

Public & Private Sector Pay Comparisons

The usual suspects like the Daily Mail are running a story that the gap in average pay between workers in the public sector and those in the private sector has widened to 7.8%. This gets picked up in other areas, like a loaded question poll on the SCVO website, and is used to justify cuts and attacks on our members pensions. It is also part of a political strategy to divide private and public sector workers.

The story is based on statistics produced by the Office for National Statistics (ONS). However, what the bald figures don't show are the explanations for the difference in the same ONS paper. These include:

- The figures exclude other benefits such as bonuses and other perks that are more prevalent in the private sector. The research is based on snapshot in April after the Jan-March bonus season.
- They exclude the self-employed.
- These are UK figures and in England many lower skilled and paid jobs have been outsourced to the private sector.
- The average age of public sector workers is higher and older workers are paid more.
- Public sector workers tend to have higher qualifications. In 2010, some 38% of workers had a degree or equivalent qualification in the public sector, compared with 23% in the private sector. Comparing the pay of these graduates flips the pay gap around, with public sector workers earning 5.7% less than those in the private sector.

The ONS paper makes it clear that the key to the difference in pay is the higher proportion of higher-paid jobs in the public sector. Also within the two sectors, the gap between the highest earners - in the top 5% - and the lowest 5% of earners is greater in the private sector than in the public sector. This shows that public sector pay is fairer than the private sector.

Put simply, the data is not comparing like with like.

Useful links

- [ONS report on pay differences](#)
- [IDS analysis](#)
- [How the statistics are manipulated](#)
- [UNISON press response](#)

UNISON Scotland's key campaigns

- [Public Works](#)
- [Protect Our Pensions](#)
- [UNISON Scotland website](#)

For more information please contact UNISON's Bargaining and Campaigns team on 0141 342 2811, or email [Dave Watson](#), Scottish Organiser.

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