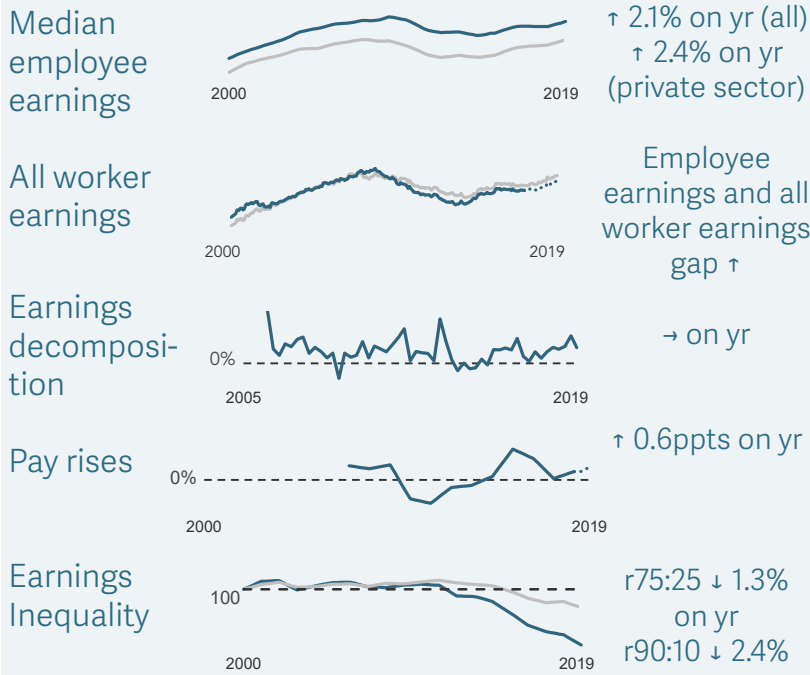


# The scorecard: Q2 2019

## What's happened: *The earnings breakdown*



In the most recent data, real median pay grew by 2.1%. This reflects both slowing inflation and strengthening nominal pay growth.

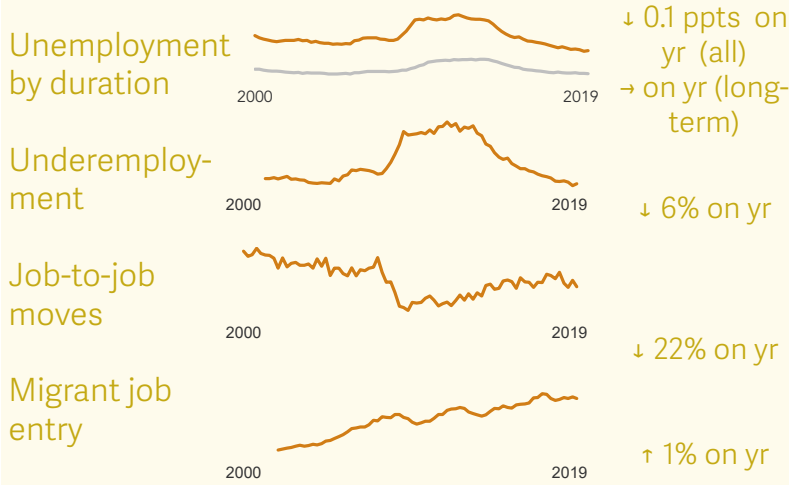
Employee earnings outstripped self-employed earnings in 2017-18, meaning 'all worker' earnings are falling behind the headline employee series.

Compositional change (e.g. due to high-paying occupations expanding) boosted annual pay growth by 0.7ppts, roughly in line with the average compositional boost this century.

Median year-on-year real hourly pay growth for employees in work over a year (both job stayers and changers) stood at 1.2% in January 2019, double the rate in the previous year.

Both our headline measures of earnings inequality (r75:25 and r90:10) continue to fall and at an increasingly fast pace (a rate last seen in 2016).

## What's round the corner: *Pay pressures and slack*



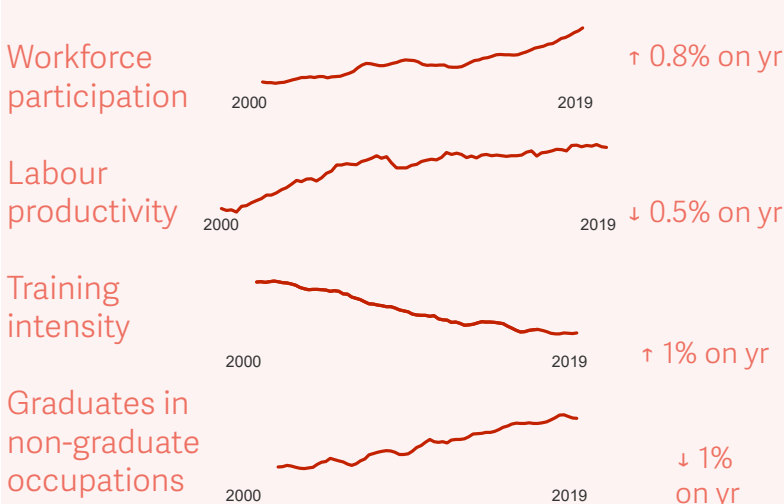
The unemployment rate fell slightly over the year to 2019 Q2, reaching 3.9 per cent. Long-term unemployment stayed broadly flat, as it has for the past two years, at 1 per cent.

Our measure of under-employment (net hours desired by those in work as well as the unemployed) increased slightly in the last quarter but is still close to its historic low.

A decline in voluntary job-to-job moves suggests that firm and worker confidence to try new people and roles is falling, with less upward pressure on pay as a result.

The share of jobs going to new migrants has risen slightly over the past year, to slightly under 20%.

## What's in the pipeline: *Longer-term labour market health and efficiency*



Labour force participation continues to rise and reached 76.3% in 2019 Q2. Women and people aged over 50 have experienced the largest increases.

Labour productivity continued its post-crisis weakness and fell 0.5% in the year to 2019 Q2. This is the joint-largest 12-month fall since 2012.

While the proportion of people receiving 'off-the-job' training was slightly up over the past year at 6.7%, the long-term trend still shows a big fall in training intensity over the past 20 years.

The proportion of all graduates in non-graduate roles fell slightly in the last year. While this measure has steadily increased over time, the proportion of 'recent' graduates in non-graduate occupations fell to a post-crisis low.