

# Swindon – the real picture (Part One)

## Women and part-time workers earnings decline

**N**ews from the Centre for Cities report was picked up by local politicians as an opportunity to declare how well things were going in the town. The rate of productivity per worker saw the town ranked seventh, whilst the employment rate of 80.6% ranked it third. MP Robert Buckland saw fit to comment that “Swindon's economy is vibrant, booming and better than ever”. He also commented that Swindon's house prices are “significantly below the national average”.

Each year that the Centre for Cities brings out its report our local politicians go through their cherry picking routine, selecting what they think makes them look good whilst conveniently ignoring more problematic statistics. For instance, last year Council Leader David Renard was pictured clutching a copy of 2017's Cities Report and saying how well the town was doing (under his inspired leadership no doubt). In fact the report described Swindon as a “low wage, low benefit” location. As I commented at the time what that told us was that levels of exploitation are high.

Here we are again with the 2018 report and the politicians are ignoring the inconvenient data. For instance, if you compare the average weekly income for Swindon in 2017 with 2010 it has increased by the princely sum of £2.44 according to the report, whilst house prices have increased by over £50,000.

If you want a rounded picture, as opposed to self-congratulation, which ignores the increasing inequalities in the town, then it's worth looking at the government's Annual Survey of Hours and Earnings. In the table shown below you can compare earnings in 2010 with 2017. It graphically shows the results of seven years of austerity and increased exploitation of labour.

The increase in income of all employees looks pretty good at 13.2% for the median; the mid point. The mean (average) shows an increase of 7.1%. However, this has to be measured against the level of inflation over this period which was 18.1% CPI.

For people in part-time jobs the situation is far worse. The median income for them *declined* over this period by 1.8% and the mean fell by 5.6%. Both men and women are earning less from part-time work than they were in 2010! Women are generally worse off than men, as we will see in a moment. However, the exception is men in part-time jobs for which average earnings have declined by a staggering 16.5%. Female part-time jobs both median and mean now have a lower annual income than in 2010 with a 0.35% fall of the median and 0.6% of the average so inflation will have had a massive impact on them. .

Whilst it may appear a contradiction female earnings overall have increased by 6%. What this probably reflects is that women in high paid jobs are doing much better, and lower earners are doing much worse.

In 2010 women were earning at the median level only 57% of male earnings, yet by 2017 it had fallen to 55%. The mean improved slightly to 55.6 % from 54.9% over the same time-scale.

Female full-time workers saw their median *lower* in 2017 than in 2010! In other words *the bottom 50% are earning less than they did in 2010*. Factor in inflation and that means that half of female full-time workers are not far short of 20% worse-off than in 2010. They also saw their ratio of earnings in comparison with male full-time workers fall from 72.75% to 67% for the median. The mean increased slightly though it is still only 68%.

These statistics suggest that the level of exploitation in the workforce, especially in low paid and part-time jobs (many of which are low paid as well), has increased over the last seven

years. This gives some context to the picture painted of a “vibrant” and “booming” economy. Not only has the value of earnings declined overall but for some local workers their earnings have declined absolutely in the face of a cumulative inflation rate of 18.1% and employers who are squeezing more work for less money.

The increased level of employment reflects in part the increase in the number of workers over retirement age, many of whom have taken on work through sheer economic necessity rather than boredom<sup>1</sup>.

Of course, the ASHE is a survey, which doesn't provide the definitive information that the HMRC does. Unfortunately the latter is always a couple of years behind since it has to analyse a mountain of data. The latest year's statistics available from the HMRC for personal income at the level of local authorities is 2014-15. What's notable from that information is that the median for Swindon was marginally lower in 2014-15 than it was in 2010/11 which underlines the polarisation which is taking place in the job market and increasing inequality.

In Part 2 I will look at the impact of this on housing.

## **Swindon earnings – Annual Survey of Hours and Earnings**

### **Annual pay employees**

	Median 2010	Median 2017	% increase	Mean 2010	Mean 2017	% increase
All Employee jobs	£21,855	£24,734	13.2%	£26,150	£28,018	7.1%
Female	£15,953	£17,062	6.95%	£18,140	£19,323	6.5%
Male	£28,007	£30,992	10.65%	£32,987	£34,764	5.4%
Full-Time	£24,847	£26,677	7.4%	£31,578	£33,480	6%
Part-Time	£9,280	£9,115	- 1.8%	£10,775	£10,170	- 5.6%
Male Full-Time	£30,228	£32,661	7.7%	£35,810	£37,592	5%
Female Full-Time	£21,992	£21,915	- 0.35%	£24,082	£25,591	6.3%
Male Part-Time	x	x	x	£13,119	£10,958	- 16.5%
Female Part-Time	£9,296	£9,044	- 2.7%	£9,963	£9,900	- 0.6%

<b>Gender Pay Gap</b>				
				Female pay as % of Male pay
Female 2010 Median	£15,953	Male 2010 Median	£28,007	57%
Female 2017 Median	£17,062	Male 2017 Median	£30,992	55%
Female 2010 Mean	£18,140	Male 2010 Mean	£32,987	54.9%
Female 2017 Mean	£19,323	Male 2017 Mean	£34,764	55.6%
Female F/T 2010 Median	£21,992	Male F/T 2010 Median	£30,228	72.75%
Female F/T 2017 Median	£21,915	Male F/T 2017 Median	£32,661	67%
Female F/T 2010 Mean	£24,082	Male F/T 2010 Mean	£35,810	67.2%
Female F/T 2017 Mean	£25,591	Male F/T 2017 Mean	£37,592	68%
Female P/T 2010 Mean	£9,296	Male P/T 2010 Mean	£13,119	70.8%
Female P/T 2017 Mean	£9,044	Male P/T 2017 Mean	£10,958	82.5%

<sup>1</sup> In September 2017 the DWP reported that the number of people working over 65 had risen from 272,000 in 1997 to 1.2 million in 2017.