

Chapter 6: Occupation and Earnings

Key facts

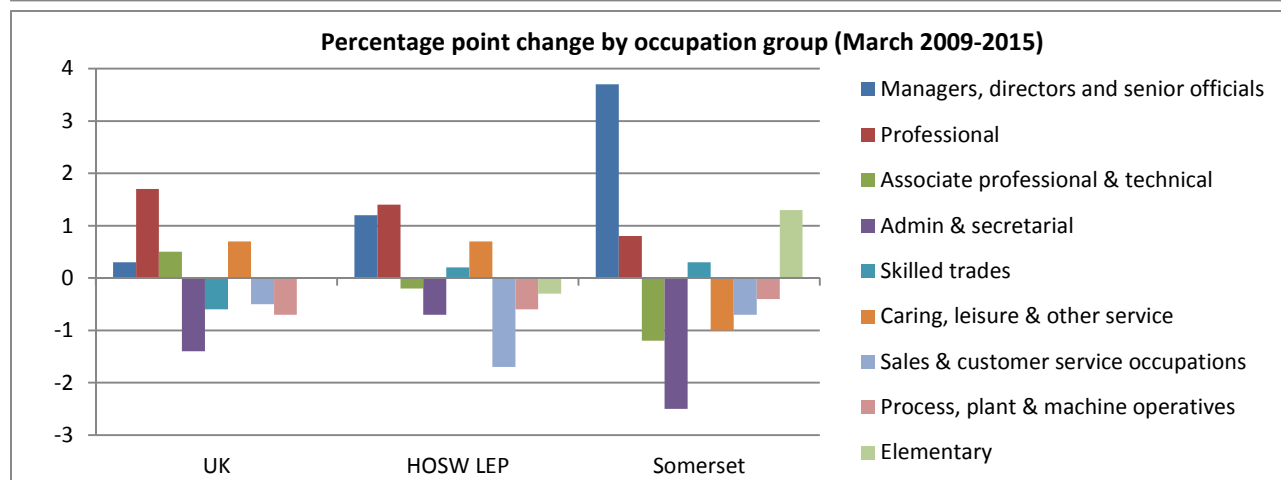
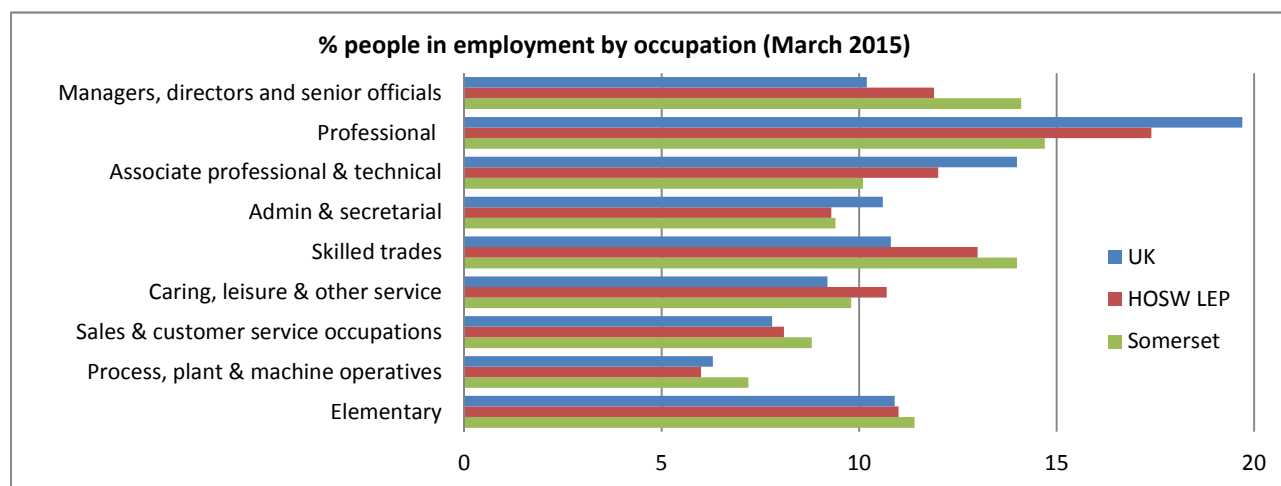
- The majority of people in employment in Somerset are working in professional occupations (14.7% at March 2015).
- Since 2009, the greatest change in Somerset's occupational structure has been in senior manager and director occupations, with an increase of 3.7 percentage points.
- Average earnings in Somerset are consistently lower than the UK level but gross disposable household income is approximately 2% higher.

National context

- At a national level, the occupational structure of the UK is changing. Since 2004, the proportion of people employed in professional occupations has increased from 16.9% to 19.7%.¹⁰ Caring, leisure and service occupations and associate professional and technical occupations also showed an increase. Conversely, admin and secretarial occupations are declining, with 10.6% of people working in this field in 2015 compared to 13% in 2004. Skilled trades, process, plant and machine operatives and elementary occupations are also in decline.

Somerset Overview

Occupation



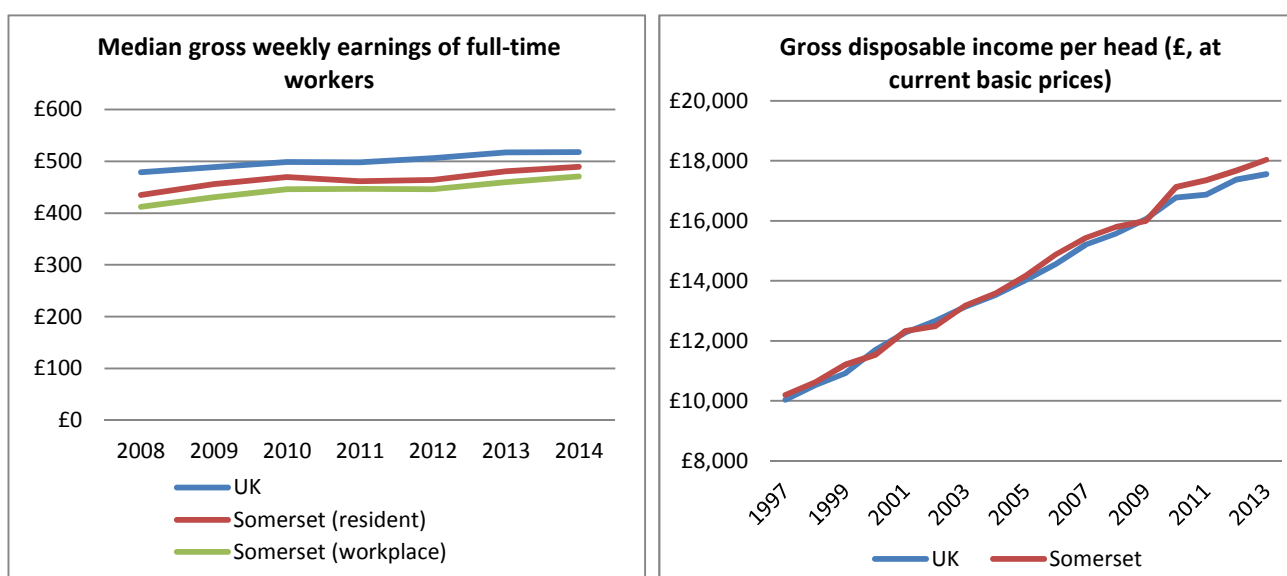
Source: Annual Population Survey, NOMIS 2015

¹⁰ Annual Population Survey data, December 2004 to March 2015, NOMIS.

Occupational structure

- The majority of people in employment in Somerset are working in professional occupations (14.7% at March 2015), although this is a smaller proportion than the national and LEP levels (19.7% and 17.4% respectively).
- 14.1% of Somerset's workforce are employed in senior manager and director roles, a higher proportion than nationally and across the LEP. Skilled trades are also well-represented in the County, with 14% of people employed in these occupations.
- Since 2009, the greatest change in the County has been in senior manager and director occupations, with an increase of 3.7 percentage points. The greatest decrease has been in admin and secretarial occupations which have declined from 11.9% to 9.4% of Somerset's workforce.

Earnings



Source: Annual Survey of Hours and Earnings 2014 (NB. Data not available for LEP areas) / Regional Gross Disposable Household Income, ONS 2014

Average earnings

- Average earnings in Somerset are consistently lower than the UK level. Locally, average earnings can be analysed on the basis of 'workplace' or 'resident' data. Resident data shows the average earnings for all those living within Somerset. Workplace data is calculated on the basis of average wages being paid by employers within the area. Resident-based average earnings in Somerset are marginally higher than workplace-based earnings because there is some 'leakage' of residents commuting out of the County to higher value jobs in surrounding areas.

Disposable income

- Gross Disposable Household Income (GDHI) is the amount of money that individuals (that is, the household sector) have available for spending or saving. This is money left after expenditure associated with income, for example taxes and social contributions.¹¹
- In 2013, Gross disposable household income (GDHI) per head in Somerset stood at £18,033 compared to £17,559 nationally. Somerset's GDHI was consistently on a par with the UK level until 2010 when the County figure increased above the national level. This small gap of approximately 2% has remained since then. This is probably due to the high number of retirees in Somerset and their pension incomes.

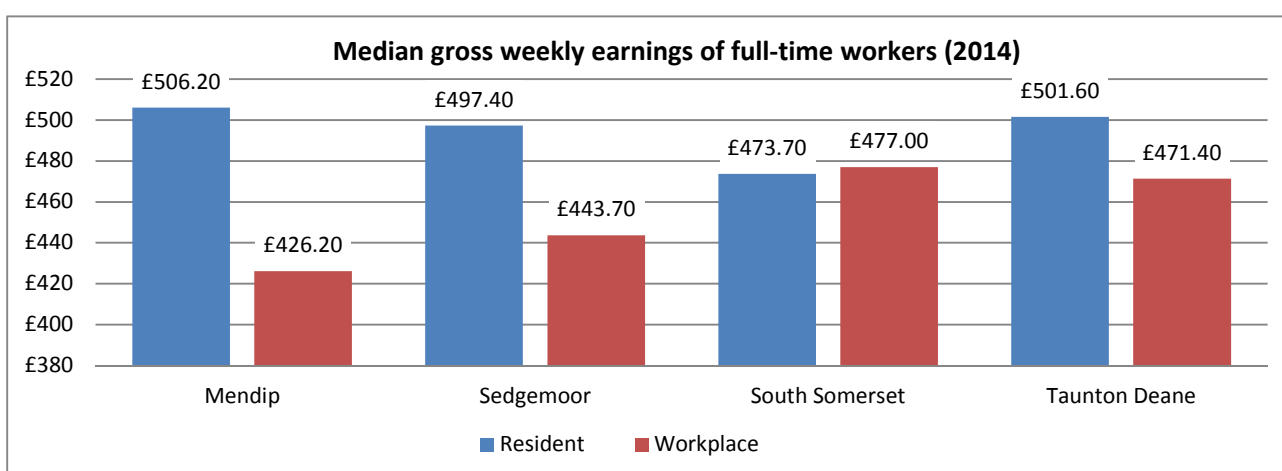
¹¹ For further information see ONS Regional Gross Disposable Household Income Information Paper, 21/10/2014.

Local trends (Districts)

Occupational structure by district (March 2015) Green = higher than Somerset, Red = lower than Somerset

Occupation group	Mendip	Sedgemoor	South Somerset	Taunton Deane	West Somerset
Managers, directors and senior officials	13.7	19.3	12.7	12.0	13.7
Professional	22.0	12.8	13.4	14.9	N/A
Associate professional & technical	11.3	5.7	10.3	12.6	9.1
Admin & secretarial	5.7	11.7	8.6	12.7	6.3
Skilled trades	14.4	17.0	11.0	12.2	23.5
Caring, leisure & other service	7.9	3.7	13.1	11.2	14.3
Sales & customer service occupations	5.6	4.6	11.5	11.0	12.5
Process, plant & machine operatives	8.4	10.5	6.4	4.4	N/A
Elementary	11.0	14.8	11.1	8.9	12.5

Source: Annual Population Survey, NOMIS 2015



Source: Annual Survey of Hours and Earnings 2014. NB. Data not available for West Somerset due to small sample size.

Occupational structure

- Of all the districts, Sedgemoor has the highest proportion of its workforce employed as managers, directors and senior officials (19.3%) whereas Taunton Deane has the lowest (12%). Mendip has the highest proportion of residents employed in professional occupations (22%) and Sedgemoor has the lowest (12.8%).
- Employment in skilled trades is highest in West Somerset by a substantial margin over the other districts (23.5%). West Somerset also has the highest proportion of residents working in caring, leisure and other service activities (14.3%).

Average earnings

- Mendip has the highest average earnings on a resident basis (£506.20) but the lowest on a workplace basis (£426.20) suggesting high levels of out-commuting to higher value jobs. A similar but less exaggerated pattern is evident in Sedgemoor and Taunton Deane. Only South Somerset has higher workplace-based than resident-based earnings indicating the presence of high value employers.
- Resident-based earnings have increased most in Taunton Deane since 2008 (+15.5%), whereas workplace-based earnings have shown the most growth in South Somerset (12.7%).

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% of all in employment by occupation (March 2015)

Change in occupational structure (2009-2015)

	UK	HOSW LEP	Somerset	Mendip	Sedgemoor	South Somerset	Taunton Deane	West Somerset	UK	HOSW LEP	Somerset	Mendip	Sedgemoor	South Somerset	Taunton Deane	West Somerset
Managers, directors & senior officials	10.2	11.9	14.1	13.7	19.3	12.7	12	13.7	0.3	1.2	3.7	5	7.3	3.8	2	-6.7
Professional	19.7	17.4	14.7	22	12.8	13.4	14.9	N/A	1.7	1.4	0.8	4.9	-0.9	0.7	-1.2	N/A
Associate professional & technical	14	12	10.1	11.3	5.7	10.3	12.6	9.1	0.5	-0.2	-1.2	-1.2	-3.2	-3.4	1.4	N/A
Admin & secretarial	10.6	9.3	9.4	5.7	11.7	8.6	12.7	6.3	-1.4	-0.7	-2.5	-8.2	-0.3	-2.3	1.2	-4.5
Skilled trades	10.8	13	14	14.4	17	11	12.2	23.5	-0.6	0.2	0.3	2.7	6.7	-4.1	-2	0.5
Caring, leisure & other service	9.2	10.7	9.8	7.9	3.7	13.1	11.2	14.3	0.7	0.7	-1	-3.8	-4.5	3.5	-0.6	-5.8
Sales & customer service	7.8	8.1	8.8	5.6	4.6	11.5	11	12.5	-0.5	-1.7	-0.7	-0.9	-8.3	2.7	0.6	3.9
Process, plant & machine operatives	6.3	6	7.2	8.4	10.5	6.4	4.4	N/A	-0.7	-0.6	-0.4	2	-0.1	-1.2	-2.8	N/A
Elementary	10.9	11	11.4	11	14.8	11.1	8.9	12.5	0	-0.3	1.3	-0.5	5.7	-0.9	1.3	5

Source: Annual Population Survey, NOMIS 2015

Average earnings (median gross weekly pay of full-time workers)

Resident-based

Workplace-based

	UK	Somerset	Mendip	Sedgemoor	South Somerset	Taunton Deane	West Somerset	UK	Somerset	Mendip	Sedgemoor	South Somerset	Taunton Deane	West Somerset
2008	£479.10	£435.00	£442.50	£437.00	£427.60	£434.40	£458.70	£479.10	£412.00	£410.40	£399.20	£423.10	£421.90	N/A
2014	£518.00	£489.10	£506.20	£497.40	£473.70	£501.60	N/A	£518.00	£470.90	£426.20	£443.70	£477.00	£471.40	N/A
Change 2008-2014	8.1%	12.4%	14.4%	13.8%	10.8%	15.5%	N/A	8.1%	14.3%	3.8%	11.1%	12.7%	11.7%	N/A

Source: Annual Survey of Hours and Earnings, NOMIS 2015

Gross disposable household income (GDHI) per head at current basic prices (£)

	2005	2006	2007	2008	2009	2010	2011	2012	2013
UK	14,028	14,561	15,211	15,571	16,058	16,775	16,875	17,378	17,559
Somerset	14,158	14,878	15,432	15,791	15,997	17,128	17,357	17,670	18,033

Source: Regional Gross Disposable Income, ONS – May 2015