

Shropshire Economy and Employment

Analysis of Earnings

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Information Reporting Insight
S h r o p s h i r e



Key Statistics for Shropshire

Workplace Pay (Full-time employees)

Per Hour

£13.03

Per Week

£532.90

Per Year

£28,424

Residents' Pay (Full-time employees)

Per Hour

£14.01

Per Week

£574.90

Per Year

£30,305

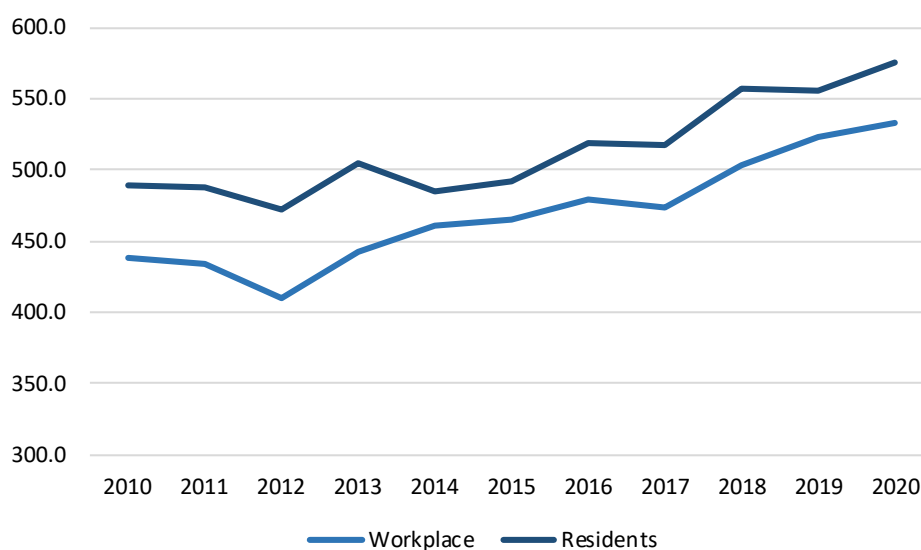
Key Trends

Shropshire's economy has traditionally comprised a range of predominantly low paid industrial sectors, including agriculture, tourism and food and drink. This means that historically, workplace wages have been significantly lower than national or regional averages which has impacted adversely on Shropshire's productivity.

Although workplace earnings are below average for Great Britain, residents' earnings are more closely aligned to the national average¹. The differential between workplace and residents' earnings is influenced by the high level of out-commuting amongst the top earners and, conversely, relatively high levels of in-commuting amongst the lowest paid. This suggests that the high quality of life Shropshire offers – including its unique natural and historic environment, low levels of deprivation and strong educational and cultural offer – attracts residents who are prepared to travel out of county for better paid jobs elsewhere. This trend is likely to strengthen given the prevalence of home working and hybrid working patterns that have been brought about by the Covid-19 pandemic.

Despite this, the gap between workplace and residents' earnings has narrowed slightly over the last decade, with the former increasing by 21.7% between 2010 and 2020 and the latter by 17.5%. This notwithstanding, residents' earnings remain £42.00 per week higher than workplace earnings (7.9% more).

Trends in Wage Levels in Shropshire, 2010-2020



Source: ONS Annual Survey of Hours & Earnings, 2020, Workplace & Resident, © Crown Copyright, 2021

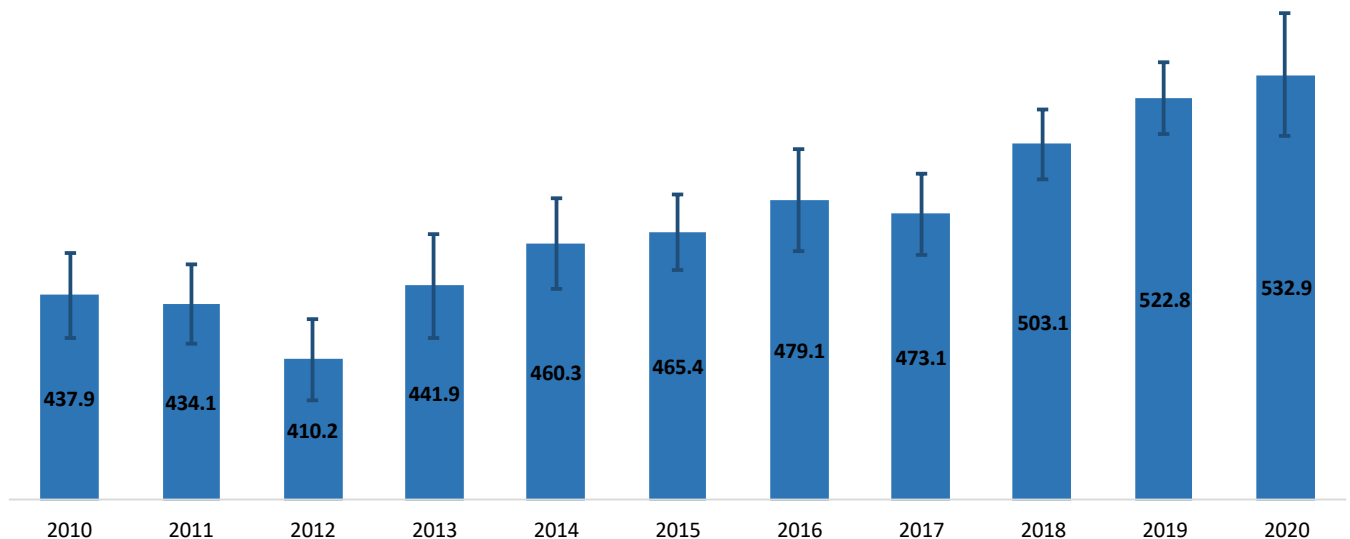
¹ Workplace earnings refer to those who work in Shropshire, but who do not necessarily live there. Residents' earnings refer to workers who live in Shropshire, but who do not necessarily work there.

Workplace Earnings

Workplace Earnings: Full-time Employees

Median workplace earnings for full-time employees in Shropshire stood at £532.90 gross per week in April 2020, which is the annual equivalent of £28,424. Earnings were £10.10 per week higher in 2020 than they were in 2019 (+1.9% higher). Since 2010, median earnings for those working in Shropshire have risen in line with inflation (according to the CPI) at 21.7%.

Workplace Earnings in Shropshire: 2010-2020

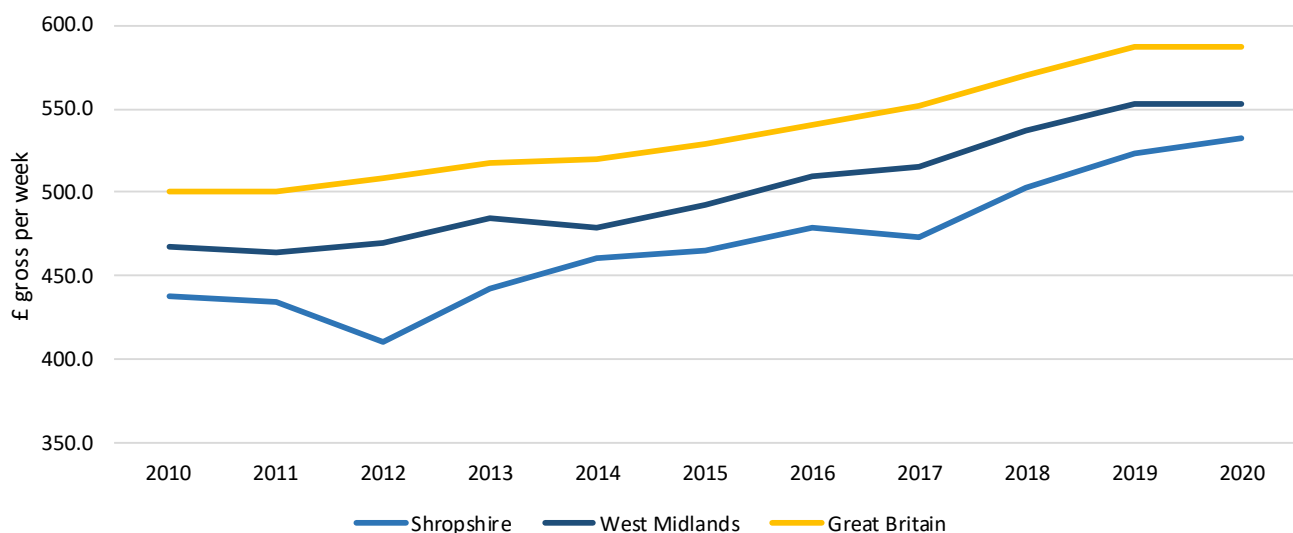


Source: ONS Annual Survey of Hours & Earnings, 2020, Workplace, © Crown Copyright, 2021

Note: Confidence levels range from 2.9 to 5.1 over the 2010 to 2020 period. For 2020, this means that weekly median earnings are 95% likely to fall between a low of £506.26 and a high of £559.55.

Median earnings in Shropshire are subject to a higher level of fluctuation than is the case regionally or nationally (in some part due to lower confidence levels), but over the course of the last decade, wage growth in Shropshire has exceeded growth in the West Midlands and Great Britain (+21.7% or an average annual +1.9% for Shropshire against +17.3% cumulative or an average annual +1.6% for Great Britain and +18.2% cumulative or an average annual 1.7% in the West Midlands).

Growth in Median Workplace Earnings, 2010-2020



Source: ONS Annual Survey of Hours & Earnings, 2020, Workplace, © Crown Copyright, 2021

Despite faster wage growth in Shropshire, workplace earnings remain lower than the national and regional average, although the gap has narrowed over the last decade. In 2020, Shropshire workers earned on average £53.80 less than their national counterparts (9.2% less) and £19.60 less than their colleagues in the West Midlands (3.5% less).

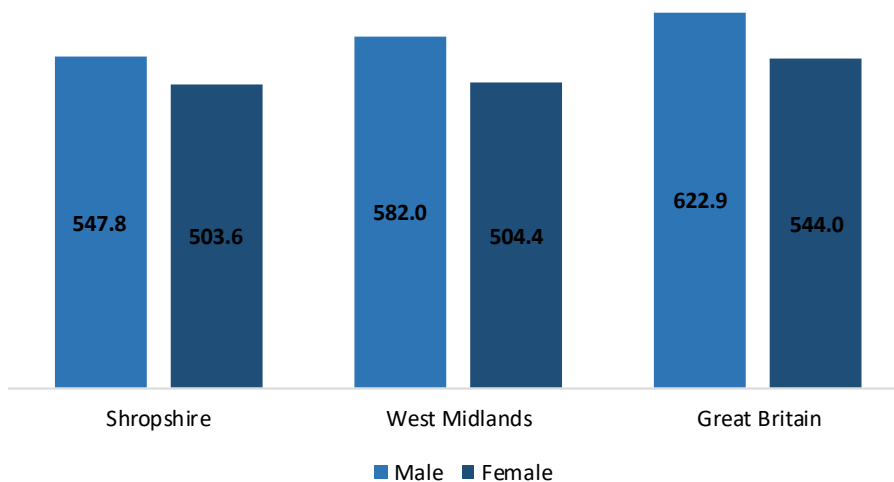
Workplace Earnings: Male/Female Earnings

Across the country a significant gender pay gap is in evidence, although this is less acute in Shropshire than in many other places. In 2020, women working full-time in Shropshire earned an average of £503.60 per week compared to an average of £547.80 for men. This constitutes a difference of £44.20 and means that women command average wages that are 8.1% lower than men. Nationally, women earn on average £77.60 less per week than men, which is a difference of 12.7%. In the West Midlands, the gap is even wider at 13.3%.

Despite the continued disparity between wage levels in Shropshire compared to the wider West Midlands region, female workers in Shropshire now earn just £0.80 less per week than their West Midlands counterparts. They earn on average £40.40 less than their national counterparts (7.4% less). Men who work in Shropshire earn 12.1% less than the national average for males, which is the equivalent of £75.10 less per week.

The gender pay gap has narrowed across the country over the last decade, but especially in Shropshire. Between 2010 and 2020, male earnings rose by 13.4% while female earnings increased by 39.4%.

Gender Pay Gap: Shropshire, West Midlands & Great Britain, 2020



Source: ONS Annual Survey of Hours & Earnings, 2020, Workplace, © Crown Copyright, 2021

The table below shows the weekly gross median earnings for both men and women in Shropshire, the West Midlands and Great Britain since 2010.

Workplace Earnings: Full-time Employees, 2010-2020

	£ gross per week								
	Shropshire			West Midlands			Great Britain		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
2010	483.20	361.20	437.90	502.10	399.80	467.40	540.40	439.80	500.30
2011	480.00	374.50	434.10	501.60	402.40	464.40	540.60	440.40	500.00
2012	460.10	361.00	410.20	508.10	408.60	469.20	548.30	449.30	507.90
2013	498.70	374.90	441.90	528.10	416.80	484.50	558.60	459.50	517.60
2014	493.90	367.40	460.30	518.90	420.00	479.20	561.20	462.20	520.40
2015	488.00	400.00	465.40	535.80	429.60	492.10	570.00	470.60	528.50
2016	530.50	383.50	479.10	557.40	440.80	509.80	580.40	480.80	540.10
2017	513.80	410.60	473.10	561.90	451.30	514.80	594.00	493.50	552.00
2018	518.70	475.50	503.10	583.00	472.30	536.60	611.10	509.10	579.20
2019	549.00	498.30	522.80	595.70	492.60	552.50	632.30	528.40	587.00
2020	547.80	503.60	532.90	582.00	504.40	552.50	622.90	544.00	586.70

Source: ONS Annual Survey of Hours & Earnings, 2020, Workplace, © Crown Copyright, 2021

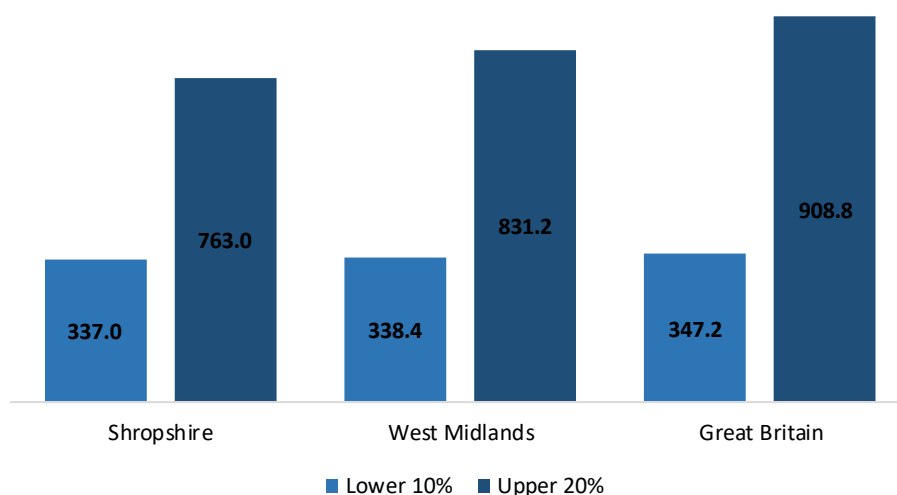
Workplace Earnings: High and Low Earners

The threshold for the lowest decile of earners in Shropshire in 2020 was £337.00 per week, meaning that 10% of those working in the county earned less than this per week. At the other end of the scale, the highest 20% of earners earned more than £763.00 per week. This means that the highest paid earn at least 126.4% more than the lowest paid. The national and regional thresholds for the lowest 10% of earners are similar to Shropshire's - just £1.40 higher in the West Midlands and £10.20 higher for Great Britain. Relative uniformity in rates of pay for the lowest paid will have been influenced by the implementation of the national minimum wage and national living wage.

For the highest earners, however, there is a notable difference between the threshold for the top quintile in Shropshire compared to the Great Britain average, with a £145.80 difference (16% lower in Shropshire). The differential is less acute in the West Midlands (£68.20 lower in Shropshire).

The difference between the highest and lowest paid has narrowed slightly over the last decade. The threshold for the lowest paid 10% of workers in Shropshire rose by 32.3% between 2010 and 2020 compared with a rise of 17.5% in the threshold for the highest paid quintile. This trend was replicated in the West Midlands (lowest decile +28.5%, highest quintile +17%) and Great Britain (lowest decile +25.6%, highest quintile +18%).

Highest and Lowest Workplace Earning Thresholds, 2020



Source: ONS Annual Survey of Hours & Earnings, 2020, Workplace, © Crown Copyright, 2021

Workplace Earnings: Part-time Employees

The differential between part-time earnings in Shropshire compared with the regional and national average is much less pronounced than it is for full-time earnings. In 2020, Shropshire part-time employees were paid an average of £4.00 per week less than their national or regional colleagues (2% less). Part-time earnings have risen notably faster than full-time earnings over the last 10 years, rising by 31.7% compared to growth of 21.7% in full-time weekly earnings (approximately +1% per annum above the rate of inflation for part-time earnings). The same trend is in evidence in the West Midlands and Great Britain, where part-time wages rose by 33.8% and 31.9% respectively between 2010 and 2020.

Part-time wages are naturally influenced by the number of hours worked. In Shropshire, the number of hours worked is comparatively low, at 17.1 in 2020 compared with 19.0 in the West Midlands and 18.9 in Great Britain.

Workplace Earnings: Part-time Employees, 2010-2020

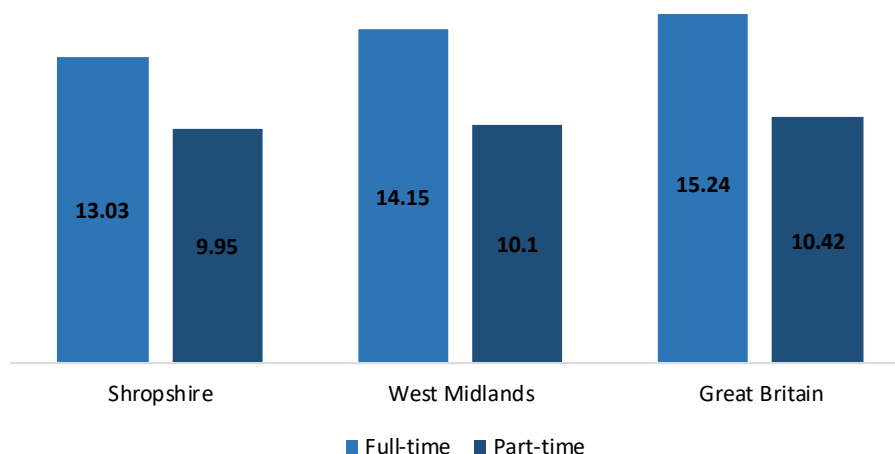
£ gross per week			
	Shropshire	West Midlands	Great Britain
2010	151.00	151.60	153.80
2011	158.20	149.70	153.00
2012	156.80	152.60	155.30
2013	164.50	157.50	160.00
2014	164.20	158.90	161.30
2015	163.90	161.60	166.60
2016	153.60	173.80	177.40
2017	177.10	181.40	182.30
2018	187.40	185.90	187.30
2019	169.90	194.20	197.00
2020	198.90	202.90	202.90

Source: ONS Annual Survey of Hours & Earnings, 2020, Workplace, © Crown Copyright, 2021

The hourly rate for part-time workers in Shropshire is slightly lower than the regional and national rates (£9.95 compared with £10.10 and £10.42). The hourly rate compares unfavourably with the rate per hour commanded by full-time workers, who earned an average of £13.03 per hour in Shropshire in 2020, which is £3.08, or 31% more. The discrepancy between hourly pay is even greater nationally, where full-time workers command 46.3% more than their part-time counterparts.

Hourly wages for part-time workers have risen slightly faster than for full-time equivalents since 2010, at +25.5% (part-time) compared with +21.9% (full-time).

Full-time and Part-time Hourly Workplace Earnings, 2020

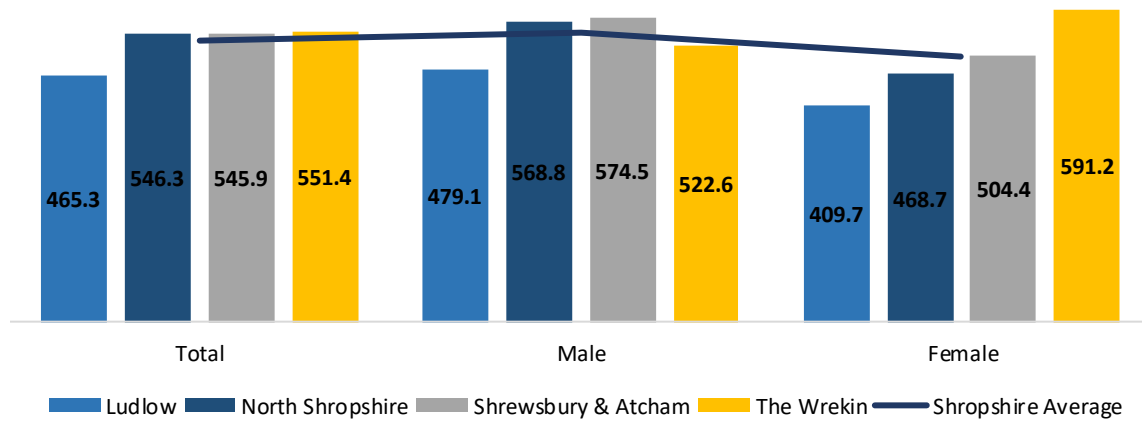


Source: ONS Annual Survey of Hours & Earnings, 2020, Workplace, © Crown Copyright, 2021

Workplace Earnings: Sub-County Wage Levels

Wage rates are available at parliamentary constituency level. These show that workplace wage levels in Shrewsbury & Atcham are most closely aligned with the Shropshire average, albeit just very slightly higher. Wages for full-time employees are likewise marginally higher in North Shropshire, as are male earnings. Female earnings, however, lag behind the Shropshire average. Wages levels in Ludlow are significantly lower than in other parts of the county, at £67.60 per week less. In The Wrekin, only a small portion of which falls into the Shropshire local authority area, female earnings are higher than male earnings.

Workplace Earnings by Parliamentary Constituency, 2020



Source: ONS Annual Survey of Hours & Earnings, 2020, Workplace, © Crown Copyright, 2021

Workplace Wages: Statistical Neighbour Comparison

Historically, Shropshire workplace earnings have been lower than many local authorities which have a similar socio-demographic and industrial mix. However, wage levels in Shropshire have risen more rapidly over the last decade than in most of its near neighbour authorities and wage levels are now much more aligned to the average as shown in the table below. Wage levels in Gloucestershire, Wiltshire, Dorset and Norfolk are slightly higher than in Shropshire, while in Lincolnshire, Somerset and Suffolk, wages are slightly lower. Wages levels are lowest in Devon, Worcestershire and Herefordshire. In the case of Worcestershire, workplace wages declined significantly in 2020.

Median Weekly Workplace Earnings, 2020

	£ gross per week	% higher/lower than Shropshire
Gloucestershire	541.60	+1.6%
Wiltshire	539.40	+1.2%
Dorset	537.00	+0.8%
Norfolk	536.30	+0.6%
Shropshire	532.90	-
Lincolnshire	532.20	-0.1%
Somerset	526.10	-1.3%
Suffolk	522.30	-2.0%
Devon	513.00	-3.7%
Worcestershire	504.40	-5.3%
Herefordshire	480.50	-9.8%

Source: ONS Annual Survey of Hours & Earnings, 2020, Workplace, © Crown Copyright, 2021

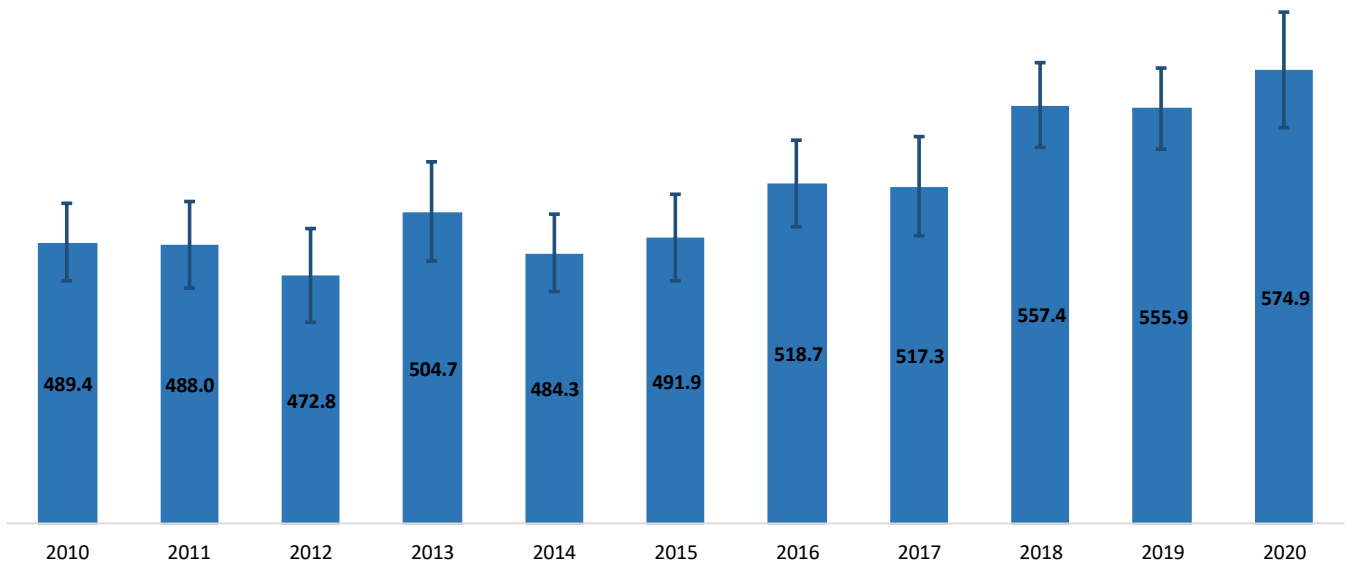
Looking more widely at workplace wages across all local authorities in Great Britain, Shropshire is in the second lowest quintile.

Residents' Earnings

Residents' Earnings: Full-time Employees

Residents' earnings for full-time employees in Shropshire stood at £574.90 gross per week in April 2020, which is the annual equivalent of £30,305. Earnings were £19.00 per week higher in 2020 than they were in 2019 (+3.4% higher). Since 2010, median earnings for workers living in Shropshire have risen at a lower rate than inflation (according to the CPI) at 17.5%.

Residents' Earnings in Shropshire: 2010-2020

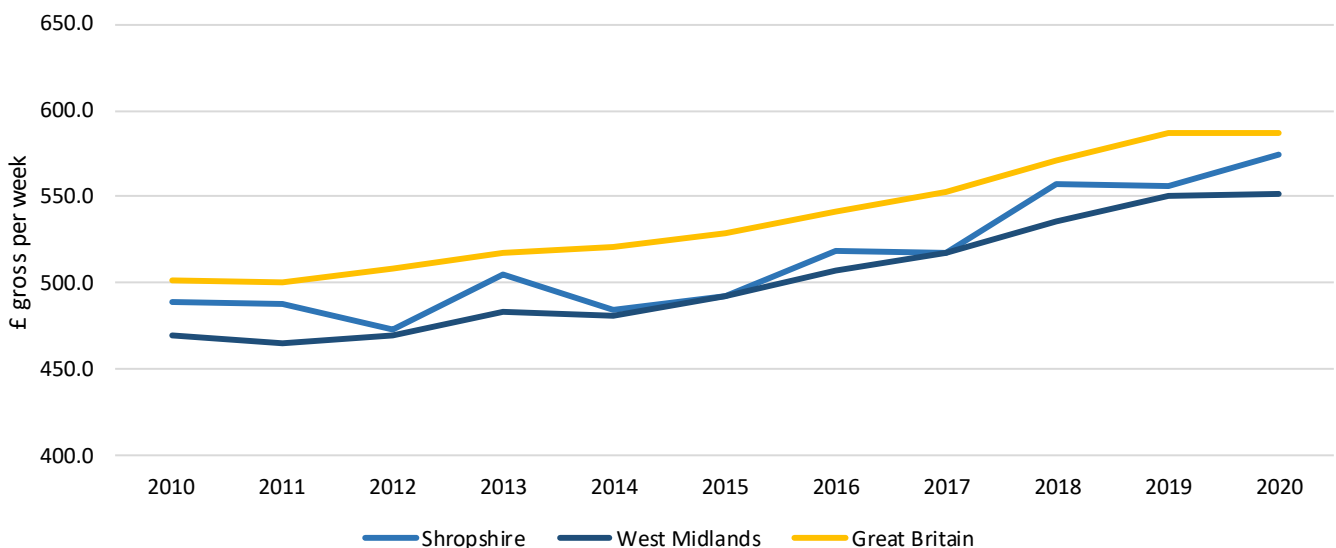


Source: ONS Annual Survey of Hours & Earnings, 2020, Residents, © Crown Copyright, 2021

Note: Confidence levels range from 3.6 to 5.0 over the 2010 to 2020 period. For 2020, this means that weekly median earnings are 95% likely to fall between a low of £546.12 and a high of £603.65.

Median earnings in Shropshire are subject to a higher level of fluctuation than is the case regionally or nationally (in some part due to lower confidence levels), but over the course of the last decade, wage growth in Shropshire has been comparable to both national and regional growth (+17.5 for Shropshire, or an average annual +1.7%, compared with +17% nationally and +17.6% in the West Midlands).

Growth in Median Residents' Earnings, 2010-2020



Source: ONS Annual Survey of Hours & Earnings, 2020, Residents, © Crown Copyright, 2021

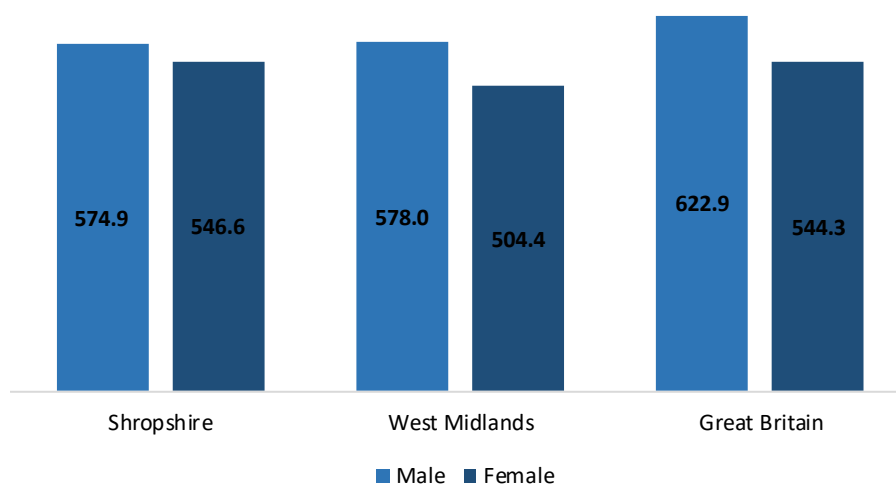
The earnings commanded by employees who live in Shropshire is much more closely aligned to the national average than workplace earnings. Shropshire workers earned £12.20 less than their national counterparts in 2020, which equates with 2.1% less. The gap between local and national pay rates has fluctuated over the last decade but was much the same in 2020 as it was in 2010. Shropshire residents earn more per week on average than their regional colleagues - £23.20 or 4.2% more.

Residents' Earnings: Male/Female Earnings

Across the country a significant gender pay gap is in evidence, although this is less acute in Shropshire than in many other places. In 2020, women resident in Shropshire and working full-time earned an average of £546.60 per week compared to an average of £574.90 for men. This constitutes a difference of £28.30 and means that women command average wages that are 4.9% lower than men. Nationally, women earn on average £78.60 less per week than men, which is a difference of 12.6%. In the West Midlands, the gap is similar at 12.7%.

The gender pay gap has narrowed across the country over the last decade, but especially in Shropshire. Between 2010 and 2020, male earnings rose by just 8.8% while female earnings increased by 35.8%. As a result of this growth female workers living in Shropshire now earn more than their regional and national counterparts (£42.20 more per week than the West Midland average and £2.30 more than the national average). Men who work full-time and live in Shropshire earn 7.7% less than the national average for males, which is the equivalent of £48.00 less per week.

Gender Pay Gap: Shropshire, West Midlands & Great Britain, 2020



Source: ONS Annual Survey of Hours & Earnings, 2020, Residents, © Crown Copyright, 2021

The table below shows the weekly gross median earnings for both men and women in Shropshire, the West Midlands and Great Britain since 2010.

Residents' Earnings: Full-time Employees, 2010-2020

	£ gross per week								
	Shropshire			West Midlands			Great Britain		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
2010	528.50	402.40	489.40	503.50	401.90	469.20	541.30	440.00	501.70
2011	528.70	402.30	488.00	501.01	402.50	465.20	541.40	440.80	500.20
2012	505.50	406.70	472.80	508.80	412.00	469.30	548.80	449.80	508.30
2013	536.90	439.10	504.70	528.10	420.80	483.00	559.00	459.70	517.90
2014	511.10	416.10	484.30	519.60	421.90	481.20	562.20	462.60	521.10
2015	505.70	447.10	491.90	534.80	431.30	492.10	570.50	470.80	529.00
2016	548.70	447.90	518.70	549.40	443.60	507.60	580.90	481.10	540.90
2017	551.30	457.00	517.30	560.60	454.70	517.10	594.10	493.80	552.30
2018	575.00	517.10	557.40	576.90	472.60	535.50	611.80	509.10	570.50
2019	574.90	530.70	555.90	588.60	495.30	550.80	632.40	529.00	587.50
2020	574.90	546.60	574.90	578.00	504.40	551.70	622.90	544.30	587.10

Source: ONS Annual Survey of Hours & Earnings, 2020, Residents, © Crown Copyright, 2021

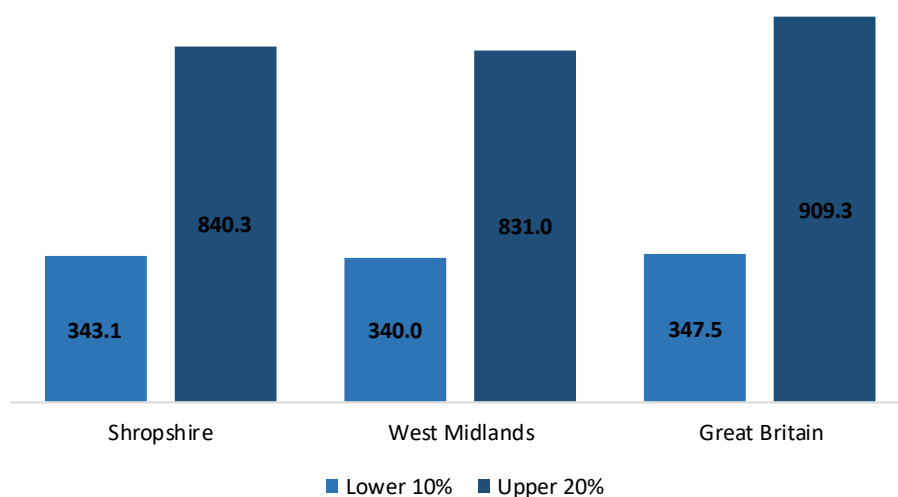
Residents' Earnings: High and Low Earners

The threshold for the lowest decile of earners living in Shropshire in 2020 was £343.10 per week, meaning that 10% of those living in the county earned less than this per week. At the other end of the scale, the highest 20% of earners earned more than £840.30 per week. This means that the highest paid earn at least 144.9% more. The national and regional thresholds for the lowest 10% of earners are similar to Shropshire's - just £4.40 higher for Great Britain and £3.10 lower for the West Midlands. Relative uniformity in rates of pay for the lowest paid will have been influenced by the implementation of the national minimum wage and national living wage.

For the highest earners there is a notable difference between the threshold for the top quintile in Shropshire compared to the Great Britain average, with a £69.00 difference (7.6% lower in Shropshire). The differential is much less acute in the West Midlands, with the regional top quintile threshold standing £9.30 lower than the Shropshire threshold.

The difference between the highest and lowest paid has narrowed over the last decade. The threshold for the lowest paid 10% of workers in Shropshire rose by 32.0% between 2010 and 2020 compared with a rise of 11.6% in the threshold for the highest paid quintile. This trend was replicated in the West Midlands (lowest decile +28.4%, highest quintile +16.6%) and Great Britain (lowest decile +25.5%, highest quintile +17.9%).

Highest and Lowest Residents' Earning Thresholds, 2020



Source: ONS Annual Survey of Hours & Earnings, 2020, Workplace, © Crown Copyright, 2021

Residents' Earnings: Part-time Employees

The differential between part-time earnings in Shropshire compared with the regional and national average is much less pronounced than it is for full-time earnings. In 2020, part-time employees living in Shropshire were paid an average of £1.20 per week less than national colleagues and £1.70 less than regional colleagues (less than 1% less). Part-time earnings have risen notably faster than full-time earnings over the last 10 years, rising by 24.9% compared to growth of 17.5% in the full-time earnings (approximately +0.5% per annum above the rate of inflation for part-time earnings). The same trend is in evidence in The West Midlands and Great Britain, where part-time wages rose by 32.2% and 31.5% respectively between 2010 and 2020.

Part-time wages are naturally influenced by the number of hours worked. In Shropshire, the number of hours worked by part-time employees who live in the county is very slightly lower than the number of hours worked by regional and national counterparts (18.5 compared with 19.3 hours in the West Midlands and 18.9 hours in Great Britain).

Residents' Earnings: Part-time Employees, 2010-2020

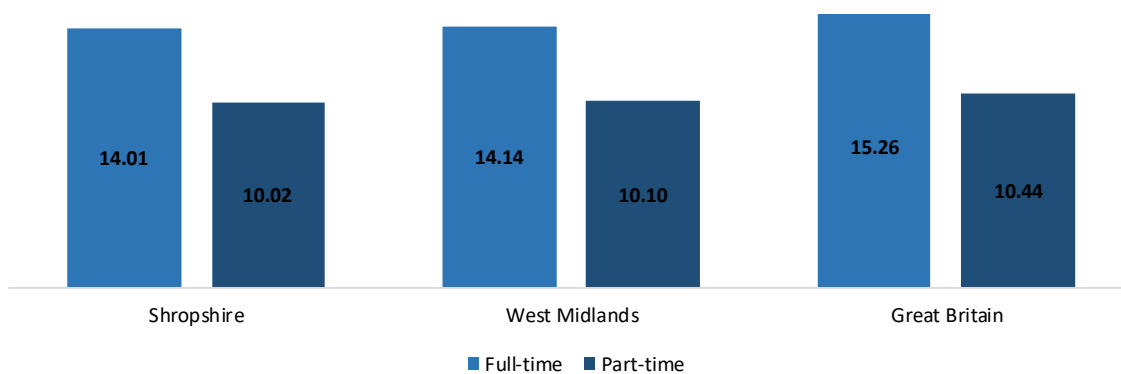
	£ gross per week		
	Shropshire	West Midlands	Great Britain
2010	161.80	154.20	154.60
2011	164.40	150.00	153.60
2012	155.90	153.60	155.70
2013	163.60	160.00	160.20
2014	172.50	161.00	161.70
2015	178.80	161.90	166.80
2016	169.90	174.80	177.90
2017	183.00	181.20	182.50
2018	193.70	186.80	187.30
2019	180.00	195.50	197.00
2020	202.10	203.80	203.30

Source: ONS Annual Survey of Hours & Earnings, 2020, Residents, © Crown Copyright, 2021

The hourly rate for part-time workers living in Shropshire is slightly lower than the regional and national rates (£10.02 compared with £10.10 and £10.44). The hourly rate compares unfavourably with the rate per hour commanded by full-time workers resident in the county, who earned an average of £14.01 per hour in 2020, which is £3.99, or 40% more. The discrepancy between hourly pay is even greater nationally, where full-time workers command 46.2% more than their part-time counterparts.

Hourly wages for part-time workers have risen slightly faster than for full-time equivalents since 2010, at +22.6% (part-time) compared with +14.7% (full-time).

Full-time and Part-time Hourly Residents' Earnings, 2020

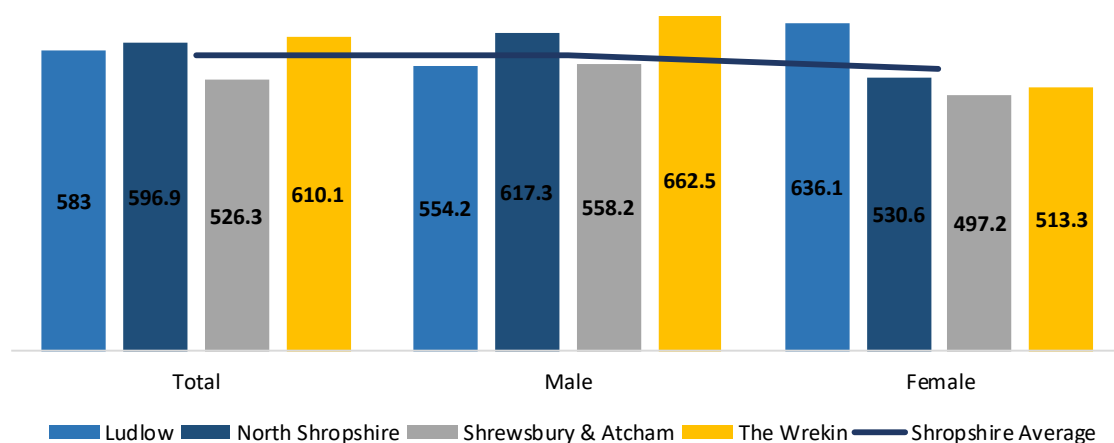


Source: ONS Annual Survey of Hours & Earnings, 2020, Residents, © Crown Copyright, 2021

Residents' Earnings: Sub-County Wage Levels

Wage rates are available at parliamentary constituency level. These show that the wage levels of residents of Shrewsbury & Atcham are lower than the Shropshire average, with female earnings in particular lagging behind. Wages for full-time employees are marginally higher for those living in North Shropshire, especially in respect of male earnings, with female earnings slightly lower than the Shropshire average. Wages levels of those living in Ludlow are about average compared with the Shropshire average. While male earnings are £20.70 per week less than average, female earnings are £89.50 per week higher than average, with female earnings surpassing male earnings by 14.8%. In The Wrekin, only a small portion of which falls into the Shropshire local authority area, male earnings are higher than anywhere else in the county.

Residents' Earnings by Parliamentary Constituency, 2020



Source: ONS Annual Survey of Hours & Earnings, 2020, Residents, © Crown Copyright, 2021

Residents' Wages: Statistical Neighbour Comparison

Historically, Shropshire residents' earnings have been higher than many local authorities which have a similar socio-demographic and industrial mix. This remains the case, with weekly earnings higher in Shropshire than any other near neighbour authorities except Wiltshire (with Gloucestershire also very close). Wages levels are lowest in Devon, Worcestershire and Herefordshire. In the case of Worcestershire, residents' wages declined significantly in 2020 (as did workplace wages).

Median Weekly Residents' Earnings, 2020

	£ gross per week	% higher/lower than Shropshire
Shropshire	574.9	-
Wiltshire	574.9	0.0%
Gloucestershire	574.0	-0.2%
Lincolnshire	550.1	-4.3%
Somerset	538.5	-6.3%
Suffolk	538.4	-6.4%
Dorset	538.1	-6.5%
Norfolk	537.3	-6.5%
Worcestershire	537.2	-6.6%
Herefordshire	535.5	-6.9%
Devon	528.3	-8.1%

Source: ONS Annual Survey of Hours & Earnings, 2020, Residents, © Crown Copyright, 2021

Looking more widely at residents' wages across all local authorities in Great Britain, Shropshire is in the middle quintile, ranking 104th lowest of 206 authorities.

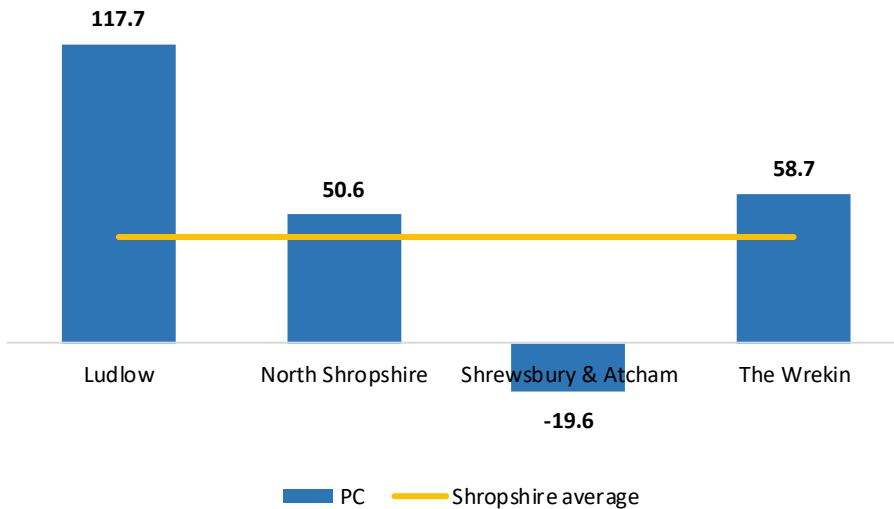
Workplace & Residents' Earnings: Differences by Geographic Location

Although the difference between workplace and residents' wages in Shropshire is substantial, the gap has narrowed from £62.80 in 2013 to £42.00 in 2020. There is very little difference in workplace and residents' earnings regionally and nationally given much more limited in and out-commuting. In the West Midlands, workplace earnings were £0.80 higher than residents' earnings in 2020, while in Great Britain, residents' earnings were £0.40 higher than workplace earnings in the same year.

While the difference between the threshold for the lowest 10% of workers amounts to just £6.10 per week when comparing residents' earnings to workplace earnings in Shropshire, for the highest paid the difference is substantial. The threshold for the top quintile of earners is £77.30 higher for those living in Shropshire (but who may work elsewhere) compared to those who work there (but who may live elsewhere).

The difference between residents' and workplace earnings is far from uniform across Shropshire. Residents' pay is actually lower than workplace pay in Shrewsbury & Atcham (£19.60 less), perhaps reflecting the greater employment density in this parliamentary constituency and resultant lower levels of out-commuting and higher levels of in-commuting. Elsewhere, the difference between workplace and residents' earnings in North Shropshire and The Wrekin is similar to the Shropshire average. In contrast, resident earnings are £117.70 higher than workplace earnings in Ludlow, reflecting the very low paid work available in the constituency in conjunction with the high level of out-commuting and self-employment.

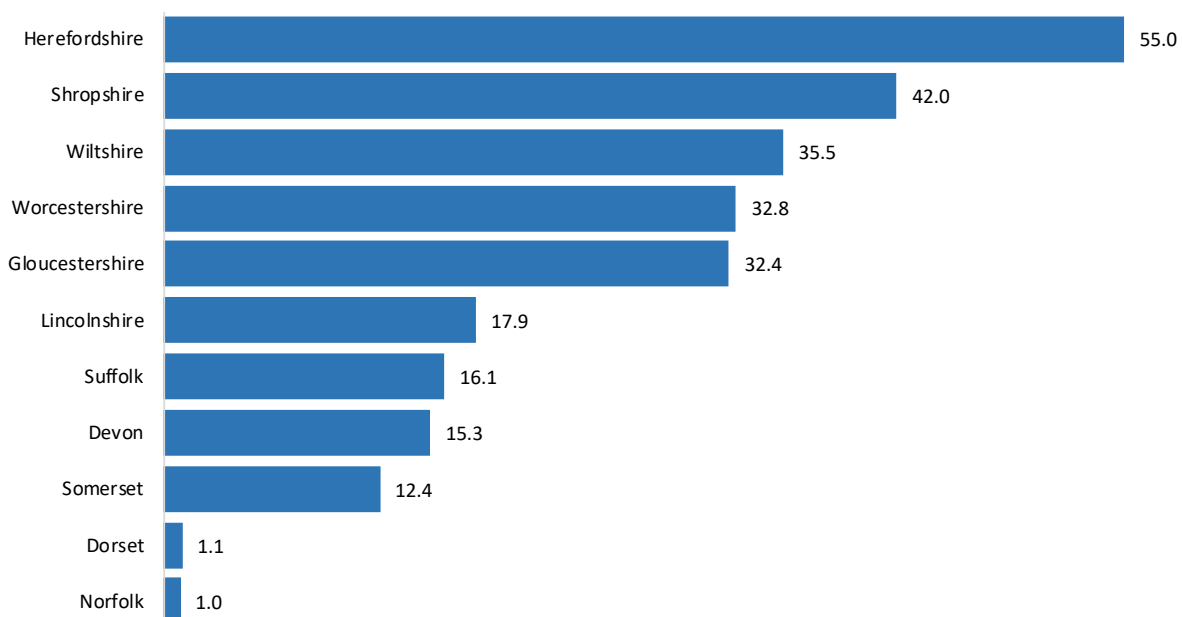
Difference between Residents' and Workplace Earnings by Parliamentary Constituency, 2020



Source: ONS Annual Survey of Hours & Earnings, 2020, Workplace & Residents, © Crown Copyright, 2021

Residents' earnings are higher than workplace earnings in all Shropshire's near neighbour authorities, albeit only very marginally in Dorset and Norfolk. The difference is greater in Shropshire than in any other authority except Herefordshire

Difference between Residents' and Workplace Earnings, 2020



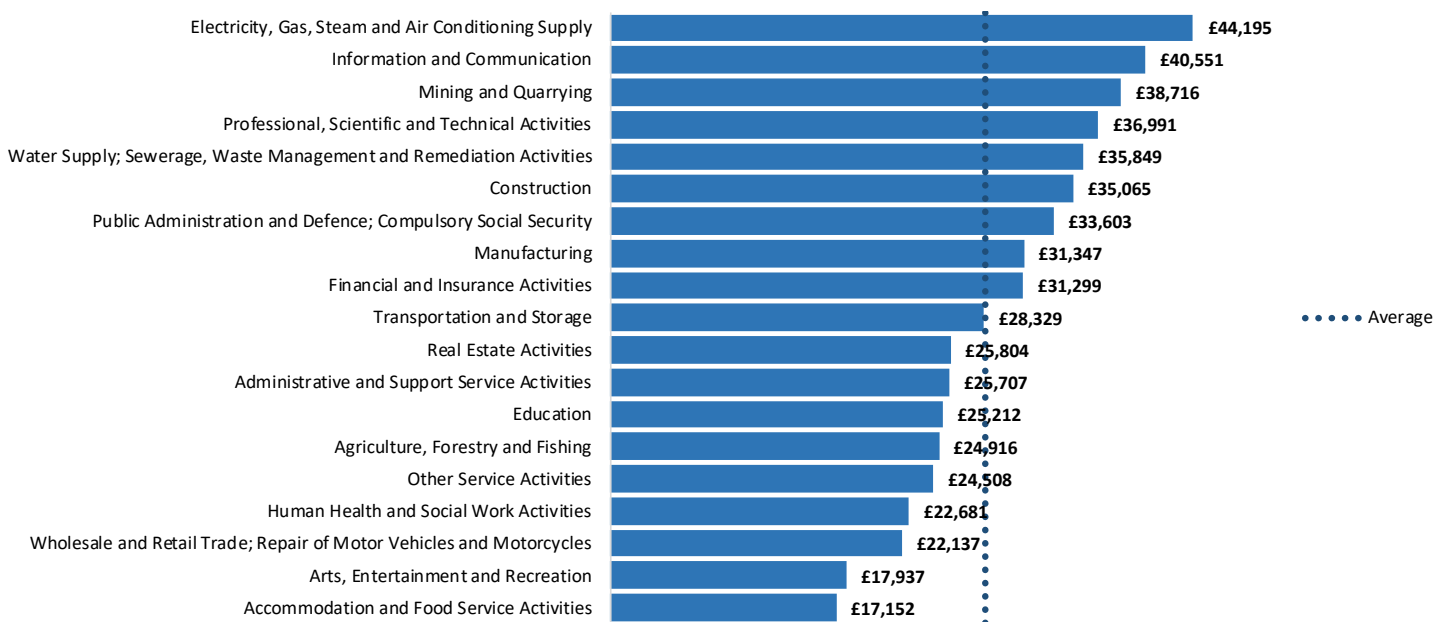
Source: ONS Annual Survey of Hours & Earnings, 2020, Workplace & Residents, © Crown Copyright, 2021

Average Wages by Industrial Sector

Shropshire is predominantly a low wage economy, with most jobs in sectors which command lower than average earnings.

The following chart shows average annual wage levels according to broad industrial classifications for Shropshire and how these compare with the average workplace annual wage for Shropshire of £28,424. It shows the best paid employment is within electricity, gas, steam and air conditioning supply and information and communication, while the lowest paid employment is in arts, entertainment and recreation and accommodation and food services.

Average Wages by Sector, 2020

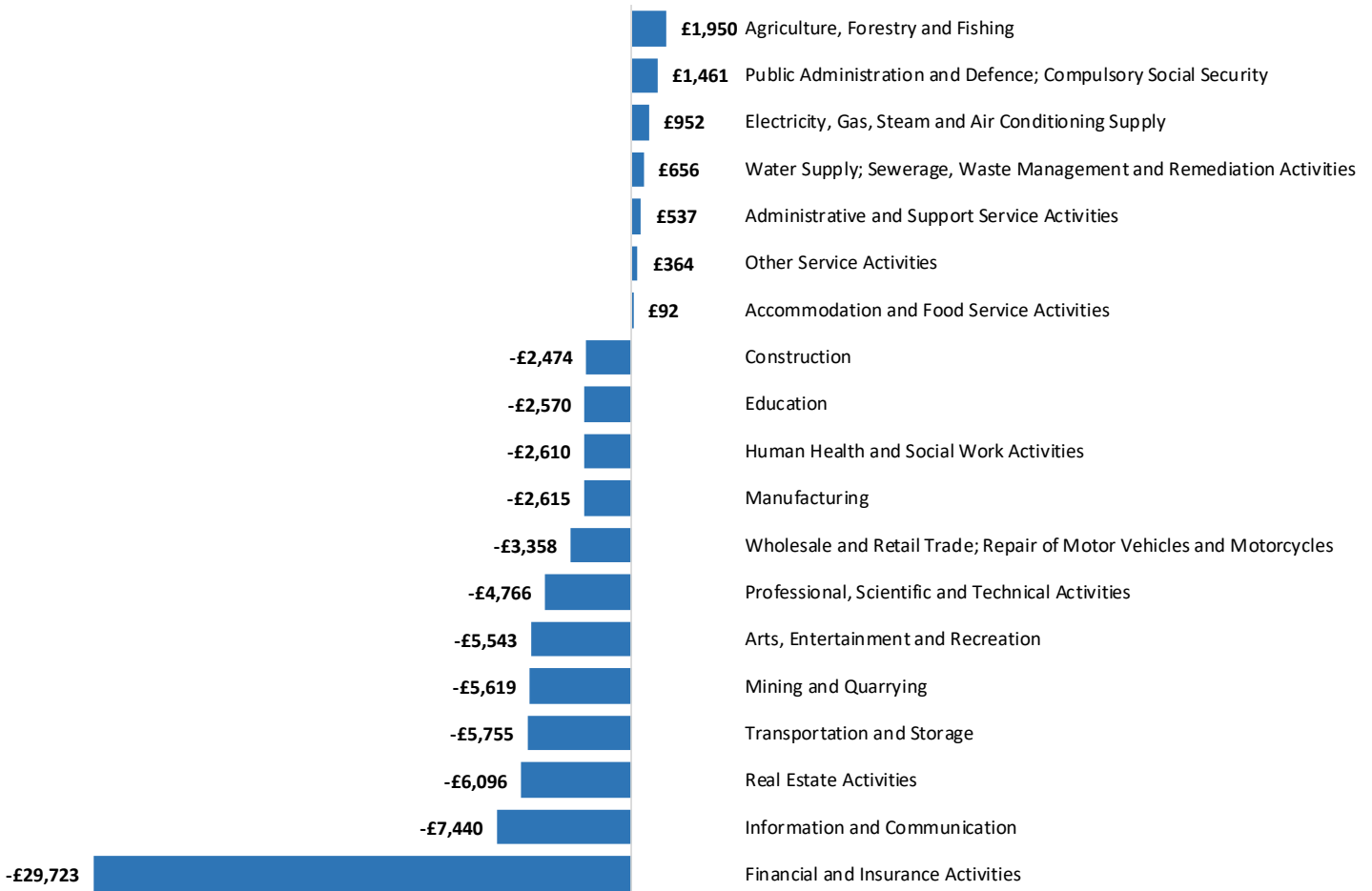


Source: EMSI/ASHE

Despite the wage disparity between jobs in Shropshire and the national average, there are a few sectors in Shropshire where wages are higher than they are nationally. As the following chart shows, this is particularly the case for agriculture, forestry and fishing, where annual salaries average £1,950 more in Shropshire than in England (8.5% more) and public administration and defence, where salaries exceed the national average by £1,461 per annum (4.5% more).

At the other end of the scale, average salaries in Shropshire fall well below the national average in the financial and insurance sector (£27,723 less). They are also significantly lower than average in information and communication, real estate activities, transport & storage, mining & quarrying, arts, entertainment and recreation, professional, scientific & technical, wholesale & retail, manufacturing, human health and social work, education and construction.

Difference between Shropshire and England Salary Levels by Sector, 2020



Source: EMSI

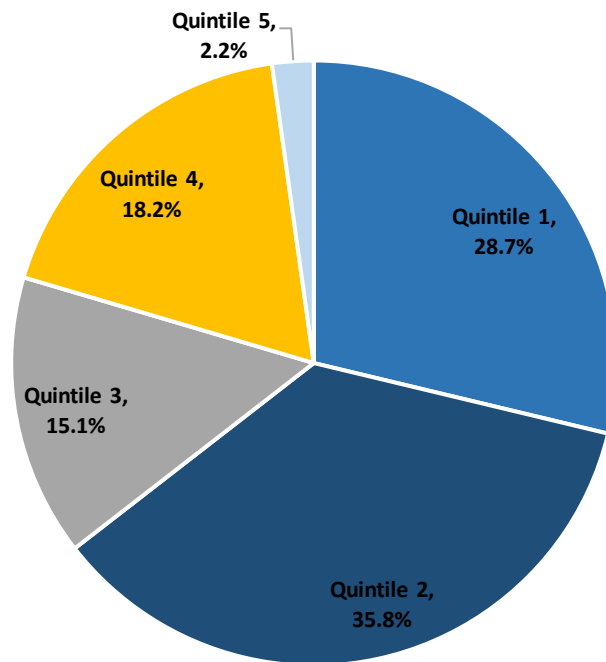
Average salaries by sector range from £17,152 (accommodation & food services) to £44,195 (electricity, gas, steam & air conditioning supply). Dividing the sectors into quintiles based on salary levels, shows the following breakdown:

Salary Quintile	Sector
1	Accommodation and Food Service Activities
1	Arts, Entertainment and Recreation
1	Wholesale and Retail Trade; Repair of Motor Vehicles and Motorcycles
2	Human Health and Social Work Activities
2	Other Service Activities
2	Agriculture, Forestry and Fishing
2	Education
2	Administrative and Support Service Activities
2	Real Estate Activities
3	Transportation and Storage
3	Financial and Insurance Activities
3	Manufacturing
4	Public Administration and Defence; Compulsory Social Security
4	Construction
4	Water Supply; Sewerage, Waste Management and Remediation Activities
4	Professional, Scientific and Technical Activities
4	Mining and Quarrying
5	Information and Communication
5	Electricity, Gas, Steam and Air Conditioning Supply

Note: Quintile 1 = lowest paid, Quintile 5 = highest paid

Based on employment levels in the above sectors, it is evident that a majority of Shropshire workers are employed in the bottom two quintiles according to salary levels. 28.7% of all employment is in quintile 1, with an additional 35.8% in quintile 2. In contrast, just 2.2% of employment is within the top quintile in terms of salary level.

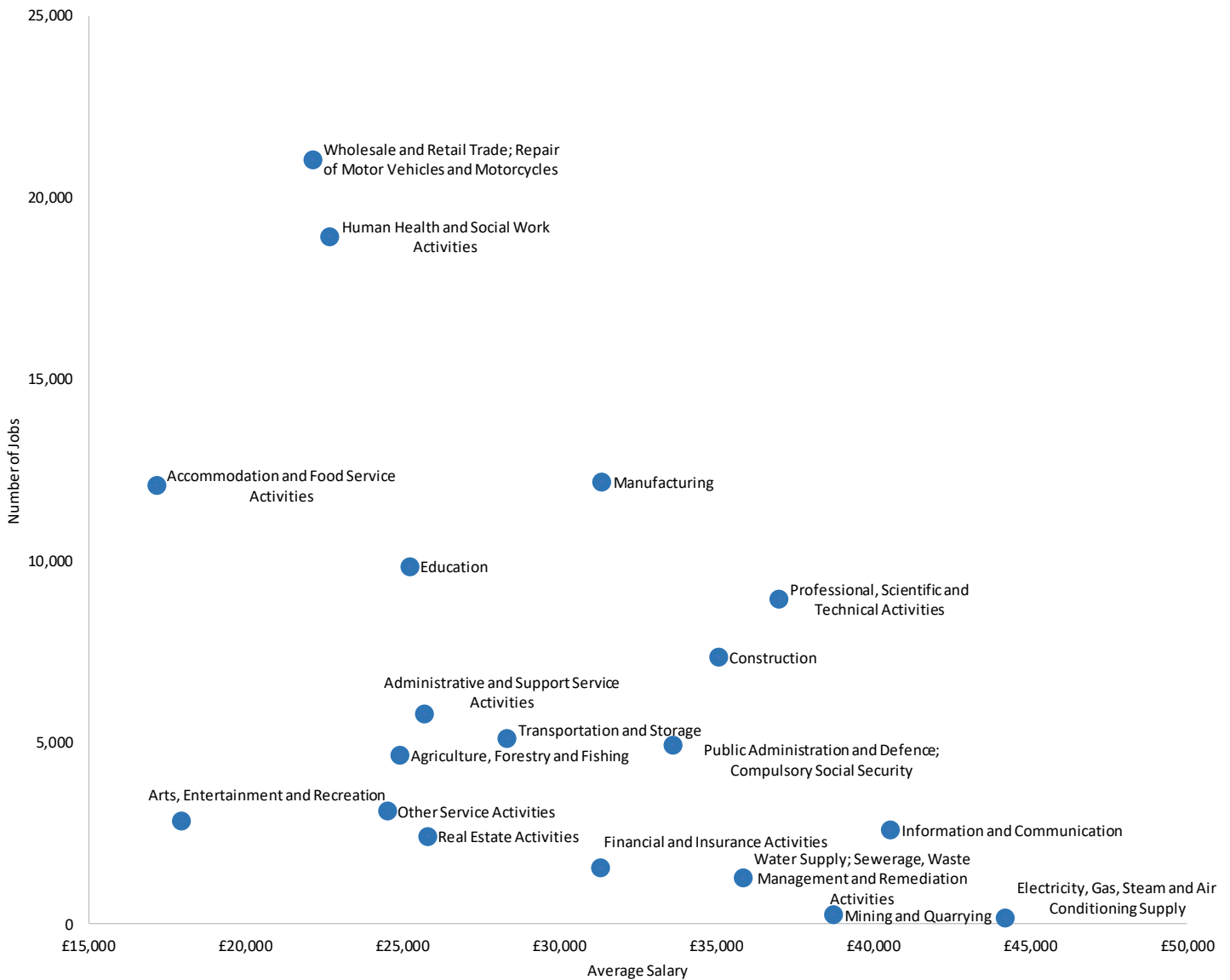
Breakdown of Employment Levels by Salary Quintile, 2020



Source: EMSI/Shropshire Council Calculations

The following chart also illustrates that most Shropshire employment is in lower paid sectors, with comparatively few people working in the highest paid industries.

Average Salary Levels and Job Volumes in Shropshire by Industry, 2020



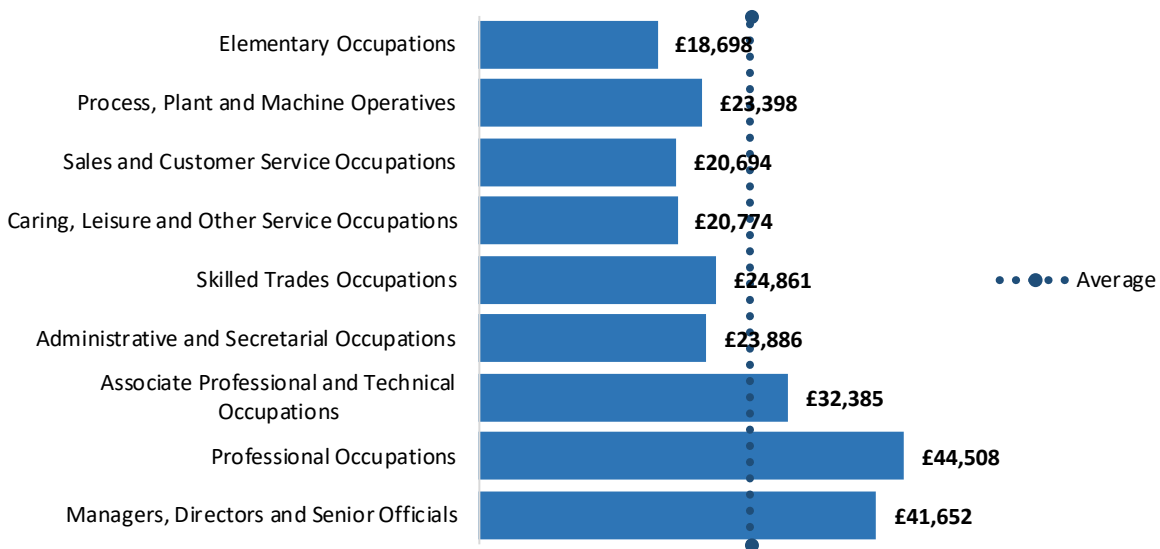
Source: EMSI

Average Wages by Occupation

The following chart shows average annual wage levels according to broad occupational classifications for Shropshire and how these compare with the average workplace annual wage for Shropshire of £28,424. It is evident that only those working in SOC 1-3 occupations (managers, directors and senior officials; professional occupations; associate professional & technical occupation) command salaries above the average for Shropshire.

The lowest paid employment is in elementary occupations, with jobs in sales and customer service and caring, leisure and other service occupations also relatively low paid.

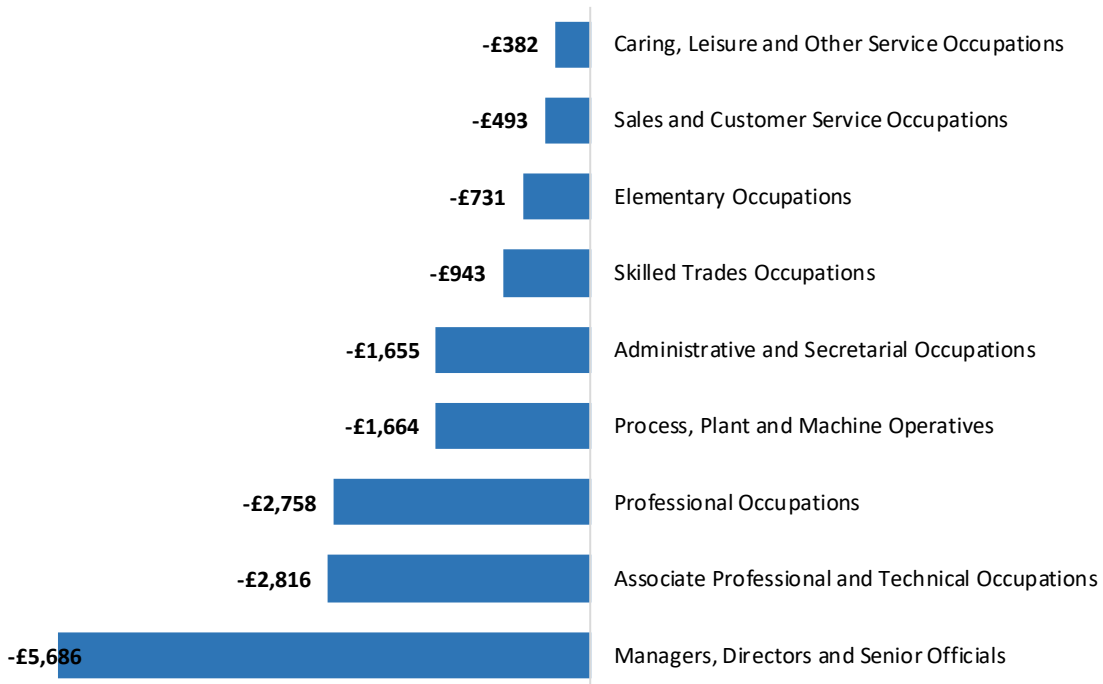
Average Wages by Occupation, 2020



Source: EMSI/ASHE

Across all occupational classifications, salary levels in Shropshire are lower than the national average. This is most pronounced amongst the best paid occupations (SOC 1-3) and least pronounced amongst the lowest paid occupations. This reflects the lower difference between median earnings for the worst paid 10% of workers in Shropshire and the national average compared to the top quintile of earners, who earn notably less than their national counterparts.

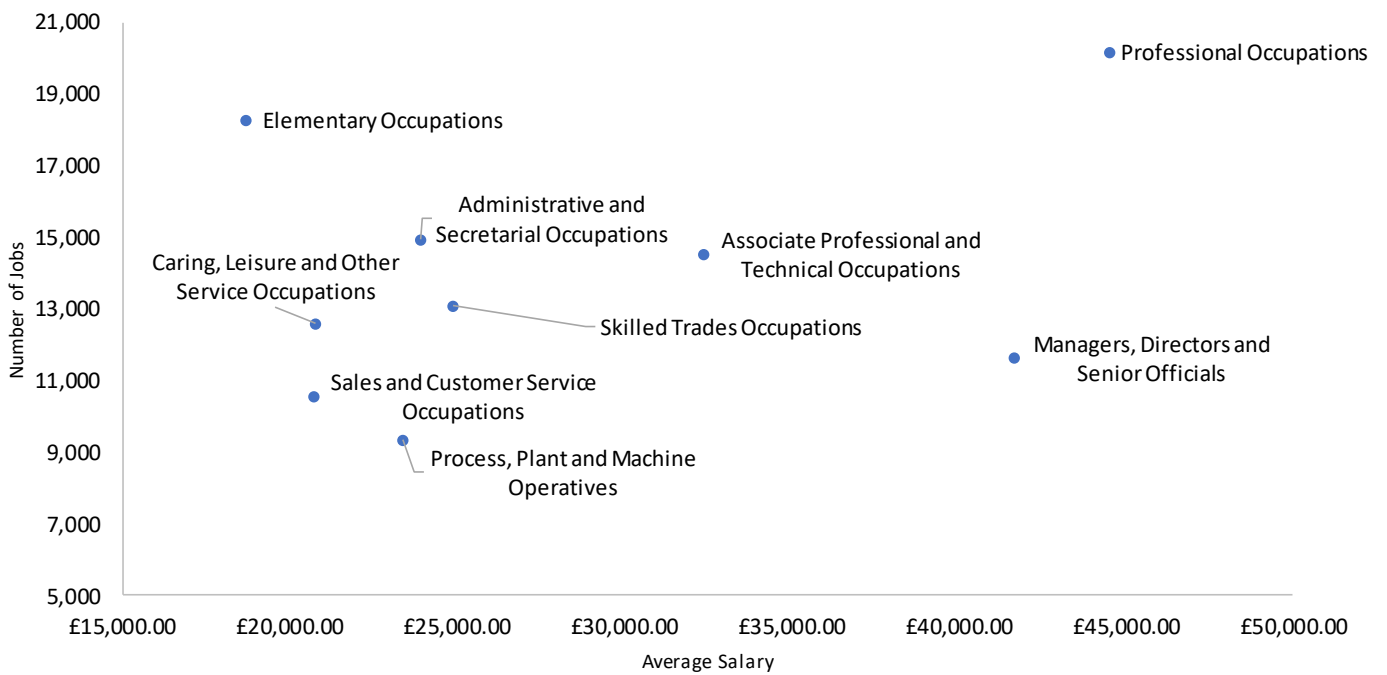
Difference between Shropshire and England Salary Levels by Sector, 2020



Source: EMSI

The following chart shows the volume of Shropshire jobs according to their occupational classification against the average salary that they command. It shows that the two occupations that are greatest in volume in Shropshire – elementary occupations and professional occupations – are at opposite ends of the pay scale.

Average Salary Levels and Job Volumes in Shropshire by Occupation, 2020



Source: EMSI

The median advertised salary for jobs located in Shropshire between January and May 2021 was £25,100.

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About the Annual Survey of Earnings and Income (ASHE)

- *The Annual Survey of Hours and Earnings (ASHE) is based on a one per cent sample of employee jobs taken from HM Revenue & Customs (HMRC) PAYE records. Information on earnings and hours is obtained from employers and treated confidentially. ASHE does not cover the self-employed nor does it cover employees not paid during the reference period.*
- *The headline statistics for ASHE are based on the median rather than the mean. The median is the value below which 50 per cent of employees fall. It is ONS's preferred measure of average earnings as it is less affected by a relatively small number of very high earners and the skewed distribution of earnings. It therefore gives a better indication of typical pay than the mean. This report follows ONS guidance and reports earnings data relating to median not mean averages.*
- *The earnings information presented relates to gross pay before tax, National Insurance or other deductions, and excludes payments in kind. With the exception of annual earnings, the results are restricted to earnings relating to the survey pay period and so exclude payments of arrears from another period made during the survey period; any payments due as a result of a pay settlement but not yet paid at the time of the survey will also be excluded.*
- *As the survey is based on a sample, the data is less reliable at smaller geographies. This means that there is a greater margin of error for the Shropshire data than for the West Midlands or Great Britain. The Confidence Interval for Workplace and Residents' Earnings in Shropshire (for full-time employees) was +/- 5.0%.*

About EMSI

- *Economic Modelling Specialists, Intl. (Emsi) is a data modelling company based in the United States. They provide customers with accurate and up-to-date labour market data to help them make informed business and marketing decisions.*
- *EMSI uses a variety of data sources to create detailed data relating to industry structure, occupational structure and staffing patterns across a range of different geographies.*