

Appendix L

Earnings in Elementary Occupations

Introduction

Elementary occupations are described in the Standard Occupational Classification (SOC) as those jobs that require relatively limited amounts of training. The two occupations within this grouping that have the largest numbers within the HE sector are cleaners and catering assistants. In this section, we compare earnings in these two occupations between those employed in the HE sector and those in the remainder of the economy. We do the same for the Elementary Occupations grouping as a whole. All of the statistics used in this section are taken from the Annual Survey of Hours and Earnings (ASHE). They are derived from specially ordered tables which differentiated between those within and outside the HE sector.

ASHE is a sample survey. The numbers employed in elementary occupations in the HE sector is not large. Therefore the ASHE sample of these employees is small. ASHE statisticians provide information about the confidence intervals around estimates. We judge that these intervals are too large to support analysis of earnings by gender or of quartiles. Elsewhere, if samples are small but we judge them usable with caution, we follow the practice of the ASHE statisticians by shading the relevant estimates and any indices derived from them.

Section 1 HE sector elementary occupations in 2008

Full-time employees

In 2008 median gross annual earnings for those in elementary occupations in the HE sector were £17,138, and mean gross annual earnings were £17,905 (see Table 1.1). Average basic earnings were around £1,500-£2,400 lower, standing at £14,797 at the median and £15341 at the mean. Note that the median estimates should be treated with caution.

Table 1.1 Annual earnings of full-time employees: elementary occupations, April 2008

	Gross £	Basic £
Mean		
Elementary occupations	17,905	16,341
- Cleaners	16,054	14,954
- catering assistants	14,557	13,567
Median		
Elementary occupations	17,138	14,797
- Cleaners	14,745	12,999
- catering assistants	13,457	12,920

Source: ASHE

Cleaners and catering assistants recorded earnings below the averages for the group as a whole (though note that all figures other than the mean for catering assistants need to be treated with caution). The differences between basic and gross earnings are slightly lower than for the broader group (£500-£1,000 for catering assistants, depending on the measure used, and £1,100-£1,750 for cleaners). The basic figure includes those payments to which the employee is contractually entitled, and so excludes elements such as overtime, performance or bonus payment or shift payments. Basic earnings are not identical to salary – they would, for example, include London weighting.

Table 1.2 shows gross hourly earnings figures for the group (ASHE also provides hourly estimates net of overtime, but these are little different to the hourly gross figures). Taken as a whole, those in elementary occupations in the HE sector averaged £8.04 per hour at the median and £8.69 at the mean. Earnings for cleaners are clearly higher than those for catering assistants.

Table 1.2 Gross hourly earnings of full-time employees: elementary occupations, April 2008

	Median £	Mean £
Elementary occupations	8.04	8.69
- cleaners	7.22	8.09
- catering assistants	6.69	6.95

Source: ASHE

Part-time employees

Hourly earnings provide the only meaningful information for part-time employees, since annual figures will be influenced by the number of hours per year that the part-timer works. Table 1.3 provides the information on gross hourly earnings. At the median, part-time gross hourly earnings for the elementary occupations group were £6.77, with £7.06 being the corresponding mean figure. Earnings for the group as a whole and for cleaners and catering assistants differed little (in contrast to the findings for full time staff). In large part this reflects the fact that cleaners and catering assistants form the great majority of part time staff within elementary occupations in the HE sector, while this was not true of full time staff. Part-time cleaners earned around £1.20 an hour less at the mean and 60 pence an hour less at the median than full-time cleaners. Catering assistants earned slightly more if part-time rather than full-time.

Table 1.3 Gross hourly earnings of part-time employees: elementary occupations, April 2008

	Median £	Mean £
Elementary occupations	6.77	7.06
- cleaners	6.63	6.90
- catering assistants	6.95	7.18

Source: ASHE

Section 2: 2008-based comparisons

Full-time employees

The figures already discussed for the HE sector are compared here with those for other groups. Table 2.1 sets out median and mean gross annual earnings, and then indexes each against the estimates for the corresponding HE group. The table shows a close correspondence in gross earnings inside and outside the sector for elementary occupations as a whole. Catering assistants and cleaners earned more, however, inside than outside the HE sector on both median and mean measures.

Table 2.1 Average annual gross earnings of full time staff, elementary occupations: HE sector and comparators April 2008

	Median		Mean	
	£pa	HE sector=100	£pa	HE sector=100
HE sector				
- elementary occupations	17,138	100	17,905	100
- cleaners	14,745	100	16,054	100
- catering assistants	13,457	100	14,557	100
Rest of economy				
- elementary occupations	16,565	96.7	18,056	100.8
- cleaners	13,671	92.7	14,677	91.4
- catering assistants	12,665	94.1	13,588	93.3

Source: ASHE

Table 2.2 sets out similar information but for basic earnings. The findings are broadly as they were for gross earnings, except that the gap in median earnings for cleaners inside and outside the sector is narrower. Note that the mean estimates for the sector (and hence the indices that use them) are more reliable than the median estimates.

Table 2.2 Average annual basic earnings of full time staff, elementary occupations: HE sector and comparators April 2008

	Median		Mean	
	£pa	HE sector=100	£pa	HE sector=100
HE sector				
- elementary occupations	14,797	100	16,341	100
- cleaners	12,999	100	14,954	100
- catering assistants	12,920	100	13,567	100
Rest of economy				
- elementary occupations	15,001	101.4	16,090	98.5
- cleaners	12,952	99.6	13,562	90.7
- catering assistants	12,305	95.2	12,972	95.6

Source: ASHE

Table 2.3 provides similar information but on the basis of hourly earnings. The differences are more marked than on the basis of annual earnings for elementary occupations as a

whole and for cleaners. Taken together, Tables 2.1-2.3 indicate that those outside the sector work, on average, longer hours to achieve annual earnings close to those paid within the HE sector (though this is less clearly the case for catering assistants).

Table 2.3 Average hourly gross earnings of full time staff, elementary occupations: HE sector and comparators April 2008

	Median		Mean	
	£pa	HE sector=100	£pa	HE sector=100
HE sector				
- elementary occupations	8.04	100	8.69	100
- cleaners	7.22	100	8.09	100
- catering assistants	6.69	100	6.95	100
Rest of economy				
- elementary occupations	7.58	94.3	8.17	94.0
- cleaners	6.44	89.2	6.86	84.8
- catering assistants	6.02	90.0	6.51	93.7

Source: ASHE

Part-time employees

Table 2.4 replicates the statistics given in Table 2.3, but for part-time rather than full-time employees. On all six of the indices shown, those within the sector recorded higher average earnings than those outside the sector. The differences are greater than for full time staff (using the hourly basis) for catering assistants and all occupations, slightly less for cleaners.

Table 2.4 Average hourly gross earnings of part time staff, elementary occupations: HE sector and comparators April 2008

	Median		Mean	
	£pa	HE sector=100	£pa	HE sector=100
HE sector				
- elementary occupations	6.77	100	7.06	100
- cleaners	6.63	100	6.90	100
- catering assistants	6.95	100	7.18	100
Rest of economy				
- elementary occupations	6.00	88.6	6.57	93.1
- cleaners	6.00	90.5	6.48	93.9
- catering assistants	5.81	83.6	6.17	85.9

Source: ASHE

Table 2.5 compares gross hourly earnings for full time staff and part time staff, both within and outside the sector. For the group as a whole, part time staff recorded 79% of the hourly earnings of full time staff outside the sector, and 84% within the sector. For cleaners the ratios were closer, with part time staff earning 92% of full time staff' earnings within the HE

sector and 93% outside. There was some discrepancy regarding catering assistants. Within the sector part time staff recorded 104% of full time staff' pay, but in the rest of the economy the proportion was 97%.

Table 2.5 Comparison of median hourly gross earnings of part time staff and full time staff: Elementary occupations, April 2008

	Part-time £ph	Full-time £ph	Part-time as % of Full-time
HE sector			
- elementary occupations	6.77	8.04	84.2
- cleaners	6.63	7.22	91.8
- catering assistants	6.95	6.69	103.9
Rest of economy			
- elementary occupations	6.00	7.58	79.2
- cleaners	6.00	6.44	93.2
- catering assistants	5.81	6.02	96.5

Source: ASHE

Section 3: Change in earnings over time

Full-time employees

Table 3.1a: HE sector elementary occupations: mean annual earnings, gross and basic 2001-2008

	Gross			Basic			RPI	
	£pa	Index 1	Index 2	£pa	Index 1	Index 2	Index 1	Index 2
2001	11,422	56.8		10,476	56.0		23.6	
2002	13,824	29.5	21.0	12,315	32.7	17.6	21.8	1.5
2003	14,070	27.3	23.2	12,535	30.4	19.7	18.1	4.7
2004	14,873	20.4	30.2	13,682	19.4	30.6	15.2	7.3
2005	15,424	16.1	35.0	13,843	18.0	32.1	11.7	10.7
2006	15,684	14.2	37.3	14,125	15.7	34.8	8.9	13.5
2007	16,956	5.6	48.4	15,506	5.4	48.0	4.2	18.7
2008	17,905		56.8	16,341		56.0		23.6

Source: ASHE

Index 1: Percentage increase from year shown to 2008

Index 2: Percentage increase from 2001

RPI: Retail Prices Index

Table 3.1a shows the movement in gross and basic mean earnings for employees in elementary occupations as a whole within the HE sector. The mean measure is used rather than the median due to the greater reliability of the mean estimate over the period. Price movements (as measured by the Retail Prices Index) are shown for comparison. On the gross basis, earnings rose from £11,422 in 2001 to £17,905 in 2007, a 56.8% increase. Using basic figures, earnings rose by 56.0% from £10,476 to £16,341. The increase between 2001 and 2002 is particularly sharp. To some extent this is reflecting the changed definition of the 'elementary occupations' group between these years. Change over the period since 2002 (indicated in Index 1 as 29.5%) may therefore give a more accurate reflection of experience.

Table 3.1b: HE full-time cleaners: mean annual earnings, gross and basic, 2001-2008

	Gross			Basic			RPI	
	£pa	Index 1	Index 2	£pa	Index 1	Index 2	Index 1	Index 2
2001	10,319	55.6		9,716	53.9		23.6	
2002	11,031	45.5	6.9	10,343	44.6	6.4	21.8	1.5
2003	11,646	37.8	12.9	10,447	43.1	7.5	18.1	4.7
2004	12,251	31.0	18.7	11,335	31.9	16.7	15.2	7.3
2005	12,038	33.4	16.7	11,121	34.5	14.5	11.7	10.7
2006	12,910	24.4	25.1	11,992	24.7	23.4	8.9	13.5
2007	14,000	14.7	35.7	12,832	16.5	32.1	4.2	18.7
2008	16,054		55.6	14,954		53.9		23.6

Source: ASHE

Index 1: Percentage increase from year shown to 2008

Index 2: Percentage increase from 2001

RPI: Retail Prices Index

Table 3.1b provides similar statistics to Table 3.1a, but for cleaners within the HE sector. On a gross basis earnings increased by 55.6% from £10319 in 2001 to £16054 in 2008. Using the basic earnings figures an increase of 53.9% was recorded, from £9716 in 2001 to £14954 in 2008. Both series recorded a small decrease in earnings between 2004 and 2005 and large increases after 2006. Statistics for any one year have a margin of error, which should even out in the long run. The reduction in the ASHE sample from 2007 may have compounded the effect.

Table 3.1c is concerned with catering assistants. It shows an increase in mean gross earnings of 53.4%, from £9491 in 2001 to £14557 in 2008. Using basic earnings figures the increase was 51.7%, from £8943 in 2001 to £13567 in 2008. There were increases of around 10% between 2001 and 2002 and again between 2004 and 2005, but a small decline in earnings between 2005 and 2006, and in basic earnings between 2007 and 2008. Note that the estimates should be treated with caution.

Table 3.1c: HE full-time catering assistants: mean annual earnings, gross and basic, 2001-2008

	Gross			Basic			RPI	
	£pa	Index 1	Index 2	£pa	Index 1	Index 2	Index 1	Index 2
2001	9,491	53.4		8,943	51.7		23.6	
2002	10,472	39.0	10.3	9,888	37.2	10.6	21.8	1.5
2003	10,844	34.2	14.3	10,269	32.1	14.8	18.1	4.7
2004	12,299	18.4	29.6	11,648	16.5	30.3	15.2	7.3
2005	13,454	8.2	41.8	12,737	6.5	42.4	11.7	10.7
2006	13,113	11.0	38.2	12,623	7.5	41.2	8.9	13.5
2007	14,474	0.6	52.5	13,744	-1.3	53.7	4.2	18.7
2008	14,557		53.4	13,567		51.7		23.6

Source: ASHE

Index 1: Percentage increase from year shown to 2008

Index 2: Percentage increase from 2001

RPI: Retail Prices Index

Tables 3.2 a-c follow the format of Tables 3.1 a-c, but with reference to hourly earnings rather than annual earnings, and for part time staff as well as full time staff.

Table 3.2a HE sector elementary occupations: mean hourly gross earnings, full time staff and part time staff, 2001-2008

	Full time staff			Part time staff			RPI	
	£pa	Index 1	Index 2	£pa	Index 1	Index 2	Index 1	Index 2
2001	5.67	53.2		4.99	41.6		23.6	
2002	6.56	32.5	15.6	5.38	31.2	8.0	21.8	1.5
2003	6.65	30.7	17.2	5.49	28.5	10.2	18.1	4.7
2004	7.07	22.9	24.7	5.89	19.8	18.2	15.2	7.3
2005	7.16	21.3	26.3	6.09	15.8	22.2	11.7	10.7
2006	7.66	13.4	35.1	6.42	10.0	28.8	8.9	13.5
2007	8.41	3.3	48.3	6.61	6.8	32.6	4.2	18.7
2008	8.69		53.2	7.06		41.6		23.6

Source: ASHE

Index 1: Percentage increase from year shown to 2008

Index 2: Percentage increase from 2001

RPI: Retail Prices Index

Taking the period as a whole, it records a much larger increase for full timers (53.2%, from £5.67 per hour in 2001 to £8.69 per hour in 2008) than for part time staff (41.6%, from £4.99 to £7.06 per hour). Much of the difference, however, occurs between 2001 and 2002. Using 2002 as the start point, the increase to 2007 is 32.5% for full time staff and 31.2% for part time staff.

Table 3.2b HE sector cleaners: mean hourly gross earnings, full time staff and part time staff 2001-2008.

	Full time staff			Part time staff			RPI	
	£pa	Index 1	Index 2	£pa	Index 1	Index 2	Index 1	Index 2
2001	5.20	55.7		4.87	41.6		23.6	
2002	5.49	47.4	5.7	5.24	31.7	7.5	21.8	1.5
2003	5.77	40.1	11.1	5.32	29.7	9.1	18.1	4.7
2004	6.10	32.7	17.3	5.76	19.7	18.3	15.2	7.3
2005	5.69	42.1	9.6	5.82	18.5	19.5	11.7	10.7
2006	6.53	23.9	25.7	6.20	11.3	27.2	8.9	13.5
2007	7.37	9.8	41.8	6.53	5.7	34.0	4.2	18.7
2008	8.09		55.7	6.90		41.6		23.6

Source: ASHE

Index 1: Percentage increase from year shown to 2008

Index 2: Percentage increase from 2001

RPI: Retail Prices Index

Table 3.2b is concerned with cleaners. As with the broader group it shows a faster growth in earnings for full time staff than part time staff. Full-timer earnings grew from £5.20 per hour in 2001 to £8.09 in 2008 (44.7%), whereas part-timer earnings grew by 34.6% from £4.87 to £6.90 per hour. Unlike the broad group, the difference is concentrated at the end rather than the beginning of the period, with full time staff recording a 23.9% increase between 2006 and 2008 compared with 11.3% for part time staff.

Table 3.2c: HE sector catering assistants: mean hourly gross earnings, full time staff and part time staff, 2001-2008

	Full time staff			Part time staff			RPI	
	£pa	Index 1	Index 2	£pa	Index 1	Index 2	Index 1	Index 2
2001	4.97	39.7		4.95	45.1		23.6	
2002	5.23	32.9	5.2	5.28	36.1	6.6	21.8	1.5
2003	5.25	32.4	5.6	5.53	29.8	11.8	18.1	4.7
2004	6.17	12.7	24.0	5.83	23.2	17.8	15.2	7.3
2005	6.62	5.0	33.1	6.06	18.4	22.6	11.7	10.7
2006	6.73	3.3	35.3	6.39	12.4	29.2	8.9	13.5
2007	7.37	-5.7	48.2	6.24	15.1	26.1	4.2	18.7
2008	6.95		39.7	7.18		45.1		23.6

Source: ASHE

Index 1: Percentage increase from year shown to 2008

Index 2: Percentage increase from 2001

RPI: Retail Prices Index

Table 3.2c is concerned with catering assistants, and shows less difference in growth across the period for full time staff (39.7%) than part time staff (45.1%). The difference is explained by differing experience in the last year, with part-timer earnings rising by 15% while full-timer earnings fell by 6%. Generally part-timer estimates for this group (and for cleaners) are more

reliable, being based on larger samples (which is the reverse of the case with other HE sector occupations studied in this review). However, the 2007 catering assistant part-time mean estimate looks odd. The change between 2006 and 2008 looks more realistic than the changes between either of those years and 2007.

Section 4: Comparisons of change for selected occupational groups, 2001-2008

Full-time employees

[Note that the tables for this section are necessarily large, and so each is printed on a separate page]

The comparisons made in this part of the paper are based on what has been referred to in previous tables as 'Index 1', whereby percentage change in earnings is shown for each year to 2008. This reflects the fact that the occupational classification changed between 2001 and 2002, and so we consider change over the period 2002-8 as well as 2001-8 in the following commentary.

Table 4.1 shows mean gross annual earnings for those in and outside the HE sector for all elementary occupations, cleaners and catering assistants. Mean rather than median figures are used because, over the period, they are more robust. It is immediately apparent that, over the period 2001-2008, those within the sector recorded far higher earnings growth than those outside. For cleaners, for example, the figures are 55.6% and 28.0% respectively. For catering assistants they are 53.4% and 32.6% respectively. To preclude the possibility that these differences could reflect changes in the definition of occupational categories between 2001 and 2002 we also consider change between 2002 and 2008. Significant differences remain – 45.5% growth for the HE sector compared with 21.9% for the wider economy in the case of cleaners, and 39.0% compared with 24.5% for catering assistants. The very large difference for all elementary occupations on the 2001-8 basis is much reduced on the 2002-8 basis, but is still nearly eight percentage points (29.5% against 21.8%).

Table 4.2 offers a similar analysis for basic earnings, again using the mean measure. The outcomes broadly confirm the findings from Table 4.1. On each comparison those within the HE sector recorded higher earnings growth than those outside. The differences are more marked for 2001-8 than 2002-8. The difference for all elementary occupations narrows in moving to the 2002-8 base.

For completeness, Table 4.3 offers further comparisons, this time on the basis of mean gross hourly earnings. Again, the HE sector employees recorded substantially greater earnings growth in all comparisons. For example, between 2002 and 2008 HE sector cleaners recorded a 47.4% hourly earnings growth compared with 21.3% for cleaners elsewhere. HE catering assistants recorded a 32.9% earnings growth compared with 23.4% for those in other sectors.

Part-time employees

Tables 4.4 and 4.5 present hourly earnings increase for part time staff, using both mean and median measures since sample sizes for part time staff are larger and estimates therefore

more robust. The outcomes reflect those recorded for full time staff and described above – those in the HE sector record greater earnings growth than their comparators.

At the median, cleaners recorded growth of 45.3% and 31.6% respectively inside and outside the HE sector between 2001 and 2008, the corresponding figures for 2002-8 being 36.9% and 24.8%. Catering assistants recorded earnings growth of 47.6% inside the sector and 29.1% outside between 2001 and 2008, and 44.2% and 24.9% 2002-8. The gap is no narrower for the shorter time period.

The differences in earnings growth are smaller using the mean measure. For cleaners earnings growth was 31.7% 2002-8 within the HE sector, compared with 26.6% outside. The corresponding figures for catering assistants were 36.1% and 26.6%.