



HR Broadcast – Pay increases

As an HR business that works closely with many businesses across a wide range of sectors such as; Charity, Education, Manufacturing, Construction, Retail, I am often asked about salary increases, and what typical percentage increases are currently being awarded.

I know of many employers who like to research this issue so that they are not stepping out of line with the market place. Trying to get published, accurate statistics to demonstrate current trends is often very difficult as private employers tend not to reveal this information for reasons of confidentiality.

I did read an article the other week that showed research from a sample of 85 basic pay awards from the private sector for April 2017. This research showed an average of 2% with the majority of the range being between 1.5% and 2.5%. Outside of this would be any awards for promotions or special circumstances.

This research is very consistent with what I have been told, that the bulk of pay increases are hovering around 2%. From my conversations this 2% rate has been fairly static over the last 3 years; this is slightly different from the article results which suggested that pay increases were slightly higher than 2016.

Please remember that unless you have a contractual obligation to implement annual pay rises; a situation which is extremely rare and something that I have not come across for quite a few years now, then you are free to set your own pay increases or, of course, not award them to staff at all. Having a pay freeze is acceptable.