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Notes for Contributors

Authors should send papers for potential publication in the *Welsh Economic Review* to the Editor at the address given below, preferably via e-mail in a Word for Windows format. Papers are welcome on any topic that would be of general interest to the readership, and should be written in a style suitable for non-specialist readers. Papers should be approximately 3,000-4,000 words and any graphs or figures should be accompanied by the underlying data to allow reproduction.

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Pay in Wales

Wales Annual Pay Survey 2002

The Wales Annual Pay Survey for 2002 was the result of a collaboration between Cardiff Business School and ACAS (Wales). The Survey was sponsored by the Future Skills Wales Partnership (see endnote 1 for a list of organisations included within the Partnership).

The Survey

As part of the 2002 Pay Survey, 958 organisations were contacted across Wales. Of these 240 returned a completed form, giving an overall response rate of just over 25%. Each organisation was requested to complete a detailed questionnaire, covering pay information on 67 jobs categories (see Table 7). For each job, the organisation was asked to provide information relating to basic hours, average basic rate or annual salary (excluding overtime and shift premium) and average bonus or commission. In addition, organisations were asked to provide the following information:

- Trade unions recognised, if applicable
- Holiday entitlement
- Overtime pay rates
- Shift patterns
- Shift premium
- Bonus schemes
- Settlement date
- Data on absence
- Labour turnover
- Occupations where organisations have difficulty recruiting

A summary of some of these results are provided in the following sections.

Summary Results

Over half of Pay Survey respondents were in the manufacturing sector, just over 15% were in the public sector, with the remaining respondents in other

production sectors, other services and construction. Around 50% of respondents were in the 50-249 employees size band. The sectoral composition of respondents reflects the database held by ACAS Wales. Whilst there is an inherent bias towards manufacturing organisations, the results are useful for providing information regarding company pay in Wales to, for example, potential inward investing companies. The survey also provides an additional data source on pay levels on those in employment, in contrast to the data held by the Jobcentres, which includes many small scale service industries, where pay levels may differ.

Levels of Pay

The average pay increase for the year 2002 amongst the organisations covered by this Pay Survey was 2.9%. Table 6 provides an analysis of the distribution of the range of pay settlements by sub-region (see endnote 2 for a definition). The Table indicates that the vast majority of organisations had a pay settlement between 2% and 4%, though nearly one in ten had a settlement of under 2%, and one in twenty over 5%. This level of pay increase follows the trend indicated by earlier reports from the Cardiff Business School/Hyder Pay Survey.

Table 7 shows the average salary levels for the jobs included in the survey, together with an indication of the average bonus earned, and the number

of organisations paying such bonus.

The response rates with respect to the job categories were generally more than satisfactory, with twelve jobs having more than one hundred responses, with for example, the accounts clerk job category being included by 171 organisations. At the other extreme, there were only 4 jobs with responses from less than 20 organisations, and many of these were specialised job categories, such as the matron or head of a nursing home.

Other Data Collected

Table 8 gives information concerning recruitment problems by the organisations participating. The occupations mentioned most often by organisations experiencing shortages were production operatives, engineers, IT staff, sales and customer service and a variety of management vacancies.

Table 9 shows labour turnover rates by region. On average almost 20% of respondents had labour turnover rates which exceeded 20%. There was considerable variation by region, with those respondents in north Wales reporting the lowest labour turnover rates.

For further information regarding the Pay Survey, please contact Dr D H Simpson or Professor R McNabb at Cardiff Business School, or Mr David Harris at ACAS Wales.

Table 6: Pay Settlement

| | x% of Respondents by Region | | | | | | |
|-----------------|-----------------------------|------|------|------|-------|------|------|
| | All Wales | SE | SW | Mid | North | NE | NW |
| Under 2% | 9.5 | 10.7 | 8.8 | 0 | 7.1 | 10.3 | 0.0 |
| 2% but under 3% | 36.0 | 34.8 | 38.2 | 50.0 | 35.7 | 41.4 | 23.1 |
| 3% but under 4% | 43.0 | 42.0 | 35.3 | 41.7 | 52.4 | 41.4 | 76.9 |
| 4% but under 5% | 7.0 | 8.9 | 5.9 | 8.3 | 2.4 | 3.4 | 0.0 |
| Over 5% | 4.5 | 3.6 | 11.8 | 0.0 | 2.4 | 3.4 | 0.0 |

Note: 83% of respondents indicated that there had been a recent pay settlement

Table 7: Average Salary and Bonus by Job Category

| Job category | Salary | Av Bonus | No. with Bonus | % | Av Total Salary |
|--|--------|----------|----------------|------|--------------------|
| 1. Accountant, fully qualified | 32,282 | 2,873 | 27 | 19.9 | 32,827 |
| 2. Accountant, partly qualified | 21,230 | 1,164 | 15 | 16.3 | 22,117 |
| 3. Accountant, exp not qualified | 20,594 | 2,015 | 12 | 5.8 | 20,923 |
| 4. Accounts Clerk | 13,801 | 834 | 27 | 15.8 | 13,932 |
| 5. Accounts Supervisor | 19,063 | 1,535 | 13 | 15.9 | 19,306 |
| 6. Accounts/Admin/Office Manager | 22,511 | 3,809 | 8 | 9.8 | 22,986 |
| 7. Administration/Office Sup | 17,452 | 1,302 | 5 | 7.9 | 17,469 |
| 8. Building Craftsperson | 17,949 | 1,145 | 8 | 19.0 | 18,165 |
| 9. Buyer | 21,791 | 3,066 | 17 | 16.3 | 22,218 |
| 10. CAD Draughtsperson | 20,565 | 2,005 | 8 | 15.1 | 20,262 |
| 11. Call Centre Op (1 st Level) | 11,178 | 1,677 | 4 | 17.4 | 11,470 |
| 12. Call Centre Op (skilled/exp) | 13,014 | 3,101 | 5 | 26.3 | 13,830 |
| 13. Call Centre Op (senior) | 16,408 | 4,960 | 2 | 15.4 | 17,171 |
| 14. Call Centre Team Leader | 17,346 | 3,165 | 3 | 15.0 | 17,821 |
| 15. Cleaner* | - | 352 | 8 | 20.0 | - |
| 16. Clerk (junior) | 10,660 | 689 | 7 | 7.7 | 10,683 |
| 17. Clerk (senior) | 13,568 | 898 | 8 | 8.8 | 13,643 |
| 18. Driver | 11,741 | 670 | 8 | 23.5 | 11,788 |
| 19. Driver (forklift) | 12,277 | 812 | 8 | 15.7 | 12,489 |
| 20. Driver (HGV 1, 2, 3) | 14,422 | 1,632 | 15 | 88.2 | 14,797 |
| 21. Electronics Engineer (junior) | 17,636 | 1,457 | 6 | 15.8 | 17,866 |
| 22. Electronics Engineer (senior) | 25,116 | 1,677 | 8 | 15.4 | 25,374 |
| 23. Engineer (prod/ind/quality) | 22,588 | 1,811 | 7 | 9.1 | 22,753 |
| 24. Engineering Tech (junior) | 17,162 | 1,561 | 17 | 24.6 | 17,532 |
| 25. Engineering Tech (senior) | 20,961 | 1,923 | 18 | 20.0 | 21,257 |
| 26. Engineering Craftsperson | 17,089 | 1,558 | 10 | 14.5 | 17,312 |
| 27. Factory Manager | 36,929 | 4,837 | 22 | 27.8 | 38,276 |
| 28. General Manager | 43,853 | 7,943 | 13 | 18.8 | 45,349 |
| 29. Graduate Trainee | 15,994 | 1,062 | 8 | 15.1 | 16,154 |
| 30. Health and Safety Officer | 27,549 | 1,902 | 21 | 19.3 | 27,915 |
| 31. Inspector | 16,032 | 1,330 | 7 | 25.0 | 16,338 |
| 32. IT Manager | 31,277 | 2,796 | 25 | 18.8 | 31,803 |
| 33. Lab Technician | 16,710 | 1,102 | 11 | 20.4 | 16,909 |
| 34. Labourer | 11,872 | 1,233 | 7 | 20.6 | 12,114 |
| 35. Maintenance/Prod Fitter | 18,083 | 1,758 | 15 | 24.6 | 18,506 |
| 36. Matron | 25,508 | - | - | 12.5 | 25,508 |
| 37. Packer | 11,064 | 867 | 14 | 37.8 | 11,351 |
| 38. Personal Assistant/Secretary | 16,093 | 1,296 | 21 | 15.6 | 16,289 |
| 39. Personnel Assistant | 15,001 | 1,054 | 18 | 17.8 | 15,189 |
| 40. Personnel HR Officer | 20,435 | 1,813 | 13 | 11.0 | 20,635 |
| 41. Personnel Training Manager | 30,458 | 2,707 | 27 | 20.6 | 31,016 |
| 42. Production Dev Manager | 35,920 | 2,353 | 10 | 19.2 | 36,372 |
| 43. Production Op (lowest) | 11,612 | 913 | 24 | 32.0 | 11,879 |
| 44. Production Op (trained) | 13,509 | 870 | 25 | 30.5 | 13,747 |
| 45. Production Op (leading hand) | 14,921 | 1,083 | 26 | 34.2 | 15,260 |
| 46. Production/Materials Controller | 19,718 | 1,439 | 17 | 26.2 | 20,087 |
| 47. Production Clerk/Controller | 15,685 | 1,247 | 13 | 23.6 | 15,972 |
| 48. Production Manager | 31,538 | 3,074 | 23 | 23.2 | 32,252 |
| 49. Programmer | 22,205 | 1,323 | 6 | 13.0 | 22,378 |
| 50. Quality Manager | 30,640 | 2,429 | 28 | 26.4 | 31,262 |
| 51. Receptionist/Telephonist | 11,595 | 764 | 16 | 11.3 | 11,675 |
| 52. Sales/Comm Mark Manager | 33,263 | 5,014 | 22 | 24.7 | 34,502 |
| 53. Sales Admin Clerk | 14,103 | 1,302 | 16 | 20.8 | 14,368 |
| 54. Sales Representative | 23,060 | 4,695 | 23 | 35.9 | 24,748 |
| 55. Secretary | 14,613 | 964 | 13 | 17.3 | 14,775 |
| 56. Security Person | 14,208 | 5,086 | 3 | 11.1 | 14,772 |
| 57. Shop Assistant | 12,490 | 1,371 | 3 | 42.9 | 12,792 |
| 58. Store Warehouse Worker | 12,720 | 841 | 23 | 25.3 | 12,921 |
| 59. Supervisor/Team Leader (jun) | 17,382 | 1,159 | 19 | 25.3 | 17,650 |
| 60. Supervisor/Team Leader (sen) | 20,394 | 2,314 | 22 | 23.7 | 20,936 |
| 61. Systems Analyst | 25,331 | 2,131 | 9 | 15.8 | 25,667 |
| 62. Technical Manager | 32,696 | 3,876 | 12 | 21.1 | 33,512 |
| 63. Training/H&S Officer | 22,259 | 1,825 | 9 | 13.8 | 22,512 |
| 64. Wages/Payroll Clerk | 14,605 | 1,204 | 17 | 14.0 | 14,774 |
| 65. Warehouse/Distribution Manager | 26,225 | 1,298 | 14 | 16.7 | 26,547 |
| 66. Welder | 14,890 | 1,642 | 6 | 35.3 | 15,284 |
| 67. Word Processor/Operator | 13,698 | 615 | 4 | 10.3 | 13,762 |

*Cleaners are generally paid weekly. On average weekly pay was £149.70.

Table 8: Do You Have Difficulty In Recruiting People? (by ELWa Region)

| | Total Answering | Yes | % |
|-------|-----------------|-----|------|
| SE | 124 | 60 | 48.4 |
| SW | 37 | 18 | 48.6 |
| Mid | 14 | 8 | 57.1 |
| North | 43 | 25 | 58.1 |
| NE | 31 | 19 | 61.3 |
| NW | 12 | 6 | 50.0 |
| Total | 218 | 111 | 50.9 |

Note: 83% of respondents indicated that there had been a recent pay settlement

Table 9: Labour Turnover Rates

| | % of Respondents by Region | | | | | | |
|-------------------|----------------------------|------|------|------|-------|------|------|
| | All Wales | SE | SW | Mid | North | NE | NW |
| Under 5% | 36.6 | 35.2 | 43.5 | 25.0 | 38.5 | 31.3 | 50.0 |
| 5% but under 10% | 29.0 | 30.7 | 21.7 | 25.0 | 30.8 | 31.3 | 30.0 |
| 10% but under 15% | 15.2 | 12.5 | 21.7 | 25.0 | 15.4 | 18.8 | 10.0 |
| Over 15% | 19.3 | 21.6 | 13.0 | 25.0 | 15.4 | 18.8 | 10.0 |

Note: 60% of respondents measured labour turnover

Endnotes

1. The Future skills Wales Partnership includes the following organisations:

ACCAC,
Careers Wales
CBI
DYSG
ELWa
ESTYN
The Federation of Small Businesses
Fforwm
Jobcentre Plus
The Local Government Data Unit
The Secondary Heads Association

The Wales Council for Voluntary Action
Wales TUC
Welsh Assembly Government
Welsh Development Agency
Welsh Local Government Association.

2. ELWa Regions

South East Wales

Bridgend, Vale of Glamorgan, Rhondda Cynon Taff, Merthyr Tydfil, Caerphilly, Blaenau Gwent, Torfaen, Monmouthshire, Newport and Cardiff.

South West Wales

Carmarthenshire, Swansea and Pembrokeshire

Mid Wales

Powys, Ceredigion and Meirionnydd (part of Gwynedd)

North Wales

North East

Wrexham, Flintshire and Denbighshire

North West

Conwy, Anglesey/Ynys Mon, Dwyfor and Arfon (part of Gwynedd).