

The Index of Average Earnings in Jersey measures the annual change in average earnings (gross wages and salaries) that have occurred and been paid to workers in Jersey. It includes overtime payments, but excludes bonuses, employers' insurance contributions, holiday pay and benefits in kind (e.g. free accommodation or meals). The 2024 Index measures changes in average earnings paid between June 2023 and June 2024, on a full-time equivalent (FTE) basis.¹

The index is determined from earnings data collected from a large representative survey of firms in the private sector and from all Government of Jersey departments. This was the second year in which the survey was compulsory for businesses to complete under the provisions contained within the Statistics and Census (Jersey) Law 2018.

Change to Standard Industrial Classification 2007 (SIC 2007)

This report presents the breakdown of the economy using the Standard Industrial Classification 2007 (SIC 2007) for the first time. Starting with the December 2018 Labour Market report, Statistics Jersey has been transferring our outputs to reflect this more up to date and comprehensive structure. This change provides greater harmonisation of our statistical outputs and facilitates better international comparisons.

This update results in no change in overall average earnings measures, but any breakdowns by sector will be incomparable with past reports. A historic timeseries by sector is available from 2019 onwards (see [Table A2](#)).

Summary

In June 2024:

- average earnings per full-time equivalent employee (FTE) were 6.4% higher than in June 2023
- after adjusting for inflation (the headline rate of inflation in Jersey in June 2024 was 5.0%),² average earnings increased in real terms by 1.3%
- over the last 10 years, average earnings have decreased in real terms by 2.4%
- over the last 12 months:
 - average earnings in the private sector increased by 5.9% in nominal terms (before adjusting for inflation) and in real terms increased by 0.9%
 - average earnings in the public sector increased by 8.8% in nominal terms and in real terms increased by 3.6%
- on a sectoral basis:
 - the agriculture and fishing sector was the only sector to record a decrease in average earnings (decreased 2.7% on an annual basis); this was driven by average working hours in the sector reducing by a greater proportion than the increase in the minimum wage (10.9%)
 - the public sector saw the highest annual increase, up 8.8% on an annual basis; this was driven by an 8.0% headline pay award in the public sector as well as nurses and teachers receiving delayed pay awards from 2023
- median average earnings of full-time equivalent employees was £850³ per week
- mean average earnings of full-time equivalent employees was £1,000 per week

¹ Average earnings are calculated on the basis of a full-time equivalent (FTE) worker. Workers include full-time and part-time employees and also self-employed people. Part-time employees are weighted in the calculation of FTEs according to hours worked.

² As measured by the annual change in the Jersey Retail Prices Index (RPI). The real-term change in average earnings is calculated from the respective indices, which are published rounded to 1 decimal place.

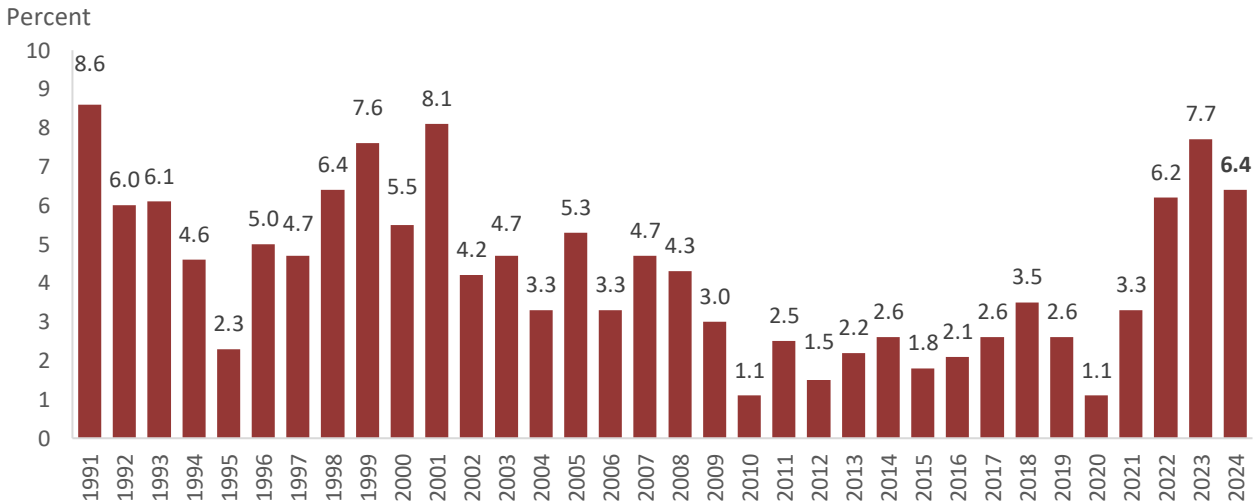
³ Throughout the report monetary figures are rounded to the nearest £10, all percentages and indices are rounded to 1 decimal place.

Index of Average Earnings

Figure 1 shows annual percentage changes in the Index of Average Earnings since 1991 in June of each year. In June 2024 all-sector average earnings were 6.4% higher than in June 2023.

The latest annual increase is 1.3 percentage points lower than that recorded over the previous 12-month period (7.7% to June 2023).

Figure 1: In the year to June 2024 earnings increased 6.4%
 Annual percentage change in the Index of Average Earnings, 1991 to 2024



The latest increase is higher than the preceding five-year annual average of 4.9% per year, and higher than the long-term annual average of 4.2% per year since 1990.

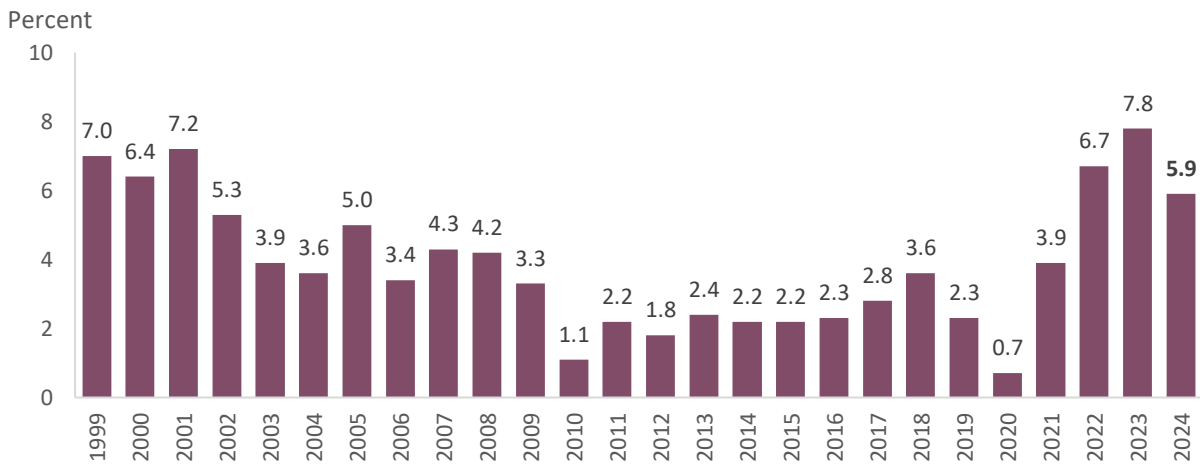
Private sector

Over the 12 months to June 2024, average earnings in the private sector overall increased by 5.9%.

This latest annual increase is above the preceding five-year annual average of 4.3% per year but lower than the increase seen for the previous 12-month period (7.8% to June 2023). Although it should be noted that the rate of inflation in June 2023 was significantly higher than the value in June 2024.

Between 1999 and 2008, earnings in the private sector had increased at an average annual rate of 4.8% per year. For the subsequent 12-year period, from 2009 to 2021, the average annual increase was 2.4% per year. The last three years have seen large nominal increases in average earnings for the private sector, averaging 6.8% from 2022 to 2024.

Figure 2: In the year to June 2024 private sector earnings increased 5.9%
Private sector annual percentage change in average earnings from 1999 to 2024

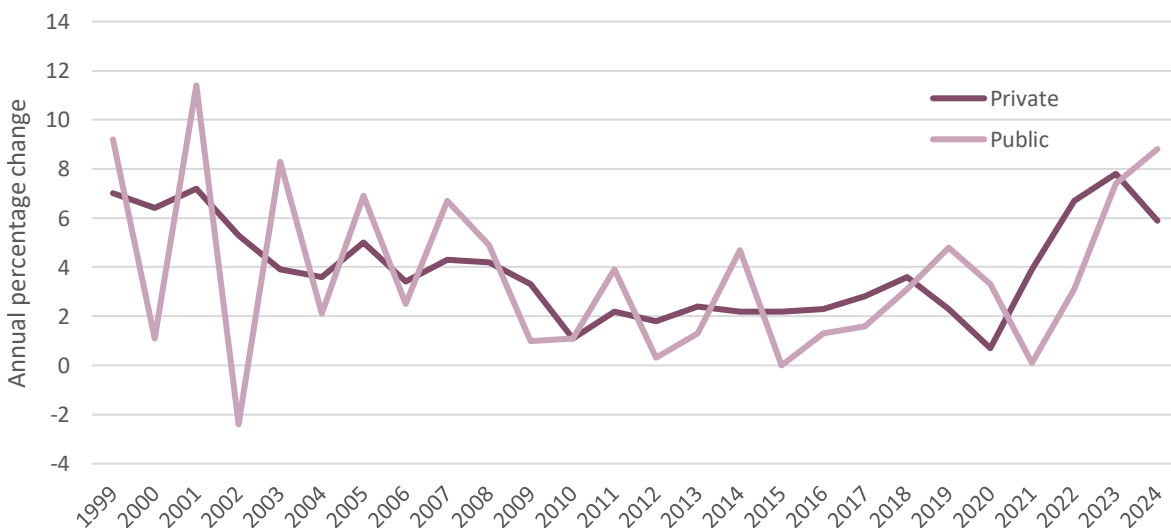


Public sector

Average earnings in the public sector increased by 8.8% over the 12 months to June 2024. This was driven by an 8.0% headline pay award in the public sector as well as nurses and teachers receiving delayed pay awards from 2023. This was partially offset by some pay groups in the public sector seeing notable decreases to the level of overtime in June 2024 compared to June 2023.

Comparison of the rate of growth of earnings in the public and private sectors is complicated by lags in the implementation of pay awards for some public sector pay groups, as is apparent in figure 3.

Figure 3: The increase in public sector pay was above the private sector for the first time in four years
Public and private sector annual percentage change in average earnings from 1999 to 2024

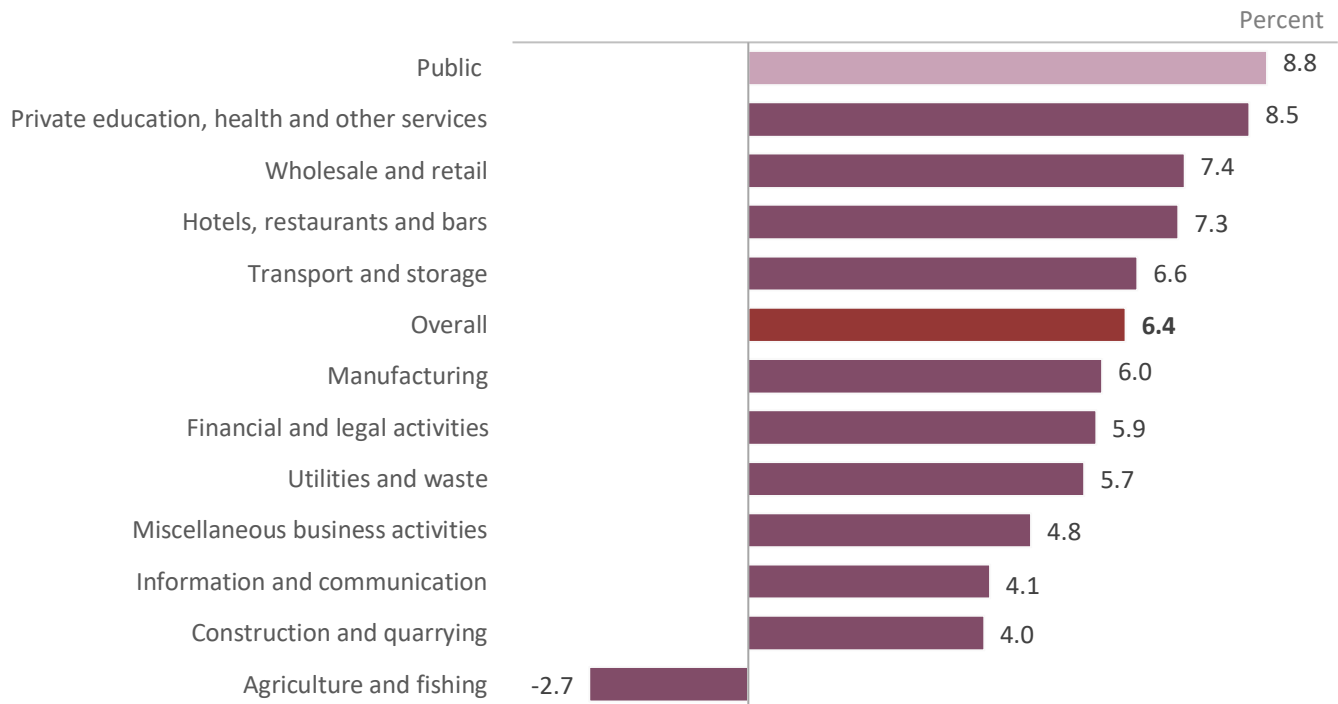


Individual business sectors

Figure 4 shows that the change in average earnings for the individual business sectors over the year to June 2024 ranged from an annual decrease of 2.7% to an annual increase of 8.8%. Annual changes for each SIC 2007 sector since 2019 can be found in [Table A2](#).

Figure 4: Eleven out of twelve sectors saw nominal increases in average earnings

Annual percentage change in average earnings by sector, June 2024



On a sectoral basis:

- the highest annual increase was in the public sector, up 8.8% on an annual basis; this was driven by an 8.0% headline pay award in the public sector as well as nurses and teachers receiving delayed pay awards from 2023
- private education, health and other services recorded an increase of 8.5% in average earnings, this was driven by some companies awarding substantial pay increases to staff and more overtime being worked compared with June 2023
- average earnings in the wholesale and retail sector increased by 7.4% on an annual basis, this was driven by the increase in the minimum wage
- average earnings in the hotels, restaurants and bars sector increased by 7.3% on an annual basis, this was driven by the increase in the minimum wage
- average earnings (excluding bonuses) in the finance sector rose by 5.9%; this was below the overall increase in average earnings
- the agriculture and fishing sector was the only sector to record a decrease in average earnings (decreased 2.7% on an annual basis); this was driven by average working hours in the sector reducing by a greater proportion than the increase in the minimum wage (10.9%)

Average earnings in real terms

The change in average earnings may be considered in ‘real terms’, adjusting for retail price inflation.⁴

Figure 5 shows the Index of Average Earnings since 1990 in nominal (not adjusted for inflation) and in real terms (adjusted by the Jersey Retail Prices Index, RPI). In nominal terms, since 1990 average earnings in Jersey have more than quadrupled, increasing by around 309%. After adjusting for inflation, average earnings have increased by around 15% over this 34-year period.

Figure 5: Real term earnings have seen little change since 1990
Index of Average Earnings in nominal and real terms (June 1990 = 100)

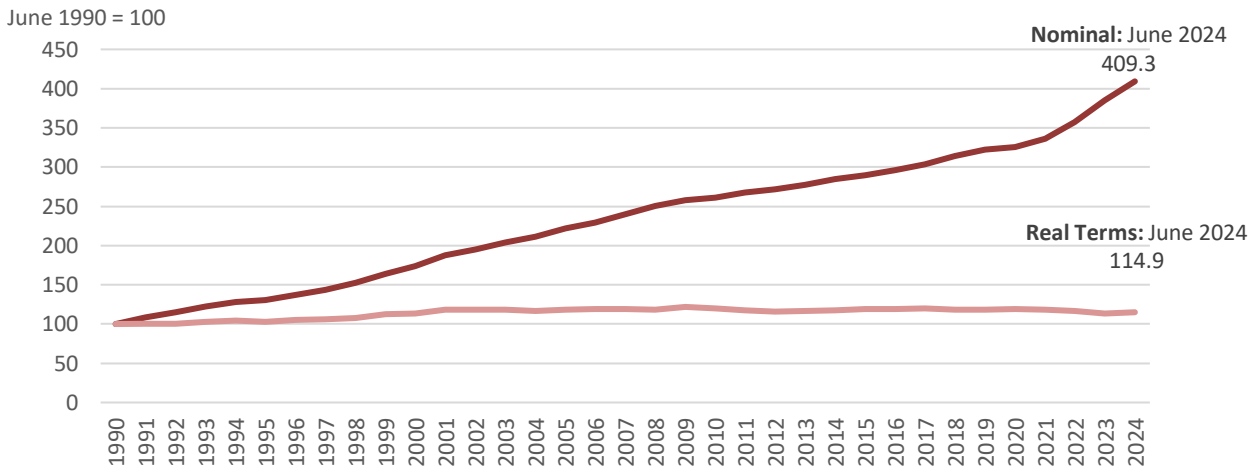
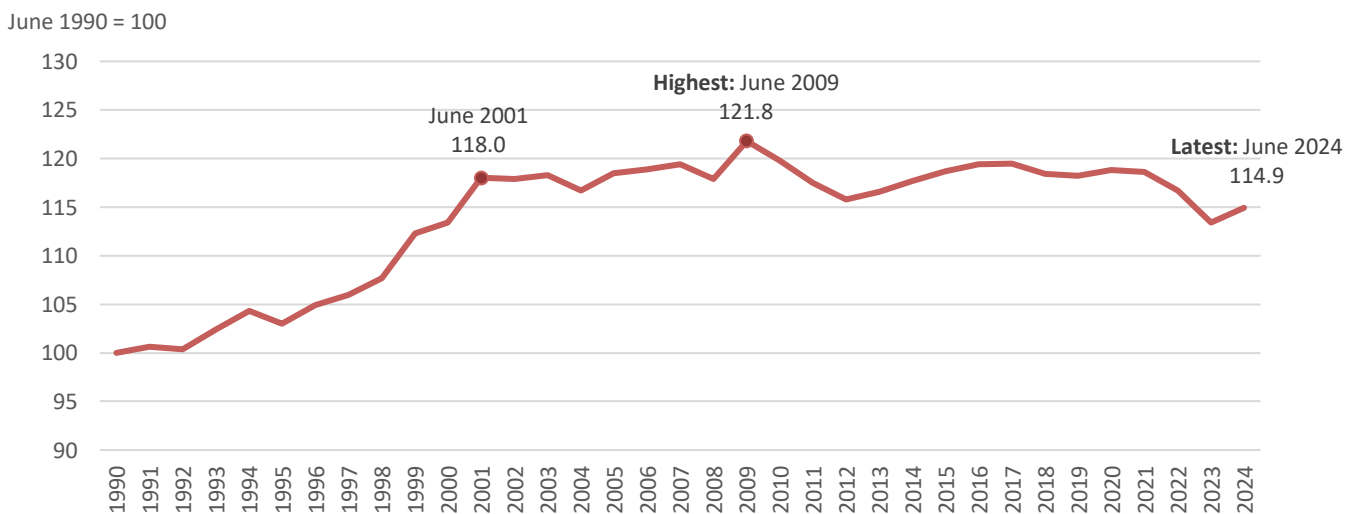


Figure 6 shows the Index of Average Earnings in real terms since 1990. It is apparent that in Jersey there have been three periods of change in real-term average earnings:

- 1990 to 2001 saw real-term growth in earnings of more than a sixth (18%) over the period
- 2001 to 2020 saw earnings remain essentially flat in real terms, increasing by 0.7% over the 19-year period
- 2020 to 2024 saw earnings decrease in real terms, decreasing by 3.3% over the 4-year period

Figure 6: Real term earnings slightly increased between 2023 and 2024
Index of Average Earnings in real terms from 1990 to 2024 (June 1990 = 100)

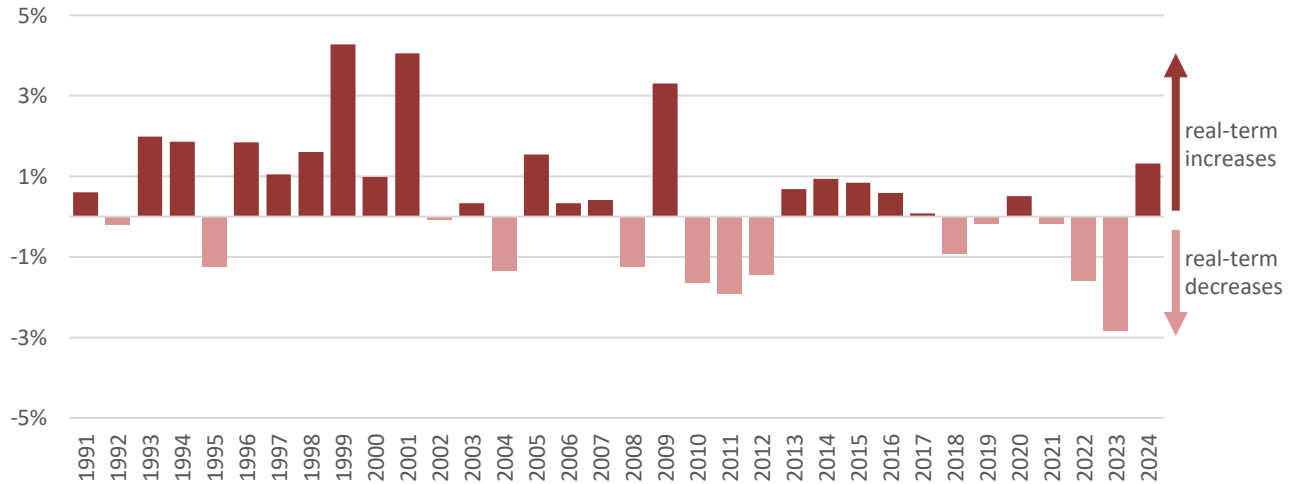


The level of average earnings in real terms in June 2024 were similar to June 2012.

⁴ The increases in retail prices used in this analysis are based on the indices in June of each year and can be found in the [Jersey Retail Prices Index report – June 2024](#).

Figure 7 shows the real-term annual percentage change in average earnings for each year from 1991 to 2024.

Figure 7: Real term earnings increased for the first time since 2020
 Real-term annual percentage change in the Index of Average Earnings, 1991 to 2024

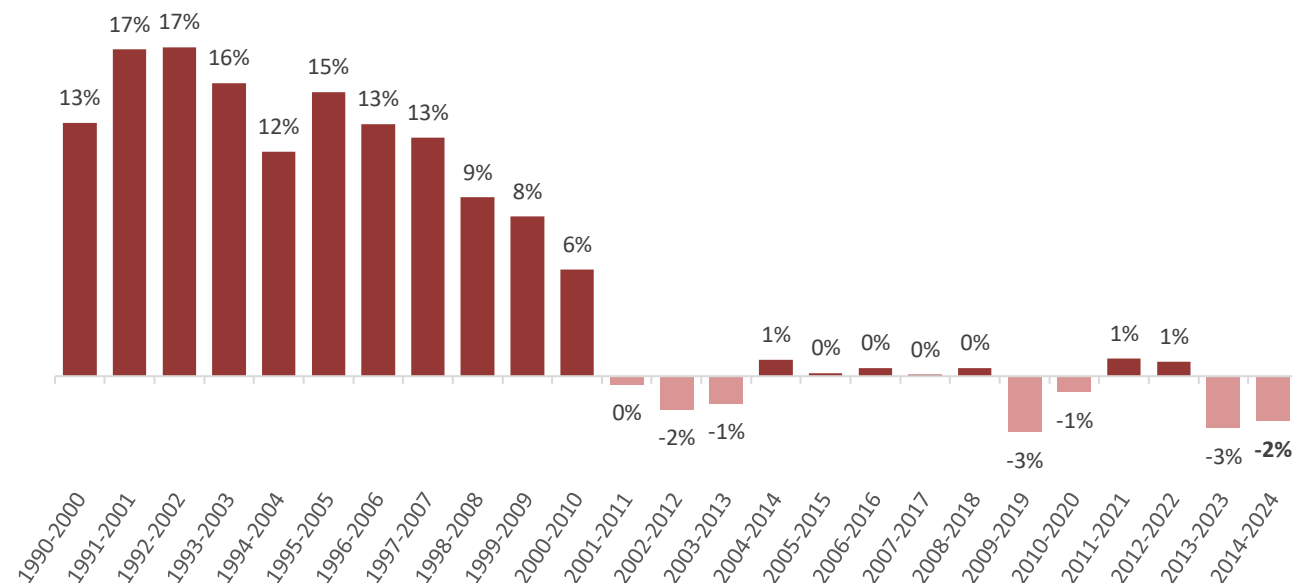


During the 12 months to June 2024 the Jersey RPI increased by 5.0%. Over the same period, average earnings increased by 6.4%, meaning that earnings increased by 1.3% in real terms.

The real-term earnings may also be considered over a longer time period than simply the annual change. Figure 8 shows 10-year total changes in real-term earnings since the decade ending 2000; where distinct periods of earnings change are apparent:

- prior to the decade ending 2010, the average 10-year real-term increase in average earnings was around 13%
- since 2011, there has been essentially no improvement in real-term earnings in each of the subsequent 10-year periods

Figure 8: From 2014 to 2024 average earnings have decreased by 2.4% in real terms
 Rolling 10-year total change in real-term average earnings

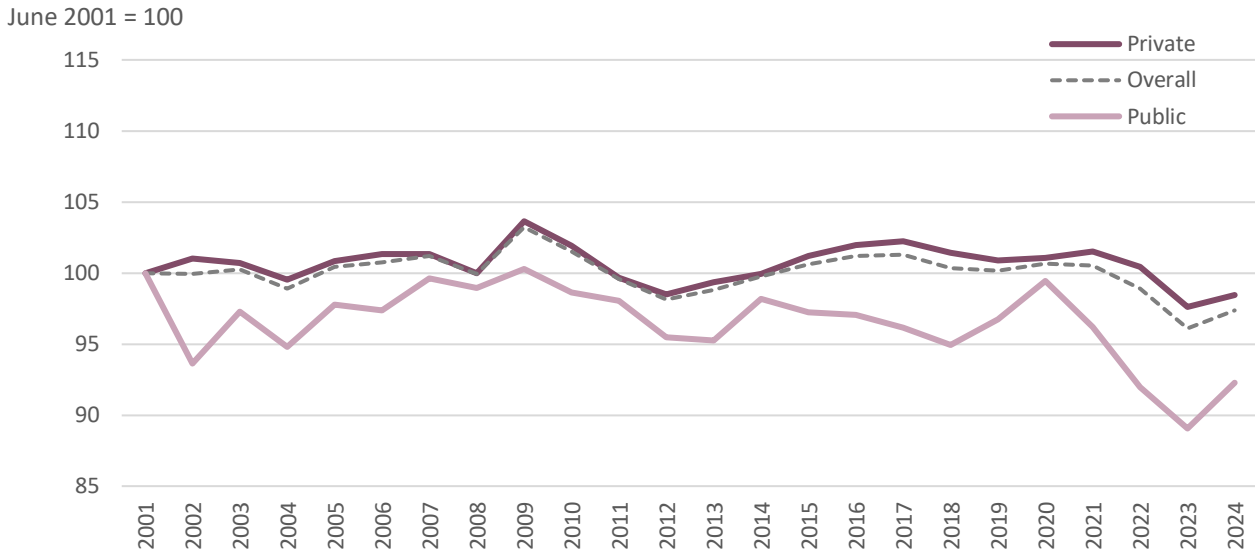


Percentage changes are presented rounded to the nearest integer.

Public and private sectors in real terms

Figure 9 shows real-term average earnings for the public and private sectors separately since 2001, expressed as indices.

Figure 9: Public sector earnings have decreased more than in the private sector since 2001
Index of Average Earnings in real terms for the public and private sectors from 2001 to 2024



All-sector earnings have decreased by 2.6% in real terms since 2001 whilst private sector earnings have decreased by 1.6%. Public sector earnings have decreased by 7.7% over the same period.

During the latest 12-month period, average earnings in the public sector increased by 3.6%⁵ in real terms and increased by 0.9% in real terms in the private sector.

Level of earnings

The methodology used to compile the Index of Average Earnings is specifically designed to measure the change in average earnings. However, the data collected also provides information on the level of earnings in June: the mean average weekly earnings *per full-time equivalent (FTE)* employee.

On an FTE basis, part-time staff are converted into full-time equivalents based on the number of hours worked. Part-time workers will, therefore, actually earn a fraction of the weekly averages presented, depending on the proportion of a full-time week worked.

It should be noted when interpreting these results that as a consequence of the earnings distribution being asymmetric (skewed towards higher values), the mean provides a higher measure of “average” earnings than the median.

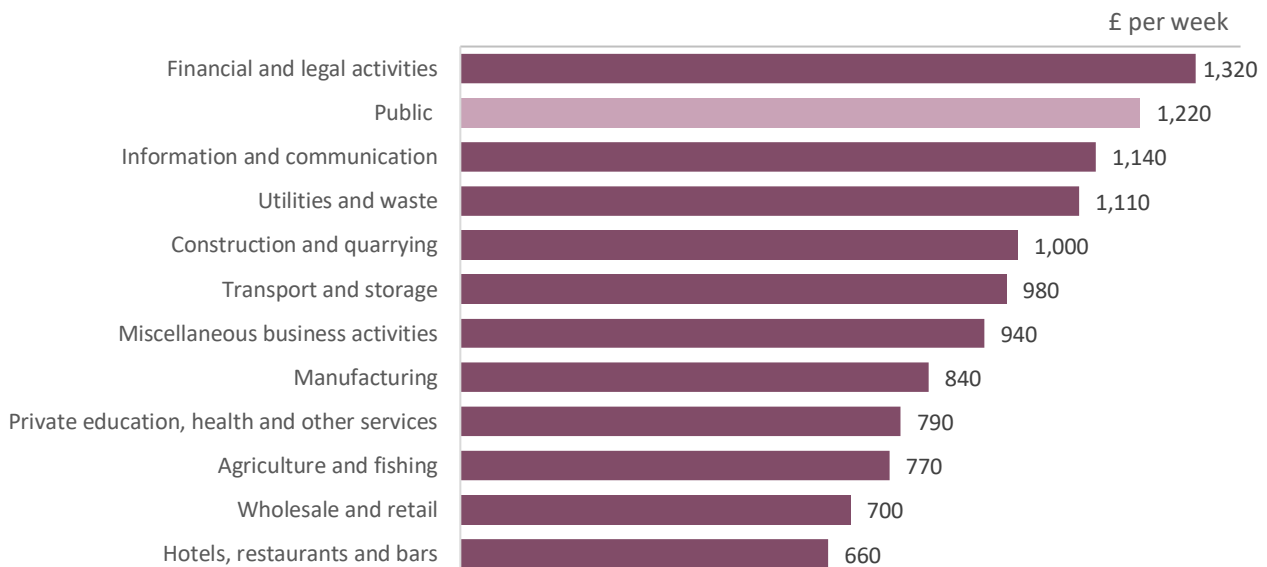
Analysis of the distribution of incomes from the Jersey Income Distribution Survey (IDS) indicates that around two-thirds of workers earn less than the mean earnings. The level of average earnings derived from this survey should therefore be considered as an indicative measure, particularly for comparisons between sectors.

⁵ Real-term change is calculated using published, rounded indices for the AEI and RPI. As such it is not directly calculable from the rounded percentage changes of these indices.

The mean average weekly earnings for full-time equivalent (FTE) employees in Jersey in June 2024 was £1,000 per week.⁶

At a sectoral level, average earnings per FTE (excluding bonuses) ranged from £660 per week in hotels, restaurants and bars to £1,320 per week in financial and legal activities.

Figure 10: Financial and legal activities was the sector with highest average earnings
Average weekly earnings by sector (£ per week per FTE), June 2024



Average weekly earnings reflect how much is actually earned by the employees in the reference period (either the final week of June or the whole month of June depending on how frequently staff are paid). Therefore, it is subject to fluctuations in the number of hours actually worked by full time staff during that period.

Median earnings

A median average cannot be calculated from the company-level data collected for the Index of Average Earnings, since this requires earnings at an individual employee level.

The Jersey Living Costs and Household Income Survey (LCHIS) carried out in 2021/22 collected information on individual employment earnings, enabling an estimate of median employment earnings to be determined. The most recently published estimate⁷ was £730 for March 2022.

The results derived from the LCHIS data have been up rated from the survey period using the Index of Average Earnings to provide an estimate of median earnings in June 2024 of £850 per week per FTE employee (see the [appendix](#) for methodology).

⁶ The figures for the levels of weekly earnings shown in figure 10 should be considered as estimates with a 95% confidence interval of approximately ±£20.

⁷ [Jersey Household Income Distribution report](#)

Comparison with the UK

The earnings measures for the two jurisdictions are not strictly comparable due to differing methodologies.⁸ However, it can be inferred that overall average earnings in both the UK and Jersey increased over the year to June 2024 as shown in table 1.

Table 1: Annual increases in average earnings in Jersey and the UK,⁹ June 2024

	Jersey annual change, %	UK annual change, %
Agriculture and fishing	-2.7	4.7
Manufacturing	6.0	5.9
Construction and quarrying ¹⁰	4.0	3.9
Utilities and waste	5.7	5.5
Wholesale and retail ¹⁰	7.4	5.6
Hotels, restaurants and bars	7.3	6.4
Transport and storage	6.6	6.8
Information and communication	4.1	3.6
Financial and legal activities ¹⁰	5.9	3.8
Miscellaneous business activities ¹⁰	4.8	6.1
Private education, health and other services ¹⁰	8.5	5.9
Public sector	8.8	5.5
All private sectors	5.9	4.9
All sector	6.4	5.0
Minimum wage	10.9	9.8

Private sector earnings increased in the UK (4.9%) and increased in Jersey (5.9%) over the 12 months to June 2024.

The majority of sectors in Jersey recorded higher annual increases in earnings than in the UK, with agriculture and fishing seeing the largest difference, with an increase in the UK but a decrease in Jersey. Miscellaneous business activities increased more in the UK than in Jersey by 1.3 percentage points. Transport and storage also saw a lower increase in Jersey than in the UK but the difference was much smaller, 0.2 percentage points. When comparing these differences between Jersey and the UK it is important to note that the minimum wage increased by a higher percentage in Jersey than in the UK, so sectors which employ a high proportion of minimum wage workers would be expected to see higher increases in Jersey on average.

Public sector earnings increased at a higher rate in Jersey than in UK over the twelve months to June 2023 (up by 8.8% and 5.5% respectively).

⁸ The Average Earnings Index (AEI) in the UK has been replaced as the headline measure of average earnings by the Average Weekly Earnings (AWE) statistic. The AWE measure uses headcount rather than FTE; furthermore, unlike the AEI, the AWE does not require application of the matched pair approach for respondent companies (see [appendix](#) for notes).

⁹ Non-seasonally adjusted figures.

¹⁰ Some sectors in Jersey are a combination of multiple SIC2007 sectors. In such cases a weighted average of Office for National Statistics results has been calculated by Statistics Jersey for the UK.

Appendix – methodology

The Index of Average Earnings in Jersey is determined from earnings data collected from a large representative sample of firms in the private sector and from all Government of Jersey departments. This was the second year in which the survey was made compulsory under the provisions of the Statistics and Census (Jersey) Law 2018.

The Index of Average Earnings is compiled annually, using a “matched pair” approach. The main purpose of the Index is to provide a measure of the change in earnings.

Sampled firms report earnings paid in June if paid monthly, or in the final week of June if paid weekly. This includes the total gross wages and salaries paid to employees before any deductions are made for tax, employees’ social security contributions, employees’ contributions to pension funds, etc. The reported figures are to include any Jersey weighting allowances, non-contractual gifts and commission. Redundancy pay, directors’ fees and employers’ contributions to insular insurance and pension schemes are not included; bonus payments, holiday pay and back pay are also excluded.

Companies are also asked to provide the number of staff covered by the earnings payments reported. Part-time staff are converted into Full-Time Equivalents (FTEs) according to numbers of hours worked. In this way the overall measured change is less susceptible to changes in the proportions of full-time and part-time employees in the workforce.

From the information collected, the average weekly earnings is calculated for each respondent company, salaries paid monthly or four-weekly having been converted into weekly figures. The average weekly earnings for each company is then compared with that of the previous year in order to calculate an annual percentage change. Only companies with a “matched pair” of earnings for the current and previous years are included in the final calculation of the index.

Mean average earnings are aggregated for each sector, in order to calculate a measure of average weekly earnings by sector. These sectoral averages are then weighted together according to the sectoral share of total employment to give the overall average weekly earnings and hence percentage change between one year and the next.

This survey is designed to measure changes in average earnings by matching records in consecutive years from sampled firms. Hence, the figures for the levels of weekly earnings should be considered as estimates with a 95% confidence interval of approximately $\pm£20$. The levels of earnings determined for June 2023 using 2024 data are not consistent with those published in the previous report due to the change from SIC 2003 to SIC 2007. However, the change in average earnings overall, are unaffected by the changes in level.

An estimate of median employment earnings has been produced using data from the 2021/22 Jersey Living Costs and Household Income Survey. This approach uses gross earnings of employees and the self-employed (excluding bonuses) to derive an hourly rate, which is then uprated to a full-time equivalent. Earnings data are weighted according to industry, to ensure the sample of jobs is representative of employment in Jersey.

Data for the UK is from the Office for National Statistics [EARN02](#) and [EARN03](#) datasets. Some Jersey sectors are calculated using a weighted average of UK results.

Response rate and coverage

- 510 eligible firms in the private sector were sent a survey questionnaire and around 430 completed questionnaires were received back, representing a response rate of 85%.
- Of the returned questionnaires, around four-fifths (81%) were matched with a return from the previous year and were subsequently validated and used in the final compilation of the Index. This is higher than previous years due to the much higher overall response rate since making the survey compulsory.
- The number of employees whose earnings are used to calculate the Index of Average Earnings represents around three-fifths (57%) of all workers in Jersey.

Appendix – data tables

Table A1: Index of Average Earnings for Jersey in nominal (headline) and real terms, index values and annual percentage changes (June of each year)

	Nominal (headline)		Real terms*	
	Index	% Change	Index	% Change
1990	100.0		100.0	
1991	108.6	8.6	100.6	0.6
1992	115.1	6.0	100.4	-0.2
1993	122.1	6.1	102.4	2.0
1994	127.7	4.6	104.3	1.9
1995	130.6	2.3	103.0	-1.2
1996	137.1	5.0	104.9	1.8
1997	143.5	4.7	106.0	1.0
1998	152.7	6.4	107.7	1.6
1999	164.3	7.6	112.3	4.3
2000	173.4	5.5	113.4	1.0
2001	187.4	8.1	118.0	4.1
2002	195.2	4.2	117.9	-0.1
2003	204.3	4.7	118.3	0.3
2004	211.1	3.3	116.7	-1.4
2005	222.2	5.3	118.5	1.5
2006	229.5	3.3	118.9	0.3
2007	240.2	4.7	119.4	0.4
2008	250.6	4.3	117.9	-1.3
2009	258.0	3.0	121.8	3.3
2010	260.9	1.1	119.8	-1.6
2011	267.3	2.5	117.5	-1.9
2012	271.4	1.5	115.8	-1.4
2013	277.4	2.2	116.6	0.7
2014	284.5	2.6	117.7	0.9
2015	289.7	1.8	118.7	0.8
2016	295.8	2.1	119.4	0.6
2017	303.4	2.6	119.5	0.1
2018	314.0	3.5	118.4	-0.9
2019	322.3	2.6	118.2	-0.2
2020	325.8	1.1	118.8	0.5
2021	336.5	3.3	118.6	-0.2
2022	357.2	6.2	116.7	-1.6
2023	384.8	7.7	113.4	-2.8
2024	409.3	6.4	114.9	1.3

* The real terms Index of Average Earnings is calculated as the nominal (headline) Index of Average Earnings divided by the Jersey All Items Retail Prices Index (RPI) for June each year.

Table A2: Annual percentage change in average earnings by SIC 2007 sector, 2019 to 2024

	2019	2020	2021	2022	2023	2024
Agriculture and fishing	2.7	-11.8	-1.2	20.9	21.7	-2.7
Manufacturing	2.0	1.2	6.3	8.4	8.5	6.0
Construction and quarrying	1.4	0.7	4.5	4.6	12.0	4.0
Utilities and waste	3.1	0.2	2.6	3.3	9.3	5.7
Wholesale and retail	2.0	0.8	1.4	9.3	8.4	7.4
Hotels, restaurants and bars	4.5	-10.4	15.6	11.5	7.7	7.3
Transport and storage	2.1	1.7	0.3	5.7	6.2	6.6
Information and communication	-0.2	4.9	-0.5	1.9	7.5	4.1
Financial and legal activities	1.1	2.3	2.6	4.4	7.1	5.9
Miscellaneous business activities	8.9	0.9	9.9	11.1	6.4	4.8
Private education, health and other services	2.3	2.3	3.7	9.3	4.2	8.5
Public sector	4.2	3.5	-0.2	3.2	7.6	8.8
All private sectors	2.4	0.7	4.0	6.7	7.8	5.9
All sector	2.6	1.1	3.3	6.2	7.7	6.4