

Article

Supplementary analysis of average weekly earnings: September 2016



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1 . Introduction

This note presents 2 analyses of the average weekly earnings (AWE) figures, which are published in the [UK Labour Market statistical bulletin](#). We will update these analyses every month. The first section describes real AWE, which is AWE deflated by the Consumer Price Index. The second section analyses single month movements in the nominal AWE.

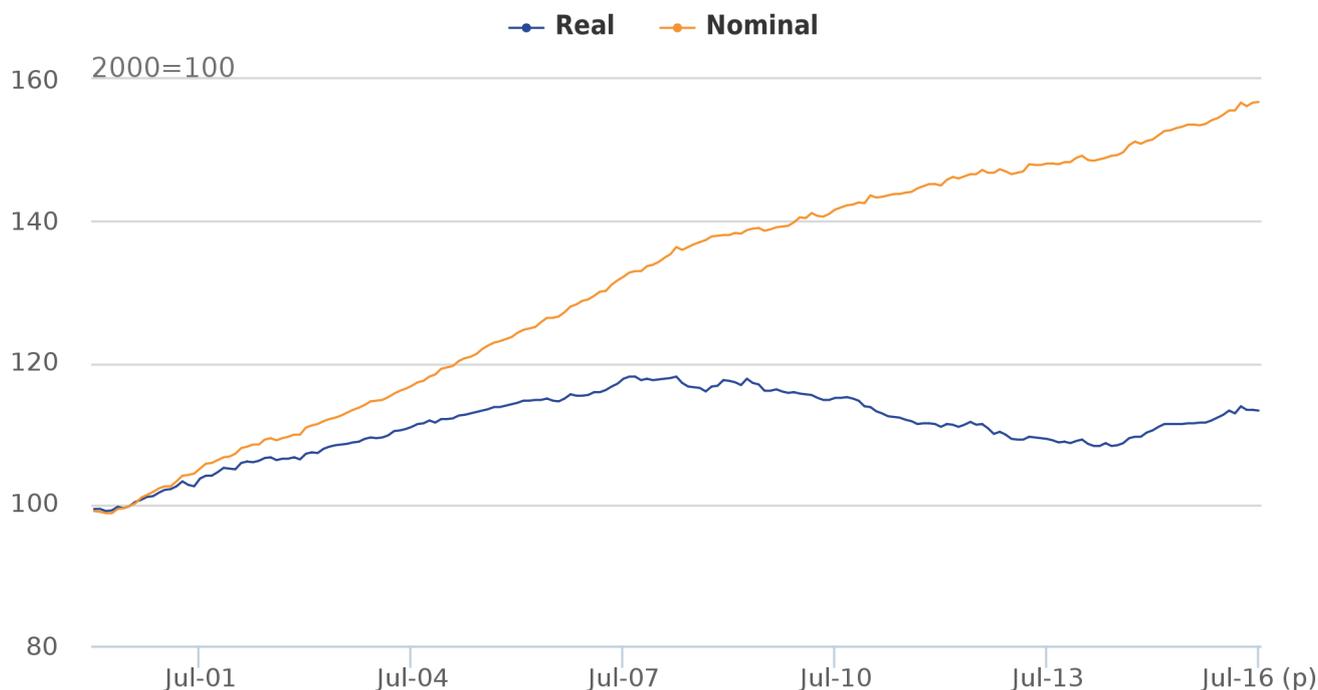
2 . Real average weekly earnings

The charts show the recent movements in real AWE (whole economy). This is calculated as nominal unadjusted AWE, divided by the Consumer Price Index (CPI). This series is calculated for regular and total pay at the whole economy level and then seasonally adjusted. The data in Figures 1 and 2 are levels of real and nominal AWE, shown on a monthly basis, with an index of 2000 = 100. Figure 3 shows 3 months on 3 months previous year increases in these derived indices. The data are available in [dataset EARN01](#), together with estimates of real AWE at 2000 prices.

Comparing the 3 months to July 2016 with the same period in 2015, real AWE (total pay) grew by 1.9%, which is 0.3 percentage points lower than seen in the 3 months to June. Nominal AWE (total pay) grew by 2.3% in the 3 months to July 2016, while the CPI increased by 0.6% in the year to July. Over the same 3 month period, real AWE (regular pay) grew by 1.7%, compared with 2.0% in the 3 months to June. The nominal AWE (regular pay) rose by 2.1% in the 3 months to July.

Figure 1: Average weekly earnings regular pay: real and nominal, seasonally adjusted, 2000=100

Great Britain, January 2000 to July 2016



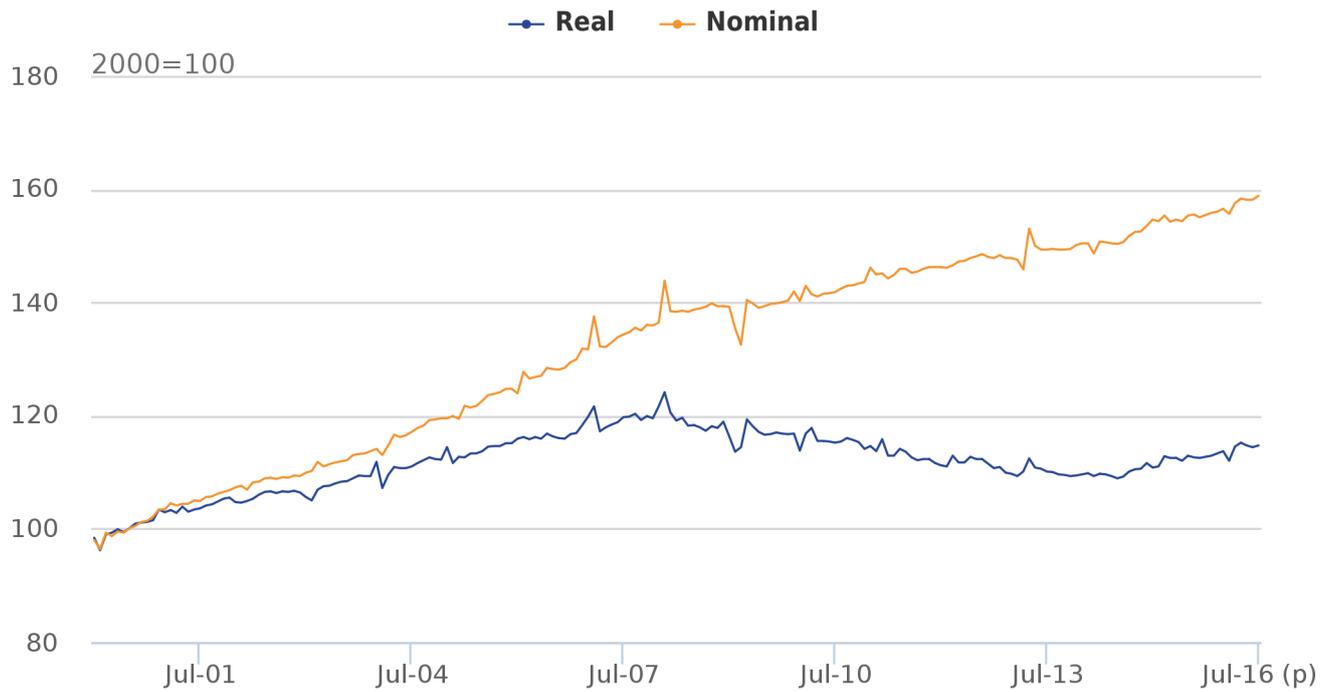
Source: Office for National Statistics, Monthly Wages and Salaries Survey (MWSS)

Notes:

1. p = provisional
r = revised.

Figure 2: Average weekly earnings total pay: real and nominal, seasonally adjusted, 2000=100

Great Britain, January 2000 to July 2016



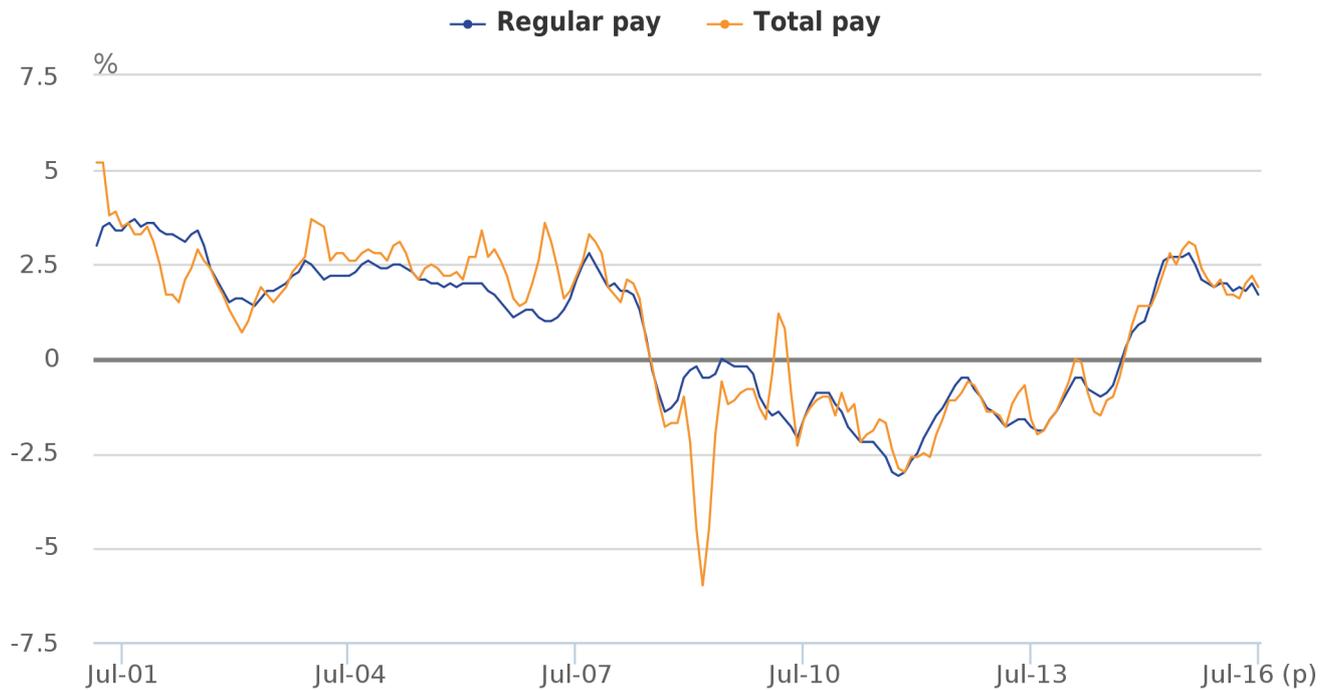
Source: Office for National Statistics, Monthly Wages and Salaries Survey (MWSS)

Notes:

1. p = provisional
r = revised.

Figure 3: Average weekly earnings total and regular real pay annual growth rates, seasonally adjusted

Great Britain, January to March 2001 to May to July 2016 (3 month average time periods)



Source: Office for National Statistics, Monthly Wages and Salaries Survey (MWSS)

Notes:

- 1. p = provisional
r = revised.

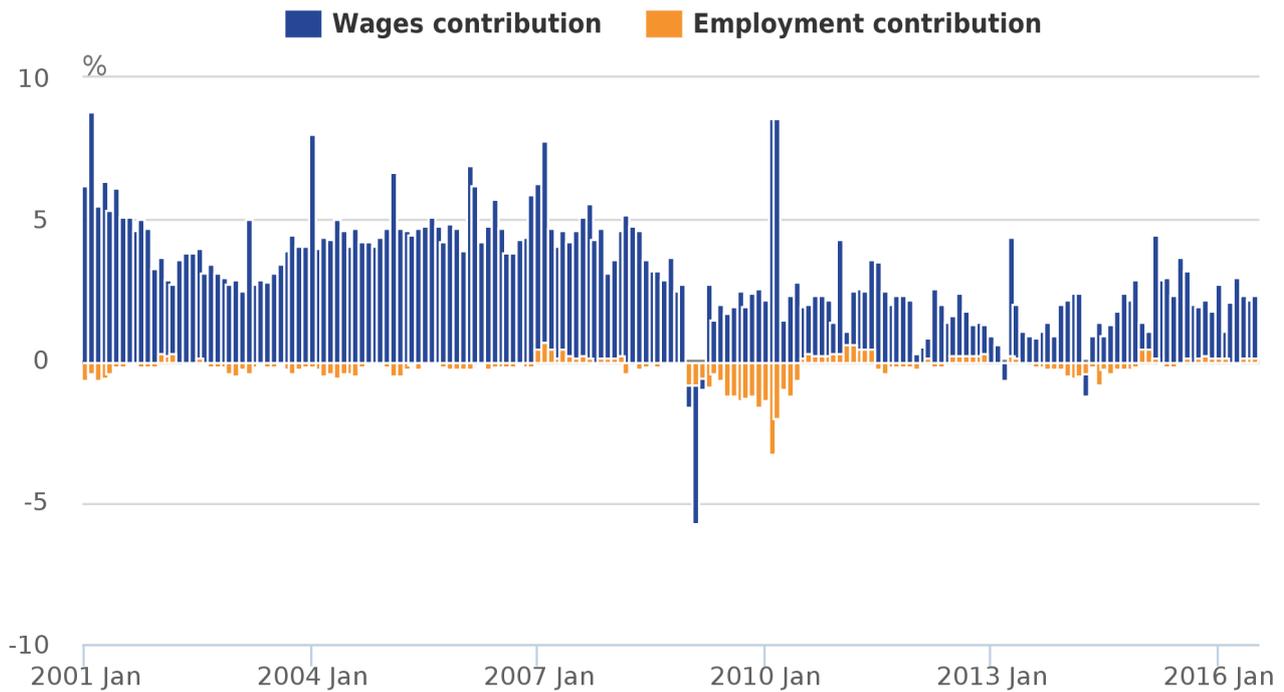
3 . Contributions to nominal average weekly earnings – single month

The wages and employment contributions underlying the latest AWE data are available on our website in the [EARN02 dataset](#) each month. The “employment contribution”, shown in these charts, changes if the relative proportion of employment in the 24 industrial headings changes, but will not necessarily change if total employment increases. Employment contributions were significantly negative in 2009 and 2010, largely caused by a shift away from employment in financial and insurance activities, which are relatively highly paid industries.

Figures 4 and 5 summarise the recent figures.

Figure 4: Average weekly earnings total pay by contributions

Great Britain, January 2001 to July 2016



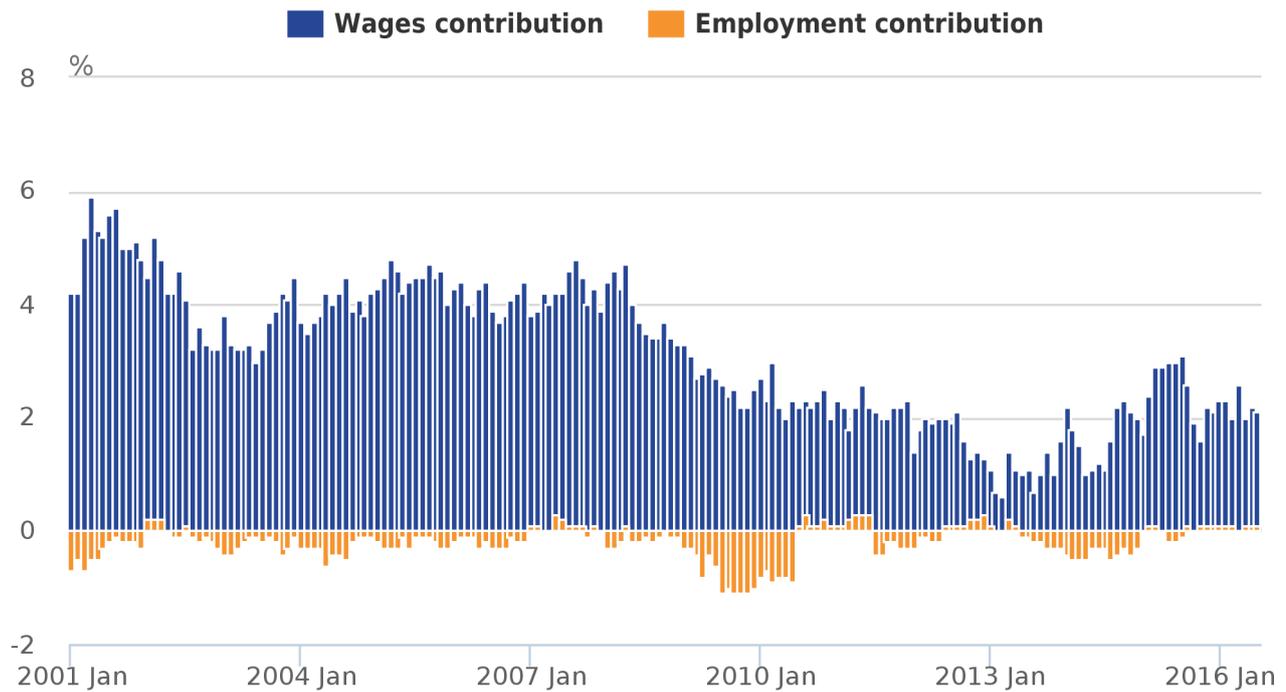
Source: Office for National Statistics, Monthly Wages and Salaries Survey (MWSS)

Notes:

1. p = provisional
r = revised.

Figure 5: Average weekly earnings regular pay by contributions

Great Britain, January 2001 to July 2016



Source: Office for National Statistics, Monthly Wages and Salaries Survey (MWSS)

Notes:

1. p = provisional
r = revised

Employment contributions were 0.1% for both total pay and regular pay in July 2016.