



Department  
for Environment  
Food & Rural Affairs

Statistical Digest of Rural England

# Earnings

This document is part of the larger compendium publication the [Statistical Digest of Rural England](#), a collection of rural statistics on a wide range of social and economic government policy areas.

The Statistical Digest of Rural England is an official statistics publication meaning these statistics have been produced to the high professional standards set out in the Code of Practice for Official Statistics.

More information on the Official Statistics Code of Practice can be found on the [Code of Practice web pages](#).

These statistics allow comparisons between the different rural and urban area classifications. The Rural-Urban Classification is used to distinguish rural and urban areas. The Classification defines areas as rural if they fall outside of settlements with more than 10,000 resident population.

More information on the Rural-Urban Classification can be found on the [Rural-Urban Classification web pages](#).

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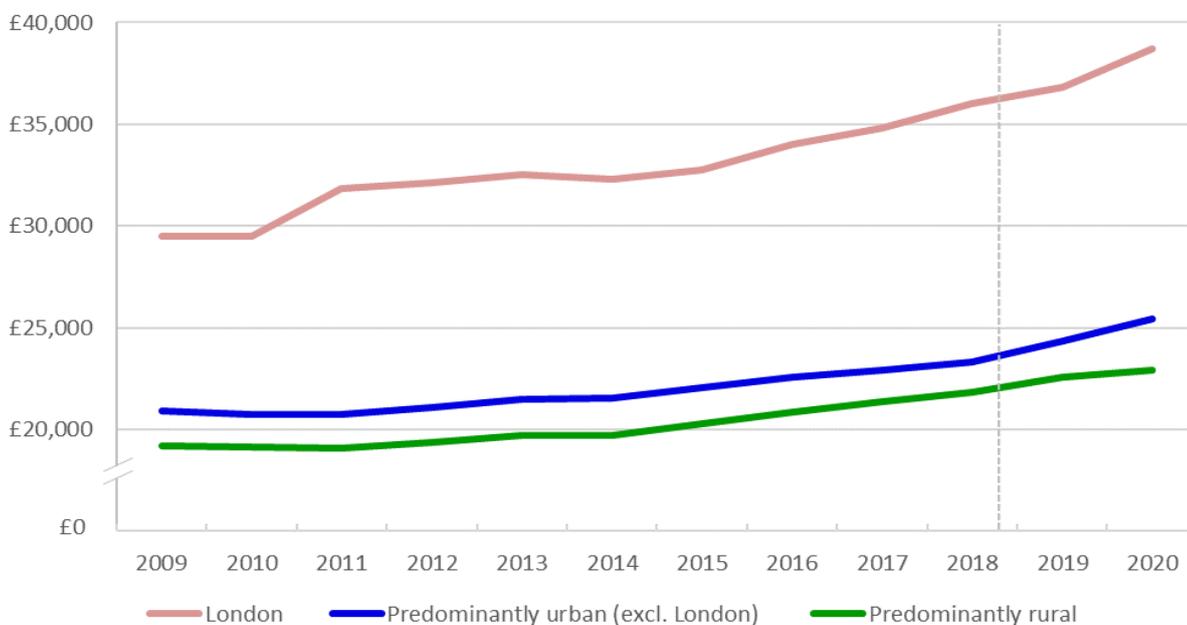
Last updated: 12<sup>th</sup> August 2021

# Earnings

- **Average annual employee earnings** (based on the median value, or middle of the earnings distribution) give an indication of living standards people can enjoy through their disposable income (see Expenditure).
- As people do not necessarily work in the same settlement as they live, workplace and residence based average earnings may differ.
- For example, in 2020 **average residence-based earnings were lower than workplace-based earnings in urban areas**, whilst **average residence-based earnings in rural areas are higher than workplace-based earnings** because people living in rural areas may work in urban areas in higher paid jobs.
- Average workplace-based earnings are lowest in Mainly Rural areas and highest in the London area.
- All areas have seen an increase in workplace-based median earnings in 2020 with a 4.5 per cent increase in Predominantly Urban areas (excluding London) and a 1.7 per cent increase in Predominantly Rural areas in comparison with 2019. These compare with the Consumer Price Index including housing costs (CPIH; a measure of inflation) of 1.5 per cent in the year ending March 2020.

In 2020 there were some changes to Local Authorities boundaries where some Local Authority Districts merged to form single Unitary Authority. This reduces the number of Local Authorities Districts and Unitary Authorities in England from 317 to 314. The difference between the 2019 Local Authority Districts and the 2020 Local Authority Districts is that the 2019 local authorities of Aylesbury Vale, Chilterns, South Bucks, and Wycombe, have been merged into a single Buckinghamshire Unitary Authority.

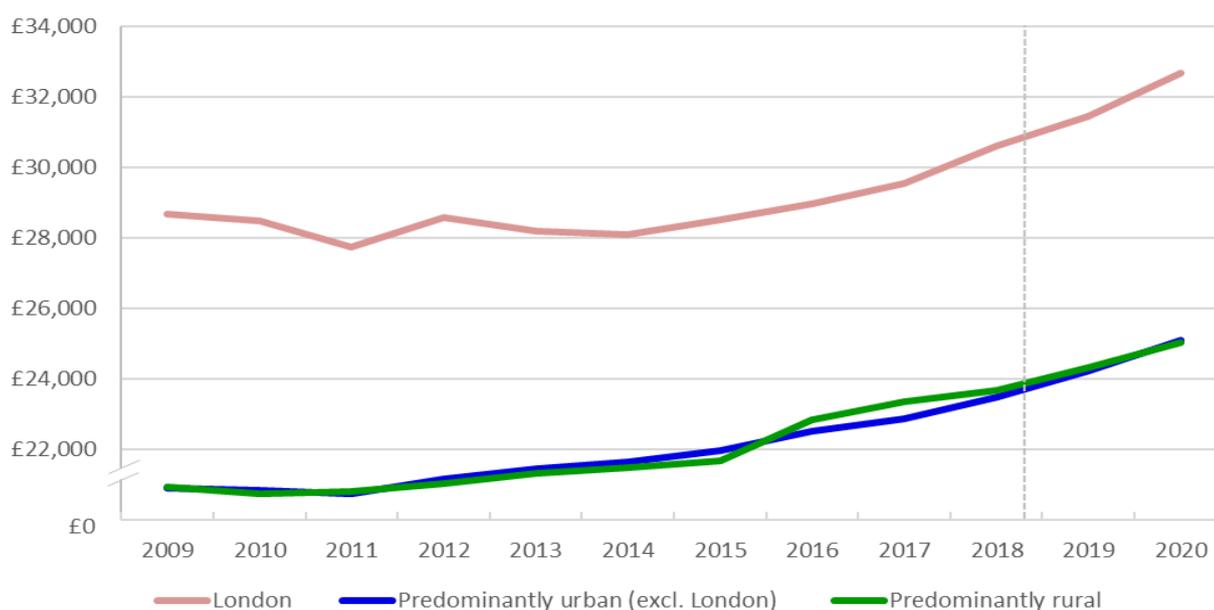
## Workplace based median gross annual earnings (current prices), 2009 to 2020



Note: Data to 2017 uses the Rural Urban Classification (RUC) based on 327 Local Authority Districts (LAD's) and Unitary Authorities (UA's). From 2018 the RUC is based on revised boundaries as at April 2019, reducing the number of LAD's and UA's from 326 to 317 and in 2020 this was further reduced to 314. The difference between LAD19 and LAD20 RUC is that the 2019 local authorities of Aylesbury Vale, Chilterns, South Bucks, and Wycombe, have been merged into a single Buckinghamshire Unitary Authority.

- In 2020, median workplace-based earnings in Predominantly Urban areas (excluding London) were £25,400 while Predominantly Rural areas were lower at £22,900.
- Between 2009 and 2020 median workplace-based earnings increased for all settlement types. Excluding London, the rate of increase was greatest for workplaces in Urban with City and Town, increasing by 22.1 per cent, followed by Urban with Major Conurbation (21.2 per cent).
- The rate of increase was lowest in Urban with Minor Conurbation areas where median earnings increased by 17.3 per cent in the same period.
- For England, the rate of increase between 2009 and 2020 was 20.3 per cent.
- Over the same time period (2009 to 2020) the Consumer Price Index (including housing costs) has increased by 21 per cent.
- A table of workplace-based earnings broken down by detailed local authority rural-urban classification covering 2009 to 2020 is available in the [rural economy supplementary data tables](#).

### Residence-based median gross annual earnings (current prices), 2009 to 2020



Note: Data to 2017 uses the Rural Urban Classification (RUC) based on 327 Local Authority Districts (LAD's) and Unitary Authorities (UA's). From 2018 the RUC is based on revised boundaries as at April 2019, reducing the number of LAD's and UA's from 326 to 317 and in 2020 this was further reduced to 314. The difference between LAD19 and LAD20 RUC is that the 2019 local authorities of Aylesbury Vale, Chilterns, South Bucks, and Wycombe, have been merged into a single Buckinghamshire Unitary Authority.

- In 2020, the median residence-based earnings in Predominantly Urban areas (excluding London) were £25,100, compared with £25,000 in Predominantly Rural areas.
- Between 2009 and 2020 median residence-based earnings increased for all settlement types. The rate of increase was greatest for residence-based earnings in Mainly Rural areas, increasing by 22.7 per cent, followed by Urban with Major Conurbation (20.7 per cent).
- Excluding London, the rate of increase was lowest in Largely Rural where median earnings increased by 17.3 per cent in the same period and Urban with Minor Conurbation where they increased by 17.4 per cent.
- For England, the rate of increase between 2009 and 2020 was 20.2 per cent.
- Over the same time period (2009 to 2020) the Consumer Price Index (including housing costs) has increased by 21 per cent.

- A table of residence-based earnings broken down by detailed local authority rural-urban classification covering 2009 to 2020 is available in the [rural economy supplementary data tables](#).

Notes: <sup>1</sup> Full time-series from 2009 are available on the 'Rural economy – statistical indicators' page:

[www.gov.uk/government/collections/rural-economy-statistical-indicators](http://www.gov.uk/government/collections/rural-economy-statistical-indicators)

2018 figures are revised, 2019 are provisional.

Source: Office for National Statistics, Annual Survey of Hours and Earnings: Table 7: Place of Work by Local Authority and Table 8: Place of Residence by Local Authority:

[www.ons.gov.uk/employmentandlabourmarket/peopleinwork/earningsandworkinghours/bulletins/annualsurveyofhoursandearnings/2019/relateddata](http://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/earningsandworkinghours/bulletins/annualsurveyofhoursandearnings/2019/relateddata)

Figures in the tables have been rounded to the nearest £100. Figures are on a current prices basis and have not been adjusted for inflation. Results for rural – urban categories have been weighted by the number of people employed aged 16-64 based on Annual Population Survey and Annual Population Survey – workplace analysis: [www.nomisweb.co.uk/articles/1066.aspx](http://www.nomisweb.co.uk/articles/1066.aspx)  
Consumer Price Index: [www.ons.gov.uk/economy/inflationandpriceindices/timeseries/d7bt/mm23](http://www.ons.gov.uk/economy/inflationandpriceindices/timeseries/d7bt/mm23)