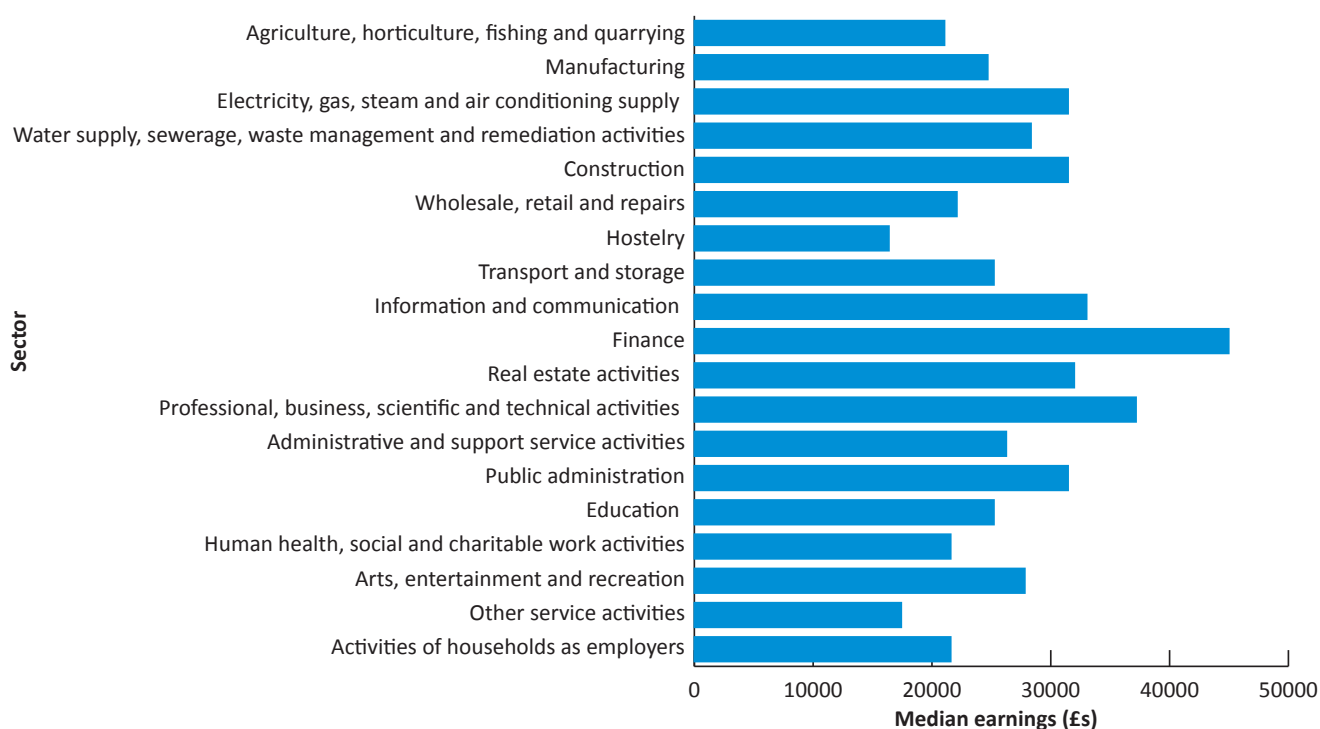
The hostelry sector had the lowest median earnings (£16,380) at the end of March 2012; 44% lower than the overall median.

5.1 Median earnings - all employees by sector

Table 5.1.1: Median earnings (all employees) by sector in 2011

Sector	Lower quartile earnings (£s)	Median earnings (£s)	Upper quartile earnings (£s)
Agriculture, horticulture, fishing and quarrying	15,340	21,060	26,780
Manufacturing	17,940	24,700	32,500
Electricity, gas, steam and air conditioning supply	25,220	31,460	40,300
Water supply, sewerage, waste management and remediation activities	22,620	28,340	34,580
Construction	25,220	31,460	40,300
Wholesale, retail and repairs	16,380	22,100	30,940
Hostelry	14,300	16,380	22,100
Transport and storage	19,500	25,220	35,100
Information and communication	24,700	33,020	45,500
Finance	30,420	44,980	74,100
Real estate activities	23,140	31,980	50,180
Professional, business, scientific and technical activities	26,260	37,180	54,860
Administrative and support service activities	19,500	26,260	36,140
Public administration	21,060	31,460	43,420
Education	16,380	25,220	43,420
Human health, social and charitable work activities	15,860	21,580	29,900
Arts, entertainment and recreation	18,460	27,820	44,980
Other service activities	12,220	17,420	24,180
Activities of households as employers	14,820	21,580	28,340

Figure 5.1.1: Median earnings (all employees) by sector in 2011



6.1 Methodology

The data used in this bulletin are supplied by the Social Security Department and includes all employed people in the Bailiwick (excluding Sark) earning over the lower earnings limit. Data regarding 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.

7.1 Contact details and further information

All Policy and Research Unit publications are available via www.gov.gg/pru.

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