

PAY AWARDS ANALYSIS BY IDR - November 2020

Median remains steady despite lower awards in private sector

The median pay award across the economy remains at 2.0% in the three months to the end of November 2020, according to IDR's latest monitoring of pay outcomes. In the private sector the median has fallen to 1.8% - its lowest level since the last recession in 2010. This drop in the median follows changes to the overall distribution of awards in the private sector with half of all outcomes in this analysis period below 2%, compared to two-fifths in the three months to October. At the same time, the proportion of higher-end awards, worth 3% or more, has fallen. The latest batch of awards include the uplifts for police officers and staff at Tesco.

Pay freezes continue to account for around a fifth of all pay outcomes across the economy. However in the private sector the proportion of employers freezing pay has risen from 27% in the three months to October to 33% in this latest analysis period. At the higher end of the distribution of pay awards, around 17% of private sector reviews were worth 3% or more – down from a fifth in October - and outcomes at this level continue to be clustered between 3% and 3.99% with no increases worth 4% or more.

The latest figures are based on 31 pay awards effective between 1 September and 30 November 2020, covering 933,753 employees.

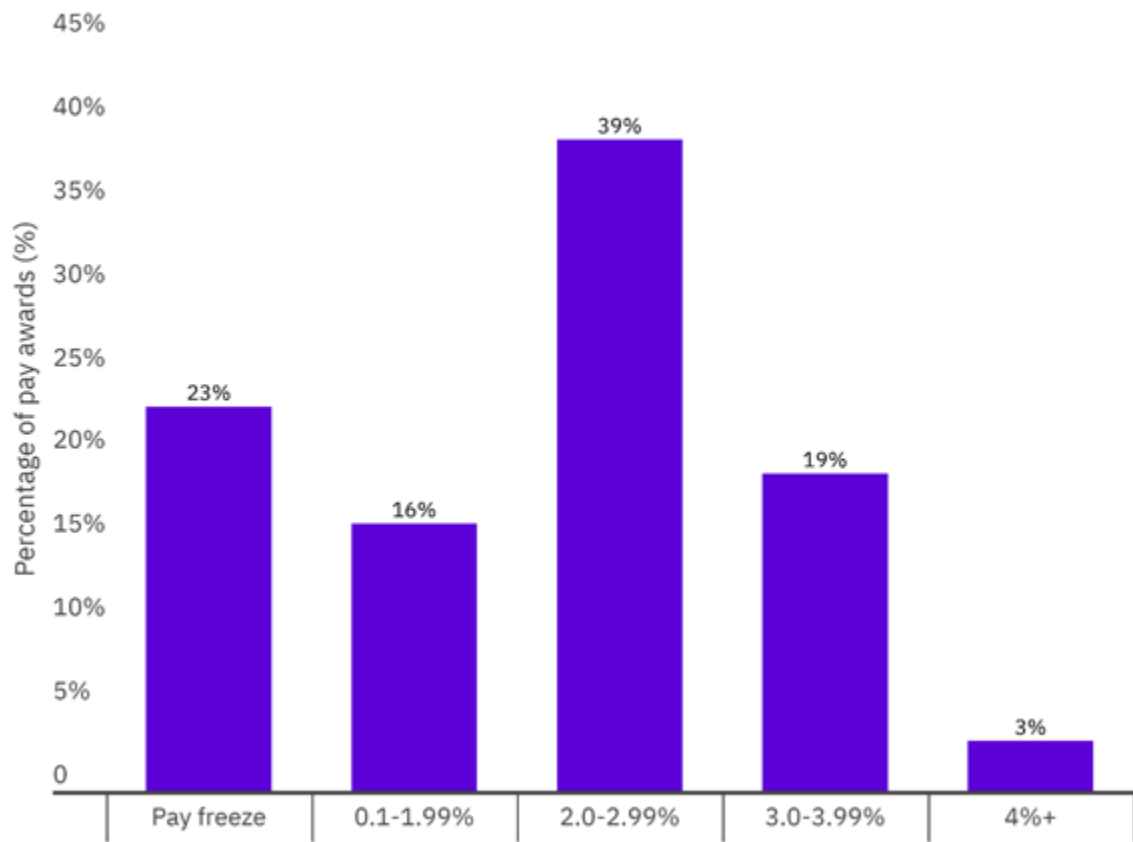
Pay awards in the three months to the end of November 2020

	Whole economy	Private sector	Manufacturing and production	Private services	Public sector
Lower quartile	1.0%	0.0%	1.0%	0.0%	2.5%
Median	2.0%	1.8%	2.0%	1.0%	2.5%
Upper quartile	2.8%	2.7%	2.8%	2.0%	3.0%

Based on 31 pay awards covering 933, 753 employees.

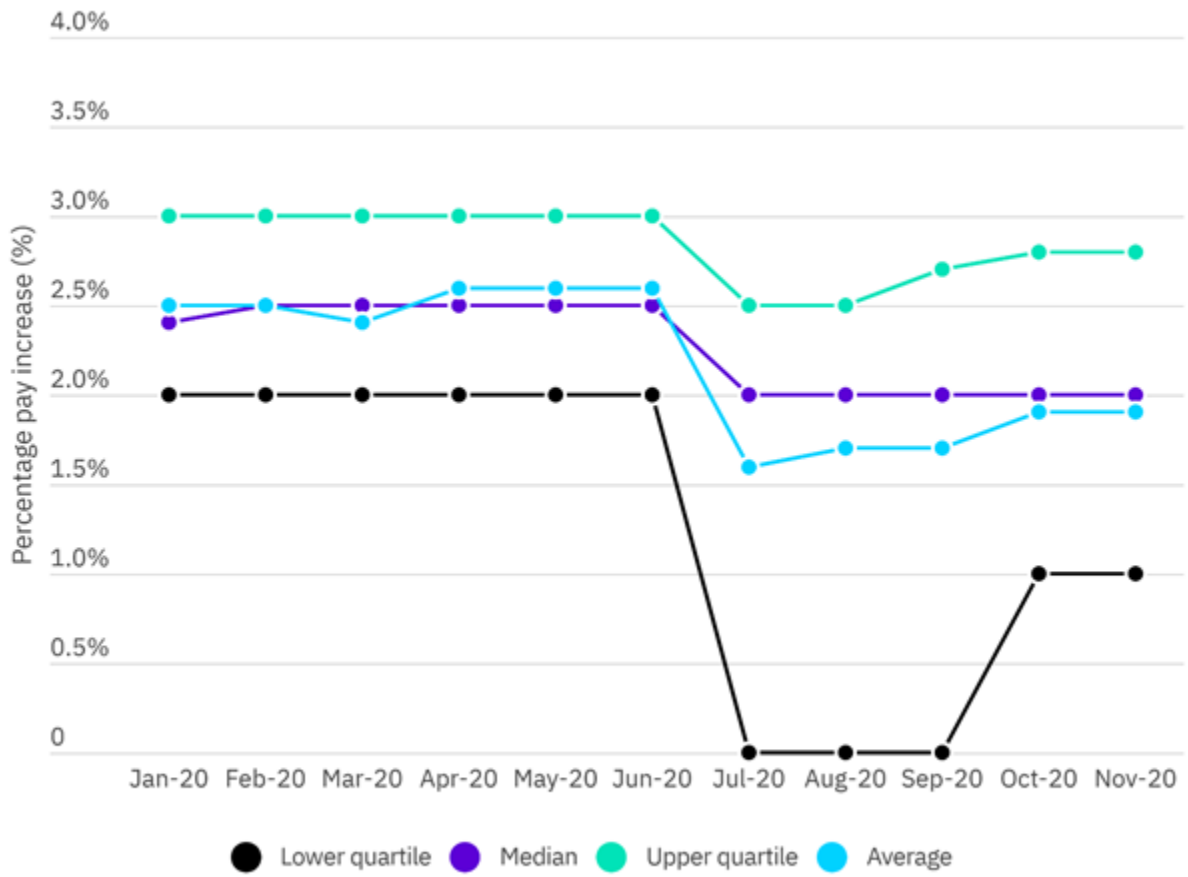
Source: IDR

Distribution of pay awards - three months to end November 2020



Source: IDR

Whole economy pay awards, Jan to Nov 2020



Source: IDR