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**EARNINGS IN TYNE & WEAR  
AND THE CITY REGION**

**2008**

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## KEY MESSAGES

### Earnings Gap with the UK:

**In 2008, in TWCR, the earnings gap with the UK was 13% (TW 11.6%). For men the gap was larger (TWCR 14.8%, TW 13.8%) than for women (TWCR 8.6%, TW 6.2%).** §2.1

**Since 1998, growth in men's earnings** in TWCR (41%) and TW (40%) has been noticeably (3-4pp) **slower than in the UK (44%)** (§5). In contrast, **growth in women's earnings** in both areas (TWCR 56%, TW 59%) **has been (2-5pp) faster** than the UK (54%) particularly in TW.

### Substantial Pay Gap with West Yorkshire:

**Overall earnings in Tyne & Wear and the City Region were low relative to West Yorkshire and its City Region.** TWCR workers earn **around £1,150pa less than workers in LCR.** This is due to the mix of occupations [This can be demonstrated from the new, more detailed, occupational data in Appendix 2, Table A2.1]. Tyne & Wear workers earn **around £590 less than workers in West Yorkshire.** This is consistent with agglomeration theory in the spatial economics literature<sup>1</sup>. For Tyne & Wear **residents, earnings are £1,750pa less than for West Yorkshire residents** (TWCR residents earn £1,360pa less than LCR residents). §6 & §11

### Growth Rate of Living Standards halved from 1980s:

**Real earnings growth has been weak over the 10-year period, at around 10% in Tyne & Wear and 11% in West Yorkshire compared to about 30% real growth of the UK economy in the same period** (§10). The **growth rate of real earnings (the rise in living standards) has halved from around 2%pa in 1980-95 in T&W to under 1.1%pa from 1998-2008.** Employment growth, however, accelerated in both the UK and TW to over 1%pa.

[Note: Between 1980 and 1989, in Tyne & Wear men's real earnings rose about 18% and women's about 22%.]

### Low Growth of Living Standards for Median Men:

**Top earnings increased more rapidly than median earnings, which renders the averages somewhat misleading.** In particular, **in Tyne & Wear over the 10-year period from 1998, average men's real earnings rose 6.7%** (§10) but **median men's real earnings only grew by 2.5%** (based on §5.2). As a 'rule of thumb', earnings growth for the median earner has been about 3 percentage points slower than for the mean over this period. This weakness for men may reflect a relative inability of the TW economy to create and retain higher productivity activities.

### Earnings patterns in the United States – also very slow growth of *median* earnings

The recent pattern in the UK and Tyne & Wear can be seen in the **context of the United States** where **real median household income has fallen since 1999.** Furthermore, the earnings gap between high- and low-earners in the US has become **more polarised:**

In the **1990s, incomes of the richest 1% of US taxpayers rose by 10%pa in real terms** while those of the **other 99% grew at an average annual rate of 2.4%.**

**Between 2002 and 2006, the richest 1% saw 11% annual real income growth, while the rest saw less than 1% growth** (E. Saez – economist at Berkeley)<sup>2</sup>.

It may be that the UK is following the US into a period of much flatter real earnings growth over time.

<sup>1</sup> 'Productivity and agglomeration economies in the Manchester City Region'. A working paper for the MIER, produced by IPEG. Prof. M. Artis, Dr. S Greasley and E. Miguelez (2009). This suggests a doubling of employment density is associated with an increase in productivity of about 1-10%.

<sup>2</sup> Quoted in *The Economist* July 26<sup>th</sup>, 2008.

## KEY POINTS

### Average earnings<sup>3</sup> (£2):

#### In Tyne & Wear City Region (TWCR):

- On average, men & women earn £499.40 per week (£26,000pa), 87.0% of UK earnings;
- Men earn £537.40 per week (£28,000pa), 85.2% of UK earnings;
- Women earn £443.80 per week (£23,100pa), 91.4% of UK earnings.

#### In Tyne & Wear average earnings are slightly higher than in TWCR:

- On average, men & women earn £507.40 per week (£26,400pa), 88.4% of UK earnings;
- Men earn £543.80 per week (£28,300pa), 86.2% of UK earnings;
- Women earn £455.20 per week (£23,700pa), 93.8% of UK earnings;

### Median Earnings<sup>4</sup> (£2):

#### In Tyne & Wear City Region:

- Median earnings are about £4,100pa lower than average earnings.
- Median men & women earn £421.10 per week (£21,900pa), 88.0% of UK earnings;
- Men earn £458.90 per week (£23,900pa), 88.0% of UK earnings;
- Women earn £372.40 per week (£19,400pa), 90.4% of UK earnings.
- Higher earners rose about five percentage points more quickly (+45% 1998-2008 for men & women) than earnings generally (median rose +40%). This explains why average earnings rose more quickly than the median. Median earnings have risen about 5.1 percentage points less quickly than the mean.

#### In Tyne & Wear median earnings are slightly higher than in TWCR:

- Median earnings are about £3,850pa lower than average earnings.
- Median men & women earn £433.30 per week (£22,500pa), 90.5% of UK earnings;
- Men earn £466.50 per week (£24,250pa), 89.5% of UK earnings;
- Women earn £388.80 per week (£20,200pa), 94.4% of UK earnings.
- Higher earners rose about two percentage points more quickly (+45% 1998-2008 for men & women) than earnings generally (median rose +43%). Median earnings have risen about 2.7 percentage points less quickly than the mean.

### Part-time employees (£3):

- Hourly earnings for all part-time employees in all areas were less than their full-time counterparts (TWCR part-time employees earn *hourly* 74% of TWCR full-time employees; TW, 72%).
- Overall, part-time employees in TWCR received 8.8% per hour less than those in the UK (TW, 9.5%).

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<sup>3</sup> These are full-time only.

<sup>4</sup> The median earnings are the level at which there are equal numbers of employees, above and below for that category of earners.

**Low Pay (§4):**

- In TWCR, the proportion earning under £250pw is 5.6% of full-time men (TW 6.1%; UK 5.5%) and 11.8% of full-time women (TW 10.8%; UK 12.1%).
- In the North East, 1.2% of employees earned less than the National Minimum Wage (NMW), higher than in the UK (1.1%). Employees aged under 18 are not covered by NMW.

**Increases in Earnings (§5):**

- Tyne & Wear's reported earnings growth for all employees for the ten years 1998–2008 (45.3%) was similar to the UK (46.3%). Earnings growth over the period was third-fastest among the metropolitan counties, 3pp behind London and 0.3pp behind West Yorkshire.
- Men's growth in earnings in Tyne & Wear was around 5pp slower than in West Yorkshire (40.4%; UK 44.0%; WY 45.4%).
- Women's earnings rose about 9.2pp *faster* than West Yorkshire; rising 58.7% between 1998–2008, *above* both the UK (54.1%) and West Yorkshire (49.5%).
- Between 2007–2008, all employees' reported earnings (*excluding overtime* – see Table 5.1) rose in Tyne & Wear by 5.7% (TWCR 4.9%). In the UK earnings rose 4.1% (WY 4.2%). Men's earnings rose 4.9% (TWCR 4.4%), while in the UK men's earnings grew 4.2% (WY 5.1%); women's earnings growth in Tyne & Wear was 7.1% (TWCR 6.0%; UK 4.2%; WY 2.7%).
- In Tyne & Wear, high earners' pay has been rising more quickly than the median; by around 2pp since 1998. Also, median earnings have risen about 3pp less quickly than the mean. This increased inequality (at the top end) implies that growth of overall median earnings in real terms has been around 8% since 1998, whereas growth of the mean is around 10%. For men on median earnings, real pay growth has been 2.5% (whereas men's *mean* earnings, in real terms, have grown about 7%).
- In 2008, top decile men's earnings rose 4.6% in the UK, against a rise of 7.8% in Tyne & Wear.

**Other Metropolitan Counties and Unitary Authorities (§6):**

Overall, Tyne & Wear's 2008 average earnings rank 59<sup>th</sup> among the (87) English counties, metropolitan counties and Unitary Authorities.

- For men, Tyne & Wear's average earnings are 63<sup>rd</sup>
- Women's average earnings in Tyne & Wear rank 39<sup>th</sup>
- Women's earnings are highest of the NE's counties and unitary authorities

**Men & Women's earnings compared (§7):**

The gap between men's and women's earnings in Tyne & Wear remains much narrower than in the UK.

- In 2008, women's *hourly* pay was 92% of men's, compared to 83% for the UK (TWCR 91%; LCR 85%).
- Women's *weekly* earnings were also closer to men's earnings in Tyne & Wear (84%) than in the UK (77%) (TWCR 83%; LCR 78%).

**Public and Private sectors compared (§8):**

- Public sector employees in TWCR, on average, earn 10.6% *more* per week than private sector employees (TW 9.3%; RoCR 13.8%; UK 1.4%). *Hourly* earnings of the public sector are greater than in the private sector by 16.6% (TW 15.5%; RoCR 20.5%; UK 8.3%).
- Hours worked per week (and overtime worked), are shorter in the public sector than the private sector. Public sector men work in TWCR, on average about 2½ hours less, (39.2 hours per week) than in the private sector (41.6 hours). Women work 1½ hours less (36.8 hours) than in the private sector (38.3 hours). [Hours include overtime.]

### **Hourly Earnings and Hours of Work (§9):**

- Hourly earnings rose (1998-2008) faster than weekly earnings in both TWCR and TW. Average hours worked fell slightly in TWCR, by 0.6h for men and 0.1h for women (TW -0.5h for men and -0.2h for women).

### **Earnings in Real Terms (§10):**

- 1998-2008, men's average real earnings (i.e. after RPI inflation) rose about 7% and women's 19% in TWCR (TW 7% and 21% respectively). Average annual compound rates of earnings growth in real terms are 0.7% pa for men and 1.7% pa for women (TW 0.7% and 1.9% respectively). Median earnings rose about 2 percentage points more slowly – but Tyne & Wear men's median earnings showed only 2.5% growth in real terms over a decade.

*Note: These calculations assume that the rate of inflation has been the same in Tyne & Wear and UK over these periods.*

### **Earnings of Residents of Tyne & Wear (§11):**

- Earnings of residents in Tyne & Wear are typically 4-5% lower than at workplaces (TWCR less than 1% lower) (given in §2). This difference is due to in-commuters into Tyne & Wear (on average) earning significantly more than out-commuters.
- For Tyne & Wear residents, on average, men & women earn £34 per week less than in West Yorkshire. This is an annual earnings gap of around £1,770.



## 1 INTRODUCTION

This report presents information on average and median earnings, and the distribution of earnings; including low pay and part-time earnings as recorded by the 2008 Annual Survey of Hours and Earnings (ASHE). The report covers the Tyne & Wear City Region (TWCR), and both higher- and lower-level geographies. It also makes comparisons with Leeds City Region (LCR) and West Yorkshire.

Earnings have been one of the handful of best quality local economic indicators. This is because earnings data are very timely, have a decent length of consistent time series and have a good sample size<sup>5</sup>. However, the sample size of the 2007 ASHE was reduced by almost 20 per cent, and the results for Tyne & Wear showed extremely weak earnings in 2007.

### **Important note on geographies:**

The **areas presented** primarily focus on **City Region-level** but **Tyne & Wear [and TW districts] the North East, UK** and other **metropolitan counties** are also presented. **Leeds City Region** and **West Yorkshire** are the major comparator areas. For this report, TWRI made a special request to ONS' ASHE team for data for non-standard geographies and also for data which is not made publicly available [i.e. at a lower geographical level]. ONS now more commonly produces data at the UK level, for consistency with other sources, and so this 2008 report presents data for the UK only, in keeping with ONS' decision (n.b. one exception, T 11.2).

The analyses cover total employees and men and women employees separately. Earnings by occupation for the City Region are given in Appendix 2, along with United Kingdom, North East region and Tyne & Wear-level data.

The ASHE dataset was first produced in 2004. Its back series, (pre-2004), is based upon the New Earnings Survey (NES) dataset, which has a long, consistent time series. The only ASHE-type back series available, at time of writing, were from 1998-2003.

The ASHE is the most comprehensive source of earnings data. It collects information on hours of work and earnings for a 1% sample of employees. The data in this report relates to gross pay **for full-time employees** excluding over-time and payments in kind. The ASHE provides information for Government Office Regions (including the North East).

The NES, between 1999 and 2003, did not provide the *standard errors* of the estimates (a measure of their accuracy). This has been rectified with the change from NES to ASHE, with results given 'error boundaries.' If these boundaries are over 20% C.V. (coefficient of variation<sup>6</sup>), the results are omitted, by ONS, as not being statistically robust. Thus all the results presented in this report are statistically sound to this minimum level. Estimates for the larger groups are very much more precise.

Wages & salaries account for 69% (UK 67%) of gross weekly household income from all sources. Other sources of income are:

	<b>NE</b>	<b>UK</b>
Social Security Benefits	17%	13%
Pensions (+ Annuities)	5%	7%
Self Employment	7%	8%
Investment Income	2%	3%
Other Sources	1%	1%

(Source: ONS Family Spending 2007, © Crown Copyright 2008)

<sup>5</sup> TWRI rated ASHE at 7/10 for quality before the 2007 results. This quality rating does NOT apply to annual changes or for areas or groups smaller than Tyne & Wear overall (as in Appendices). TWRI suspended its rating on the 2007 results pending further evidence on their reported remarkably weak earnings in Tyne & Wear. Absolute falls in earnings, as reported for men, appear unlikely to have been actual.

<sup>6</sup> The coefficient of variation (CV) is the ratio of the standard deviation of an estimate to the estimate. It is a unit-less ratio that can be used to compare variables that are expressed in different units.

For further information on these non-earnings sources of income and overall household income, please refer to TWRI's report 'Household Income and Expenditure, 2006'.

This report on earnings of employees covers both full-time and part-time employees (part-time analyses in §3). Part-timers account for over 30% of all employees, about 149,100 of over 491,700 employees in Tyne & Wear<sup>7</sup> (ABI 2007).

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<sup>7</sup> *Source: ONS Annual Business Inquiry (ABI) 2007*

## 1.1 SUMMARY OF METHODOLOGICAL CHANGES BETWEEN ASHE AND NES

*Note: A summary of methodological changes is provided here. For a full analysis of changes see TWRI's earlier ASHE-based 'Earnings Report 2004'.*

### 1.1.1 Reasons for Survey and Questionnaire Changes

As in NES, ASHE uses data from the Inland Revenue's PAYE system as the main sample, but *weights* the survey responses to the population of jobs as measured by the Labour Force Survey<sup>8</sup> (LFS). The survey sample has been increased to include employees in businesses outside of the PAYE system and those changing jobs between sample selection and the survey reference date.

The questionnaire design of NES was reviewed by ONS because it produced biased estimates of earnings:

- Survey responses were not weighted to the population of employees.
- Prime use of Inland Revenue's PAYE system yielded incomplete coverage of employees.
- Biases occurred due to differential non-response for employees of different types.
- The survey missed employees changing jobs between sample selection and the survey date.

*Note from TWRI: the ASHE-based data are, however, always likely to over-estimate average levels of pay and could potentially miss an important group of employees at the bottom of the pay distribution. This is because ASHE excludes employees of businesses not included on the interdepartmental business register (IDBR). This type of business will usually have a turnover lower than the VAT threshold, or have employees earning below the PAYE threshold.*

### 1.1.2 Methodological Changes: the introduction of weighting and calibration

ASHE methodology weights the estimates of earnings; the weights are calculated by calibrating the survey responses to totals from the LFS by occupation, gender, [super] 'region'<sup>9</sup> and age. Estimates of pay and associated standard errors for different subsets of the population of employees have been made using weighted estimation.

The *weighted estimates* are *higher than unweighted ones*, because the weights compensate for under-representation of high-paid jobs. With weighting, different results can be obtained by using different LFS totals for calibration, (but these are very small). The higher estimates generated by weighting may seem counter-intuitive since the main exclusion from the NES were those individuals outside the PAYE system. However, a poorer response rate from employees in high-paying occupations more than offset the bias from the PAYE exclusion. Thus, high-earning employees are under-represented in the unweighted sample, and weighting corrects for this.

The weighted estimates of the *median and the upper and lower deciles* have been acknowledged by ONS to have *larger standard errors* than the unweighted estimates. The distribution of weekly pay is skewed with a relative sparsity of high pay records making reliable estimation of upper deciles more difficult than the lower ones.

<sup>8</sup> TWRI notes that the LFS records both first and second jobs, which may influence the resulting estimates obtained from ASHE. The standard errors within the LFS dataset are also not included in the final estimates of pay.

<sup>9</sup> Workplace region is based upon government office region (GOR), but aggregated into two areas comprising (i) London and the South East and (ii) elsewhere in the United Kingdom. TWRI notes that this may not give the most accurate depiction of Tyne & Wear, due to its often different characteristics from the rest of the UK. However, the possible errors associated with this weighting method are probably minor and difficult to estimate.

### 1.1.3 Impact of Methodological Changes upon NES data sets

The main impacts of the methodological changes when applied to the existing NES data are:

- To raise estimates of the level of average weekly pay.
- To raise men's earnings more than women's. In particular, this affects hourly pay excluding overtime, which is used in the calculation of the ONS' preferred measure of the gender pay gap.
- London is raised more than estimates for other regions. This widens the estimate of the difference in pay between London and other regions of the UK.

### 1.1.4 Publication of the Median

ONS' publication of the median in ASHE is a major advance. Thus one can assess the nature of the distribution, by the differences between the average and median for each category. The median is a useful guide in skewed distributions. It is beneficial because it is not affected by extreme values and it always exists as a value. This report uses both the average (mean) and median as a complementary guide to assess the findings of the ASHE.

### 1.1.5 Publication of Standard Error (SE) of each estimate

Each estimate generated within ASHE has an associated level of standard error (SE) related with it. The standard error of each estimate is presented (by ONS) as its coefficient of variation (CV). The CV measures the quality of an estimate, relative to the (size of) the estimate itself [in percentage terms]. ASHE gives four levels:

- CV  $\leq 5\%$  'Precise'
- CV  $> 5\%$  and  $\leq 10\%$  'Reasonably Precise'
- CV  $> 10\%$  and  $\leq 20\%$  'Acceptable'
- CV  $> 20\%$  or unavailable 'Unreliable'

Referenced throughout §1a from Bird, D. 2004. 'Methodology for the 2004 ASHE', *Office for National Statistics, Labour Market Trends*, December: No.12 (Vol.112), 457 – 464

## 1.2 THE NEW ASHE QUESTIONNAIRE (2005)

In 2005 ONS introduced improvements to the ASHE questionnaire. While the core data collected is essentially the same as that collected in 2004, some questions have been added or changed:

- The basic hours question was changed from asking for average weekly hours to asking for hours worked in the pay period. This gives consistency between the pay and hours information to give better hourly pay estimates.
- The definition of bonus pay was changed to enable the estimation of more consistent results by only collecting bonus pay for the April pay period.
- Questions on pensions have been updated and extended. New questions have been included asking for the pension contributions of both employer and employee.

Referenced throughout from Daffin, C. 'The new ASHE Questionnaire,' Oct. 2005

## 1.3 CONTEXT – RECENT DEVELOPMENTS

ASHE data for 2007 take account of a small number of methodological changes to improve the quality of results. These include changes to the sample design itself, as well as the introduction of an automatic occupation coding tool. Therefore, results for 2007 are only comparable with the 2006 results that have

been produced using this methodology and are not comparable with results from previous years. [Note also the reduction in sample size.]

### **Earnings in the Construction Sector**

There was weak growth in the Construction industry during 2005. According to RICS, “in 2005 earnings rose less than 2.2%, well down on the 4.7% increase in 2004.” This deceleration in earnings growth was due to the subdued nature of construction output throughout 2005, and RICS suggests that this has been magnified by the influx of workers from Eastern Europe (who according to a recent RICS survey have helped to keep a lid on wage increases).

### **Trade Union Members' Earnings**

The hourly earnings of UK union members averaged £12.74 in 2007, 15.6% more than the earnings of non-union employees (£11.02 per hour). In Q4 2007, the hourly earnings of union members averaged £12.74, 15.6% more than the average hourly earnings paid to non-members (£11.02). This is a slight decrease from the 16.3% union wage premium in 2006.

Trade Union Membership 2007, DTI Employment market analysis and research (July 2008)

## 2 AVERAGE AND MEDIAN GROSS WEEKLY EARNINGS, 2008

### 2.1 AVERAGE EARNINGS

The first section presents information on average weekly earnings in Tyne & Wear City Region (TWCR). The analyses cover men, women and all employees and compares TWCR to LCR, the UK and the North East<sup>10</sup>. The following section (§2.2) discusses median earnings.

In 2008, the average full-time employee in TWCR earned £499.40 per week, (£25,970 pa<sup>11</sup>). This is 13.0% (£3,900) less than the UK average of £574.30 per week, (£29,860 pa) (Table 2.1). The earnings gap between TWCR and the UK is much larger for men, in percentage terms, than women. Men's average weekly earnings were £537.40 (14.8% below the UK average); whereas women's average weekly earnings were £443.80 (8.6% below the UK average).

In TWCR, earnings were lower in RoCR than in Tyne & Wear, by about £33pw (£1690pa) (for both average and median). In contrast, in LCR, earnings were higher in RoLCR than in West Yorkshire, by about £13pw (£680pa). This indicates that in TWCR, RoCR is a 'weak tail' for Tyne & Wear, whereas in LCR, RoLCR is a 'strong tail' for West Yorkshire. TWCR men earn 6.0% less than men in LCR, while in Tyne & Wear, men earn 4.5% less than men in West Yorkshire. For both men and women separately within TWCR, earnings were lowest within the Durham 4 LADs, at £494.20 for men and £393.50 for women.

**Table 2.1: Average earnings of full-time employees on adult rates (2008)**

	MEN & WOMEN				MEN				WOMEN			
	Average		Median		Average		Median		Average		Median	
	£'s per week	Pence/hr (excl. o/time)	£'s per week	Pence/hr (excl. o/time)	£'s per week	Pence/hr (excl. o/time)	£'s per week	Pence/hr (excl. o/time)	£'s per week	Pence/hr (excl. o/time)	£'s per week	Pence/hr (excl. o/time)
<b>Tyne &amp; Wear City Region</b>	£499.40	1255	£421.10	1048	£537.40	1303	£458.90	1099	£443.80	1182	£372.40	980
<b>Tyne &amp; Wear</b>	£507.40	1276	£433.30	1075	£543.80	1316	£466.50	1110	£455.20	1217	£388.80	1016
<b>Rest of City Region</b>	£474.90	1192	£396.60	979	£518.40	1265	£439.30	1048	£407.20	1073	£354.20	908
<b>Durham 4</b>	£454.70	1132	£383.00	936	£494.20 <sup>a</sup>	1200 <sup>a</sup>	£413.80 <sup>a</sup>	976 <sup>a</sup>	£393.50	1021	£352.50 <sup>a</sup>	878
<b>Northumberland 4</b>	£504.80	1286	£417.40 <sup>a</sup>	1056 <sup>a</sup>	£554.30 <sup>a</sup>	1364 <sup>a</sup>	£470.80 <sup>a</sup>	1145 <sup>a</sup>	£427.80 <sup>a</sup>	1154 <sup>a</sup>	£355.10 <sup>a</sup>	957 <sup>a</sup>
<b>North East</b>	£494.40	1237	£420.60	1042	£535.70	1293	£464.10	1103	£431.50	1147	£364.30	967
<b>Leeds City Region</b>	£521.40	1321	£442.80	1100	£572.50	1402	£491.00	1171	£444.60	1191	£376.20	995
<b>West Yorkshire</b>	£518.70	1315	£442.30	1101	£569.70	1396	£489.20	1174	£442.10	1187	£374.70	996
<b>Rest of Leeds City Region</b>	£531.70	1341	£444.70	1089	£583.30	1426	£498.30	1157	£454.00	1206	£381.20	991 <sup>a</sup>
<b>UK</b>	£574.30	1453	£478.60	1187	£631.10	1554	£521.20	1250	£485.50	1288	£412.00	1091
<b>TWCR % of UK</b>	87.0%	86.4%	88.0%	88.3%	85.2%	83.8%	88.0%	87.9%	91.4%	91.8%	90.4%	89.8%
<b>T&amp;W % of UK</b>	88.4%	87.8%	90.5%	90.6%	86.2%	84.7%	89.5%	88.8%	93.8%	94.5%	94.4%	93.1%
<b>LCR % of UK</b>	90.8%	90.9%	92.5%	92.7%	90.7%	90.2%	94.2%	93.7%	91.6%	92.5%	91.3%	91.2%

Source: Annual Survey of Hours and Earnings 2008 (Tables 7.1a and 7.6a) and Specially Requested from ONS

<sup>10</sup> Note: Earnings by occupation are given in Appendix 2 for TWCR, LCR, UK, the North East Region, Tyne & Wear, West Yorkshire, plus others.

<sup>11</sup> Annual average earnings given here are calculated by multiplying weekly average earnings by 52 weeks. In some instances this can result in sizeable differences from the annual figures provided in ASHE. For the figures presented here, the ASHE annual figure for TWCR (M&W) is £240pa lower than the weekly average multiplied by 52 weeks, but for the UK, it is £1,460pa higher.

In Tyne & Wear, the earnings gap (from the UK) was very similar to TWCR's for full-time employees (11.6%) and for men (13.8%), but was much lower for women at 6.2%. In LCR, the earnings gaps were lower for all categories, but particularly men; at 9.2% for all FT employees, 9.3% for men (over 5.5pp smaller than in TWCR) and 8.4% for women. Earnings in LCR were 4.2% higher than in TWCR; for men 6.1% higher and for women 0.2% higher.

In TWCR, average annual earnings were £27,950 for men and £23,080 for women. TWCR is marginally lower than TW (£28,280 for men, £23,670 for women). TWCR men earn about £1,800 less than in LCR (£29,770 for men, £23,120 for women) and West Yorkshire (£29,620 for men, £22,990 for women).

In the North East, average weekly earnings were lower than in the UK; men's earnings were £95.40 lower, and women's earnings were £54.00 lower. Tyne & Wear women's weekly earnings were £23.70 *higher* than in the North East. Tyne & Wear men's were £8.10 higher. In the CR, men's earnings were £1.70 higher and women's were £12.30 higher than regional earnings.

## 2.2 Median Earnings

Median earnings are those of the 'middle person' in a distribution. They can be said to give a better measure of 'typical' earnings than the average.

Distributions of earnings are nearly always asymmetric. They have many low earners (bunched below the peak) and a much longer 'tail' of high earners on the other side of the distribution. It is this distribution shape, technically 'skewed to the left' (low earnings), which causes median earnings to be much lower than the average – about £4,000pa lower than the average in both TWCR and Tyne & Wear.

In 2008, the median full-time employee in TWCR earned £421.10 per week (£21,900 pa) [£4,070 less than the average] (Table 2.1). Men's median earnings were £458.90 per week (£23,860 pa) [£4,080 less than the average]. Women's median earnings were £372.40 per week (£19,360 pa) [£3,710 less than the average].

In TWCR, men and women earn more in the conurbation than in the RoCR. In contrast, in LCR men's and women's earnings were higher in the RoLCR than in West Yorkshire.

TWCR has a relative lack of high earners. Compared with the UK, TWCR's median (as a % ratio of UK) for men & women is 1.0 percentage points higher (88.0%) than the ratio of averages (87.0%). This effect applies particularly to men in TWCR (median 88.0%, average 85.2%; the average has a 2.8pp lower ratio to UK). Conversely, for women in Tyne & Wear, there are [proportionately] more high-paid women than in the UK (median 90.4%, average 91.4%, average 1.0pp higher).

Compared to LCR, median earnings in TWCR were 4.9% (over £1,130) lower; 6.5% for men and 1.0% for women.

### 3 PART-TIME EARNINGS

Hourly earnings give a better indication of average earnings, as the problem of the exact amount of hours worked (part-time employees often do not have contracted hours) is removed. Part-time employees are those that work less than 30 hours per week.

In 2008, the average part-time employee in TWCR earned 928p per hour. This is 8.8% less than the UK (1017p) (Table 3.1). Part-time men employees earn 1101p per hour, which is 3.0% less than the UK (1135p). TWCR part-time women employees earn 887p per hour, which is 9.9% less than the UK (985p).

Overall, TWCR part-time earnings are slightly lower than LCR by 3.9% and for women 5.5% lower. However, for men, part-time earnings are higher by 3.6% in TWCR than LCR.

In Tyne & Wear, the average part-time employee earned 920p per hour. This is 9.5% less than the UK (1017p). Part-time men employees earn 1049p per hour, which is 7.6% less than the UK (1135p). Tyne & Wear part-time women employees earn 888p an hour, which is 9.8% less than UK (985p).

**Table 3.1: Comparison of average earnings of part-time and full-time employees on adult rates\* (2008)**

	Part time employees (Pence per hour)						Full time employees (Pence per hour)					
	AVERAGE			MEDIAN			AVERAGE			MEDIAN		
	Men & Women	Men	Women	Men & Women	Men	Women	Men & Women	Men	Women	Men & Women	Men	Women
<b>Tyne &amp; Wear City Region</b>	928	1101 <sup>a</sup>	887	715	726 <sup>a</sup>	705	1255	1303	1182	1048	1099	980
<b>Tyne &amp; Wear</b>	920	1049 <sup>a</sup>	888	735	727 <sup>a</sup>	736	1276	1316	1217	1075	1110	1016
<b>North East</b>	922	1121 <sup>a</sup>	876	697	727 <sup>a</sup>	692	1237	1293	1147	1042	1103	967
<b>Leeds City Region</b>	966	1063 <sup>a</sup>	939	708	684	715	1321	1402	1191	1100	1171	995
<b>West Yorkshire</b>	947	953 <sup>a</sup>	945	706	679	716	1315	1396	1187	1101	1174	996
<b>UK</b>	1017	1135	985	749	726	751	1453	1554	1288	1187	1250	1091
<b>TWCR % of UK</b>	91.2%	97.0%	90.1%	95.5%	100.0%	93.9%	86.4%	83.8%	91.8%	88.3%	87.9%	89.8%
<b>T&amp;W % of UK</b>	90.5%	92.4%	90.2%	98.1%	100.1%	98.0%	87.8%	84.7%	94.5%	90.6%	88.8%	93.1%
<b>LCR % of UK</b>	95.0%	93.7%	95.3%	94.5%	94.2%	95.2%	90.9%	90.2%	92.5%	92.7%	93.7%	91.2%

<sup>a</sup> Reasonably precise, CV >5% and <=10%

\* Excluding overtime

Source: Annual Survey of Hours and Earnings 2008 (Table 7.6a) and Specially Requested from ONS, with TWRI calculations

In TWCR, average hourly earnings for part-time employees (928p) are 26% less than the equivalent for full-time employees (1255p). The vast majority of part-time employees are women (around 80% in Tyne & Wear) and thus data for all part-time employees is largely influenced by women's earnings. Men's part-time hourly earnings in the UK (1135p) are 15% greater than women's (985p) (Table 3.1). This is a pattern seen across all earnings included in ASHE (see §2 for full-time average weekly earnings).

A report published by the Royal Economic Society<sup>12</sup> states that part-time women earn 25% less than their full-time women counterparts in Great Britain. [These ASHE 2008 data in this TWRI report, also show that, in the UK, in hourly pay, women part-timers (985p) earn around 24% less than women full-timers (1288p)].

For all part-time employees, hourly earnings are lowest in Tyne & Wear at 920p. The next lowest are earnings in the North East, at 922p. Part-time earnings in Tyne & Wear are 2.9% lower than in West Yorkshire (947p).

<sup>12</sup> *The Part-time Pay Penalty Report* by Alan Manning and Barbara Petrongolo is published in *The Economic Journal* vol. 118(526), pages F28-F51, 02.



Men and women's hourly earnings are more compressed with top earners (top decile) in TWCR (1597p) compared to the UK (1862p) (Table 3.2). Bottom decile earnings are generally at NMW (552p as at October 2007 and 573p as at October 2008). In TWCR in 2008, the ratio of median hourly part-time earnings (715p) to top hourly part-time earnings (1597p) for men and women, at 44.8%, was higher than in LCR, at 39.7%.

**Table 3.2: Distribution of gross hourly earnings, part-time (pence per hour) (2008)**

	Tyne & Wear City Region	Tyne & Wear	North East	Leeds City Region	West Yorkshire	UK
<b>Men &amp; Women</b>						
Top decile	1597 <sup>b</sup>	x	1585 <sup>b</sup>	1784 <sup>b</sup>	1789 <sup>b</sup>	1862
Bottom decile	552	552	552	552	552	552
<b>Men</b>						
Top decile	x	x	x	x	x	2359
Bottom decile	552	552	552	552	552	552
<b>Women</b>						
Top decile	1509 <sup>b</sup>	x	1490 <sup>b</sup>	1632 <sup>b</sup>	1730 <sup>b</sup>	1745
Bottom decile	552	552	552	553	552	554

Note: A decile is a tenth of the (statistical) population. The top decile is the top 10% of earners who are part-time employees.

<sup>a</sup> Reasonably precise, CV >5% and <=10%  
<sup>b</sup> Acceptable, CV >10% and <=20%  
x Data unreliable

Source: Annual Survey of Hours and Earnings 2008 (Table 7.6a) and Specially Requested from ONS

Table 3.3 gives hourly pay from ASHE for the UK, the North East, TWCR, Tyne & Wear plus the constituent parts of TWCR. The table shows cumulative percentages earning below each threshold. The proportions earning under £5.73/hr (NMW) are over 21.9% of part-time men (UK 21.9%) and 20.9% of part-time women (UK 15.7%). For men, the proportions in Tyne & Wear are higher at 24.3% and for women the proportions are higher in Northumberland 4, at 30.7%.

The proportions earning over £10/hr are 29.6 % of part-time men in TWCR, 30.4% in Tyne & Wear, 30.9% in the North East, and 32.3% in the UK. Women part-timers earning over £10/hr are around 22.8% in TWCR, 22.7% in Tyne & Wear, 21.7% in the North East and 28.2% in the UK.

**Table 3.3: Distribution of part-time hourly earnings [% earning under: ] (2008)**

	£5.52	£5.73	£6.00	£6.50	£7.00	£7.50	£8.00	£10.00	£12.00	£14.00	£16.00	£18.00	£20.00
<b>Tyne &amp; Wear City Region</b>													
<b>Men</b>	x	21.9 <sup>b</sup>	27.9 <sup>b</sup>	40.8 <sup>a</sup>	47.7 <sup>a</sup>	51.9 <sup>a</sup>	57.1 <sup>a</sup>	70.4 <sup>a</sup>	75.5	80.2	85.0	86.5	87.8
<b>Women</b>	6.6 <sup>b</sup>	20.9 <sup>a</sup>	26.1 <sup>a</sup>	41.3	48.8	54.8	60.4	77.2	84.9	88.5	91.5	93.9	95.8
<b>Tyne &amp; Wear</b>													
<b>Men</b>	x	24.3 <sup>b</sup>	30.1 <sup>b</sup>	42.2 <sup>b</sup>	49.9 <sup>a</sup>	51.7 <sup>a</sup>	56.3 <sup>a</sup>	69.6 <sup>a</sup>	77.0 <sup>a</sup>	80.1	83.9	85.5	87.5
<b>Women</b>	x	17.8 <sup>b</sup>	22.9 <sup>a</sup>	37.2 <sup>a</sup>	46.1 <sup>a</sup>	52.6	57.5	77.3	86.3	90.0	92.7	95.0	97.0
<b>Rest of City Region</b>													
<b>Men</b>	x	x	x	42.9 <sup>b</sup>	47.3 <sup>b</sup>	52.8 <sup>b</sup>	57.8 <sup>b</sup>	73.0 <sup>a</sup>	75.3 <sup>a</sup>	82.8 <sup>a</sup>	87.7 <sup>a</sup>	87.7 <sup>a</sup>	87.7 <sup>a</sup>
<b>Women</b>	x	28.1 <sup>b</sup>	33.8 <sup>a</sup>	50.8 <sup>a</sup>	58.2 <sup>a</sup>	61.4 <sup>a</sup>	68.2	78.8	83.5	87.1	90.9	92.5	93.0
<b>Durham 4</b>													
<b>Men</b>	x	x	x	47.3 <sup>b</sup>	53.2 <sup>b</sup>	58.5 <sup>b</sup>	67.5 <sup>b</sup>	76.6 <sup>b</sup>	80.7 <sup>b</sup>	85.5 <sup>a</sup>	91.8 <sup>a</sup>	91.8 <sup>a</sup>	91.8 <sup>a</sup>
<b>Women</b>	x	x	31.3 <sup>b</sup>	47.6 <sup>b</sup>	53.6 <sup>b</sup>	58.2 <sup>a</sup>	64.6 <sup>a</sup>	75.9 <sup>a</sup>	84.2 <sup>a</sup>	88.6	94.4	97.3	97.3
<b>Northumber- land 4</b>													
<b>Men</b>	x	x	x	x	x	x	x	68.6 <sup>b</sup>	68.6 <sup>b</sup>	79.5 <sup>b</sup>	82.8 <sup>a</sup>	82.8 <sup>a</sup>	82.8 <sup>a</sup>
<b>Women</b>	x	30.7 <sup>b</sup>	35.3 <sup>b</sup>	52.8 <sup>a</sup>	60.9 <sup>a</sup>	63.3 <sup>a</sup>	70.3 <sup>a</sup>	80.5	83.2	86.1	88.8	89.7	90.4
<b>North East</b>													
<b>Men</b>	x	23.5 <sup>b</sup>	28.5 <sup>a</sup>	41.1 <sup>a</sup>	47.7 <sup>a</sup>	51.5 <sup>a</sup>	55.6 <sup>a</sup>	69.1	75.5	79.7	84.0	85.5	87.0
<b>Women</b>	6.5 <sup>b</sup>	22.4 <sup>a</sup>	28.6	43.3	51.5	57.2	62.9	78.3	85.5	88.9	91.8	94.1	96.1
<b>UK</b>													
<b>Men</b>	8.4	21.9	27.8	39.2	46.6	52.0	56.5	67.7	74.3	78.3	81.5	84.4	86.3
<b>Women</b>	5.2	15.7	21.5	33.8	42.7	49.4	55.8	71.8	79.6	84.4	87.7	90.8	93.1

<sup>a</sup> Reasonably precise, CV >5% and <=10%

<sup>b</sup> Acceptable, CV >10% and <=20%

x Unreliable

Source: Annual Survey of Hours and Earnings 2008 (Specially Requested from ONS).

Note: these data only include people on adult rates.

#### 4 LOW PAY AND DISTRIBUTION OF EARNINGS

- Low pay for *full-timers* (under £250pw or £13,000pa)<sup>13</sup> in Tyne & Wear and TWCR [perhaps surprisingly] is the same as in the UK (8.1%) but is more prevalent in the North East (9.1%), LCR and West Yorkshire (both 9.0%) (Table 4.1):
- In TWCR, 5.6% of men and 11.8% of women (UK 5.5% and 12.1% respectively) earn under £250pw
- This compares to 6.0% of men and 13.6% of women in LCR
- TW actually has slightly less prevalent low pay for women than in West Yorkshire and LCR [possibly connected to a higher public sector share of employment in Tyne & Wear].
- In Tyne & Wear, 6.1% of men and 10.8% of women earn under £250pw
- This compares to 5.7% of men and 13.8% of women in West Yorkshire

**Table 4.1: Distribution of gross full-time weekly earnings [% earning under: ] (2008)**

	Tyne & Wear City Region	Tyne & Wear	North East	Leeds City Region	West Yorkshire	UK
<b>Men &amp; Women</b>						
Top decile	£796.70 <sup>a</sup>	£809.60 <sup>a</sup>	£796.20	£842.90 <sup>a</sup>	£830.50 <sup>a</sup>	£946.80
Bottom decile	£258.20	£258.70	£254.10	£254.30	£254.60	£261.80
% earning under:						
£250	8.1 <sup>a</sup>	8.1 <sup>a</sup>	9.1 <sup>a</sup>	9.0	9.0 <sup>a</sup>	8.1
£350	33.9	32.5	34.6	31.5	31.6	27.4
£460	56.4	54.6	56.6	52.8	52.9	47.4
<b>Men</b>						
Top decile	£862.30 <sup>a</sup>	£870.00 <sup>a</sup>	£854.10 <sup>a</sup>	£930.70 <sup>a</sup>	£922.00 <sup>a</sup>	£1,054.10
Bottom decile	£273.10	£272.20	£270.80	£275.20	£275.20	£283.00
% earning under:						
£250	5.6 <sup>b</sup>	6.1 <sup>b</sup>	6.1 <sup>a</sup>	6.0 <sup>a</sup>	5.7 <sup>a</sup>	5.5
£350	28.2	26.8 <sup>a</sup>	28.0	23.6	23.7	21.2
£460	50.3	49.0	49.7	44.6	44.4	40.4
<b>Women</b>						
Top decile	£715.40 <sup>a</sup>	£730.60 <sup>a</sup>	£709.10 <sup>a</sup>	£713.90 <sup>a</sup>	£702.30 <sup>a</sup>	£776.20
Bottom decile	£241.40	£246.70	£236.10	£234.70	£234.50	£240.50
% earning under:						
£250	11.8 <sup>a</sup>	10.8 <sup>b</sup>	13.6 <sup>a</sup>	13.6 <sup>a</sup>	13.8 <sup>a</sup>	12.1
£350	42.3	40.4	44.7	43.3	43.4	37.1
£460	65.2	62.5	67.0	65.2	65.8	58.3

Note: A decile is a tenth of the (statistical) population. The top decile is the top 10% of earners who are full-time employees.

<sup>a</sup> Reasonably precise, CV >5% and <=10%

<sup>b</sup> Acceptable, CV >10% and <=20%

x Unreliable

Source: Annual Survey of Hours and Earnings 2008 (Tables 7.1a) and Specially Requested from ONS.

The distribution of overall earnings were least dispersed in TWCR than in any of the other areas examined and also than in the UK. Earnings were most dispersed in LCR.

- In 2008, the top decile (10%) of men in TWCR earned 61% more than men's average earnings (TW 60%, NE 59%, LCR 63%, WY 62% and UK 67%).

<sup>13</sup> The NMW equates to about £11,900pa assuming a 40 hour week.

- In 2008, the lowest decile of men in TWCR earned 49% less than men's average earnings (TW and NE 50%, LCR and WY 52% and UK 55%).

The top 10% of men in TWCR earned £862.30pw [nearly £44,900pa] (LCR £930.70pw). The bottom 10% of men in TWCR earned £273.10pw [under £14,200pa] (LCR £275.20pw).

The top 10% of men in TW earned £870.00pw [around £45,200pa] (WY £922.00pw). The bottom 10% of men in TW earned £272.20pw [over £14,100pa] (WY £275.20pw).

Women's earnings show:

- In 2008 the top decile of women in TWCR earned 61% more than women's average earnings (TW 61%, NE 64%, LCR 61%, WY 59% and UK 60%).
- In 2008 the bottom decile of women in TWCR earned 46% less than women's average earnings (TW 46%, NE 45%, LCR 47%, WY 47% and UK 51%).

The top 10% of women in TWCR earned over £715.40pw [£37,200pa] (LCR £713.90pw). The bottom 10% of women earned under £241.40pw [under £12,600pa] (LCR £234.70pw).

The top 10% of women in TW earned £730.60pw [nearly £38,000pa] (WY £702.30pw). The bottom 10% of women earned under £246.70pw [under £12,800pa] (WY £234.50pw).

1.1% of men in the UK and 1.5% of women earn less than £5.52/hr. [These might be 18-21 year-olds on or around the lower NMW for this age-band.] (Table 4.2) [Data for men and women earning less than £5.52/hr have been suppressed for all areas below national-level.]

**Table 4.2: Distribution of full-time earnings [% earning under: ] (2008)**

	Tyne & Wear City Region		Tyne & Wear		Rest of City Region		Durham 4		Northumberland 4		North East		UK	
	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women
<b>Weekly Earnings</b>														
£175	x	x	x	x	x	x	x	0.0	x	x	x	x	0.4 <sup>a</sup>	0.7 <sup>a</sup>
£200	x	3.0 <sup>b</sup>	x	x	x	x	x	x	x	x	x	3.5 <sup>b</sup>	0.9	2.6
£220	x	5.1 <sup>b</sup>	x	5.2 <sup>b</sup>	x	x	x	x	x	x	2.2 <sup>b</sup>	6.5 <sup>b</sup>	2.1	5.5
£250	5.6 <sup>b</sup>	11.8 <sup>a</sup>	6.1 <sup>b</sup>	10.8 <sup>b</sup>	x	15.0 <sup>b</sup>	x	x	x	x	6.1 <sup>a</sup>	13.6 <sup>a</sup>	5.5	12.1
£290	13.5 <sup>a</sup>	24.4 <sup>a</sup>	12.8 <sup>a</sup>	23.0 <sup>a</sup>	14.9 <sup>b</sup>	29.5 <sup>b</sup>	16.8 <sup>b</sup>	28.3 <sup>b</sup>	x	31.1 <sup>b</sup>	14.0 <sup>a</sup>	26.3	11.2	21.9
£310	17.9 <sup>a</sup>	32.1	17.2 <sup>a</sup>	31.2 <sup>a</sup>	19.5 <sup>b</sup>	36.7 <sup>a</sup>	22.5 <sup>b</sup>	38.7 <sup>b</sup>	x	33.8 <sup>b</sup>	18.3	33.7	14.5	27.0
<b>Hourly Earnings</b>														
£5.52	x	x	x	x	x	x	x	x	x	x	x	x	1.1	1.5
£5.73	2.6 <sup>b</sup>	5.1 <sup>b</sup>	x	5.0 <sup>b</sup>	x	x	x	x	x	x	2.8 <sup>b</sup>	5.7 <sup>b</sup>	2.6	4.2
£6.00	3.8 <sup>b</sup>	6.8 <sup>b</sup>	3.8 <sup>b</sup>	6.4 <sup>b</sup>	x	x	x	x	x	x	4.4 <sup>b</sup>	8.0 <sup>a</sup>	3.9	6.4
£6.50	8.0 <sup>a</sup>	10.4 <sup>a</sup>	6.9 <sup>b</sup>	10.3 <sup>b</sup>	9.3 <sup>b</sup>	13.3 <sup>b</sup>	x	x	x	x	8.6 <sup>a</sup>	12.0 <sup>a</sup>	7.1	11.3
£7.00	11.7 <sup>a</sup>	16.0 <sup>a</sup>	9.9 <sup>a</sup>	15.8 <sup>a</sup>	14.3 <sup>b</sup>	19.3 <sup>b</sup>	15.7 <sup>b</sup>	20.1 <sup>b</sup>	x	x	12.7 <sup>a</sup>	17.3 <sup>a</sup>	10.3	15.9
£7.50	15.4 <sup>a</sup>	20.8 <sup>a</sup>	13.9 <sup>a</sup>	20.1 <sup>a</sup>	17.3 <sup>b</sup>	26.0 <sup>b</sup>	18.7 <sup>b</sup>	26.6 <sup>b</sup>	x	25.1 <sup>b</sup>	16.4 <sup>a</sup>	22.9 <sup>a</sup>	13.7	20.5
£8.00	20.3 <sup>a</sup>	27.4 <sup>a</sup>	18.6 <sup>a</sup>	25.8 <sup>a</sup>	23.8 <sup>a</sup>	34.6 <sup>a</sup>	27.0 <sup>b</sup>	36.8 <sup>b</sup>	19.0 <sup>b</sup>	31.4 <sup>b</sup>	21.1	29.7	17.6	25.6

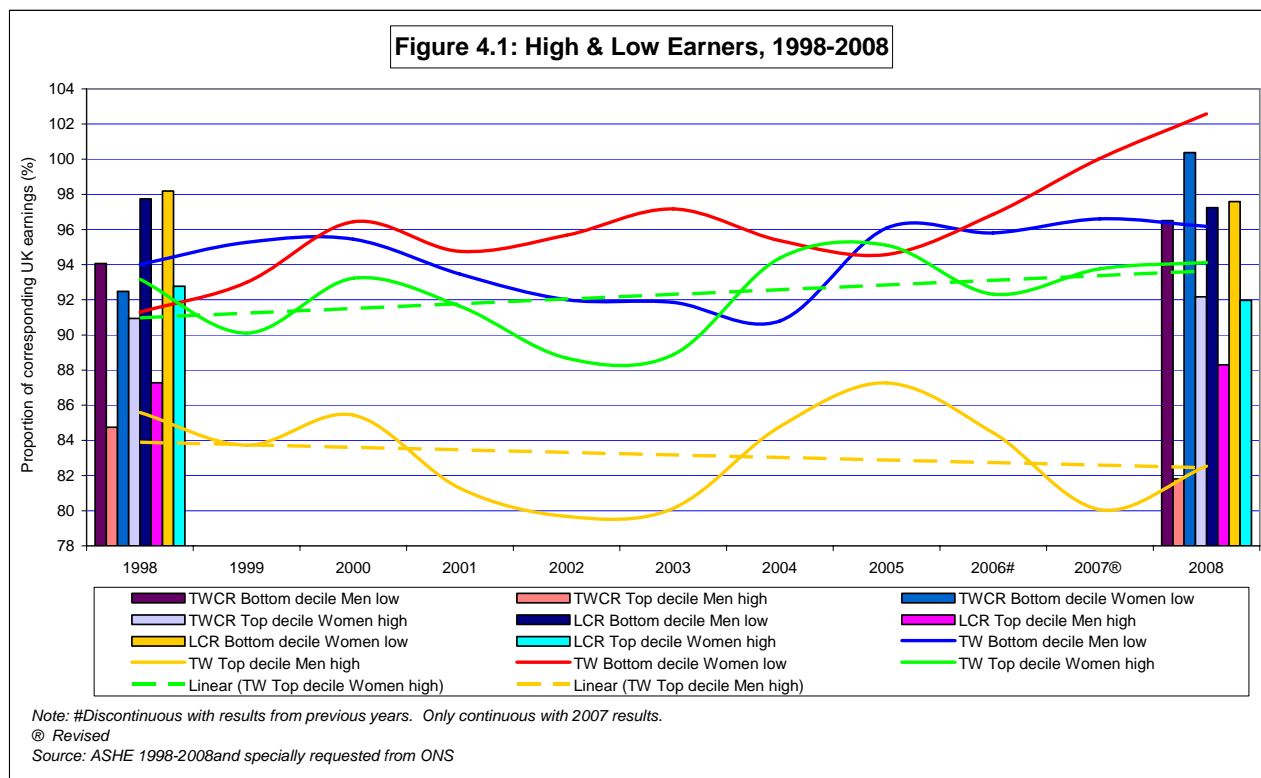
<sup>a</sup> Reasonably precise, CV >5% and <=10%

<sup>b</sup> Acceptable, CV >10% and <=20%

x Unacceptable

Source: Annual Survey of Hours and Earnings 2008 (Specially Requested from ONS).

Over the decade to 2008, Tyne & Wear’s men’s top earnings have tended to drift down as a proportion of UK earnings, perhaps by about 1½% (Fig. 4.1, see trend marked as dashed lines)<sup>14</sup>. Top earnings for Tyne & Wear women have tended upwards as a proportion of UK earnings, by around 2½%.



### 4.1 The National Minimum Wage (NMW)

The proportion of employees earning below NMW in the North East *appears* to have fallen between 1998 and 2008, from 8.7% of employees [from LFS], to 1.2% [from ASHE] (Table 4.3). A firm conclusion cannot be drawn because of the change in sources.

**Table 4.3: Employees earning below National Minimum Wage (NMW) 1998-2008**

	1998		1999		2000		2001		2002		2003		2004		2005#		2006		2007		2008	
	,000	%	,000	%	,000	%	,000	%	,000	%	,000	%	,000	%	,000	%	,000	%	,000	%	,000	%
<b>North East</b>	80	8.7%	...	...	...	...	...	...	...	...	...	...	19 <sup>a</sup>	1.9% <sup>a</sup>	16 <sup>b</sup>	1.6% <sup>b</sup>	15 <sup>b</sup>	1.5% <sup>b</sup>	16 <sup>b</sup>	1.5% <sup>b</sup>	13 <sup>b</sup>	1.2% <sup>b</sup>
<b>UK</b>	1,280	5.6%	490	2.1%	230	1.0%	240	1.0%	340	1.4%	250	1.0%	276	1.1%	308	1.2%	296	1.2%	296	1.1%	288	1.1%

<sup>a</sup> Reasonably precise, CV >5% and <=10%

<sup>b</sup> Acceptable, CV >10% and <=20%

... sample size too small for reliable estimate

The estimates for 2004 and later years are based on ASHE data only and so coefficients of variation are given for them and not for the estimates for previous years.

# Before 2005 the estimates are for employees aged 18 and over, for 2005 and after the estimates are for those aged 16 and over.

Source: ONS website - [http://www.statistics.gov.uk/downloads/theme\\_labour/jobs\\_below.xls](http://www.statistics.gov.uk/downloads/theme_labour/jobs_below.xls)

<sup>14</sup> TW’s men’s top earnings fell 3pp over the decade, while TW’s women’s top earnings fell 1pp (both relative to the UK).

ONS has stopped issuing estimates of low pay for Tyne & Wear and the rest of the North East, which TWRI previously published. These results were from the Labour Force Survey (LFS) only and related to employee main jobs. LFS tended to overestimate low pay.

The statutory NMW was introduced on 1<sup>st</sup> April 1999 at £3.60/hr for people aged 22 and over. The table below shows the changes in NMW up to October 2008.

Statutory National Minimum Wage (NMW) (for 22 years and over)	
01 April 1999	£3.60/hr
01 October 2000	£3.70/hr
01 October 2001	£4.10/hr
01 October 2002	£4.20/hr
01 October 2003	£4.50/hr
01 October 2004	£4.85/hr
01 October 2005	£5.05/hr
01 October 2006	£5.35/hr
01 October 2007	£5.52/hr
01 October 2008	£5.73/hr
<i>Source: HM Revenue &amp; Customs website</i>	

In the ten years since the introduction of the NMW, the number of jobs paid below the NMW has been monitored by ONS<sup>15</sup>. In 1998, a year before the NMW was introduced, nearly 1.3 million employee jobs in the UK (5.6%) were paid below the 1999 NMW rate, while in 2008 there were 288,000 (1.1%) paid below the NMW.

The impact of the NMW can be seen with the percentage of employees being paid below it falling from 5.6% to 2.1% in the year of its introduction. There was a further decrease in 2000, after which the percentage has remained broadly the same, at just over 1%.

<sup>15</sup> Source: Office for National Statistics 'Ten Years of the National Minimum Wage'  
[http://www.statistics.gov.uk/cci/nugget\\_print.asp?ID=2163](http://www.statistics.gov.uk/cci/nugget_print.asp?ID=2163)

## 5 INCREASES IN EARNINGS

### 5.1 Increases in earnings, 2007/2008

Between 2007 and 2008, in TWCR the rise in earnings (excluding overtime) (4.9%) was 0.8 percentage points faster than in the UK (4.1%) (Table 5.1). This was due to a rise in earnings in Tyne & Wear (5.7%), 1.6pp faster than in the UK. The overall rises are due to women's earnings which rose by 6.0% in TWCR and by 7.1% in Tyne & Wear compared to 4.2% growth in the UK. Men's earnings rose by over 4%; up 4.4% in TWCR and 4.9% in Tyne & Wear, compared to a rise of 4.2% in the UK.

**Table 5.1: Percentage increases in weekly earnings (excluding overtime) 2007®/2008**

	Tyne & Wear City Region		Tyne & Wear		North East		Leeds City Region		West Yorkshire		UK	
	Average	Median	Average	Median	Average	Median	Average	Median	Average	Median	Average	Median
<b>Men &amp; Women</b>	4.9%	4.7%	5.7%	6.4%	3.7%	3.4%	4.4%	4.8%	4.2%	4.6%	4.1%	4.9%
<b>Men</b>	4.4%	4.6%	4.9%	6.1%	3.8%	4.3%	5.3%	7.0%	5.1%	7.3%	4.2%	4.7%
<b>Women</b>	6.0%	5.0%	7.1%	7.0%	3.9%	4.1%	3.4%	3.0%	2.7%	1.3%	4.2%	4.2%

Source: ASHE 2007® and 2008 (Tables 7.2a) and Specially Requested from ONS, with TWRI calculations.

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Some of the women's stronger percentage rises than in the UK are due to progress by the lowest paid. During 2007/08, earnings for the lowest ten percent of men grew at a 0.5pp faster rate in the UK than in Tyne & Wear (UK 3.3%, TW 2.8%). For women, earnings of the lowest 10% in Tyne & Wear grew at a 2.6pp faster rate than in the UK (TW 5.6%, UK 3.0%).

Top decile earnings for men rose at a much faster rate in the Tyne & Wear than in UK (TW 7.8%, UK 4.6%) [perhaps capturing the last phase of the boom locally]. Similarly for women, top decile earnings rose at a faster rate in Tyne & Wear than in the UK (TW 4.1%, UK 3.6%).

Tyne & Wear has had a decade over which earnings rose slightly (perhaps about 1%) faster than in metropolitan counties generally. The growth in earnings (45.3%) was exceeded only by West Yorkshire (45.7% a trivial 0.4pp ahead of TW) and the exceptional London (48.3%). [This strong performance on earnings might reflect economic drivers; the markedly stronger economic growth over the period than in the UK. 'Social effects', including the NMW, however, appear to have been important drivers of women's progress – and women clearly led men in TW in terms of earnings growth.

Between 1998-2008, women's earnings in Tyne & Wear rose almost 6 percentage points (58.7%) faster than typical of the metropolitan counties and were the fastest of all the metropolitan counties (Table 5.2). [This could be due to the greater effect in TW of the NMW and the slightly larger public sector. More speculatively, women's advance into higher-paid occupations might have a greater effect, perhaps due to a greater lead in academic performance – Ed.] For TWCR the rise was 3.6pp faster.

Men's earnings in Tyne & Wear rose only the fifth-fastest (40.4%) of all the seven metropolitan counties.

For TWCR, the change (40.7%) was slightly faster than for Tyne & Wear men.

Top earners have been 'pulling ahead' by about 5pp over a decade in TWCR. In TWCR, higher earners rose about 5.3pp more quickly (+45.4% 1998-2008 for men & women) than earnings generally (median rose +40.1%). This explains why average earnings rose more quickly than the median. Importantly, TWCR's growth of median earnings has been about 5.1pp slower than the mean.

In Tyne & Wear, this pulling ahead has only been about 2.5pp over the decade – half that in TWCR. Higher earners in TW rose about 2.3pp more quickly (+44.9% 1998-2008 for men & women) than earnings generally (median rose +42.6%). Tyne & Wear's median earnings have risen about 2.7pp more slowly than the mean.

## 5.2 Increases in earnings, 1998-2008

Table 5.2: Gross average weekly earnings in Metropolitan Counties, 1998-2008

	Average Weekly Wage (£)												% Change	
	1998	1999	2000	2001	2002	2003	2004	2005	2006 <sup>~</sup>	2006 <sup>#</sup>	2007 <sup>®</sup>	2008	1998-2008	2007 <sup>®</sup> -2008
<b>Men &amp; Women</b>														
London	515.70	536.50	571.50	606.60	641.30	659.00	667.30	696.60	715.50	713.70	730.20	765.00	48.3%	4.8%
W. Midlands	374.70	395.20	403.70	436.50	450.80	456.70	466.30	489.60	505.40	502.70	516.80	536.30	43.1%	3.8%
G. Manchester	367.00	384.70	397.90	418.40	434.40	450.10	465.20	482.70	510.10	507.00	526.50	528.80	44.1%	0.4%
Merseyside	368.90	378.30	393.90	419.20	433.80	427.00	448.60	475.60	486.80	482.80	501.80	523.90	42.0%	4.4%
W. Yorkshire	356.10	375.10	389.60	409.10	426.10	449.80	458.40	485.20	491.30	488.50	500.00	518.70	45.7%	3.7%
Tyne & Wear	349.10	359.50	379.50	391.70	404.70	<b>413.70</b>	440.90	466.60	479.30	476.90	<b>474.50</b>	507.40	45.3%	6.9%
S. Yorkshire	<b>344.90</b>	<b>353.90</b>	<b>367.90</b>	<b>383.60</b>	<b>402.00</b>	421.10	<b>439.80</b>	<b>449.70</b>	<b>471.70</b>	<b>468.70</b>	481.90	<b>499.50</b>	44.8%	3.7%
TWCR	343.90									472.00	471.50	499.40	45.2%	5.9%
LCR	354.80									487.30	501.80	521.40	47.0%	3.9%
<b>Men</b>														
London	586.20	607.20	646.60	685.00	723.30	743.50	748.00	787.50	808.00	807.20	818.10	862.40	47.1%	5.4%
W. Midlands	418.30	436.20	448.00	481.40	494.80	501.50	508.90	537.80	556.80	554.50	567.50	591.00	41.3%	4.1%
G. Manchester	410.80	430.40	443.80	465.10	481.00	500.60	513.10	529.40	561.30	557.70	579.70	575.50	40.1%	-0.7%
Merseyside	415.50	427.40	442.70	470.80	487.30	472.40	495.20	524.50	539.00	534.10	559.90	580.80	39.8%	3.7%
W. Yorkshire	391.70	412.50	429.10	447.80	469.00	496.50	499.50	527.20	532.90	529.90	545.30	569.70	45.4%	4.5%
Tyne & Wear	<b>387.20</b>	<b>394.40</b>	<b>415.30</b>	<b>430.70</b>	<b>444.80</b>	<b>451.80</b>	477.00	508.60	520.40	518.70	<b>508.50</b>	543.80	40.4%	6.9%
S. Yorkshire	<b>378.80</b>	<b>385.60</b>	<b>402.20</b>	<b>416.10</b>	<b>433.80</b>	455.50	<b>473.60</b>	<b>485.20</b>	<b>517.30</b>	<b>514.50</b>	530.60	<b>540.40</b>	42.7%	1.8%
TWCR	381.90									514.50	507.50	537.40	40.7%	5.9%
LCR	391.50									528.30	547.20	572.50	46.2%	4.6%
<b>Women</b>														
London	410.20	430.20	456.60	486.20	517.20	528.00	543.90	566.40	585.80	582.90	601.90	624.60	52.3%	3.8%
W. Midlands	295.20	318.10	321.80	354.30	371.30	376.70	390.40	411.30	424.90	421.60	435.50	447.10	51.5%	2.7%
G. Manchester	295.60	309.90	322.60	343.60	361.20	373.00	396.00	412.50	434.80	432.20	444.50	461.40	56.1%	3.8%
Merseyside	301.50	308.40	321.60	343.70	357.70	368.20	384.60	414.70	421.90	419.10	428.50	455.00	50.9%	6.2%
W. Yorkshire	295.70	313.40	323.00	345.10	355.50	376.00	393.40	421.20	428.20	425.40	431.30	442.10	49.5%	2.5%
Tyne & Wear	286.80	302.00	316.30	330.10	<b>342.10</b>	<b>355.40</b>	387.60	404.90	422.00	418.60	425.40	455.20	58.7%	7.0%
S. Yorkshire	<b>284.30</b>	<b>300.20</b>	<b>307.40</b>	<b>328.40</b>	346.00	362.00	<b>384.30</b>	<b>391.80</b>	<b>401.40</b>	<b>398.00</b>	<b>404.60</b>	<b>428.50</b>	50.7%	5.9%
TWCR	283.80									411.30	418.10	443.80	56.4%	6.1%
LCR	291.30									423.70	430.90	444.60	52.6%	3.2%

Source: Annual Survey of Hours and Earnings 1998 – 2008 (Tables 7.1a) and Specially Requested from ONS, with TWRI calculations.

<sup>~</sup>Consistent with 2005 methodology (revised)

<sup>#</sup>Consistent with 2007 methodology

<sup>®</sup> Revised figures

Note: earnings in bold are the lowest

Importantly, *earnings increases* measured by the median in 2008 (Table 5.2.1) are *significantly* slower than for the average. In 1998-2008, in TWCR, men & women's increase in median earnings was 40.1%, 5.1pp slower than for the average. In Tyne & Wear, the increase was 45.3%, 2.8pp slower. [This under-performance by the median will have been particularly marked for real earnings – denting their growth by around one-third overall since 1998. §10 – Ed].

In TWCR, men's earnings, measured by the median, rose by 34.2% (1998-2008), 6.5pp lower than measured by the average. In Tyne & Wear, men's median earnings rose by 34.9%, 5.5pp slower than the average. In LCR, the difference was much lower, at only 3.8pp.

Women's median earnings in TWCR rose by 51.9% between 1998-2008, 4.5pp slower than the rise in their average. For Tyne & Wear, women's median earnings rose 56.7%, only 2.0pp slower than their average. In LCR, the difference was 4.9pp.

Table 5.2.1: Gross median weekly earnings in Metropolitan Counties, 1998-2008

	Median Weekly Wage (£)											% Change		
	1998	1999	2000	2001	2002	2003	2004	2005	2006 <sup>~</sup>	2006 <sup>#</sup>	2007 <sup>©</sup>	2008	1998-2008	2007 <sup>©</sup> -2008
<b>Men &amp; Women</b>														
London	419.00	433.00	460.00	479.90	501.10	521.40	537.40	555.90	571.3	569.2	586.3	612.7	46.2%	4.5%
W. Midlands	329.90	337.90	348.70	371.70	383.50	391.10	400.90	415.20	427.3	425.4	440.8	456.4	38.3%	3.5%
G. Manchester	317.60	331.50	342.90	353.40	371.00	379.70	392.90	410.00	427.2	424.4	440.1	449.8	41.6%	2.2%
Merseyside	315.00	329.20	337.20	355.00	364.40	364.70	384.70	398.40	413.5	408.1	424.2	447.3	42.0%	5.4%
W. Yorkshire	314.70	326.40	340.00	349.90	361.10	379.80	388.60	403.80	417.6	415.4	425.0	442.3	40.5%	4.1%
Tyne & Wear	<b>303.90</b>	315.90	337.40	342.40	<b>345.50</b>	<b>350.50</b>	<b>378.60</b>	391.90	<b>402.5</b>	401.5	<b>400.8</b>	<b>433.3</b>	42.6%	8.1%
S. Yorkshire	311.90	<b>314.70</b>	<b>326.90</b>	<b>340.40</b>	354.60	370.60	389.10	<b>385.70</b>	<b>402.5</b>	<b>400.1</b>	418.3	436.1	39.8%	4.3%
TWCR	300.50									394.2	398.2	421.1	40.1%	5.8%
LCR	311.90									414.6	426.2	442.8	42.0%	3.9%
<b>Men</b>														
London	468.20	480.30	507.30	531.30	551.40	575.80	593.20	621.10	629.6	626.2	648.7	676.5	44.5%	4.3%
W. Midlands	371.80	378.70	387.80	410.60	422.30	431.10	441.10	457.20	463.7	461.3	478.3	500.0	34.5%	4.5%
G. Manchester	355.10	371.50	375.00	388.00	408.30	414.80	435.60	448.00	464.2	462.1	484.2	484.5	36.4%	0.1%
Merseyside	361.70	374.90	375.80	392.30	398.40	401.90	437.70	439.20	458.8	456.5	473.2	484.3	33.9%	2.3%
W. Yorkshire	345.50	357.70	375.80	383.90	395.00	416.30	422.30	435.30	450.0	447.8	461.5	489.2	41.6%	6.0%
Tyne & Wear	345.80	350.80	380.60	390.10	383.90	<b>393.10</b>	<b>415.10</b>	430.60	<b>442.0</b>	<b>441.0</b>	<b>432.9</b>	<b>466.5</b>	34.9%	7.8%
S. Yorkshire	<b>340.40</b>	<b>346.80</b>	<b>363.20</b>	<b>374.90</b>	<b>381.80</b>	402.60	425.70	<b>421.60</b>	450.2	449.2	460.0	477.4	40.2%	3.8%
TWCR	342.00									439.2	432.8	458.9	34.2%	6.0%
LCR	344.70									446.9	465.5	491.0	42.4%	5.5%
<b>Women</b>														
London	364.60	379.60	393.50	422.30	443.40	460.70	475.90	490.90	510.1	507.9	520.9	542.1	48.7%	4.1%
W. Midlands	261.20	275.40	283.90	305.10	311.00	319.90	334.80	357.00	367.7	364.8	379.5	383.2	46.7%	1.0%
G. Manchester	260.70	274.80	287.20	300.50	316.70	326.80	345.40	354.60	373.8	369.4	378.7	401.2	53.9%	5.9%
Merseyside	264.10	274.50	278.70	299.90	316.70	324.30	333.30	364.60	371.8	368.9	383.3	397.4	50.5%	3.7%
W. Yorkshire	259.90	277.10	282.30	298.70	310.90	322.30	337.10	354.40	367.2	365.3	371.9	374.7	44.2%	0.8%
Tyne & Wear	248.10	259.40	276.20	280.10	<b>289.80</b>	<b>307.00</b>	<b>328.90</b>	338.20	354.7	352.3	356.4	388.8	56.7%	9.1%
S. Yorkshire	<b>244.70</b>	<b>249.70</b>	<b>260.00</b>	<b>278.70</b>	292.60	314.50	338.30	<b>324.90</b>	<b>337.1</b>	<b>332.6</b>	<b>344.6</b>	<b>360.4</b>	47.3%	4.6%
TWCR	245.20									344.7	350.8	372.4	51.9%	6.2%
LCR	254.60									364.1	368.0	376.2	47.8%	2.2%

Source: Annual Survey of Hours and Earnings 1998 – 2008 (Tables 7.1a) and Specially Requested from ONS, with TWRI calculations.

<sup>~</sup>Consistent with 2005 methodology (revised)

<sup>#</sup>Consistent with 2007 methodology

<sup>©</sup> Revised figures

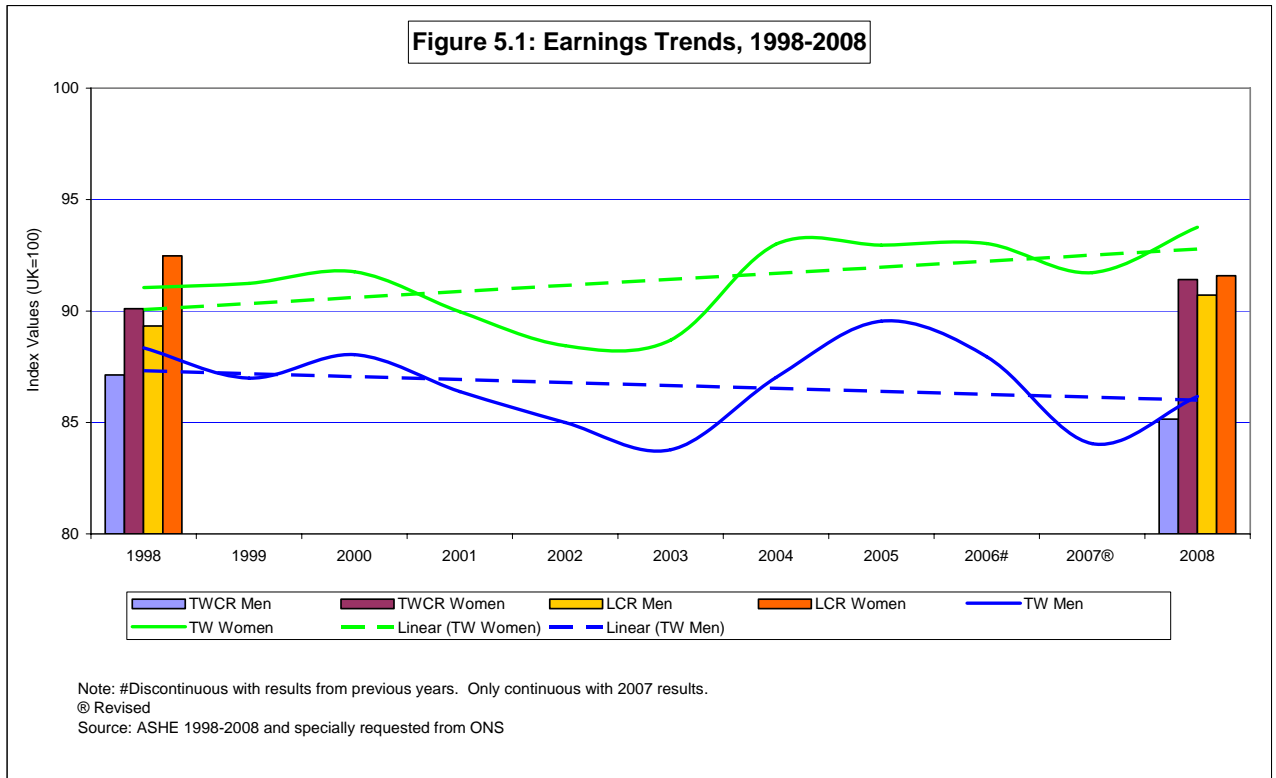
Note: earnings in bold are the lowest metropolitan county.

### 5.3 Trends in earnings relative to UK 1998-2008

Relative to the UK, after stability to 2000, over three years (i.e. from 2000-03) Tyne & Wear earnings declined by about 3 percentage points (Figure 5.1). This decline was sharply reversed after 2003. In each of the years 2004 to 2006, women's earnings were around 93% of the UK. Men's earnings fluctuated around 86%-88% to 2001, before reaching a low point of 84% of UK earnings in 2003. Two sharp rises of 3.2pp between 2003-04 and 2.5pp between 2004-05 brought men's earnings back up to almost 90% of UK earnings.

In Tyne & Wear in 2007, both men's and women's earnings fell relative to the UK. Men's earnings fell sharply (-3.9pp) while women's fell by -1.3pp. However, both recovered slightly in 2008, men's by 2.1pp and women's by 2.0pp.





[The high increase in TW earnings reported for 2005 (up 5.8% overall and up 6.6% for men) now looks particularly out of line in the context of the last ten years (in Fig. 5.1). This ‘blip’ in the estimate for TW men in 2005 could well have been due to sampling variability in the 2005 sample – Ed.]

In TWCR, between 1998 and 2008, men’s earnings relative to the UK fell by 2pp, quite unlike LCR (+1.4pp) (Fig 5.1). The trend line for TW men’s earnings, relative to the UK also shows a fall, of around 2.2pp (dashed blue line). Women’s earnings, however, rose relative to the UK, from 1998 to 2008, up 1.3pp (LCR -0.9pp). Moreover, the trend line for TW women’s earnings, relative to the UK shows a rise over the decade of about 3pp.

## 6 COMPARISONS WITH OTHER COUNTIES

### 6.1 Other Counties and Unitary Authorities in England

For men & women, Tyne & Wear's average earnings are 59<sup>th</sup> among the (87) English counties, Metropolitan counties and Unitary authorities that data was available for. Men's earnings in Tyne & Wear rank 63<sup>rd</sup> and women's 39<sup>th</sup>.

### 6.2 Other Counties and Unitary Authorities in the North East

Earnings in Tyne & Wear are fairly typical of other counties and unitary authorities in the North East (Table 6.1). There is not a great range of earnings, with the widest range observed in women's earnings. Redcar & Cleveland women earn £94.50 a week less than their counterparts in Tyne & Wear, whose earnings are the highest. Tyne & Wear men fall just above the middle of the Unitary Authorities.

**Table 6.1: Average and median weekly earnings in Unitary Authorities in the NE (£)\* (2008)**

	Men & Women				Men				Women					
	Aver. Earning	Rank in Eng.	Med'n. Earning	Rank in Eng.	Aver. Earning	Rank in Eng.	Med'n. Earning	Rank in Eng.	Aver. Earning	Rank in Eng.	Med'n. Earning	Rank in Eng.		
Redcar & Clevel.	513.20	53	486.40 <sup>a</sup>	20	Stockton-on-Tees	568.1	48	499.20 <sup>a</sup>	40	Tyne & Wear	455.20	39	388.80	34
Tyne & Wear	507.40	59	433.30	65	Redcar & Clevel.	561.70	52	519.80 <sup>a</sup>	30	Darlington	418.40 <sup>a</sup>	67	348.40 <sup>b</sup>	77
Stockton-on-Tees	502.50	62	426.30 <sup>a</sup>	69	Middlesbrough	547.00 <sup>a</sup>	58	458.50 <sup>a</sup>	72	Middlesbrough	416.80	69	354.00 <sup>a</sup>	69
Middlesbrough	490.30	71	412.30 <sup>a</sup>	76	Tyne & Wear	543.80	63	466.50	66	Redcar & Clevel.	414.80 <sup>a</sup>	72	x	-
Northumberland	482.40	75	400.50 <sup>a</sup>	80	Northumberland	533.50	69	462.30 <sup>a</sup>	70	Durham	408.50	77	353.00	73
Darlington	476.10	77	438.70 <sup>a</sup>	61	Darlington	516.90	74	483.50 <sup>a</sup>	54	Northumberland	404.60	79	345.00 <sup>a</sup>	79
Durham	463.40	82	387.50	84	Hartlepool	509.70 <sup>a</sup>	80	465.70 <sup>b</sup>	67	Stockton-on-Tees	379.90 <sup>a</sup>	85	338.80 <sup>a</sup>	82
Hartlepool	452.00 <sup>a</sup>	84	388.30 <sup>b</sup>	83	Durham	495.30	82	408.30	84	Hartlepool	360.70 <sup>a</sup>	86	361.90 <sup>a</sup>	61

<sup>a</sup> Reasonably precise, CV >5% and <=10%

<sup>b</sup> Acceptable, CV >10% and <=20%

\* In rank order

Source: Annual Survey of Hours and Earnings 2008 (Table 7.1a)

Occasionally, the median is very different from the average. For example, in Middlesbrough, men's average earnings are £88.50 (£4,600pa) above the median. Large gaps between the average and the median indicate either a distribution with a high proportion of relatively high earners or a (smaller) high proportion of very high earners.

*Caution: Errors will be relatively larger for areas with smaller samples such as for Unitary Authorities and Northumberland.*

### 6.3 Other Metropolitan Counties

For Tyne & Wear, all earnings, and men's earnings, are the second-lowest of the metropolitan counties in 2008 (Table 6.2), and women's earnings are the lowest. This structure of earnings in the Met. Counties has been relatively stable over the last ten years.

The gap between men's average earnings in TWCR and LCR is £35pw (nearly £1,820pa). For women the gap (from LCR) is much smaller, at £0.8pw (or just £41.60pa).

**Table 6.2: Gross average and median weekly earnings in Metropolitan Counties (£)\* (2008)**

	Men & Women			Men			Women	
	Average	Median		Average	Median		Average	Median
London	765.00	612.70	London	862.40	676.50	London	624.60	542.10
W. Midlands	536.30	456.40	W. Midlands	591.00	500.00	G. Manchester	461.40	401.20
G. Manchester	528.80	449.80	Merseyside	580.80	484.30	Tyne & Wear	<b>455.20</b>	<b>388.80</b>
Merseyside	523.90	447.30	G. Manchester	575.50	484.50	Merseyside	455.00	397.40
W. Yorkshire	518.70	442.30	W. Yorkshire	569.70	489.20	W. Midlands	447.10	383.20
Tyne & Wear	<b>507.40</b>	<b>433.30</b>	Tyne & Wear	<b>543.80</b>	<b>466.50</b>	W. Yorkshire	442.10	374.70
S. Yorkshire	499.50	436.10	S. Yorkshire	540.40	477.40	S. Yorkshire	428.50	360.40
<i>* In rank order</i>								
TWCR	499.40	421.10	TWCR	537.40	458.90	TWCR	443.80	372.40
LCR	521.40	442.80	LCR	572.50	491.00	LCR	444.60	376.20

Source: Annual Survey of Hours and Earnings 2008 (Table 7.1a) and Specially Requested from ONS

Comparisons with other metropolitan counties are a more sensitive measure of change and are more meaningful than comparisons with the UK. This is because the UK's averages are not typical of most of the country, being strongly affected by Greater London's high level of earnings.

**Table 6.3: Median Weekly Earnings as % of the Mean in Metropolitan Counties (£) (2008)**

	Men & Women			Men			Women	
London	80.1%		London	78.4%		London	86.8%	
W. Midlands	85.1%		W. Midlands	84.6%		G. Manchester	87.0%	
G. Manchester	85.1%		Merseyside	83.4%		Tyne & Wear	85.4%	
Merseyside	85.4%		G. Manchester	84.2%		Merseyside	87.3%	
W. Yorkshire	85.3%		W. Yorkshire	85.9%		W. Midlands	85.7%	
Tyne & Wear	85.4%		Tyne & Wear	85.8%		W. Yorkshire	84.8%	
S. Yorkshire	87.3%		S. Yorkshire	88.3%		S. Yorkshire	84.1%	
TWCR	84.3%		TWCR	85.4%		TWCR	83.9%	
LCR	84.9%		LCR	85.8%		LCR	84.6%	

Source: Annual Survey of Hours and Earnings 2008 (Table 7.1a) and Specially Requested from ONS

## 7 WOMEN'S EARNINGS COMPARED TO MEN'S

This section considers the extent to which women's earnings have been closing the gap with men's earnings. The term "weekly ratio" refers to the ratio of women's weekly earnings to men's weekly earnings and the "hourly ratio", excluding overtime, is the ratio of women's to men's hourly earnings.

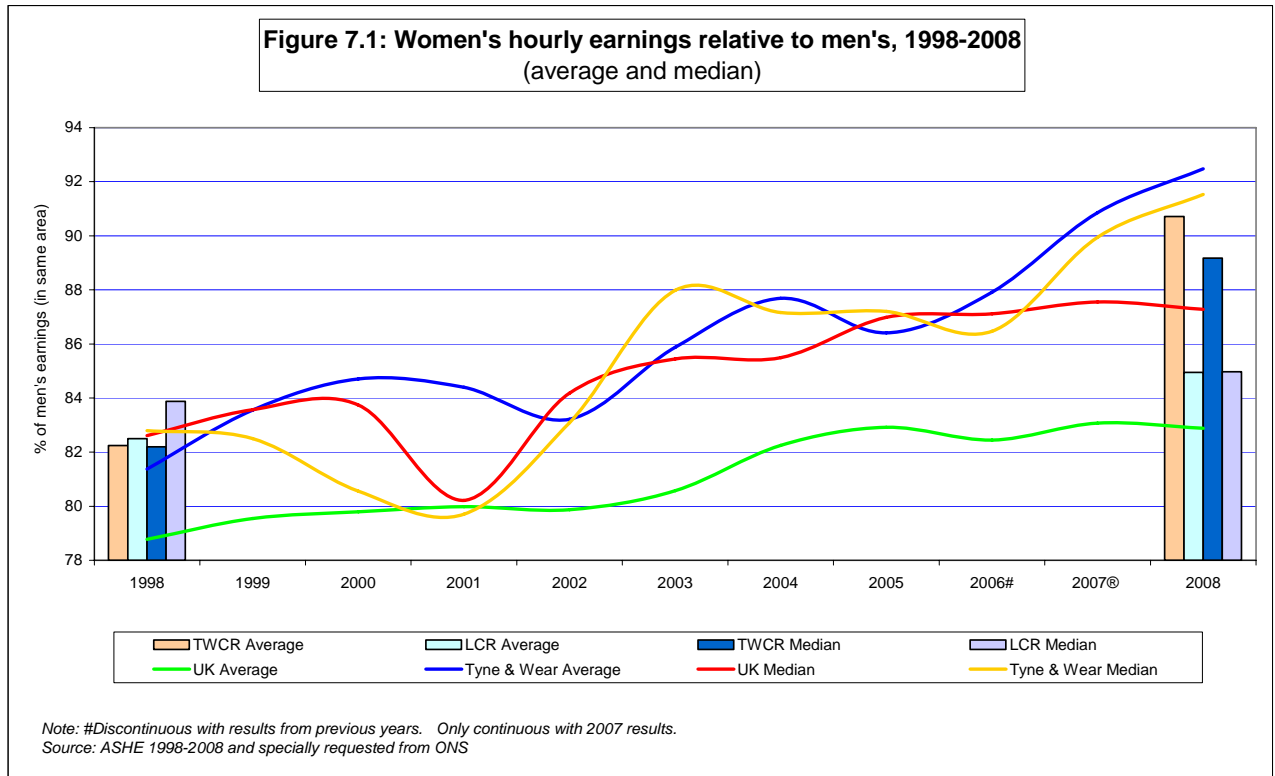
Women's earnings are more meaningfully compared to men's using hourly earnings rather than weekly earnings as hourly figures exclude differences due to hours and overtime payments.

In Tyne & Wear, women's earnings have risen relative to men's, at almost three-times the rate of the UK (Figure 7.1). In 1998-2008 the ratio of women's average hourly earnings compared to men's rose just 4.1pp for the UK, but 11.1pp in Tyne & Wear. Between 2003-2007 average and median women's earnings have continued to grow slowly but steadily in the UK, before slowing slightly in 2008. However, in Tyne & Wear, women's average hourly earnings have fluctuated significantly. In 2005, Tyne & Wear women's [average] hourly earnings fell to 86.4% of men's. However, between 2006 and 2008 especially, women's earnings relative to men's have recovered considerably to peak at 92.5% in 2008.

In 1998-2008, in TWCR, the ratio of women's average earnings relative to men's rose by a substantial 8.5pp (median rose 7.0pp), whereas for LCR the rise was much slower, at only 2.5pp (median 1.1pp).

In Tyne & Wear, relative to men's earnings, the *median* women's earnings in Tyne & Wear in 2001-2003 rose sharply (by 8pp) (yellow line in Fig. 7.1). Women's median earnings fell slightly in 2004 remaining at 87% of men's in 2005, but fell further in 2006 to 86.5%. However, in 2007, this recovered to 89.9% and to 91.5% in 2008. For the same period (2001-2008) the UK's median women's earnings rose 7pp (red line in Figure 7.1).

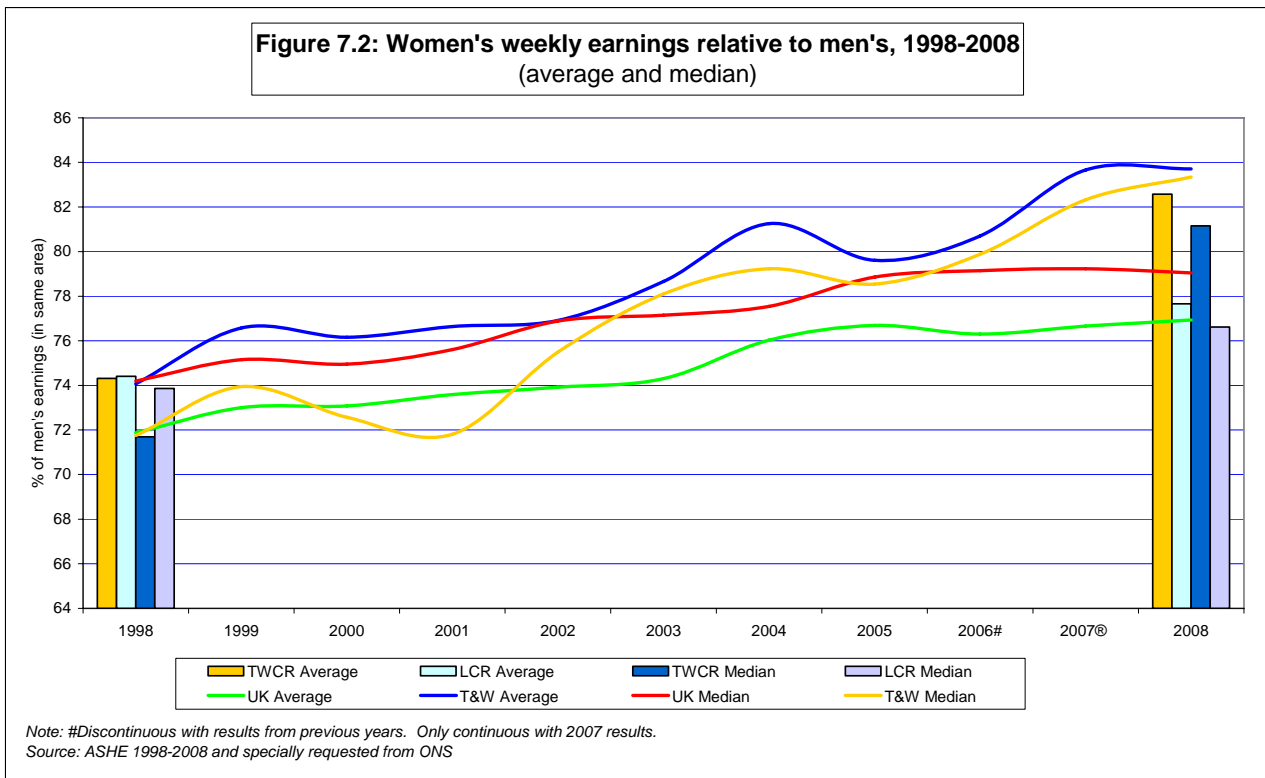
- Amongst women, in Tyne & Wear, unusually, it is high earners who have been relative 'gainers'. In the UK, conversely, the bulk of women, shown by the *median*, are relatively closer (87.3%) to men's earnings; the *average* women's earnings are lower (82.8%) in relation to men's.
- In Tyne & Wear, the percentage rise in earnings of women relative to men's from 1998-2008 is much larger for the average (up 11.1pp) than for the median (up 8.7pp). This pattern is the same for TWCR and LCR but the reverse is evident in the UK.
- In the UK, both (mean and median) ratios had similar increases of 4-5pp over the 10 years (up 4.1pp, median 4.7pp). TWCR had faster increases in ratios of around 7-8pp over the same period (up 8.5pp, median 6.9pp). Differences between the rises in the mean ratio and median ratio were greatest in Tyne & Wear (at 2.4pp) and TWCR (at 1.5pp).



Women's weekly average earnings in Tyne & Wear are very much closer to men's average earnings than in the UK, by about 6.8pp (Figure 7.2). In 2008, average weekly earnings for women in Tyne & Wear were 83.7% of men's (UK 76.9%). The gap between women's *median* weekly earnings and men's in Tyne & Wear was also smaller than in the UK (Tyne & Wear 83.3%, UK 79.1%).

Over the decade to 2008, the ratio of women's weekly earnings to men's, in both Tyne & Wear and the UK, has been on a positive trend; up 9.6pp in Tyne & Wear, (shown by the blue line in Fig 7.2) and up 5.1pp in the UK (shown by green line in Fig 7.2).

In TWCR, over the period 1998-2008, the ratio of women's earnings to men's rose 8.3pp, whereas in LCR the increase was below the UK average, at 3.3pp.



One reason for the narrowing trend of the pay gap between men and women over the last 10-15 years is that women are returning to work more quickly after maternity. More years of work can be expected to lead to more women reaching higher-paid jobs. Secondly, women are now a majority of the entrants into higher-paid professions such as law and medicine.

Note: In TW, however, the weakness of men's earnings has boosted and flattered the ratio of women's earnings to men's.

*Caution: These averages do not reveal the differences in rates of pay for comparable jobs, as they do not allow for the different employment characteristics of men and women, such as the proportion in different occupations and their length of time in jobs.*

## 8 PUBLIC & PRIVATE SECTOR EARNINGS

This section considers the differences between public sector earnings and private sector earnings. Data on the two sectors was obtained from ONS by special request. Weekly and hourly rates of pay are compared, as well as the distribution of gross weekly earnings. The difference in hours worked and average overtime worked are also considered. The data presented are for men and women employees at City Region-level as well as for the UK, England, North East, Tyne & Wear and West Yorkshire.

In both TWCR and LCR, employees working in the public sector (all employees, male employees and female employees) earn more per week [and per hour] than those employed in the private sector (Table 8.1). This was also the case for both Tyne & Wear and West Yorkshire.

In TWCR, public employees earn about £57pw more than private. In the UK the differential is just £8pw. In the private sector, earnings for men & women (by about £2pw) and men (by over £32pw) were significantly lower in Tyne & Wear than in West Yorkshire. Conversely, Tyne & Wear (private sector) women's earnings were slightly higher than in West Yorkshire (by about £7pw).

**Table 8.1: Average full-time earnings of public and private sector employees on adult rates (2008)**

	£'s per week			Pence per hour		
	All Employees	Men	Women	All Employees	Men	Women
<b>Public sector employees</b>						
Tyne & Wear City Region	532.60	580.00	493.50	1407	1480	1342
Tyne & Wear	535.70	580.60 <sup>a</sup>	498.10	1415	1490 <sup>a</sup>	1349
Rest of City Region	520.60	561.80	478.30	1382	1439	1320
Durham 4	507.40	574.00 <sup>a</sup>	431.00 <sup>a</sup>	1296	1429 <sup>a</sup>	1136 <sup>a</sup>
Northumberland 4	534.60	547.20 <sup>a</sup>	523.20 <sup>a</sup>	1482	1452 <sup>a</sup>	1511 <sup>a</sup>
North East	529.40	583.80	487.10	1399	1488	1325
Leeds City Region	546.80	615.10	498.60	1461	1586	1367
West Yorkshire	549.10	619.80	500.10	1470	1596	1376
Rest of Leeds City Region	538.40	598.60 <sup>a</sup>	492.80	1428	1549 <sup>a</sup>	1332
UK	581.90	650.10	528.30	1547	1668	1445
TWCR as a % of UK	91.5%	89.2%	93.4%	91.0%	88.7%	92.9%
TW as a % of UK	92.1%	89.3%	94.3%	91.5%	89.3%	93.4%
<b>Private sector employees</b>						
Tyne & Wear City Region	476.10	516.70	384.20	1173	1243	1003
Tyne & Wear	486.10	526.50	401.00	1195	1265	1037
Rest of City Region	448.70	496.40 <sup>a</sup>	348.40	1098	1183 <sup>a</sup>	904
Durham 4	428.00 <sup>a</sup>	462.30 <sup>a</sup>	362.40 <sup>a</sup>	1050 <sup>a</sup>	1107 <sup>a</sup>	933 <sup>a</sup>
Northumberland 4	484.20 <sup>a</sup>	550.40 <sup>a</sup>	319.80 <sup>a</sup>	1180 <sup>a</sup>	1302 <sup>a</sup>	843 <sup>a</sup>
North East	475.60	518.70	373.40	1166	1240	975
Leeds City Region	511.70	562.80	400.70	1268	1358	1054
West Yorkshire	506.90	559.10	393.60	1257	1350	1037
Rest of Leeds City Region	529.90	576.90	427.80 <sup>a</sup>	1309	1390	1118 <sup>a</sup>
UK	573.80	627.10	456.80	1418	1515	1188
TWCR as a % of UK	83.0%	82.4%	84.1%	82.7%	82.0%	84.4%
TW as a % of UK	84.7%	84.0%	87.8%	84.3%	83.5%	87.3%
<sup>a</sup> Reasonably precise, CV >5% and <=10%						
<sup>b</sup> Acceptable, CV >10% and <=20%						

Source: Annual Survey of Hours and Earnings 2008 (Tables 13.1a & 13.6a) and Specially Requested from ONS

In the public sector, earnings are higher in the metropolitan area than in the RoCR in both CRs. Private sector earnings in the RoCR [the ‘weak tail’] are significantly lower (by £37) than in Tyne & Wear. Conversely, in RoLCR private sector earnings are £23 above West Yorkshire.

Compared with Tyne & Wear, West Yorkshire’s private sector earnings are about £21pw higher and its public sector earnings are £13pw higher (than in Tyne & Wear). In both the private and public sector, West Yorkshire men earn between £33-39pw (around £2,000) more than in Tyne & Wear. [Perhaps this is partly due to the NHS Executive based in Leeds, and civil service activities being more highly-skilled and/or senior activities than in Tyne & Wear. There must also be a big private sector element too; possibly partly due to bigger Finance & Business service sectors.]

In both the public and private sector, weekly and hourly earnings are lower than in the UK in all the areas considered (with the exception of Northumberland 4 women’s hourly earnings) (Table 8.1). Also, earnings are lower in both sectors in TWCR than in LCR.

Public and private sector earnings are higher in Tyne & Wear than in TWCR. In LCR, public sector earnings are higher in West Yorkshire than in LCR but this is reversed in the private sector.

TWCR’s public sector earnings are higher than in the North East for men & women and for women. For men they are slightly lower (by £3.80pw). Hourly earnings reflect the same pattern. In the private sector, both weekly and hourly earnings are higher in the CR than the NE for all groups, except men’s weekly earnings (Table 8.1).

Top private sector earnings are higher in Tyne & Wear than in TWCR, unlike in West Yorkshire where top private earnings are lower in West Yorkshire than in LCR (Table 8.2). Top-earning private sector men earn £41pw (over £2,100pa) more in West Yorkshire than in Tyne & Wear. [This might reflect a) a higher proportion of them working in high-value activities in Finance & Business Services and b) senior managers with a larger responsibility (e.g., for NE and Yorkshire).]

Due to data suppression, the relationship between public sector top earners in Tyne & Wear and the CR is not clear. However, in West Yorkshire, public sector top earnings are almost identical in West Yorkshire and in LCR (at over £818pw).

**Table 8.2: Distribution of full-time public and private sector gross weekly earnings (£) (2008)**

		Public Sector			Private Sector		
		All	Men	Women	All	Men	Women
<b>Tyne &amp; Wear City Region</b>	Top Decile	809.30 <sup>a</sup>	x	755.40 <sup>b</sup>	783.10 <sup>a</sup>	843.90 <sup>a</sup>	x
	Bottom Decile	287.90	298.00	285.20	243.30	266.80	218.50
<b>Tyne &amp; Wear</b>	Top Decile	x	x	x	795.90 <sup>b</sup>	861.20 <sup>b</sup>	x
	Bottom Decile	288.20	293.20	285.50	240.00	264.00	217.60
<b>Rest of City Region</b>	Top Decile	x	x	x	x	x	x
	Bottom Decile	290.40	315.10	273.70 <sup>a</sup>	243.30	267.60	217.80
<b>North East</b>	Top Decile	803.40 <sup>a</sup>	x	743.50 <sup>a</sup>	793.50 <sup>a</sup>	843.30 <sup>a</sup>	582.40 <sup>b</sup>
	Bottom Decile	287.30	298.60	283.70	239.50	264.80	209.60
<b>Leeds City Region</b>	Top Decile	818.40 <sup>b</sup>	x	752.60 <sup>b</sup>	851.30 <sup>a</sup>	934.30 <sup>a</sup>	644.00 <sup>b</sup>
	Bottom Decile	282.50	307.30	273.60	246.40	269.70	221.80
<b>West Yorkshire</b>	Top Decile	818.50 <sup>b</sup>	x	x	836.60 <sup>a</sup>	926.90 <sup>a</sup>	620.90 <sup>b</sup>
	Bottom Decile	279.60	309.50	269.60	248.10	270.60	221.10
<b>Rest of Leeds City Region</b>	Top Decile	x	x	x	x	x	x
	Bottom Decile	285.00	294.00 <sup>a</sup>	282.80 <sup>a</sup>	241.40	263.80	225.40
<b>UK</b>	Top Decile	879.30	995.30	793.80	988.70	1,073.20	766.60
	Bottom Decile	296.50	328.00	282.70	250.00	274.50	225.70

<sup>a</sup> Reasonably precise, CV >5% and <=10%

<sup>b</sup> Acceptable, CV >10% and <=20%

Source: Annual Survey of Hours and Earnings 2008 (Table 13.1a) and Specially Requested from ONS



In all areas, public sector employees work about 2 hours fewer per week (including overtime) than in the private sector (Table 8.3). In TWCR, men public sector employees work 39.2 hours per week (including 1.9 hours overtime) compared to 41.6 hours (including 2.6 hours overtime) in the private sector.

Women public sector employees in TWCR work 36.8 hours per week (overtime figure suppressed) compared to 38.3 hours (including 0.7 hours overtime) in the private sector.

Differences between TWCR and LCR are small; hours worked are slightly higher in the both the public and private sectors in TWCR.

**Table 8.3: Average hours worked and overtime of public and private sector employees (2008)**

		Public Sector			Private Sector		
		All	Men	Women	All	Men	Women
<b>Tyne &amp; Wear City Region</b>	Average hrs worked (inc. overtime)	37.9	39.2	36.8	40.6	41.6	38.3
	Average overtime (hrs)	1.3 <sup>b</sup>	1.9 <sup>b</sup>	x	2.0 <sup>a</sup>	2.6 <sup>a</sup>	0.7 <sup>b</sup>
<b>Tyne &amp; Wear</b>	Average hrs worked (inc. overtime)	37.9	39.0	36.9	40.7	41.6	38.7
	Average overtime (hrs)	1.3 <sup>b</sup>	1.8 <sup>b</sup>	x	2.1 <sup>a</sup>	2.7 <sup>a</sup>	0.7 <sup>b</sup>
<b>Rest of City Region</b>	Average hrs worked (inc. overtime)	37.7	39.1	36.2	40.9	42.0	38.6
	Average overtime (hrs)	x	x	x	2.0 <sup>b</sup>	2.5 <sup>b</sup>	x
<b>North East</b>	Average hrs worked (inc. overtime)	37.8	39.2	36.8	40.8	41.8	38.3
	Average overtime (hrs)	1.3 <sup>b</sup>	1.9 <sup>b</sup>	0.8 <sup>b</sup>	2.0 <sup>a</sup>	2.6 <sup>a</sup>	0.7 <sup>b</sup>
<b>Leeds City Region</b>	Average hrs worked (inc. overtime)	37.4	38.8	36.5	40.4	41.4	38.0
	Average overtime (hrs)	0.8 <sup>b</sup>	1.2 <sup>b</sup>	0.6 <sup>b</sup>	1.7 <sup>a</sup>	2.2 <sup>a</sup>	0.6 <sup>b</sup>
<b>West Yorkshire</b>	Average hrs worked (inc. overtime)	37.4	38.8	36.3	40.3	41.4	38.0
	Average overtime (hrs)	0.8 <sup>b</sup>	1.2 <sup>b</sup>	0.5 <sup>b</sup>	1.7 <sup>a</sup>	2.2 <sup>a</sup>	0.6 <sup>b</sup>
<b>Rest of Leeds City Region</b>	Average hrs worked (inc. overtime)	37.7	38.7	37.0	40.5	41.5	38.3
	Average overtime (hrs)	x	x	x	1.7 <sup>b</sup>	2.2 <sup>b</sup>	x
<b>UK</b>	Average hrs worked (inc. overtime)	37.6	39.0	36.6	40.5	41.4	38.4
	Average overtime (hrs)	1.0	1.5	0.6	1.7	2.1	0.8 <sup>a</sup>

<sup>a</sup> Reasonably precise, CV >5% and <=10%

<sup>b</sup> Acceptable, CV >10% and <=20%

Source: Annual Survey of Hours and Earnings 2008 (Tables 13.9a and 13.11a) and Specially Requested from ONS

## 9 HOURLY EARNINGS AND HOURS OF WORK

### 9.1 Hourly Earnings

Hourly earnings may give a better indication of underlying changes in earnings as they exclude the effects of changes in hours and in overtime payments.

Caution: Movements in total hours and in overtime are cyclical (with the economic cycle).

In 2007/08, hourly earnings in TWCR rose 4.0% for men and 5.4% for women (Table 9.1). Hourly earnings in TW rose 4.7% for men, and 6.6% for women. The rise in men's earnings in all areas was faster than the UK average (3.9%). Rises in women's earnings were faster than the UK average (3.7%) in TW (6.6% - the fastest rise) and TWCR (5.4%). In contrast, rises in LCR (3.2%) and West Yorkshire (2.6%) were slower than the UK average.

**Table 9.1: Percentage change in average and median hourly earnings, 2007/2008\***

	Men		Women	
	Average	Median	Average	Median
Tyne & Wear City Region	4.0%	4.6%	5.4%	3.6%
Tyne & Wear	4.7%	5.3%	6.6%	7.2%
Leeds City Region	4.7%	6.8%	3.2%	2.5%
West Yorkshire	4.5%	7.1%	2.6%	2.2%
UK	3.9%	4.4%	3.7%	4.1%
TWCR - difference from UK	0.0%	0.1%	1.7%	-0.5%
T&W - difference from UK	0.7%	0.9%	2.9%	3.1%
LCR - difference from UK	0.8%	2.4%	-0.5%	-1.6%
WY - difference from UK	0.5%	2.7%	-1.1%	-1.9%

\* Excluding overtime

Source: Annual Survey of Hours and Earnings 2007 and 2008 (Tables 7.6a) and Specially Requested from ONS, with TWRI calculations.

Caution: Annual change figures are affected by sampling error at both the beginning and end of the period. A better indicator of the trend can be gained over a long period of time (as in Table 9.2).

Table 9.1.1 shows the coefficients of variation for average and median hourly earnings in 2007 and 2008 [all are below 5%].

**Table 9.1.1: Coefficients of variation for average and median hourly earnings, 2007 and 2008**

	Men				Women			
	AVERAGE		MEDIAN		AVERAGE		MEDIAN	
	2007	2008	2007	2008	2007	2008	2007	2008
TWCR	1.8	1.7	2.1	2.3	1.7	1.8	2.1	2.3
Tyne & Wear	2.1	1.9	2.4	2.9	2.0	2.1	2.8	3.0
LCR	1.6	1.4	2.1	1.7	1.4	1.5	2.4	2.2
West Yorkshire	1.9	1.5	2.3	1.9	1.6	1.6	2.5	2.2
UK	0.3	0.3	0.2	0.2	0.3	0.3	0.4	0.4

Source: Annual Survey of Hours and Earnings 2007 and 2008 (Tables 7.6b) and Specially Requested from ONS

Since 1998, growth in men's earnings in TWCR (42%) and TW (41%) has been significantly (4-5pp) slower than the UK (46%) (Table 9.2). In contrast, growth in women's earnings in both areas (TWCR 57%; TW 60%) has been (2-6pp) faster than the UK (54%) particularly in TW.

In West Yorkshire (47%) and LCR (49%) the growth of men's earnings was 1-3pp *faster* than the UK (46%). In contrast, for women the rise in earnings was 1-4pp slower than the UK (54%) in West Yorkshire (50%) and LCR (53%).

**Table 9.2: Percentage change in average and median hourly earnings, 1998-2008\***

	Men		Women	
	Average	Median	Average	Median
<b>Tyne &amp; Wear City Region</b>	41.9%	38.8%	56.6%	50.5%
<b>Tyne &amp; Wear</b>	40.9%	38.4%	60.1%	53.0%
<b>Leeds City Region</b>	48.7%	46.4%	53.1%	48.3%
<b>West Yorkshire</b>	47.3%	46.4%	50.1%	46.9%
<b>UK</b>	45.9%	43.0%	53.5%	51.1%
TWCR - difference from UK	-4.0%	-4.3%	3.0%	-0.6%
T&W - difference from UK	-5.0%	-4.6%	6.6%	1.9%
LCR - difference from UK	2.8%	3.4%	-0.4%	-2.8%
WY - difference from UK	1.3%	3.4%	-3.5%	-4.2%

\* Excluding overtime

Source: Annual Survey of Hours and Earnings 1998 - 2008 (Tables 7.6a) and Specially Requested from ONS, with TWRI calculations.

Women's hourly earnings in TWCR rose a third faster than men's (57% women, 42% men) and almost 1½ times as fast in Tyne & Wear (60% women, 41% men).

## 9.2 Hours Worked

The EU Working Time Directive was introduced to limit the working week to 48 hours per week from October 1998.

Between 1998 and 2008, hours worked by men fell in TWCR (-0.6 hours) TW (-0.5 hours) and the UK (-0.6 hours). The hours worked by women fell very slightly in TWCR -0.1 hours and in TW -0.2 hours, but rose slightly in the UK 0.1 hours (Table 9.3). Tyne & Wear men's hours are now shorter than in West Yorkshire (by 0.2h).

**Table 9.3: Average and median hours of work per week, 1998-2008\***

	Men										Women									
	Tyne & Wear City Region		Tyne & Wear		Leeds City Region		West Yorkshire		UK		Tyne & Wear City Region		Tyne & Wear		Leeds City Region		West Yorkshire		UK	
	Av.	Med.	Av.	Med.	Av.	Med.	Av.	Med.	Av.	Med.	Av.	Med.	Av.	Med.	Av.	Med.	Av.	Med.	Av.	Med.
1998	41.4	39.0	41.2	39.0	41.7	39.0	41.5	39.0	41.4	39.0	37.5	37.0	37.6	37.0	37.4	37.0	37.3	37.0	37.5	37.1
1999			41.0	39.0			41.1	39.0	41.1	39.0			37.5	37.0			37.3	37.0	37.5	37.0
2000			41.3	39.0			41.2	39.0	41.0	39.0			37.4	37.0			37.2	37.0	37.4	37.0
2001			41.1	39.0			40.8	39.0	41.0	39.0			37.5	37.0			37.3	37.0	37.5	37.0
2002			40.6	39.0			40.9	39.0	40.8	39.0			37.5	37.0			37.3	37.0	37.5	37.0
2003			40.7	39.0			40.6	39.0	40.8	39.0			37.3	37.0			37.2	37.0	37.4	37.0
2004			40.4	38.8			40.6	38.5	40.8	39.0			37.5	37.0			37.2	37.0	37.5	37.0
2005			40.5	39.0			40.3	38.5	40.6	39.0			37.5	37.0			37.2	37.0	37.4	37.0
2006 <sup>~</sup>			40.2	38.9			40.3	38.5	40.7	39.0			37.2	37.0			37.2	37.0	37.6	37.0
2006 <sup>#</sup>	40.3	39.0	40.2	38.8	40.7	39.0	40.6	39.0	40.7	39.0	37.5	37.0	37.3	37.0	37.4	37.0	37.2	37.0	37.6	37.0
2007 <sup>©</sup>	40.4	39.0	40.3	38.8	40.9	39.0	40.9	39.0	40.7	39.0	37.4	37.0	37.3	37.0	37.4	37.0	37.3	37.0	37.4	37.0
2008	40.8	39.0	40.7	38.9	40.9	39.0	40.9	39.0	40.8	39.0	37.4	37.0	37.4	37.0	37.5	37.0	37.3	37.0	37.6	37.1
Change 2007 <sup>©</sup> - 2008	0.4	0.0	0.4	0.1	0.0	0.0	0.0	0.0	0.1	0.0	0.0	0.0	0.1	0.0	0.1	0.0	0.0	0.0	0.2	0.1
Change 1998 - 2008	-0.6	0.0	-0.5	-0.1	-0.8	0.0	-0.6	0.0	-0.6	0.0	-0.1	0.0	-0.2	0.0	0.1	0.0	0.0	0.0	0.1	0.0

\*Including overtime

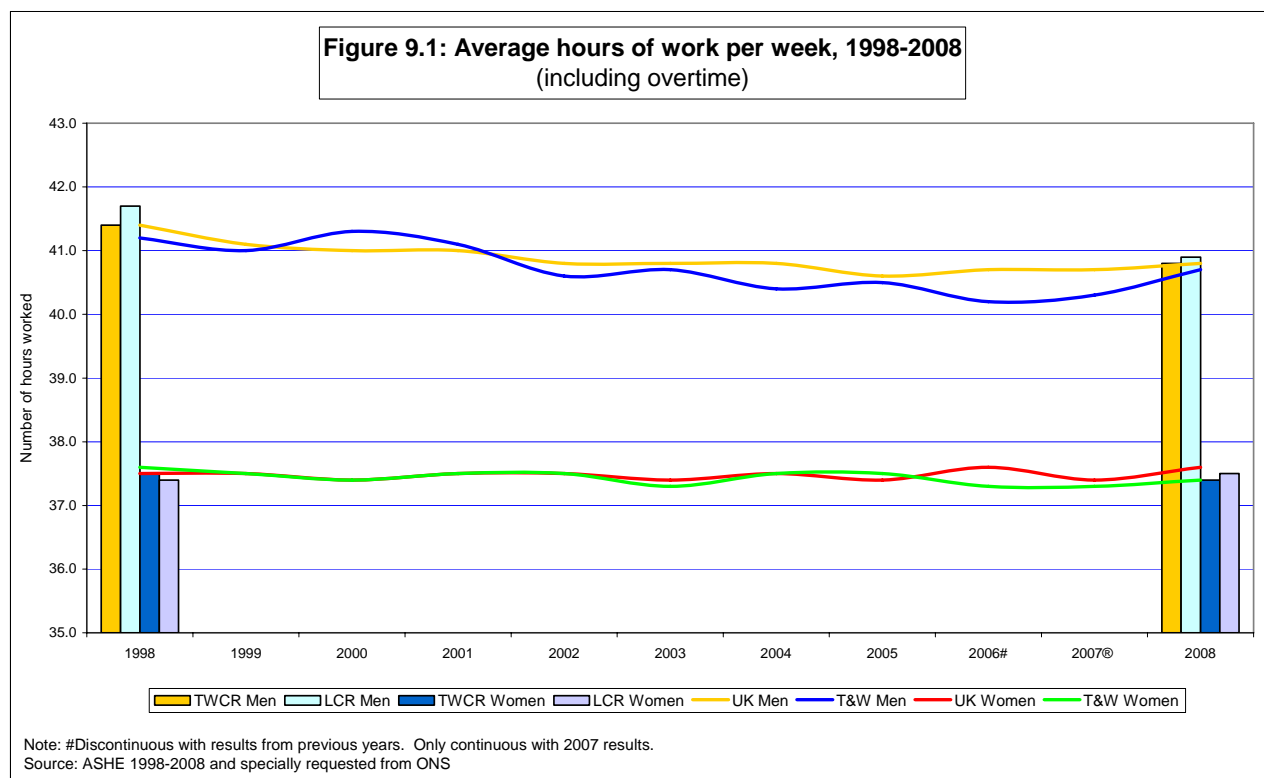
Source: Annual Survey of Hours and Earnings 1998 – 2008 (Tables 7.9a) and Specially Requested from ONS, with TWRI calculations.

<sup>~</sup>Consistent with 2005 methodology (revised)

<sup>#</sup>Consistent with 2007 methodology

<sup>©</sup> Revised

Men’s hours of work have generally fallen since 1998, with a slight rise in Tyne & Wear in 2008 (Figure 9.1), whilst women’s have generally been static.



Over the period 1998-2008, men's *overtime* fell by less than the UK average (-0.9 hours) in TWCR (-0.6 hours) and TW (-0.5 hours) (Table 9.4). In LCR (-1.1 hours) and West Yorkshire (-1.0 hours) the fall was greater than in the UK. Women's overtime has also fallen, but by a relatively small -0.3 hours in West Yorkshire, -0.2 hours in TWCR and TW, and by just -0.1 in LCR and the UK.

In 2007/08, men's overtime hours rose 0.3 hours in TWCR and 0.4 hours in TW. In contrast, in LCR overtime hours fell by -0.2 hours in LCR and WY. In the UK, average overtime hours remained unchanged at 1.9 hours in 2007 and 2008.

In TWCR and TW in 2008, women worked on average 3.3 hours less than men, of which, around two-fifths [1.6 hours] could be accounted for by shorter overtime (Tables 9.3 and 9.4).

**Table 9.4: Average overtime hours per week, 1998-2008**

	Men					Women				
	TWCR	Tyne & Wear	LCR	W. Yorks	UK	TWCR	Tyne & Wear	LCR	W. Yorks	UK
1998	2.9	2.9 <sup>a</sup>	3.1	3.0	2.8	0.9 <sup>b</sup>	0.9 <sup>b</sup>	0.8 <sup>a</sup>	0.9 <sup>a</sup>	0.8
1999		2.7 <sup>a</sup>		2.7	2.6		0.7 <sup>b</sup>		0.9 <sup>a</sup>	0.8
2000		3.0 <sup>a</sup>		2.8	2.4		0.8 <sup>b</sup>		0.7 <sup>a</sup>	0.7
2001		2.8 <sup>a</sup>		2.5	2.4		0.8 <sup>b</sup>		0.8 <sup>a</sup>	0.8
2002		2.5 <sup>a</sup>		2.4	2.3		0.9 <sup>b</sup>		0.8 <sup>a</sup>	0.7
2003		2.3 <sup>a</sup>		2.2 <sup>a</sup>	2.2		0.8 <sup>b</sup>		0.7 <sup>b</sup>	0.7
2004		2.3 <sup>a</sup>		2.2 <sup>a</sup>	2.1		0.9 <sup>b</sup>		0.7 <sup>a</sup>	0.7
2005		2.2 <sup>a</sup>		2.0 <sup>a</sup>	2.0		0.7 <sup>b</sup>		0.6 <sup>a</sup>	0.7
2006 <sup>-</sup>		1.9 <sup>a</sup>		2.0 <sup>a</sup>	2.0		x		0.7 <sup>a</sup>	0.7
2006 <sup>#</sup>	1.8 <sup>a</sup>	1.9 <sup>a</sup>	2.1	2.0 <sup>a</sup>	2.0	x	x	0.7 <sup>a</sup>	0.7 <sup>a</sup>	0.7
2007 <sup>®</sup>	2.0 <sup>a</sup>	2.0 <sup>a</sup>	2.2 <sup>a</sup>	2.2 <sup>a</sup>	1.9	0.8 <sup>b</sup>	0.8 <sup>b</sup>	0.7 <sup>a</sup>	0.7 <sup>b</sup>	0.7
2008	2.3 <sup>a</sup>	2.4 <sup>a</sup>	2.0 <sup>a</sup>	2.0 <sup>a</sup>	1.9	0.7 <sup>b</sup>	0.7 <sup>b</sup>	0.7 <sup>b</sup>	0.6 <sup>b</sup>	0.7
Change 2007 <sup>®</sup> - 2008	0.3	0.4	-0.2	-0.2	0.0	-0.1	-0.1	0.0	-0.1	0.0
Change 1998 - 2008	-0.6	-0.5	-1.1	-1.0	-0.9	-0.2	-0.2	-0.1	-0.3	-0.1

<sup>a</sup> Reasonably precise, CV >5% and <=10%

<sup>b</sup> Acceptable, CV >10% and <=20%

x - unreliable

Source: Annual Survey of Hours and Earnings 1998 – 2008 (Tables 7.11a) and Specially Requested from ONS, with TWRI calculations

<sup>-</sup>Consistent with 2005 methodology (revised)

<sup>#</sup>Consistent with 2007 methodology

<sup>®</sup> Revised

*Caution: Median overtime hours are about two or three times as long as average overtime. This is because the median and percentiles have been presented as a distribution of non-zero values only, whereas mean values are an average across all respondents. Thus it is impossible to directly compare average and median values of overtime.*

**Table 9.5: Median overtime hours per week\*, 1998-2008**

	Men					Women				
	TWCR	Tyne & Wear	LCR	W. Yorks	UK	TWCR	Tyne & Wear	LCR	W. Yorks	UK
1998	5.8 <sup>a</sup>	5.5 <sup>a</sup>	6.6	6.5 <sup>a</sup>	6.3	3.3 <sup>b</sup>	3.0 <sup>b</sup>	3.0 <sup>b</sup>	3.0 <sup>b</sup>	3.1
1999		6.0 <sup>a</sup>		6.3 <sup>a</sup>	6.0		2.3 <sup>b</sup>		3.0 <sup>b</sup>	3.0
2000		6.0 <sup>b</sup>		6.0 <sup>a</sup>	5.6		x		2.3 <sup>b</sup>	2.6
2001		5.1 <sup>b</sup>		5.9 <sup>a</sup>	6.0		2.7 <sup>b</sup>		3.1 <sup>b</sup>	3.0
2002		5.1 <sup>a</sup>		6.0 <sup>a</sup>	5.7		3.2 <sup>b</sup>		2.9 <sup>b</sup>	3.0
2003		4.5 <sup>b</sup>		5.3 <sup>a</sup>	5.3		2.5 <sup>b</sup>		3.0 <sup>b</sup>	2.5
2004		5.0 <sup>b</sup>		5.5 <sup>a</sup>	5.5		2.9 <sup>b</sup>		2.8 <sup>b</sup>	2.9
2005		4.5 <sup>a</sup>		5.4 <sup>a</sup>	5.0		x		2.3 <sup>b</sup>	2.7
2006 <sup>~</sup>		4.5 <sup>a</sup>		5.5 <sup>a</sup>	5.0		2.4 <sup>b</sup>		2.8 <sup>b</sup>	2.8
2006 <sup>#</sup>	4.6 <sup>a</sup>	4.5 <sup>a</sup>	5.3 <sup>a</sup>	5.3 <sup>a</sup>	5.0	2.7 <sup>b</sup>	2.5 <sup>b</sup>	2.8 <sup>b</sup>	2.8 <sup>b</sup>	2.8
2007 <sup>®</sup>	4.7 <sup>a</sup>	4.8 <sup>a</sup>	5.5 <sup>a</sup>	5.3 <sup>a</sup>	5.0	3.2 <sup>b</sup>	3.2 <sup>b</sup>	2.5 <sup>b</sup>	2.3 <sup>b</sup>	2.6
2008	4.7 <sup>a</sup>	4.7 <sup>b</sup>	5.0 <sup>a</sup>	5.0 <sup>a</sup>	5.0	2.8 <sup>b</sup>	2.8 <sup>b</sup>	2.1 <sup>b</sup>	2.1 <sup>b</sup>	2.6
2007 <sup>®</sup> -2008	0.0	-0.1	-0.5	-0.3	0.0	-0.4	-0.4	-0.4	-0.2	0.0
1998 – 2008	-1.1	-0.8	-1.6	-1.5	-1.3	-0.5	-0.2	-0.9	-0.9	-0.5

<sup>a</sup> Reasonably precise, CV >5% and <=10%

<sup>b</sup> Acceptable, CV >10% and <=20%

x - unreliable

\* **Warning**: The median overtime hours are only for those who work **some** overtime. This makes them non-comparable with the averages, which are for all employees, including the (large number of) employees who had zero overtime.

Source: Annual Survey of Hours and Earnings 1998 – 2008 (Tables 7.11a) and Specially Requested from ONS, with TWRI calculations

<sup>~</sup>Consistent with 2005 methodology (revised)

<sup>#</sup>Consistent with 2007 methodology

<sup>®</sup> Revised

## 10 EARNINGS IN REAL TERMS, SINCE 1998

This section analyses earnings in real terms, i.e. after adjusting for price inflation, as measured by the Retail Prices Index (RPI). Effectively they estimate the rise in average living standards for the vast majority of the people in work (employees, full-time). The figures still relate to gross earnings. They therefore make no allowance for direct tax changes. For example, notably National Insurance rates rose by 1 percentage point (in 2003). Also, a rising proportion of earners now pay top rate tax (at 40%<sup>16</sup>). More recently, the 10% tax rate for lower earners was abolished in April 2008, placing more than five million workers in the 20% tax bracket.

*Caution: Given the size of the sampling errors, the figures for single years, and for comparisons with Great Britain, are more indicative than exact measures.*

Between 1998 and 2008, real earnings growth has been weak, at around 10% in Tyne & Wear and 11% in West Yorkshire compared to about 30% real growth of the UK economy in the same period. Average real earnings in Tyne & Wear, have fluctuated over the 10 year period but overall have risen (Figure 10.1);

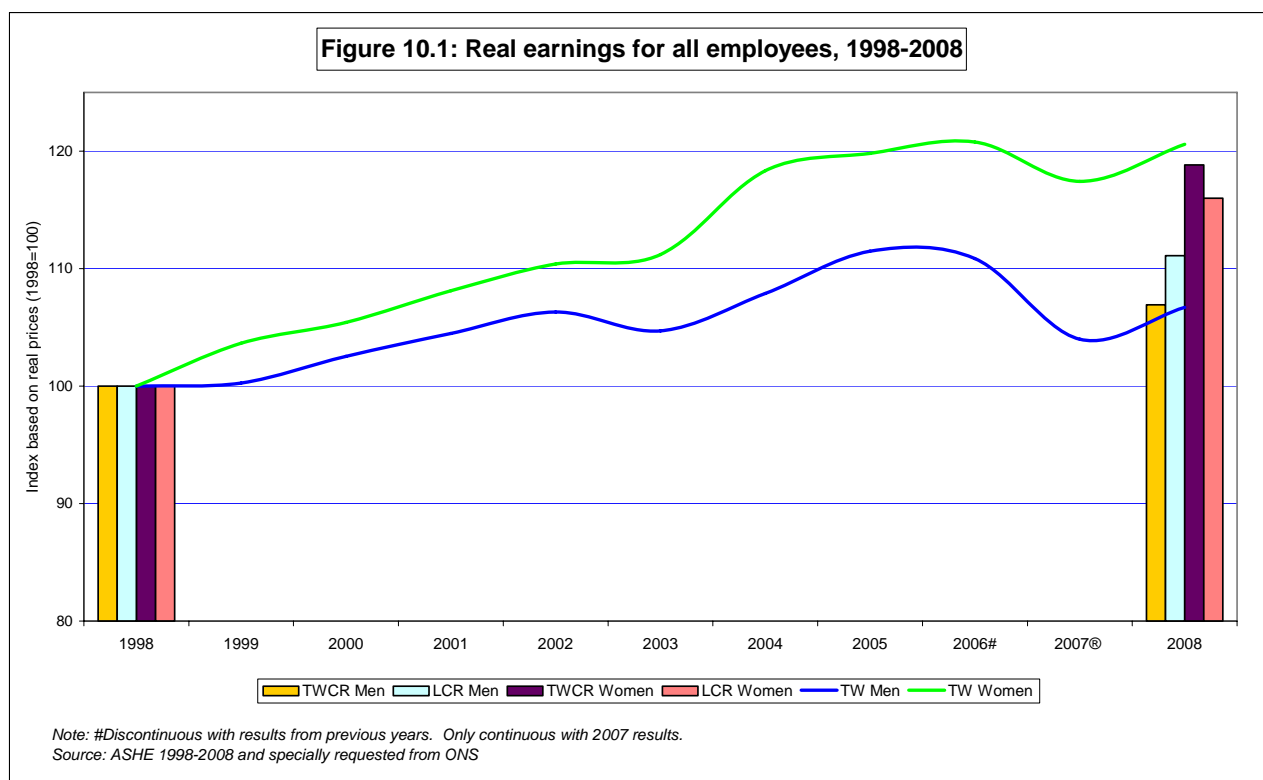
- For men, overall average real earnings rose by 6.7%, but there were real falls in 2003 (-1.6pp), 2006 (-0.6pp) and a [odd] much larger fall in 2007 (-6.6pp). There was 2.7% growth to 2008.
- For women, average real earnings rose steadily to 2006 (+20.8%) before falling somewhat in 2007 (by 3.6pp). There was 3.2% growth to 2008, giving a rise over the period of 20.6%.
- In TWCR average real earnings have risen, men's by 6.9% and women's by almost three times this, at 18.8%.
- Average real earnings for men in LCR rose almost twice as fast as in TWCR, at 11.1%.
- The rise in women's average real earnings in LCR was more in line with that in TWCR, at 15.9%.

In real terms, the *average annual compound* rises in TWCR were 0.7% for men and 1.7% for women<sup>17</sup>. In Tyne & Wear, the rises were 0.7% for men and 1.9% for women. The annual average compound rise for men in LCR was 1.1% and for women it was 1.5%.

The growth rate of real earnings (the rise in living standards) has halved from around 2%pa in 1980-95 in T&W to about 1.1%pa from 1998-2008.

<sup>16</sup> On incomes above about £34,800 p.a in 2008/9.

<sup>17</sup> The formula for calculating the annual average compound rise [in MS Excel] is  $=((x/y)^{(1/z)})-1$ .  $x$  is real earnings in 2008 (106.7 for TW men in Fig 10.1),  $y$  is real earnings in 1998 (100 for TW men in Fig 10.1) and  $z$  is the number of years in the time series (10 years in Fig 10.1).

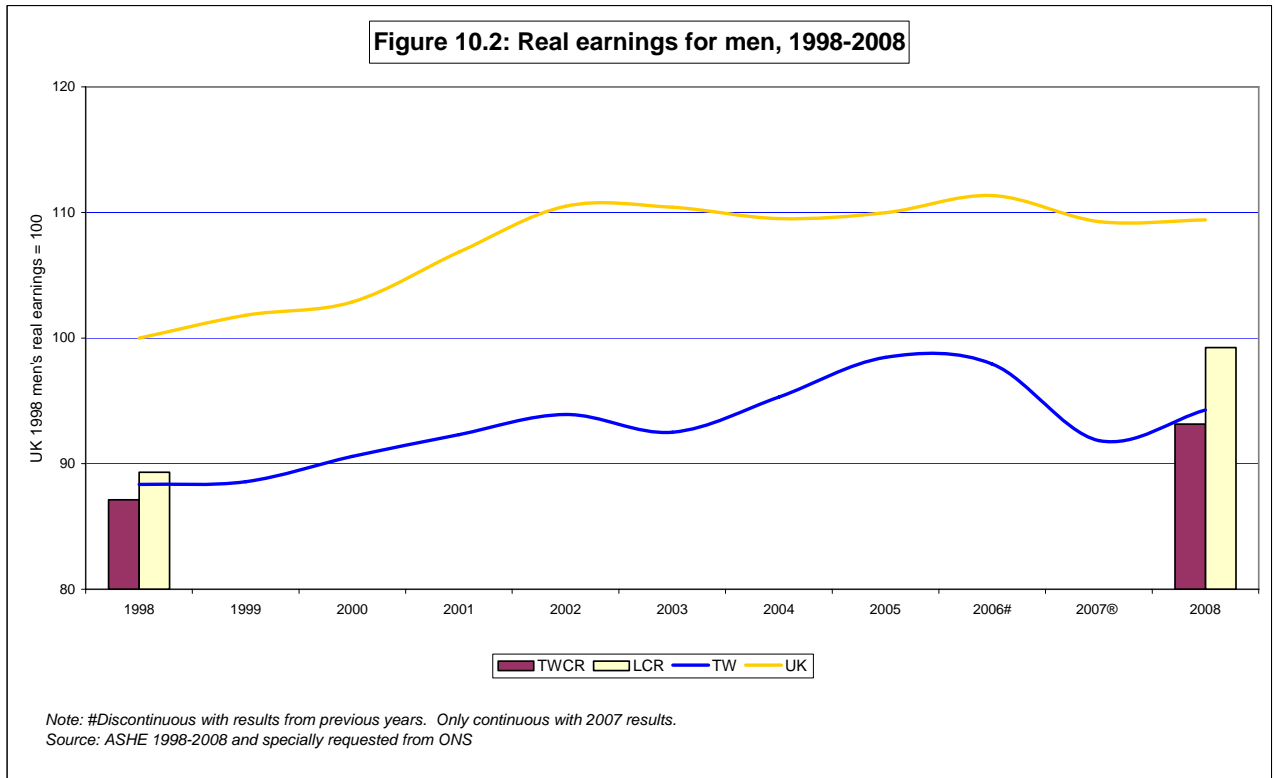


Between April 2007 and April 2008, the RPI rose 4.2%. This implies that in 2008, men’s earnings in Tyne & Wear grew by 2.7% in real terms. In the UK, men’s real earnings grew by only 0.1% (Figure 10.2). Women’s real earnings grew in 2008, up 3.2% in Tyne & Wear but only up 0.5% in the UK (Figure 10.3).

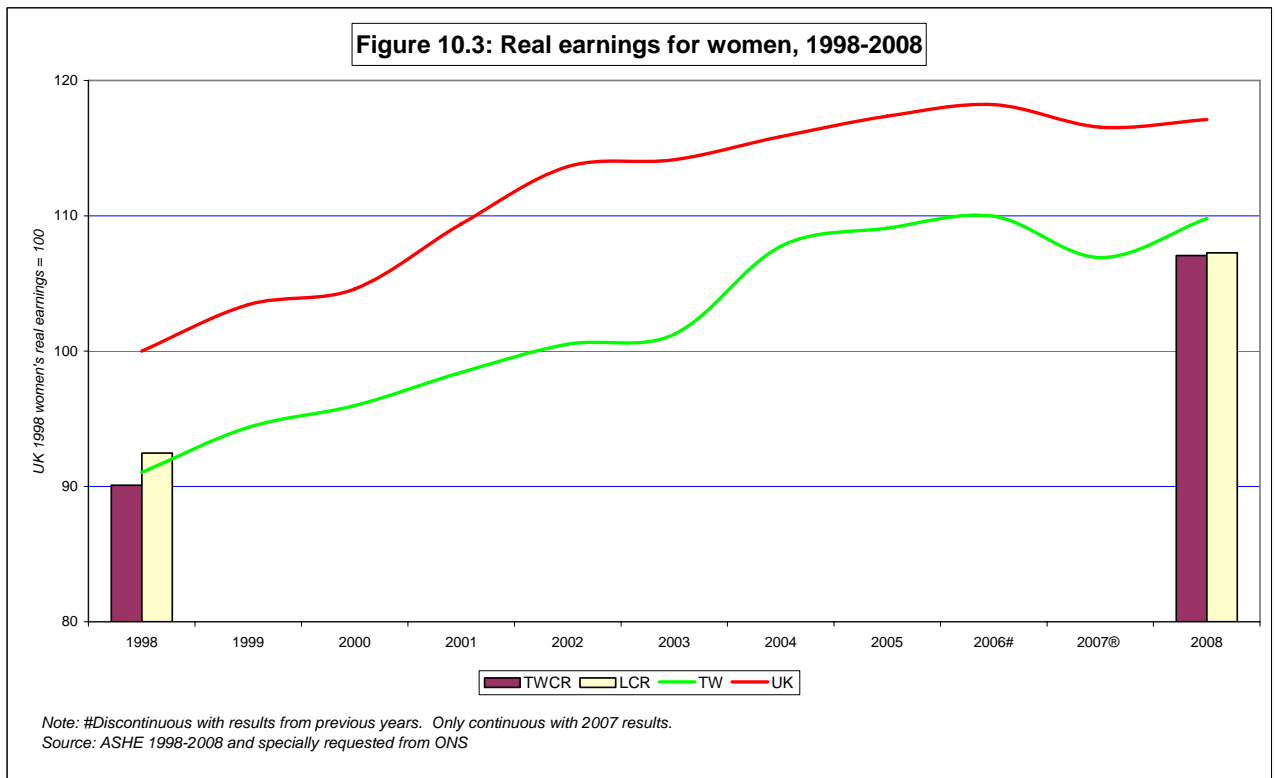
Since 1998, real earnings for men in Tyne & Wear (up 6.7%) have risen 2.7pp slower than in the UK (up 9.4%) [owing to falls in 2006 and 2007] (Figure 10.2). Between 1998-2005, men’s real earnings in Tyne & Wear had risen by 11.5%, (UK 10.0%), but then fell slightly (-0.6%) in 2006, followed by a further [big] fall of -6.9% in 2007, before rising 2.7% in 2008.

Since 1998, women’s earnings have risen faster (by 3.5pp) than in the UK (Figure 10.3).





From 1998 to 2008, women’s real earnings rose by 20.6% in Tyne & Wear, whilst in the UK they rose 17.1%. In TWCR, real earnings (to 2008) rose by 6.9% for men and 18.8% for women.



[Note: Between 1980 and 1989, in Tyne & Wear men’s real earnings rose about 18% and women’s about 22%.]

## 11 EARNINGS OF RESIDENTS

This section presents information on average and median weekly earnings in Tyne & Wear City Region and Tyne & Wear *by place of residence* of employees, not by place of work (as is the case in the rest of the report). The analyses cover men, women and all employees. Comparisons are, where appropriate, made between TWCR and LCR, Tyne & Wear and West Yorkshire, as well as to the North East and United Kingdom<sup>18</sup>. Findings from 2008 indicate that earnings of residents are significantly lower than at workplaces in Tyne & Wear.

### 11.1 Average & Median Gross Weekly Earnings

In 2008, full-time employees resident in TWCR earned on average £499.10 per week while those residing in TW earned on average £486.90 per week. In Tyne & Wear, among resident employees average weekly earnings were a substantial £20.50 less than the workplace employees (Tables 2.1 and 11.1).

In TWCR, average weekly earnings of residents were just 30p less than for workplace employees. The minor difference in TWCR will be due to its much higher self-containment.

- Average weekly earnings of residents in TWCR are about £26pw lower than those in LCR (£525.30).
- Tyne & Wear residents' earnings are about £34pw (£1,750pa) below those in West Yorkshire (£520.50).
- Tyne & Wear residents' average earnings are £12.20 (£635pa) below TWCR residents. In contrast, West Yorkshire residents' average earnings are just £4.80 (£250pa) below LCR residents'.

**Table 11.1: Residents' average and median full-time earnings (2008)**

	Men & Women				Men				Women			
	Average		Median		Average		Median		Average		Median	
	£'s per week	Pence/hr (excludes overtime)	£'s per week	Pence/hr (excludes overtime)	£'s per week	Pence/hr (excludes overtime)	£'s per week	Pence/hr (excludes overtime)	£'s per week	Pence/hr (excludes overtime)	£'s per week	Pence/hr (excludes overtime)
<b>TWCR</b>	499.10	1247	422.20	1042	536.80	1294	460.60	1097	441.00	1172	364.80	969
<b>Tyne &amp; Wear</b>	486.90	1210	421.50	1037	518.90	1239	456.20	1087	438.00	1165	364.60	969
<b>North East</b>	495.60	1234	421.60	1042	537.20	1290	464.60	1106	430.40	1141	362.90	962
<b>LCR</b>	525.30	1327	444.40	1097	572.40	1397	486.10	1154	453.30	1214	383.30	1008
<b>W. Yorks</b>	520.50	1316	440.80	1084	569.30	1390	479.10	1145	446.10	1196	376.30	1000
<b>UK</b>	574.30	1453	478.60	1187	631.10	1554	521.20	1250	485.50	1288	412.00	1091
TWCR % of UK	86.9%	85.8%	88.2%	87.8%	85.1%	83.3%	88.4%	87.8%	90.8%	91.0%	88.5%	88.8%
T&W % of UK	84.8%	83.3%	88.1%	87.4%	82.2%	79.7%	87.5%	87.0%	90.2%	90.5%	88.5%	88.8%
LCR % of UK	91.5%	91.3%	92.9%	92.4%	90.7%	89.9%	93.3%	92.3%	93.4%	94.3%	93.0%	92.4%
WY % of UK	90.6%	90.6%	92.1%	91.3%	90.2%	89.4%	91.9%	91.6%	91.9%	92.9%	91.3%	91.7%

Source: Annual Survey of Hours and Earnings 2008 (Tables 8.1a and 8.6a) and Specially Requested from ONS, with TWRI calculations

Logically, residents' average earnings are lower than for workplaces only where net in-commuters have higher earnings than residents.

In Tyne & Wear, earnings of residents are around 4% below those for employees at workplaces in the same area. In contrast, in TWCR, the difference is negligible, at around 0.1% below workplace employees (Table 11.2).

The lower earnings of residents in both TW and West Yorkshire (than of employees at workplaces) therefore appear to be due to higher average earnings of net in-commuters. West Yorkshire has a marginally higher number of [gross] in-commuters (84,689) than Tyne & Wear (82,195) (2001 Census © Crown Copyright SWS Table W107).

<sup>18</sup> Great Britain has to be used for 'Percentage difference between resident and workplace-based earnings' (T 11.2).

In the North East, residents' earnings are slightly higher than workplace earnings, by around +0.2%<sup>19</sup>. [It is possible that NE residents benefit from earnings in offshore jobs and some jobs outside the region – Ed.]

**Table 11.2: Percentage difference between resident and workplace-based earnings (2008)**

Residents' earnings minus workplace <sup>#</sup>	MEN & WOMEN				MEN				WOMEN			
	Average		Median		Average		Median		Average		Median	
	£'s per week	Pence/hr (excludes o/time)	£'s per week	Pence/hr (excludes o/time)	£'s per week	Pence/hr (excludes o/time)	£'s per week	Pence/hr (excludes o/time)	£'s per week	Pence/hr (excludes o/time)	£'s per week	Pence/hr (excludes o/time)
TWCR	-0.1	-0.6	0.3	-0.6	-0.1	-0.7	0.4	-0.2	-0.6	-0.8	-2.0	-1.1
Tyne & Wear	-4.0	-5.2	-2.7	-3.5	-4.6	-5.9	-2.2	-2.1	-3.8	-4.3	-6.2	-4.6
North East	0.2	-0.2	0.2	0.0	0.3	-0.2	0.1	0.3	-0.3	-0.5	-0.4	-0.5
LCR	0.7	0.5	0.4	-0.3	0.0	-0.4	-1.0	-1.5	2.0	1.9	1.9	1.3
W. Yorkshire	0.3	0.1	-0.3	-1.5	-0.1	-0.4	-2.1	-2.5	0.9	0.8	0.4	0.4
Great Britain*	0.2	0.2	0.0	0.3	0.3	0.3	0.3	0.1	0.2	0.2	0.1	0.2

\* Note GB used here, not UK

Source: Annual Survey of Hours and Earnings 2008 (Tables 7.1a, 7.6a, 8.1a and 8.6a) and Specially Requested from ONS, with TWRI calculations.  
Note: #Negative difference means residents earn less than workplace earnings

Note: Differences between the columns for weekly and hourly earnings can occur (e.g., in NE and its sub-regions) due to residents working more hours than do employees at workplaces.

## 11.2 Comparisons with Other Counties

In the metropolitan counties, but not LCR or West Yorkshire, residence-based earnings are generally lower than workplace-based earnings (Table 11.3). These differences (due to commuting) are much greater in London than in the other metropolitan counties (in London men & women's average earnings of residents are £44.90 less than workplace-based estimates).

**Table 11.3: Weekly earnings of residents and workplace employees in Metropolitan Counties (£)\* (2008)**

	Men & Women				Men				Women					
	Average		Median		Average		Median		Average		Median			
	Resid.	Work-place	Resid.	Work-place	Resid.	Work-place	Resid.	Work-place	Resid.	Work-place	Resid.	Work-place		
London	720.10	765.00	580.80	612.70	London	798.10	862.40	630.00	676.50	London	617.90	624.60	534.50	542.10
LCR	525.30	521.40	444.40	442.80	LCR	572.40	572.50	486.10	491.00	LCR	453.30	444.60	383.30	376.20
G. Manchester	523.40	528.80	446.80	449.80	G. Manchester	571.70	575.50	481.80	484.50	G. Manchester	449.80	461.40	393.00	401.20
W. Yorkshire	520.50	518.70	440.80	442.30	W. Yorkshire	569.30	569.70	479.10	489.20	W. Yorkshire	446.10	442.10	376.30	374.70
Merseyside	511.20	523.90	441.60	447.30	Merseyside	563.80	580.80	481.50	484.30	TWCR	441.00	443.80	364.80	372.40
W. Midlands	503.50	536.30	437.00	456.40	W. Midlands	549.20	591.00	477.40	500.00	Merseyside	438.90	455.00	388.30	397.40
TWCR	499.10	499.40	422.20	421.10	TWCR	536.80	537.40	460.60	458.90	Tyne & Wear	438.00	455.20	364.60	388.80
S. Yorkshire	496.70	499.50	437.40	436.10	S. Yorkshire	536.30	540.40	478.60	477.40	W. Midlands	431.60	447.10	372.00	383.20
Tyne & Wear	486.90	507.40	421.50	433.30	Tyne & Wear	518.90	543.80	456.20	466.50	S. Yorkshire	424.20	428.50	355.30	360.40

\* Ranked on residents' average pay

Source: Annual Survey of Hours and Earnings 2008 (Tables 7.1a and 8.1a) and Specially Requested from ONS

<sup>19</sup> Similarly, in GB residents' earnings are also slightly higher than workplace earnings [presumably due to higher earnings abroad of GB residents than the reverse – Ed].

In the North East, earnings are higher at workplaces than for residents in TW (by £20.50pw), Middlesbrough (by £19.30pw) and Redcar & Cleveland (by a huge £41.80pw) (Table 11.4). These are therefore all places with net in-commuters who are earning (on average) more than their out-commuters. The reverse is true of the other five areas, which gain higher earnings from net out-commuting; particularly Hartlepool (by a massive £78.10pw, £4,060pa). For Hartlepool men the gap is £83pw (£4,300pa) and for women £61pw (£3,200pa). Northumberland also gains considerably higher earnings from net out-commuting (by £53.30). In Co. Durham residents' earnings are much lower (than in Northumberland). Tyne & Wear residents have the 2<sup>nd</sup>-lowest earnings, £4pw below Co. Durham (£220pa) and £49pw below Northumberland (£2,500pa). Workplace earnings show the opposite pattern. This reflects the 'residential spatial sorting' in and around Tyne & Wear in which the higher-paid workers are living outside the conurbation. In LCR, by contrast, more of the high-paid earners live in West Yorkshire.

**Table 11.4: Weekly earnings of residents and workplace employees in Unitary Authorities (£)\* (2008)**

Men & Women					Men				Women					
Average		Median			Average		Median		Average		Median			
Resid.	Work-place	Resid.	Work-place	Resid.	Work-place	Resid.	Work-place	Resid.	Work-place	Resid.	Work-place			
Northumberland	535.70	482.40	432.90	400.50 <sup>a</sup>	Hartlepool	592.60 <sup>a</sup>	509.70 <sup>a</sup>	482.60 <sup>a</sup>	465.70 <sup>b</sup>	Northumberland	462.70	404.60	362.50 <sup>a</sup>	345.00 <sup>a</sup>
Hartlepool	530.10 <sup>a</sup>	452.00 <sup>a</sup>	461.70 <sup>a</sup>	388.30 <sup>b</sup>	Northumberland	590.90	533.50	478.50 <sup>a</sup>	462.30 <sup>a</sup>	<b>Tyne &amp; Wear</b>	<b>438.00</b>	455.20	<b>364.60</b>	388.80
Stockton-on-Tees	511.00	502.50	456.10 <sup>a</sup>	426.30 <sup>a</sup>	Stockton-on-Tees	570.80	568.10	518.40 <sup>a</sup>	499.20 <sup>a</sup>	Durham	423.40	408.50	362.30	353.00
Durham	491.10	463.40	408.60	387.50	Redcar & Cleveland	535.10	561.70	518.80 <sup>a</sup>	519.80 <sup>a</sup>	Hartlepool	421.40 <sup>a</sup>	360.70 <sup>a</sup>	372.80 <sup>b</sup>	361.90 <sup>a</sup>
<b>Tyne &amp; Wear</b>	<b>486.90</b>	507.40	<b>421.50</b>	433.30	Durham	528.60	495.30	440.10	408.30	Stockton-on-Tees	420.90	379.90 <sup>a</sup>	378.00 <sup>a</sup>	338.80 <sup>a</sup>
Darlington	480.40	476.10	415.30 <sup>a</sup>	438.70 <sup>a</sup>	Middlesbrough	526.10 <sup>a</sup>	547.00 <sup>a</sup>	441.50 <sup>a</sup>	458.50 <sup>a</sup>	Darlington	412.80 <sup>a</sup>	418.40 <sup>a</sup>	346.10 <sup>b</sup>	348.40 <sup>b</sup>
Redcar & Cleveland	471.40	513.20	415.30 <sup>a</sup>	486.40 <sup>a</sup>	Darlington	519.40 <sup>a</sup>	516.90	481.50 <sup>b</sup>	483.50 <sup>a</sup>	Middlesbrough	380.30 <sup>a</sup>	416.80	345.10 <sup>a</sup>	354.00 <sup>a</sup>
Middlesbrough	471.00 <sup>a</sup>	490.30	415.30 <sup>a</sup>	412.30 <sup>a</sup>	<b>Tyne &amp; Wear</b>	<b>518.90</b>	543.80	<b>456.20</b>	466.50	Redcar & Cleveland	365.30 <sup>a</sup>	414.80 <sup>a</sup>	333.20 <sup>a</sup>	x

<sup>a</sup> Reasonably precise, CV >5% and <=10%

<sup>b</sup> Acceptable, CV >10% and <=20%

\* Ranked on residents' average pay

Source: Annual Survey of Hours and Earnings 2008 (Tables 7.1a and 8.1a)

### 11.3 Women's Earnings Compared to Men's

Using ASHE 2008, it is possible to monitor the differences between men's and women's earnings of residents as well as for work-places.

In TWCR, women's average hourly earnings (as percentages of men's earnings) are very similar for residents (90.7%) as for workplaces (90.6%), with workplace earnings just 0.1pp lower (Table 11.5). However, in Tyne & Wear, LCR and West Yorkshire the difference is much larger with residents' earnings higher by 1.6pp in TW, 2.0pp in LCR and 1.0pp in WY. [Presumably this pattern reflects more high-paid men working in but living outside these areas – Ed.]

The ratios of women's earnings compared to men's in TWCR (91%) and TW (93%) are noticeably higher than those in areas outside TW (around 83-89%). This suggests that it is women in TW who are unusual in having earnings closer to men's (93%) [This may be a reflection of men's weak earnings in TW –Ed].

**Table 11.5: Women's hourly earnings compared to men's, by workplace and by residence (2008)**

	% of men's earnings			
	By Workplace		By Residence	
	Average	Median	Average	Median
<b>Tyne &amp; Wear City Region</b>	90.7%	89.2%	90.6%	88.3%
<b>Tyne &amp; Wear</b>	92.5%	91.5%	94.0%	89.1%
<b>North East</b>	88.7%	87.7%	88.4%	87.0%
<b>Leeds City Region</b>	85.0%	85.0%	86.9%	87.3%
<b>West Yorkshire</b>	85.0%	84.8%	86.0%	87.3%
<b>UK</b>	82.9%	87.3%	82.9%	87.3%

*Source: Annual Survey of Hours and Earnings 2008 (Tables 7.6a and 8.6a) and Specially Requested from ONS*

## 11.4 Hourly Earnings & Hours of Work

In TWCR, TW, and all comparator areas, both men's and women's hours worked per week are either equal for both resident and workplace employees, or higher for resident employees (than for workplace employees). Average overtime hours per week were largely the same in all areas, men's and women's, for resident and workplace employees.

In all areas, men work more hours per week and more overtime than women. This is most evident in West Yorkshire, where men work on average 3.6 hours per week and 2.0 hours overtime more than women. In TWCR, men work on average 3.4 more hours per week (TW 3.3) and 2.0 hours overtime (TW 1.9) more than women.

**Table 11.6: Hours worked per week and overtime, by workplace and by residence\* (2008)**

			By Workplace		By Residence	
			Hours/week	Overtime	Hours/week	Overtime
TWCR	Average	Men	40.8	2.3 <sup>a</sup>	40.9	2.4 <sup>a</sup>
		Women	37.4	0.7 <sup>b</sup>	37.6	0.7 <sup>b</sup>
	Median*	Men	39.0	4.7 <sup>a</sup>	39.0	4.8 <sup>b</sup>
		Women	37.0	2.8 <sup>b</sup>	37.0	2.8 <sup>b</sup>
Tyne & Wear	Average	Men	40.7	2.4 <sup>a</sup>	41.0	2.4 <sup>a</sup>
		Women	37.4	0.7 <sup>b</sup>	37.6	0.7 <sup>b</sup>
	Median*	Men	38.9	4.7 <sup>b</sup>	39.0	4.6 <sup>b</sup>
		Women	37.0	2.8 <sup>b</sup>	37.0	2.9 <sup>b</sup>
LCR	Average	Men	40.9	2.0 <sup>a</sup>	41.0	2.0 <sup>a</sup>
		Women	37.5	0.7 <sup>b</sup>	37.5	0.7 <sup>b</sup>
	Median*	Men	39.0	5.0 <sup>a</sup>	39.1	5.0 <sup>a</sup>
		Women	37.0	2.1 <sup>b</sup>	37.1	2.2 <sup>b</sup>
W. Yorkshire	Average	Men	40.9	2.0 <sup>a</sup>	40.9	2.0 <sup>a</sup>
		Women	37.3	0.6 <sup>b</sup>	37.3	0.6 <sup>b</sup>
	Median*	Men	39.0	5.0 <sup>a</sup>	39.0	5.1 <sup>a</sup>
		Women	37.0	2.1 <sup>b</sup>	37.0	2.1 <sup>b</sup>
UK	Average	Men	40.8	1.9	40.8	1.9
		Women	37.6	0.7	37.6	0.7
	Median*	Men	39.0	5.0	39.0	5.0
		Women	37.1	2.6	37.1	2.6

<sup>a</sup> Reasonably precise, CV >5% and <=10%

<sup>b</sup> Acceptable, CV >10% and <=20%

\* **Warning:** The median overtime hours are only for those who work **some** overtime. This makes them non-comparable with the averages, which are for all employees, including the (large number of) employees who had zero overtime.

Source: Annual Survey of Hours and Earnings 2008 (Tables 7.9a, 8.9a, 7.11a and 8.11a) and Specially Requested from ONS

*Caution: when considering overtime, due to the smaller samples, the error associated with these findings is likely to be relatively large, and thus the results are likely to be difficult to compare fairly.*

## APPENDIX 1: (Other) Sources of Earnings Data

### Earnings data from Labour Force Survey (LFS):

Estimates of weekly gross earnings for full-time employees are also published from the LFS<sup>20</sup>. They are quarterly and cover all full-time employees, including those below the income tax threshold.

Average earnings are lower in the LFS than in the ASHE, and this difference is greater in the UK (10-11%) than in the North East (around 8%) (Table A1.1). The LFS may under-record earnings because it is based on responses by households. They may confuse gross earnings with net earnings. In addition many responses are on behalf of other household members.

The ASHE and the Labour Force Survey (LFS) are the best sources to use when measuring the levels of average earnings for full-time and part-time employees respectively<sup>21</sup>.

**Table A1.1: Weekly full-time earnings from Labour Force Survey and ASHE, 2008**

	UK			NE		
	All	Men	Women	All	Men	Women
LFS	£513.00	£562.00	£436.00	£456.00	£493.00	£398.00
ASHE	£574.30	£631.10	£485.50	£494.40	£535.70	£431.50
% difference (as % of ASHE)	-10.7%	-10.9%	-10.2%	-7.8%	-8.0%	-7.8%

Source: Annual Survey of Hours and Earnings 2008 (Tables 7.1a) and Labour Force Survey (Table 35, Q3 2008 and TWRI calculations).

### Average Earnings Index (AEI)

ONS's preferred measure of earnings growth in the whole economy is the Average Earnings Index (AEI) headline rate. The AEI is a monthly index of earnings growth in Great Britain based on the Monthly Wages & Salaries Survey (MWSS). Average earnings are obtained by dividing the total number of employees by the total pay. Monthly chain-linking ensures that the vast majority of firms sampled are the same from one month to the next. The index may be used to estimate earnings between each ASHE.

### Latest data on earnings

Projections are normally published in ONS' Labour Market Trends each quarter using the AEI. Total remuneration of all employees in the UK (by employers) can be best determined using the National Accounts wages and salaries component. Wages & salaries estimates also include non-cash earnings, for example wages in kind.

<sup>20</sup> As of August 2005 the Labour Force Survey has been included in the new Annual Population Survey. The APS supercedes the Local Area LFS and the quarterly (four quarter averages) LFS.

<sup>21</sup> Please refer to: Daffin, C. 2004. 'An analysis of historical ASHE data 1998-2003', in Labour Market Trends, Vol. 112 (12), pp493-504.

## APPENDIX 2: Earnings by Occupation

Table A2.1: Gross weekly average earnings by Occupational Group (SOC 2000) (£) (2008)

		Managers & senior officials	Professional Occupations	Associate Professional & Technical	Admin & Secretarial Occupations	Skilled Trades Occupations	Personal Service Occupations	Sales & Customer Service Occupations	Process, Plant & Machinery Occupations	Elementary Occupations
Tyne & Wear City Region	M&W	719.50	736.50	530.60	357.50	478.60	328.60	304.80	438.00	335.00
Tyne & Wear	M&W	727.70	764.50 <sup>a</sup>	527.30	364.00	479.20	337.90	305.10	454.00	329.60
Rest of City Region	M&W	687.70 <sup>a</sup>	664.80 <sup>a</sup>	541.30	349.10	466.50 <sup>a</sup>	309.40	294.60 <sup>a</sup>	419.60	325.90
Durham 4	M&W	645.90 <sup>b</sup>	674.30 <sup>a</sup>	546.30	342.0	459.50 <sup>a</sup>	321.40 <sup>a</sup>	310.90 <sup>a</sup>	378.90	316.30
Northumberland 4	M&W	737.70 <sup>b</sup>	653.10	533.30 <sup>a</sup>	363.80 <sup>a</sup>	473.30 <sup>a</sup>	303.20 <sup>a</sup>	250.80 <sup>a</sup>	490.90 <sup>a</sup>	353.30 <sup>a</sup>
North East	M&W	705.90	713.50	534.70	356.60	459.20	318.30	303.50	456.90	335.10
Leeds City Region	M&W	753.70	722.90	531.30	361.40	486.00	319.10	300.30	425.70	334.60
West Yorkshire	M&W	741.90	732.20	526.10	364.30	488.70	320.30	303.40	420.30	332.60
Rest of Leeds City Region	M&W	794.60	684.20	550.80	349.70	478.10	314.30	285.20 <sup>a</sup>	447.30 <sup>a</sup>	342.20
UK	M&W	852.70	768.90	593.50	397.70	482.40	340.90	315.50	446.30	346.30

a Reasonably precise, CV >5% and <=10%

b Acceptable, CV >10% and <=20%

.. Disclosive

: Not applicable

Source: Annual Survey of Hours and Earnings 2008 (Table 3.1a) and Specially Requested from ONS.

Table A2.2: Gross weekly average earnings by Occupational Group (SOC 2000) (£) (2008)

		Managers & senior officials	Professional Occupations	Associate Professional & Technical	Admin & Secretarial Occupations	Skilled Trades Occupations	Personal Service Occupations	Sales & Customer Service Occupations	Process, Plant & Machinery Occupations	Elementary Occupations
Tyne & Wear City Region	Men	803.80	790.00 <sup>a</sup>	541.50	372.10	481.70	332.50	316.10	450.10	356.10
	Women	599.50	657.20	517.50	351.10	391.00 <sup>b</sup>	327.40	296.10	298.90 <sup>a</sup>	271.40
Tyne & Wear	Men	804.10	835.60 <sup>a</sup>	541.70	375.20	482.30	328.30	308.90	467.70	351.00
	Women	635.00 <sup>a</sup>	655.30	510.30	358.00	408.20 <sup>b</sup>	341.40	301.80	298.50 <sup>a</sup>	278.20 <sup>a</sup>
Rest of City Region	Men	813.30 <sup>b</sup>	691.30 <sup>a</sup>	562.30	366.00 <sup>a</sup>	471.60 <sup>a</sup>	341.70 <sup>a</sup>	336.50 <sup>b</sup>	432.70	343.00
	Women	498.70 <sup>a</sup>	633.80 <sup>a</sup>	510.10 <sup>a</sup>	345.80	..	297.40 <sup>a</sup>	271.90 <sup>a</sup>	307.60 <sup>a</sup>	263.80 <sup>a</sup>
Durham 4	Men	753.70 <sup>b</sup>	704.40 <sup>b</sup>	592.90 <sup>a</sup>	328.60 <sup>a</sup>	469.80 <sup>a</sup>	346.60 <sup>b</sup>	356.00 <sup>b</sup>	388.20	330.00
	Women	465.10 <sup>b</sup>	634.90 <sup>a</sup>	481.30 <sup>a</sup>	344.90	..	309.20 <sup>a</sup>	282.50 <sup>a</sup>	313.40 <sup>b</sup>	274.50
Northumberland 4	Men	891.80 <sup>b</sup>	673.00 <sup>a</sup>	517.20 <sup>a</sup>	459.30 <sup>b</sup>	473.30 <sup>a</sup>	338.30 <sup>a</sup>	257.30	506.40 <sup>a</sup>	375.20 <sup>a</sup>
	Women	533.60 <sup>b</sup>	632.60	559.60 <sup>a</sup>	347.50	:	291.90 <sup>a</sup>	248.60 <sup>b</sup>	..	205.40 <sup>b</sup>
North East	Men	785.70	764.00 <sup>a</sup>	551.50	376.80	465.60	326.40	315.00	467.70	354.40
	Women	570.70	636.80	515.40	348.50	324.10 <sup>b</sup>	316.10	295.00	295.1 <sup>a</sup>	276.00
Leeds City Region	Men	827.30	760.30	579.50	395.40	493.00	339.90	323.50	438.80	354.50
	Women	614.80	663.40	480.50	348.50	335.90 <sup>a</sup>	312.70	280.90	323.90	287.90
West Yorkshire	Men	810.90	771.80	574.30	402.20	494.90	347.90	324.80	432.40	355.10
	Women	608.60	668.30	475.70	349.90	343.80 <sup>b</sup>	312.00	285.10	317.10	279.90
Rest of Leeds City Region	Men	886.30 <sup>a</sup>	711.20 <sup>a</sup>	598.10	367.90 <sup>a</sup>	487.70	311.40 <sup>a</sup>	316.50 <sup>a</sup>	465.10 <sup>a</sup>	352.40
	Women	634.80 <sup>a</sup>	644.10	499.20	342.90	320.00 <sup>a</sup>	315.20 <sup>a</sup>	261.80	343.20 <sup>a</sup>	318.90 <sup>b</sup>
UK	Men	937.90	818.40	641.80	440.30	491.00	389.20	339.80	460.00	367.10
	Women	670.70	694.90	535.00	382.10	340.70	324.60	296.80	327.80	288.30

a Reasonably precise, CV >5% and <=10%

b Acceptable, CV >10% and <=20%

.. Disclosive

: Not applicable

Source: Annual Survey of Hours and Earnings 2008 (Table 3.1a) and Specially Requested from ONS.



Table A2.3: Gross annual average earnings by Occupational Group (SOC 2000) (£) (2008)

		Managers & senior officials	Professional Occupations	Associate Professional & Technical	Admin & Secretarial Occupations	Skilled Trades Occupations	Personal Service Occupations	Sales & Customer Service Occupations	Process, Plant & Machinery Occupations	Elementary Occupations
<b>Tyne &amp; Wear City Region</b>	<b>M&amp;W</b>	38,493 <sup>a</sup>	38,056 <sup>a</sup>	27,587	18,457	23,608	16,282	15,696	21,712	17,363
<b>Tyne &amp; Wear</b>	<b>M&amp;W</b>	38,818 <sup>a</sup>	39,778 <sup>a</sup>	27,294	18,742	23,555 <sup>a</sup>	16,704	15,722	22,724	17,340
<b>Rest of City Region</b>	<b>M&amp;W</b>	37,970 <sup>b</sup>	32,370 <sup>a</sup>	29,108 <sup>b</sup>	17,754	23,938 <sup>a</sup>	15,511 <sup>b</sup>	15,027	20,114 <sup>a</sup>	17,026
<b>Durham 4</b>	<b>M&amp;W</b>	36,434 <sup>b</sup>	33,994 <sup>b</sup>	29,966 <sup>b</sup>	17,168	24,926 <sup>a</sup>	15,476 <sup>a</sup>	15,179	18,703 <sup>a</sup>	16,779
<b>Northumberland 4</b>	<b>M&amp;W</b>	39,989 <sup>b</sup>	30,923 <sup>a</sup>	28,053 <sup>b</sup>	18,833 <sup>a</sup>	23,030 <sup>b</sup>	15,530 <sup>b</sup>	14,507 <sup>b</sup>	23,169 <sup>a</sup>	17,549 <sup>a</sup>
<b>North East</b>	<b>M&amp;W</b>	37,165 <sup>a</sup>	37,268	27,732	18,391	23,157	15,745	15,593	22,872	17,389
<b>Leeds City Region</b>	<b>M&amp;W</b>	42,539	38,577	28,457	19,008	25,319	16,014	15,606	21,318	17,146
<b>West Yorkshire</b>	<b>M&amp;W</b>	41,202	39,314	28,542	19,204	25,277	16,163	15,923	21,022	17,023
<b>Rest of Leeds City Region</b>	<b>M&amp;W</b>	47,140 <sup>b</sup>	35,582 <sup>a</sup>	28,148	18,304	25,448	15,340 <sup>a</sup>	14,065 <sup>a</sup>	22,537	17,615
<b>UK</b>	<b>M&amp;W</b>	50,470	40,117	31,919	20,725	24,748	17,059	16,244	22,846	18,041

<sup>a</sup> Reasonably precise, CV >5% and <=10%

<sup>b</sup> Acceptable, CV >10% and <=20%

x Unreliable

.. Disclosive : Not applicable

Source: Annual Survey of Hours and Earnings 2008 (Table 3.7a) and Specially Requested from ONS.

Table A2.4: Gross annual average earnings by Occupational Group (SOC 2000) (£) (2008)

		Managers & senior officials	Professional Occupations	Associate Professional & Technical	Admin & Secretarial Occupations	Skilled Trades Occupations	Personal Service Occupations	Sales & Customer Service Occupations	Process, Plant & Machinery Occupations	Elementary Occupations
<b>Tyne &amp; Wear City Region</b>	<b>Men</b>	43,500 <sup>b</sup>	41,479 <sup>a</sup>	28,590	19,308 <sup>a</sup>	23,796	16,683 <sup>a</sup>	16,764	22,378	18,580
	<b>Women</b>	31,429 <sup>a</sup>	33,325	26,398 <sup>a</sup>	18,109	17,972 <sup>b</sup>	16,159	14,981	x	13,637 <sup>a</sup>
<b>Tyne &amp; Wear</b>	<b>Men</b>	43,316 <sup>a</sup>	44,181 <sup>a</sup>	27,834	19,461 <sup>a</sup>	23,729 <sup>a</sup>	15,786 <sup>a</sup>	16,571 <sup>a</sup>	23,886	18,955
	<b>Women</b>	33,611 <sup>a</sup>	33,692 <sup>a</sup>	26,642 <sup>a</sup>	18,390	x	17,028	15,109	x	13,526 <sup>b</sup>
<b>Rest of City Region</b>	<b>Men</b>	44,145 <sup>b</sup>	34,002 <sup>b</sup>	30,714 <sup>a</sup>	19,119 <sup>b</sup>	24,306 <sup>a</sup>	18,193 <sup>a</sup>	15,681	20,730 <sup>a</sup>	17,915
	<b>Women</b>	26,181 <sup>b</sup>	30,548 <sup>a</sup>	x	17,461	..	14,443 <sup>b</sup>	14,718 <sup>a</sup>	14,782 <sup>a</sup>	13,840 <sup>a</sup>
<b>Durham 4</b>	<b>Men</b>	x	37,758 <sup>b</sup>	31,773 <sup>b</sup>	16,374 <sup>a</sup>	25,839 <sup>a</sup>	19,387 <sup>b</sup>	15,797 <sup>a</sup>	19,166 <sup>a</sup>	17,684 <sup>a</sup>
	<b>Women</b>	x	28,843 <sup>b</sup>	26,663 <sup>a</sup>	17,369	..	13,898 <sup>a</sup>	14,841 <sup>a</sup>	14,916 <sup>b</sup>	14,260 <sup>a</sup>
<b>Northumberland 4</b>	<b>Men</b>	46,037 <sup>b</sup>	29,997 <sup>b</sup>	29,222 <sup>a</sup>	x	23,030 <sup>b</sup>	17,559 <sup>b</sup>	..	24,056 <sup>a</sup>	18,323 <sup>a</sup>
	<b>Women</b>	x	31,787 <sup>a</sup>	x	17,617 <sup>a</sup>	:	x	14,377 <sup>b</sup>	..	11,876 <sup>b</sup>
<b>North East</b>	<b>Men</b>	41,615 <sup>a</sup>	40,502 <sup>a</sup>	29,071	19,662 <sup>a</sup>	23,556	16,504	16,366	23,446	18,528
	<b>Women</b>	30,010 <sup>a</sup>	32,343	26,229	17,903	14,228 <sup>b</sup>	15,527 <sup>a</sup>	15,107	15,128 <sup>b</sup>	13,866 <sup>a</sup>
<b>Leeds City Region</b>	<b>Men</b>	48,414 <sup>a</sup>	41,382 <sup>a</sup>	31,778	20,324	25,532	16,776 <sup>b</sup>	16,969	21,874	18,586
	<b>Women</b>	31,552 <sup>a</sup>	34,520	24,952	18,513	19,586 <sup>b</sup>	15,776	14,472	16,430 <sup>a</sup>	13,532
<b>West Yorkshire</b>	<b>Men</b>	46,491 <sup>a</sup>	42,338 <sup>a</sup>	31,802	20,562	25,485	16,524 <sup>b</sup>	17,223	21,516	18,470
	<b>Women</b>	31,078 <sup>a</sup>	34,879	25,130	18,686	19,588 <sup>b</sup>	16,057 <sup>a</sup>	14,807	16,325 <sup>a</sup>	13,302
<b>Rest of Leeds City Region</b>	<b>Men</b>	55,276 <sup>b</sup>	37,380 <sup>a</sup>	31,692 <sup>a</sup>	19,429 <sup>a</sup>	25,679	17,671 <sup>a</sup>	15,598 <sup>a</sup>	23,410 <sup>a</sup>	19,046 <sup>a</sup>
	<b>Women</b>	33,080 <sup>b</sup>	33,125 <sup>a</sup>	24,286 <sup>a</sup>	17,902	19,582 <sup>a</sup>	14,391 <sup>a</sup>	12,968 <sup>a</sup>	16,743 <sup>a</sup>	14,342 <sup>a</sup>
<b>UK</b>	<b>Men</b>	56,999	43,519	35,256	23,550	25,173	19,720	17,777	23,592	19,294
	<b>Women</b>	36,568	35,057	27,777	19,725	17,332	16,136	15,123	16,680	14,447

<sup>a</sup> Reasonably precise, CV >5% and <=10%

<sup>b</sup> Acceptable, CV >10% and <=20%

x Unreliable

.. Disclosive : Not applicable

Source: Annual Survey of Hours and Earnings 2008 (Table 3.7a) and Specially Requested from ONS.

### APPENDIX 3: Earnings for Small Areas

These data series are subject to much bigger margins of error than for Tyne & Wear. Those estimates labelled with no data (x) have errors too large to be statistically sound.

Note: these data are for employees at *workplaces* in these small areas.

**Table A3.1: Average earnings by District (All FT employees) (2008)**

	Gross weekly earnings (£)	10% earned under (£)	10% earned over (£)	Average hourly earnings (£) (excl. overtime)	Average weekly hours (including overtime)	Overtime (hr)
Gateshead	494.90	255.90	x	1235	40.0	2.3 <sup>b</sup>
Newcastle	522.00	268.30	850.80 <sup>b</sup>	1364	38.3	1.0 <sup>b</sup>
North Tyneside	509.80 <sup>a</sup>	255.40	x	1212	39.7	2.2 <sup>b</sup>
South Tyneside	500.40	237.10 <sup>a</sup>	x	1252 <sup>a</sup>	39.8	x
Sunderland	495.40	265.70	x	1224	40.0	1.9 <sup>b</sup>
Darlington UA	476.10	262.70	x	1185	39.9	1.5 <sup>b</sup>
Hartlepool UA	452.00 <sup>a</sup>	220.90 <sup>a</sup>	x	1059 <sup>a</sup>	42.5	x
Middlesbrough UA	490.30	250.70	x	1230	39.6	1.5 <sup>b</sup>
Redcar & Clevel. UA	513.20	225.00 <sup>a</sup>	x	1259	40.6	2.2 <sup>b</sup>
Stockton-on-Tees UA	502.50	240.50	x	1256	39.9	2.0 <sup>b</sup>
Chester-le-Street	467.80 <sup>a</sup>	x	x	1140 <sup>a</sup>	40.8	x
Derwentside	410.70 <sup>a</sup>	240.30 <sup>a</sup>	x	966 <sup>a</sup>	42.4	x
Durham	504.40 <sup>a</sup>	271.00	x	1292 <sup>a</sup>	39.1	x
Easington	417.10	242.60 <sup>a</sup>	x	1035	39.7	x
Sedgefield	486.20 <sup>a</sup>	248.50 <sup>a</sup>	x	1228 <sup>a</sup>	39.5	x
Teesdale	432.60 <sup>a</sup>	x	x	1027 <sup>a</sup>	41.4	x
Wear Valley	497.10 <sup>a</sup>	x	x	1237 <sup>b</sup>	40.5	x
Alnwick	432.30 <sup>a</sup>	x	x	1086 <sup>a</sup>	39.0	x
Berwick	367.00 <sup>a</sup>	x	x	887 <sup>a</sup>	40.6	x
Blyth Valley	512.90 <sup>a</sup>	251.10 <sup>a</sup>	x	1335 <sup>b</sup>	38.7	x
Castle Morpeth	530.00 <sup>a</sup>	x	x	1369 <sup>a</sup>	38.5	x
Tynedale	475.00 <sup>a</sup>	x	x	1204 <sup>a</sup>	39.8	x
Wansbeck	485.20 <sup>a</sup>	x	x	1175 <sup>a</sup>	39.6	x

a Reasonably precise, CV >5% and <=10%

b Acceptable, CV >10% and <=20%

x sample size too small for reliable estimate

Source: Annual Survey of Hours and Earnings 2008 (Tables 7.1a, 7.6a, 7.9a, and 7.11a) and Specially Requested from ONS.

Data are for employees at *workplaces* in the small area.

Table A3.2: Average earnings by District (Men) (2008)

	Gross weekly earnings (£)	10% earned under (£)	10% earned over (£)	Average hourly earnings (£) (excl. overtime)	Average weekly hours (including overtime)	Overtime (hr)
Gateshead	519.30	264.30	x	1248	41.6	3.2 <sup>b</sup>
Newcastle	567.80	280.00	x	1454	39.1	1.2 <sup>b</sup>
North Tyneside	560.80 <sup>b</sup>	255.40 <sup>a</sup>	x	1234 <sup>a</sup>	41.4	3.1 <sup>b</sup>
South Tyneside	539.40 <sup>a</sup>	267.00 <sup>a</sup>	x	1299 <sup>a</sup>	41.3	x
Sunderland	524.00	277.30	x	1247	41.3	2.6 <sup>b</sup>
Darlington UA	516.90	269.80	x	1234	41.5	x
Hartlepool UA	509.70 <sup>a</sup>	x	x	1145 <sup>a</sup>	44.4	x
Middlesbrough UA	547.00 <sup>a</sup>	256.40 <sup>a</sup>	x	1336 <sup>a</sup>	40.6	x
Redcar & Clevel. UA	561.70	290.90 <sup>b</sup>	x	1309 <sup>a</sup>	42.8	3.2 <sup>b</sup>
Stockton-on-Tees UA	568.10	270.50 <sup>a</sup>	x	1380	41.2	2.5 <sup>b</sup>
Chester-le-Street	521.50 <sup>a</sup>	x	x	1227 <sup>b</sup>	42.3	x
Derwentside	429.30 <sup>a</sup>	x	x	980 <sup>a</sup>	43.7	x
Durham	559.40 <sup>b</sup>	275.90 <sup>a</sup>	x	1406 <sup>b</sup>	40.0	x
Easington	452.10 <sup>a</sup>	x	x	1101 <sup>a</sup>	40.5	x
Sedgefield	509.30 <sup>a</sup>	271.60 <sup>b</sup>	x	1265 <sup>a</sup>	40.2	x
Teesdale	433.90 <sup>a</sup>	x	x	984 <sup>b</sup>	43.3	x
Wear Valley	503.60 <sup>b</sup>	x	x	1219 <sup>b</sup>	41.6	x
Alnwick	510.10 <sup>b</sup>	x	x	1213 <sup>b</sup>	41.2	x
Berwick	398.80 <sup>a</sup>	x	x	894 <sup>a</sup>	43.5	x
Blyth Valley	592.80 <sup>b</sup>	x	x	1495 <sup>b</sup>	40.2	x
Castle Morpeth	564.40 <sup>a</sup>	x	x	1390 <sup>a</sup>	40.3	x
Tynedale	483.80 <sup>a</sup>	x	x	1154 <sup>b</sup>	42.2	x
Wansbeck	544.00 <sup>a</sup>	x	x	1317 <sup>a</sup>	40.9	x

*a* Reasonably precise, CV >5% and <=10%

*b* Acceptable, CV >10% and <=20%

*x* sample size too small for reliable estimate

Source: Annual Survey of Hours and Earnings 2008 (Tables 7.1a, 7.6a, 7.9a, and 7.11a) and Specially Requested from ONS.

Data are for employees at workplaces in the small area.

**Table A3.3: Average earnings by District (Women) (2008)**

	Gross weekly earnings (£)	10% earned under (£)	10% earned over (£)	Average hourly earnings (£) (excl. overtime)	Average weekly hours (including overtime)	Overtime (hr)
Gateshead	448.90	244.50	x	1208	36.9	x
Newcastle	470.10	247.40	x	1259	37.4	x
North Tyneside	441.70	255.50 <sup>a</sup>	x	1181 <sup>a</sup>	37.5	x
South Tyneside	437.70 <sup>a</sup>	x	x	1173 <sup>a</sup>	37.2	x
Sunderland	446.20	251.90 <sup>a</sup>	x	1182	37.6	x
Darlington UA	418.40 <sup>a</sup>	224.50 <sup>a</sup>	x	1111 <sup>a</sup>	37.4	x
Hartlepool UA	360.70 <sup>a</sup>	x	x	912 <sup>a</sup>	39.6	x
Middlesbrough UA	416.80	239.40 <sup>a</sup>	x	1090 <sup>a</sup>	38.2	x
Redcar & Clevel. UA	414.80 <sup>a</sup>	x	x	1146 <sup>a</sup>	36.2	x
Stockton-on-Tees UA	379.90 <sup>a</sup>	217.40 <sup>a</sup>	x	1008 <sup>a</sup>	37.5	x
Chester-le-Street	322.50 <sup>a</sup>	x	x	881 <sup>a</sup>	36.6	x
Derwentside	368.60 <sup>a</sup>	x	x	933 <sup>b</sup>	39.5	x
Durham	428.70 <sup>a</sup>	242.10 <sup>a</sup>	x	1130 <sup>a</sup>	38.0	x
Easington	371.50 <sup>a</sup>	x	x	947 <sup>a</sup>	38.7	x
Sedgefield	427.20 <sup>b</sup>	x	x	1128 <sup>b</sup>	37.8	x
Teesdale	430.80 <sup>b</sup>	x	x	1092 <sup>b</sup>	38.6	x
Wear Valley	484.30 <sup>b</sup>	x	x	1277 <sup>b</sup>	38.3	x
Alnwick	322.20 <sup>a</sup>	x	x	892 <sup>b</sup>	35.8	x
Berwick	322.70 <sup>a</sup>	x	x	876 <sup>b</sup>	36.6	x
Blyth Valley	383.80 <sup>a</sup>	x	x	1059 <sup>a</sup>	36.3	x
Castle Morpeth	457.70 <sup>b</sup>	x	x	1321 <sup>b</sup>	34.6	x
Tynedale	463.40 <sup>a</sup>	x	x	1276 <sup>b</sup>	36.5	x
Wansbeck	417.30 <sup>b</sup>	x	x	998 <sup>a</sup>	38.1	x

<sup>a</sup> Reasonably precise, CV >5% and <=10%

<sup>b</sup> Acceptable, CV >10% and <=20%

x sample size too small for reliable estimate

Source: Annual Survey of Hours and Earnings 2008 (Tables 7.1a, 7.6a, 7.9a, and 7.11a) and Specially Requested from ONS.

Data are for employees at workplaces in the small area.

**Table A3.4: Average earnings by Travel-to-Work Area (2008)**

	Sunderland			Newcastle & Durham			Leeds		
	All	Men	Women	All	Men	Women	All	Men	Women
Gross weekly earnings (£)	477.90	510.10	425.40	506.70	547.30	450.30	532.40	578.60	465.20
% earning under £250	7.2 <sup>b</sup>	x	x	8.4 <sup>a</sup>	6.0 <sup>b</sup>	11.6 <sup>b</sup>	7.5 <sup>a</sup>	4.9 <sup>b</sup>	11.4 <sup>b</sup>
10% earned under (£)	258.70	274.80	237.80	257.60	271.60	243.50	264.60	280.00	241.00
10% earned over (£)	796.60 <sup>b</sup>	x	x	802.60 <sup>a</sup>	872.60 <sup>b</sup>	718.90 <sup>a</sup>	843.30 <sup>a</sup>	931.60 <sup>b</sup>	748.20 <sup>b</sup>
Average hourly earnings (p) excl. o/time	1181	1219	1117	1281	1333	1205	1348	1414	1247
Average weekly hours (including o/time)	39.9	41.2	37.9	39.2	40.6	37.4	39.5	41.0	37.4
Overtime (hr)	1.8 <sup>b</sup>	2.5 <sup>b</sup>	x	1.5 <sup>a</sup>	2.2 <sup>a</sup>	0.7 <sup>b</sup>	1.5 <sup>a</sup>	2.2 <sup>a</sup>	0.6 <sup>b</sup>

<sup>a</sup> Reasonably precise, CV >5% and <=10%

<sup>b</sup> Acceptable, CV >10% and <=20%

x sample size too small for reliable estimate n.d. No data acquired

Source: Annual Survey of Hours and Earnings 2008 (Tables 11.1a, 11.6a, 11.9a, and 11.11a) and Specially Requested from ONS.

Data are for employees at workplaces in the small area.

**Table A3.5: Average earnings by Tyne & Wear Parliamentary Constituency (All FT employees) (2008)**

	<b>Gross weekly earnings (£)</b>	<b>10% earned under (£)</b>	<b>10% earned over (£)</b>	<b>Average hourly earnings (£) (excl. overtime)</b>	<b>Average weekly hours (incl. overtime)</b>	<b>Overtime (hr)</b>
Blaydon	450.50	251.20 <sup>a</sup>	x	1114	39.7	x
Gateshead E. & Washington W.	518.90 <sup>a</sup>	258.80 <sup>a</sup>	x	1264 <sup>a</sup>	40.4	x
Houghton & Washington East	534.80 <sup>a</sup>	264.60 <sup>a</sup>	x	1246 <sup>a</sup>	41.9	3.2 <sup>b</sup>
Jarrow	485.40 <sup>a</sup>	x	x	1164 <sup>a</sup>	41.1	x
Newcastle Central	582.70	268.40 <sup>a</sup>	x	1501	39.1	x
Newcastle East & Wallsend (L)	422.60	262.90	x	1079	38.9	x
Newcastle North	550.00 <sup>a</sup>	240.20 <sup>a</sup>	x	1445 <sup>a</sup>	37.9	x
North Tyneside	431.20	255.40	x	1103	38.9	x
South Shields	517.40 <sup>a</sup>	236.60 <sup>a</sup>	x	1342 <sup>a</sup>	38.7	x
Sunderland North	486.20	267.00	x	1246	38.9	x
Sunderland South	445.80 <sup>a</sup>	262.80 <sup>a</sup>	x	1145 <sup>a</sup>	38.7	x
Tyne Bridge	513.60	259.70	x	1333	38.7	1.4 <sup>b</sup>
Tynemouth	597.20 <sup>b</sup>	257.20	x	1327 <sup>a</sup>	40.7	x

a Reasonably precise, CV >5% and <=10%

b Acceptable, CV >10% and <=20%

x Unreliable

Source: Annual Survey of Hours and Earnings 2008 (Tables 9.1a, 9.6a, 9.9a, and 9.11a)

L means low earnings: under £450pw and under £11/hr

Data are for employees at workplaces in the small area.

**Table A3.6: Average earnings by Tyne & Wear Parliamentary Constituency (Men) (2008)**

	<b>Gross weekly earnings (£)</b>	<b>10% earned under (£)</b>	<b>10% earned over (£)</b>	<b>Average hourly earnings (£) (excl. overtime)</b>	<b>Average weekly hours (incl. overtime)</b>	<b>Overtime (hr)</b>
Blaydon	474.50 <sup>a</sup>	x	x	1126 <sup>a</sup>	41.1	x
Gateshead E. & Washington W.	512.10 <sup>a</sup>	x	x	1170 <sup>a</sup>	42.8	x
Houghton & Washington East	560.60 <sup>a</sup>	277.60 <sup>a</sup>	x	1263 <sup>a</sup>	43.2	3.9 <sup>b</sup>
Jarrow	537.30 <sup>a</sup>	x	x	1239 <sup>a</sup>	42.7	x
Newcastle Central	628.10 <sup>a</sup>	268.00 <sup>a</sup>	x	1605 <sup>a</sup>	39.3	x
Newcastle East & Wallsend	467.60 <sup>a</sup>	286.90 <sup>a</sup>	x	1158 <sup>a</sup>	40.1	x
Newcastle North	617.80 <sup>a</sup>	x	x	1586 <sup>a</sup>	38.8	x
North Tyneside	446.50	256.00 <sup>a</sup>	x	1105 <sup>a</sup>	40.1	x
South Shields	548.30 <sup>a</sup>	251.60 <sup>a</sup>	x	1377 <sup>a</sup>	40.0	x
Sunderland North	509.10	285.00 <sup>a</sup>	x	1259	40.2	x
Sunderland South	485.70 <sup>a</sup>	269.90 <sup>a</sup>	x	1240 <sup>a</sup>	38.9	x
Tyne Bridge	546.60	268.10	x	1377	40.0	2.1 <sup>b</sup>
Tynemouth	707.20 <sup>b</sup>	255.20 <sup>a</sup>	x	1404 <sup>a</sup>	43.0	x

a Reasonably precise, CV >5% and <=10%

b Acceptable, CV >10% and <=20%

x Unreliable

Source: Annual Survey of Hours and Earnings 2008 (Tables 9.1a, 9.6a, 9.9a, and 9.11a)

Data are for employees at workplaces in the small area.

**Table A3.7: Average earnings by Tyne & Wear Parliamentary Constituency (Women) (2008)**

	<b>Gross weekly earnings (£)</b>	<b>10% earned under (£)</b>	<b>10% earned over (£)</b>	<b>Average hourly earnings (£) (excl. overtime)</b>	<b>Average weekly hours (incl. overtime)</b>	<b>Overtime (hr)</b>
Blaydon	399.00 <sup>a</sup>	x	x	1086 <sup>a</sup>	36.8	x
Gateshead E. & Washington W.	527.50 <sup>a</sup>	x	x	1391 <sup>a</sup>	37.3	x
Houghton & Washington East	440.60 <sup>b</sup>	x	x	1179 <sup>b</sup>	37.2	x
Jarrow (L)	388.20 <sup>b</sup>	x	x	1016 <sup>b</sup>	38.0	x
Newcastle Central	523.40 <sup>a</sup>	268.40 <sup>a</sup>	x	1363 <sup>a</sup>	38.7	x
Newcastle East & Wallsend (L)	365.60	237.40 <sup>b</sup>	x	976 <sup>a</sup>	37.5	x
Newcastle North	478.20 <sup>a</sup>	x	x	1291 <sup>a</sup>	37.0	x
North Tyneside	407.00 <sup>a</sup>	x	x	1101 <sup>a</sup>	37.0	x
South Shields	472.50 <sup>a</sup>	x	x	1288 <sup>a</sup>	36.7	x
Sunderland North	462.70	250.60 <sup>a</sup>	x	1232	37.5	x
Sunderland South (L)	381.40 <sup>a</sup>	x	x	989 <sup>a</sup>	38.4	x
Tyne Bridge	468.00	247.50	x	1271	36.8	x
Tynemouth	467.30 <sup>a</sup>	x	x	1231 <sup>a</sup>	38.0	x

<sup>a</sup> Reasonably precise, CV >5% and <=10%

<sup>b</sup> Acceptable, CV >10% and <=20%

x Unreliable

Source: Annual Survey of Hours and Earnings 2008 (Tables 9.1a, 9.6a, 9.9a, and 9.11a)

L means low earnings: under £400pw and under £10.20/hr

Data are for employees at workplaces in the small area.

**Table A3.8: Average earnings by Parliamentary Constituency in rest of NE (All FT employees) (2008)**

	<b>Gross weekly earnings (£)</b>	<b>10% earned under (£)</b>	<b>10% earned over (£)</b>	<b>Average hourly earnings (£) (excl. overtime)</b>	<b>Average weekly hours (incl. overtime)</b>	<b>Overtime (hr)</b>
Berwick-upon-Tweed (L)	436.90 <sup>a</sup>	204.90 <sup>a</sup>	x	1062 <sup>a</sup>	40.1	x
Bishop Auckland	471.00 <sup>a</sup>	231.10 <sup>a</sup>	x	1174 <sup>a</sup>	40.2	x
Blyth Valley	512.90 <sup>a</sup>	251.10 <sup>a</sup>	x	1335 <sup>b</sup>	38.7	x
City of Durham	504.40 <sup>a</sup>	271.00	x	12.92 <sup>a</sup>	39.1	x
Darlington	475.80	261.20 <sup>a</sup>	x	1190	39.7	x
Easington (L)	416.10	245.10 <sup>a</sup>	x	1030	39.8	x
Hartlepool	452.00 <sup>a</sup>	220.90 <sup>a</sup>	x	1059 <sup>a</sup>	42.5	x
Hexham	493.00 <sup>a</sup>	278.40 <sup>a</sup>	x	1247 <sup>a</sup>	39.8	x
Middlesbrough	494.80	250.00	x	1252	39.3	1.5 <sup>b</sup>
M'bro South and East Cleveland	487.20 <sup>a</sup>	x	x	1191	40.7	x
North Durham (L)	444.60 <sup>a</sup>	x	x	1078 <sup>a</sup>	40.9	x
North West Durham (L)	408.50 <sup>a</sup>	x	x	953 <sup>a</sup>	42.7	x
Redcar	511.60 <sup>a</sup>	224.80 <sup>a</sup>	x	1242 <sup>a</sup>	41.0	x
Sedgefield	495.40	257.00 <sup>a</sup>	x	1239	39.7	x
Stockton North	495.40	246.90 <sup>a</sup>	x	1227	40.2	x
Stockton South	509.40 <sup>a</sup>	231.80 <sup>a</sup>	x	1284 <sup>a</sup>	39.6	x
Wansbeck	488.90 <sup>a</sup>	x	x	1245 <sup>a</sup>	38.3	x

<sup>a</sup> Reasonably precise, CV >5% and <=10%

<sup>b</sup> Acceptable, CV >10% and <=20%

x Unreliable

Source: Annual Survey of Hours and Earnings 2008 (Tables 9.1a, 9.6a, 9.9a, and 9.11a)

L means low earnings: under £450pw and under £11/hr

Data are for employees at workplaces in the small area.

**Table A3.9: Average earnings by Parliamentary Constituency in rest of NE (Men) (2008)**

	<b>Gross weekly earnings (£)</b>	<b>10% earned under (£)</b>	<b>10% earned over (£)</b>	<b>Average hourly earnings (£) (excl. overtime)</b>	<b>Average weekly hours (incl. overtime)</b>	<b>Overtime (hr)</b>
Berwick-upon-Tweed	507.30 <sup>a</sup>	x	x	1165 <sup>a</sup>	42.5	x
Bishop Auckland	460.60 <sup>a</sup>	x	x	1122 <sup>a</sup>	41.2	x
Blyth Valley	592.80 <sup>b</sup>	x	x	1495 <sup>b</sup>	40.2	x
City of Durham	559.40 <sup>b</sup>	275.90 <sup>a</sup>	x	1406 <sup>b</sup>	40.0	x
Darlington	524.30	265.70 <sup>a</sup>	x	1247 <sup>a</sup>	41.7	x
Easington (L)	449.40 <sup>a</sup>	x	x	1091 <sup>a</sup>	40.6	x
Hartlepool	509.70 <sup>a</sup>	x	x	1145 <sup>a</sup>	44.4	x
Hexham	511.80 <sup>a</sup>	x	x	1241 <sup>a</sup>	41.5	x
Middlesbrough	550.90 <sup>a</sup>	258.50	x	1350 <sup>a</sup>	40.5	x
M'bro South and East Cleveland	535.70 <sup>a</sup>	x	x	1296 <sup>a</sup>	41.3	x
North Durham	487.60 <sup>a</sup>	x	x	1140 <sup>a</sup>	42.4	x
North West Durham (L)	426.50 <sup>a</sup>	x	x	965 <sup>a</sup>	44.0	x
Redcar	563.00 <sup>a</sup>	x	x	1295 <sup>a</sup>	43.3	x
Sedgefield	530.40 <sup>a</sup>	282.50 <sup>a</sup>	x	1307 <sup>a</sup>	40.4	x
Stockton North	558.40 <sup>a</sup>	288.00 <sup>a</sup>	x	1355 <sup>a</sup>	41.4	x
Stockton South	577.30 <sup>a</sup>	255.30 <sup>b</sup>	x	1403 <sup>a</sup>	41.0	x
Wansbeck	526.20 <sup>a</sup>	x	x	1304 <sup>a</sup>	40.0	x

a Reasonably precise, CV >5% and <=10%

b Acceptable, CV >10% and <=20%

x Unreliable

Source: Annual Survey of Hours and Earnings 2008 (Tables 9.1a, 9.6a, 9.9a, and 9.11a)

L means low earnings: under £450 and £11/hr

Data are for employees at workplaces in the small area.

**Table A3.10: Average earnings by Parliamentary Constituency in rest of NE (Women) (2008)**

	<b>Gross weekly earnings (£)</b>	<b>10% earned under (£)</b>	<b>10% earned over (£)</b>	<b>Average hourly earnings (£) (excl. overtime)</b>	<b>Average weekly hours (incl. overtime)</b>	<b>Overtime (hr)</b>
Berwick-upon-Tweed (L)	319.50 <sup>a</sup>	x	x	876 <sup>a</sup>	36.2	x
Bishop Auckland	487.80 <sup>a</sup>	x	x	1263 <sup>a</sup>	38.6	x
Blyth Valley (L)	383.80 <sup>a</sup>	x	x	1059 <sup>a</sup>	36.3	x
City of Durham	428.70 <sup>a</sup>	242.10 <sup>a</sup>	x	1130 <sup>a</sup>	38.0	x
Darlington	415.90 <sup>a</sup>	218.60 <sup>b</sup>	x	1113 <sup>a</sup>	37.2	x
Easington (L)	373.90 <sup>a</sup>	x	x	953 <sup>a</sup>	38.7	x
Hartlepool (L)	360.70 <sup>a</sup>	x	x	912 <sup>a</sup>	39.6	x
Hexham	457.60 <sup>a</sup>	x	x	1259 <sup>a</sup>	36.5	x
Middlesbrough	419.10	239.00 <sup>a</sup>	x	1115 <sup>a</sup>	37.6	x
M'bro South and East Cleveland	419.90 <sup>b</sup>	x	x	1044 <sup>a</sup>	40.0 <sup>a</sup>	x
North Durham (L)	334.50 <sup>a</sup>	x	x	904 <sup>a</sup>	37.0	x
North West Durham (L)	363.60 <sup>b</sup>	x	x	920 <sup>b</sup>	39.5	x
Redcar	407.20 <sup>a</sup>	x	x	1124 <sup>a</sup>	36.3	x
Sedgefield	405.20 <sup>a</sup>	x	x	1057 <sup>a</sup>	38.1	x
Stockton North (L)	384.70 <sup>a</sup>	x	x	995 <sup>a</sup>	38.2	x
Stockton South (L)	374.80 <sup>a</sup>	x	x	1023 <sup>a</sup>	36.8	x
Wansbeck	447.00 <sup>a</sup>	x	x	1173 <sup>a</sup>	36.3	x

a Reasonably precise, CV >5% and <=10%

b Acceptable, CV >10% and <=20%

x Unreliable

Source: Annual Survey of Hours and Earnings 2008 (Tables 9.1a, 9.6a, 9.9a, and 9.11a)

L means low earners: under £400pw and £10.60/hr

Data are for employees at workplaces in the small area.