

Statistical bulletin

Low and high pay in the UK: 2025

The distribution of earnings of high-paid and low-paid employee jobs and employee jobs paid below the UK minimum wage.

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Table of contents

- 1. Other pages in this release
- 2. Main points
- 3. Low- and high-paid employee jobs
- 4. Data on low and high pay
- 5. Glossary
- 6. Data sources and quality
- 7. Related links
- 8. Cite this statistical bulletin

1. Other pages in this release

Commentary on topics covered in the Annual Survey of Hours and Earnings (ASHE) is split between this bulletin and two others. These are:

- our <u>Employee earnings in the UK: 2025 bulletin</u>
- our Gender pay gap in the UK: 2025 bulletin

2. Main points

- The proportion of low-paid employee jobs fell to 2.5% in April 2025 from 3.4% in 2024, the lowest since the series began in 1997, while the proportion of high-paid employee jobs increased to 23.2% in April 2025.
- Average hourly pay (excluding overtime) for employee jobs in April 2025 increased for all earnings deciles year-on-year; for full-time employee jobs, pay has increased most in the top and bottom deciles.
- The lowest-earning employees are aged between 16 and 21 years, and are concentrated in elementary occupations and the hospitality industry.
- The highest-earning employees are aged between 40 and 54 years, and are concentrated in managerial
 and professional occupations, and in information and communication and finance and insurance service
 industries.
- The number of jobs paid below the National Living Wage and National Minimum Wage is estimated to be 447,000, or 1.6% of the total, although this is an estimate and not a measure of non-compliance.

Throughout this bulletin, the terms "employee jobs" and "employees" are used interchangeably. When an individual holds multiple employee jobs, each job is treated as a distinct "employee job" entry. All estimates for 2025 are provisional.

3. Low- and high-paid employee jobs

In April 2025, 2.5% of all employee jobs were low-paid, that is, were paid less than £11.97 (two-thirds of median hourly pay, which was £17.96). This was the lowest proportion of low-paid employee jobs since the data series began in 1997.

The proportion of high-paid employee jobs - those paid more than £26.94 (1.5 times the median hourly pay) - increased to 23.2% in April 2025, returning closer to its April 2023 proportion (23.4%).

Differences in levels and growth rates in ASHE estimates reflect both changes in earnings and changes in the composition of the employee workforce in both the UK population and the ASHE sample. Further information on the quality of ASHE is available in <u>Section 6: Data sources and quality</u>.

These <u>definitions of low and high pay</u> are based on those used by the Organisation for Economic Co-operation and Development (OECD). More information is available in <u>Section 5: Glossary</u>.

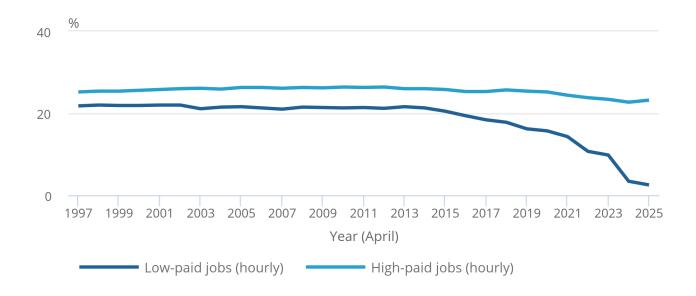
In April 2025, there were estimated to be around 447,000 employee jobs with employees aged 16 years and over who were paid below the <u>National Minimum Wage (NMW) or National Living Wage (NLW) rates</u> (1.5% of employee jobs). This compares with 371,000 (1.3% of employee jobs) in 2024. The increase, however, is an estimate from the Annual Survey of Hours and Earnings (ASHE) and cannot be used as a measure of non-compliance with minimum wage legislation. This is because it is not always possible to determine eligibility from survey data. More information is available in <u>Section 6: Data sources and quality</u>.

Figure 1: The proportion of low-paid employee jobs fell to a record low of 2.5%, while the proportion of high-paid employee jobs increased to 23.2% in April 2025

Proportion of low- and high-paid employee jobs based on hourly pay, UK, April 1997 to April 2025

Figure 1: The proportion of low-paid employee jobs fell to a record low of 2.5%, while the proportion of high-paid employee jobs increased to 23.2% in April 2025

Proportion of low- and high-paid employee jobs based on hourly pay, UK, April 1997 to April 2025



Source: Annual Survey of Hours and Earnings from the Office for National Statistics

Notes:

- 1. Estimates for 2025 data are provisional.
- 2. Employee jobs include those on adult rates with pay unaffected by absence.
- 3. Full-time is defined as employees working more than 30 paid hours per week (or 25 or more for the teaching professions).
- 4. Low pay is defined as the value that is two-thirds of median hourly earnings and high pay is defined as the value that is 1.5 times median hourly earnings.
- 5. Because of methodological changes, data from 2023 onwards might not be directly comparable with data for 2022 (see Section 6: Data sources and quality).
- 6. Data for 2020 and 2021 are subject to more uncertainty and should be treated with caution because of the impact of the coronavirus (COVID-19) pandemic on the data and collection.

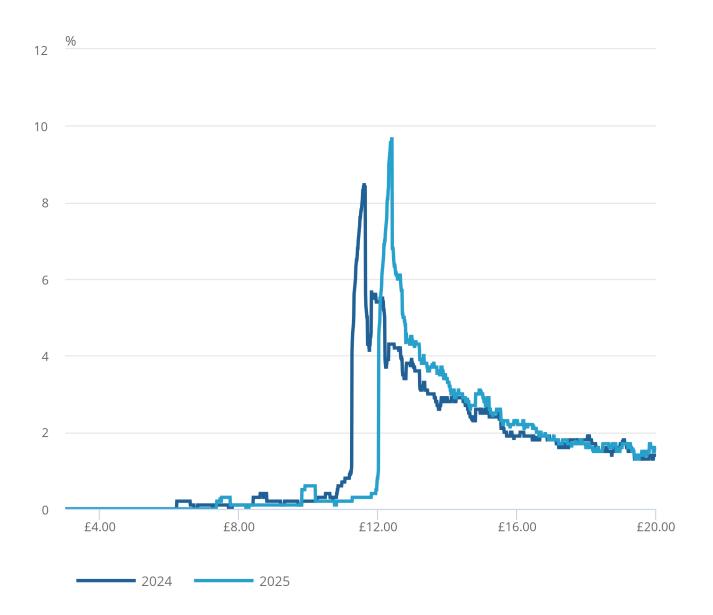
Distribution of pay

Figure 2: The proportion of people earning at or below the minimum wage has slightly increased in 2025

Distribution of hourly earnings (excluding overtime) for all employees, from 2024 to 2025, UK (proportion of jobs within plus or minus 20 pence of shown pay rate)

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Distribution of hourly earnings (excluding overtime) for all employees, from 2024 to 2025, UK (proportion of jobs within plus or minus 20 pence of shown pay rate)



Source: Annual Survey of Hours and Earnings from the Office for National Statistics

Notes:

- 1. Estimates for 2025 data are provisional.
- 2. Employee jobs include those on adult rates with pay unaffected by absence.

A large concentration of jobs were paid within 20 pence of the NLW in both April 2025 and April 2024. In April 2025, the NLW was £12.21 for those aged 21 years and over, and in April 2024 it was £11.44 for those aged 21 years and over.

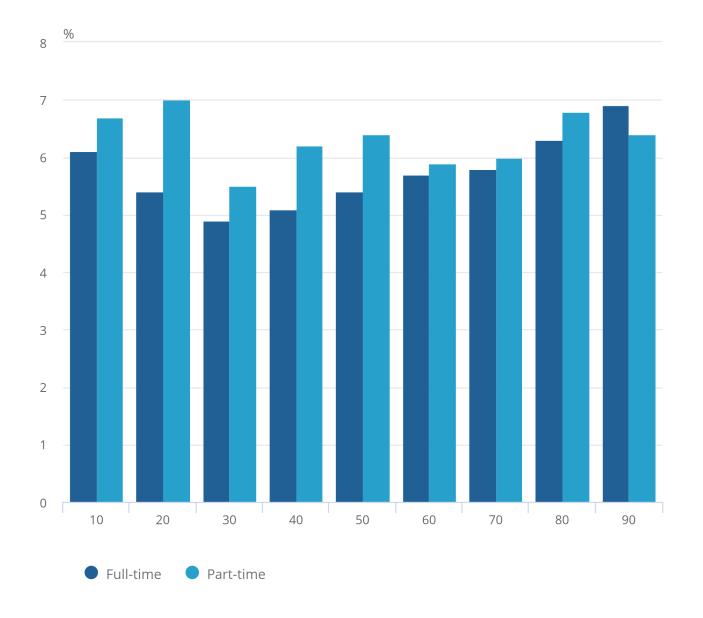
The highest point of the distribution of hourly earnings in 2025 is around £12.40. It includes a range of jobs that are paid the NLW (£12.21) and jobs that are paid the "real living wage" for employees outside of London (£12.60 in April 2025). The "real living wage" is defined by the <u>Living Wage Foundation</u>.

Figure 3: In 2025, average hourly pay (excluding overtime) increased for all deciles, with pay for full-time jobs increasing most in the lowest and highest deciles

Year-on-year percentage change to the distribution of full-time and part-time hourly earnings (excluding overtime) for every decile, UK, April 2025

Figure 3: In 2025, average hourly pay (excluding overtime) increased for all deciles, with pay for full-time jobs increasing most in the lowest and highest deciles

Year-on-year percentage change to the distribution of full-time and part-time hourly earnings (excluding overtime) for every decile, UK, April 2025



Source: Annual Survey of Hours and Earnings from the Office for National Statistics

Notes:

- 1. Estimates for 2025 data are provisional.
- 2. Employee jobs include those on adult rates with pay unaffected by absence.
- 3. Full-time is defined as employees working more than 30 paid hours per week (or 25 or more for the teaching professions).

There was an increase in pay across all deciles in the pay distribution for both full-time and part-time employee jobs in April 2025, compared with April 2024. This indicates strong wage growth at the extremes ends of the distribution.

The highest increases for full-time employee jobs were observed in the:

- 90th decile (6.9% increase on the year)
- 80th decile (6.3%)
- 10th decile (6.1%)

For part-time roles, the largest increases were seen in the:

- 20th decile (7.0% increase on-the-year)
- 80th decile (6.8%)
- 10th decile (6.7%)

Characteristics of employees in low- and high-paid jobs

Figure 4: Low-paid employees tend to be younger and work part-time, in elementary occupations and the hospitality industry

Low-paid, high-paid, and middle-paid employees broken down by various characteristics, UK, April 2025

Notes

- 1. Estimates for 2025 data are provisional.
- 2. Employee jobs include those on adult rates with pay unaffected by absence.
- 3. Low pay in April 2025 is defined as pay lower than £11.97 (two-thirds of median hourly pay, excluding overtime).
- 4. High pay is defined as pay higher than £26.94 (1.5 times the median hourly pay, excluding overtime).

Low pay for employee jobs in April 2025 was defined as pay lower than £11.97 (two-thirds of median hourly pay).

In April 2025, the share of employee jobs in low pay was highest in elementary occupations (11.1%) and the hospitality industry (16.2%). Part-time employees (6.1%) were more likely to be in low pay than full-time employees (1.2%).

Low-paid employees were more concentrated among the youngest age group, with 31.7% of employees being aged between 16 to 21 years. Women (2.8%) were more likely to be in low pay than men (2.3%). Low-paid employees were more concentrated in the North East (3.7%) than other regions.

High pay for employee jobs in April 2025 was defined as pay higher than £26.94.

In April 2025, the share of employees who were in high pay was highest in managerial (51.4%) and professional occupations (46.9), and in the information and communication (46.1%) and finance and insurance (54.1%) industries. Full-time employees (27.3%) were more likely to be in high pay than part-time employees (12.6%).

High-paid employees were more concentrated among the 45 to 49 years age group (33.3%). Men (27.4%) were more likely to be in high pay than women (19.0%). High-paid employees were more concentrated in London (40.8%) than other regions.

4. Data on low and high pay

Jobs paid below minimum wage by category

Dataset | Released 23 October 2025

Number of UK jobs paid below minimum wage by sex, age, occupation and industry, and region. Annual estimates, 1998 to 2025.

Number and proportion of employee jobs with hourly pay below the living wage

Dataset | Released 23 October 2025

Estimates of the number and proportion of UK employee jobs with hourly pay below the living wage, as defined by the living wage foundation. Estimates are provided by parliamentary constituency and local authority.

5. Glossary

Low pay and high pay

In this bulletin, low and high pay are calculated using the <u>Organisation for Economic Co-operation and Development (OECD) definitions</u>. Low pay is defined as pay below two-thirds of median hourly earnings and high pay is defined as pay that is higher than 1.5 times median hourly earnings.

In April 2025, low pay was pay below £11.97 (two-thirds of median hourly pay) and high pay was pay higher than £26.94 (1.5 times the median hourly pay).

Full-time and part-time

Full-time is defined as employees working more than 30 paid hours per week (or 25 or more hours for the teaching professions). Part-time is defined as employees working less than or equal to 30 paid hours per week (or less than or equal to 25 hours for the teaching professions).

Standard Occupational Classification

The <u>Standard Occupational Classification (SOC)</u> is a common classification of occupational information for the UK.

National Minimum Wage and National Living Wage

The <u>National Minimum Wage (NMW)</u> and <u>National Living Wage (NLW)</u> are a minimum amount per hour that most workers in the UK are entitled to be paid. There are different rates of minimum wage depending on a worker's age and whether they are an apprentice. In April 2025, the NLW applied to employees aged 21 and over and the NMW applied to employees aged between 16 and 20 years.

The government's NLW was introduced on 1 April 2016 and applies to employees aged 25 years and over. The cut-off age for the NLW has changed over the years. From 2024 onwards, it applies to employees aged 21 years.

On the Annual Survey of Hours and Earnings (ASHE) reference date in April 2025, the NMW and NLW rates were:

- £12.21 for employees aged 21 years and over
- £10.00 for employees aged 18 to 20 years
- £7.55 for employees aged 16 to 17 years
- £7.55 for apprentices aged 16 to 18 years and those aged 19 years or over who are in the first year of their apprenticeship

Percentiles

The Xth percentile indicates the value at which X% of the population falls under. For example, the fifth percentile means that 5% of the population earn under this amount and 95% of the population earn above this amount. The median corresponds to the 50th percentile, that is, the value at which half the population falls under.

6. Data sources and quality

Data sources

The Annual Survey of Hours and Earnings (ASHE) collects information on actual payments made to the employee and the hours on which this pay was calculated. It is based on employer responses for a 1% sample of employees, using HM Revenue and Customs Pay As You Earn (PAYE) records to identify individuals' current employers. All estimates for 2025 are provisional and relate to the pay period that includes 30 April 2025. Estimates for 2024 have been revised and relate to the pay period that includes 17 April 2024.

The ASHE achieved sample in 2025 was 174,000. The ASHE sample size was reduced during the coronavirus (COVID-19) pandemic because of the challenges to data collection, from around 180,000 each year to less than 150,000 in 2020, 2021 and 2022. The ASHE sample size started recovering in 2023 and is now at its highest since 2019.

The analysis in this bulletin looks at the distribution of pay based on hourly rates. This is particularly relevant for policy around the National Minimum Wage and National Living Wage rates.

Data methods

ASHE data are weighted to UK population totals from the Labour Force Survey (LFS), based on classes defined by region, occupation, age and sex.

From 2021, we moved our occupation coding to Standard Occupation Classification 2020 (SOC 2020), from SOC 2010. This means estimates for earnings in April 2021 on an SOC 2020 basis represent a break in the ASHE time series. Estimates will not be directly comparable with estimates for earnings on an SOC 2010 basis and, as such, should not be used in direct comparison with each other.

The composition of the employee workforce (the types of workers and the types of jobs) affects ASHE estimates. This can vary year on year. Differences in levels and growth rates in ASHE estimates reflect both changes in earnings and changes in the composition of the employee workforce, both in the overall UK population and in the ASHE sample.

Employers are asked to report employees' pay for the pay period including the ASHE reference date, which is set in April but varies year on year. The ASHE reference date is determined by the need to capture new minimum wage rates that start in early April and is dependent on when the Easter Holidays fall each year. In 2025, the ASHE reference date was on the last day of April (30th April), which was more than 10 days later than in 2024 and 2023, when the reference date was 17th and 19th April, respectively. Seasonal differences and the timing of Easter may lead to changes in businesses' responses to ASHE year on year.

In 2024, we introduced changes to the way we validated data, particularly higher earners' returns, to both the ASHE 2023 revised and 2024 provisional data. These changes have now been fully embedded into the ASHE standard production cycle for the foreseeable future, improving ASHE estimates of earnings of high earners within each occupation. However, these changes have not been applied to our back series and comparisons between 2022 and 2023 data should be treated with caution.

Since 2020, during and after the coronavirus pandemic, ASHE has shown some differences, compared with other earnings data sources, such as our <u>Average Weekly Earnings dataset</u> and our <u>Earnings and employment from Pay As You Earn Real Time Information datasets</u>. There are inherent reasons for differences between ASHE and other earnings data sources, as set out in our <u>Comparison of labour market data sources methodology</u>.

Additionally, it is likely that the following factors are contributing to the divergence between ASHE and other data sources since 2020:

- differential non-response
- · weighting to the LFS
- increased variance because of sample size reduction
- the way the bonus element of ASHE is captured

We are currently investigating possible further reasons for these differences, including carrying out reviews of our statistical methods to ensure they are up-to-date and adequate for the wider uses of ASHE data. Our plans to continue improving the quality of ASHE can be found in our How the ONS is improving its annual earnings survey blog.

Uncertainty

Sampling variability for ASHE estimates are provided in our accompanying datasets.

More quality and methodology information

Our guide to interpreting ASHE estimates methodology addresses common questions about our data.

More quality and methodology information on strengths, limitations, appropriate uses, and how the data were created is available in our <u>ASHE methodology and guidance</u> and in our <u>ASHE, Low pay and ASHE pension results QMI</u>.

Accredited official statistics

These accredited official statistics were independently reviewed by the Office for Statistics Regulation in June 2013. They comply with the standards of trustworthiness, quality, and value in the <u>Code of Practice for Statistics</u> and should be labelled "accredited official statistics".

Strengths and limitations

The National Minimum Wage and National Living Wage estimates in this bulletin and Annual Survey of Hours and Earnings (ASHE) datasets cannot be used as a measure of non-compliance with the minimum wage legislation. This is because it is not always possible to determine from the survey data whether an individual is eligible for the minimum wage. For example, if employees receive free accommodation, employers are entitled to offset hourly rates.

The strengths and limitations of ASHE can be found in our <u>Annual Survey of Hours and Earnings</u>, <u>Low pay and Annual Survey of Hours and Earnings pension results QMI</u> and our <u>Income and earnings statistics guide</u>.

7. Related links

Low Pay Commission Report 2024

Report | Released 4 February 2025

The Low Pay Commission's annual report sets out in full the evidence and analysis, which informed recommendations for minimum wage rates from April 2025.

Average weekly earnings in Great Britain

Bulletin | Released monthly

Estimates of growth in earnings for employees before tax and other deductions from pay.

UK labour market overview

Bulletin | Released monthly

Estimates of employment, unemployment, economic inactivity and other employment-related statistics for the UK.

Earnings and employment from Pay As You Earn Real Time Information, UK

Bulletin | Released monthly

Monthly estimates of payrolled employees and their pay from HM Revenue and Customs' (HMRC's) Pay As You Earn (PAYE) Real Time Information (RTI) data. This is a joint release between HMRC and the Office for National Statistics (ONS).

Distribution of earnings in the UK: 2017

Article | Released 2 November 2018

Distribution of earnings analysis using Annual Survey of Hours and Earnings (ASHE) provisional 2017 data and previous ASHE datasets, with a focus on earnings growth for those in employment between two consecutive years.

8. Cite this statistical bulletin

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