

## ANNUAL GROWTH IN HOURLY PAY



- Pay in retail is growing much faster than the UK average
- Wages have grown throughout the workforce, not just for the lowest paid or around the median
- Data from BRC members suggests the increase in pay for retail employees is likely to continue.

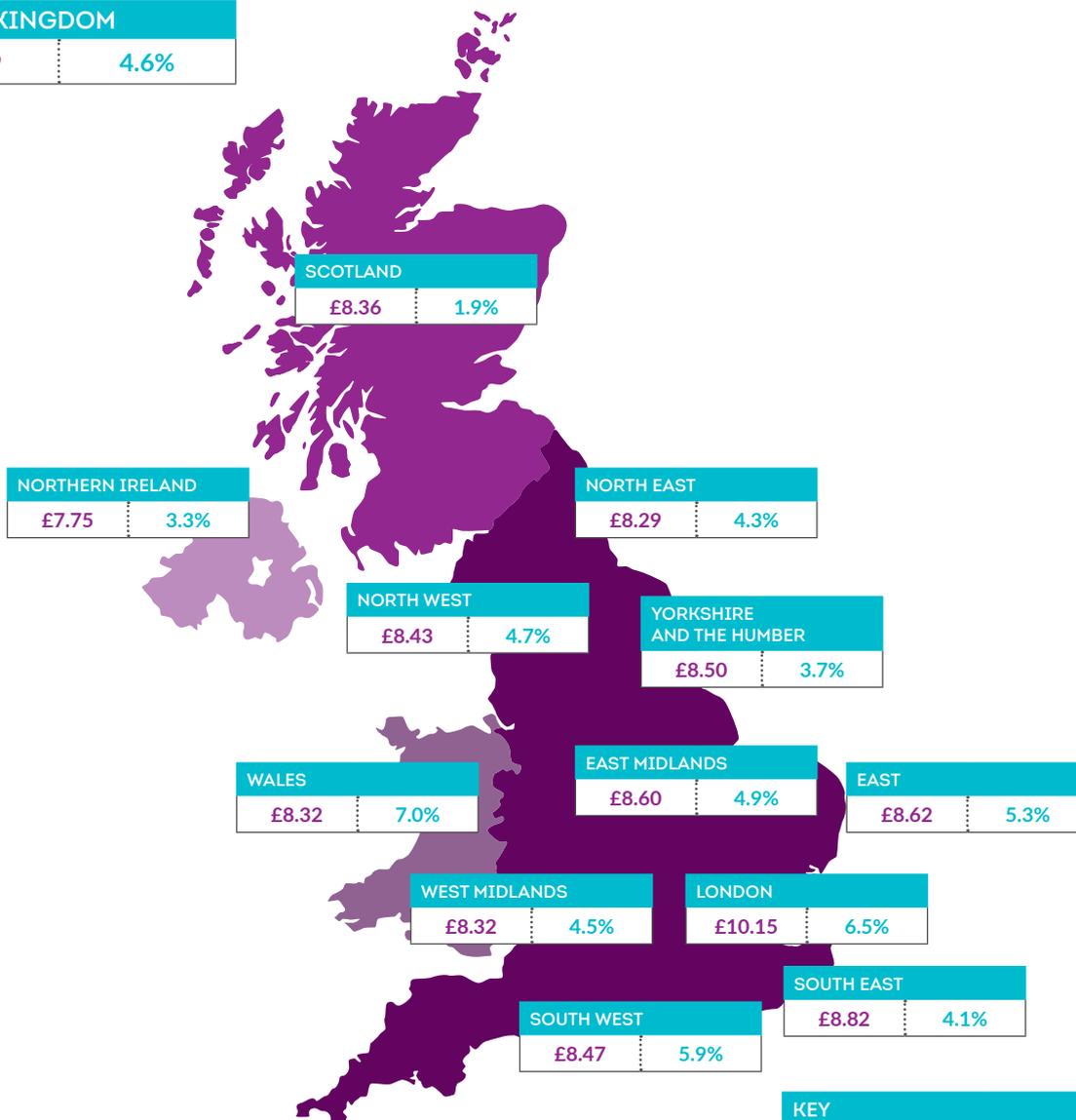


THE AVERAGE WAGE IN RETAIL IS GROWING FASTER THAN THE ALL INDUSTRY AVERAGE IN EVERY REGION, EXCEPT SCOTLAND.

## RETAIL PAY

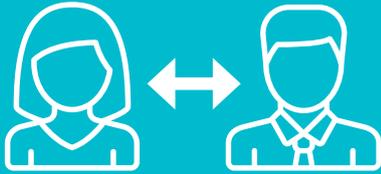
### UNITED KINGDOM

£8.59     4.6%



### KEY

- Retail Hourly Pay
- Retail Pay Growth



THE GENDER PAY GAP IS CLOSING. AVERAGE PAY FOR WOMEN IN RETAIL IN 2017 WAS 9.2% LOWER THAN FOR MEN. THAT GAP HAS CLOSED FROM 11.0% IN 2016. THE PAY GAP FOR THE UK AS A WHOLE IS 18.4%.

IN APRIL 2017 THE AVERAGE WORKER IN RETAIL WAS PAID

**£8.59**

PER HOUR,

**69%**

OF THE UK ALL INDUSTRY AVERAGE OF

**£12.44**

PER HOUR.

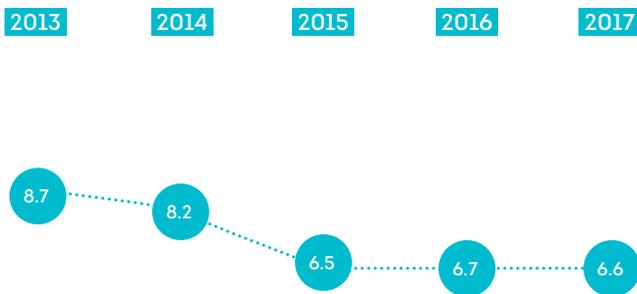
## RETAIL PAY AS % OF UK INDUSTRY AVERAGE



PAY IN RETAIL HAS BEEN CATCHING UP TO THE UK AVERAGE AS RETAIL WORKERS HAVE SEEN THEIR WAGES GROW FASTER.

Source: ONS ASHE 2017

## RETAIL INDUSTRY AVERAGE PROFIT MARGINS (EBITDA/SALES %)



The National Living Wage has accelerated the pace of pay growth in retail. This is because the industry employs many workers at or near this level.

Retailers have paid for these wage increases through a reduction in profits. Average profit margins (EBITDA / sales) have fallen from 8.7% in 2013 to 6.5% today.

## PRODUCTIVITY GROWTH (GVA PER HOUR % ANNUAL CHANGE)



However, retailers have also been able to raise wages as productivity is improving. Retail productivity has been growing much faster than the national average.

These productivity increases are happening because retailers are rapidly adopting new technology, rethinking how they deploy and engage workers, actively trying to restructure employment to meet the differing needs of a diverse workforce, seeking to engage their employees in driving forward the business.

However, the job is not yet done, the industry is only at the beginning of a journey to better and more productive jobs.

THE BRC WILL CONTINUE TO MONITOR PROGRESS THROUGH THE [RETAIL2020 DASHBOARD](#).