

Support for continued data collection and analysis concerning mobility patterns and career paths of researchers

Country profile – Remuneration United Kingdom

1	RES	EARCHER REMUNERATION IN ACADEMIA	2
	1.0	Introduction	2
	1.1	Main indicators	3
	1.2	Salaries, stipends and benefits by job positions and employment contract	4
	1.3	Tax System	5
	1.4	Labour legislation in the Higher Education Sector	5
	1.5	Social Security System	6
	1.6	Quality of Life	7
	1.7	Salary data of university researchers by country – A literature survey	8

Brussels, October 2012















1 RESEARCHER REMUNERATION IN ACADEMIA

1.0 Introduction

This is one of a series of more than 40 country profiles summarising data on the remuneration of researchers and work-related benefits in the academic sector. Data were collected for the European Commission in 2012 by an extensive network of national experts as part of the MORE 2 study. The profiles provide also complementary data from official sources. ¹

A report containing a comparative analysis of the data and more qualitative information related to the remuneration of researchers will also be published as part of the MORE2 study.

The profiles are structured as follows:

- 1. Main indicators
- 2. Salaries, stipends and benefits by job position and employment contract
- Tax system
- 4. Labour legislation in the Higher Education Sector
- 5. Social security system
- 6. Quality of life
- 7. Where available: Gross annual earnings and hourly earnings of non-academic researchers
- 8. Where available: Salary data of university researchers by country A literature survey

In the first section, the main indicators on remuneration (salaries, stipends, and the degree of autonomy of universities to decide on remuneration-related aspects) are compared with the EU-average and the US. In the second section, the profiles summarise minimum, average and maximum annual gross salaries (both in national currency and in purchasing power parities) for all available job positions and employment statuses.

The following sections present an assessment of the value of the gross annual salaries. As it is very difficult to collect data on net salaries that are meaningfully comparable across countries due to very specific regulations, the country profiles include information on the dues that are typically deducted from gross salaries in order to provide an indication of the level of net salaries. Furthermore, data are also presented on the public benefits researchers receive for these deductions. It is important to note that the data provide an indication of the remuneration package and do not offer an exact, comparable measure for researcher salaries across countries.

Finally, where available the profiles also contain information on the gross annual and hourly earnings of non-academic researchers based on Eurostat's Structure of Earnings Survey, and a summary table on salary data collected in other studies.

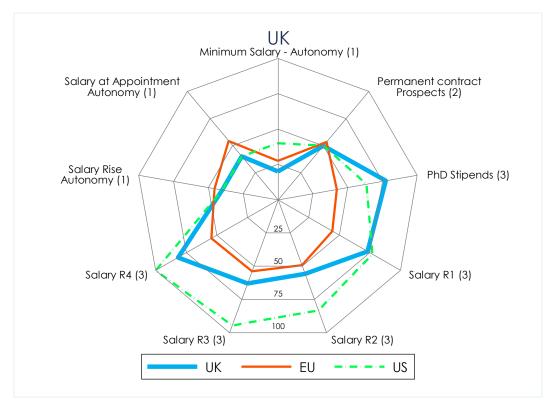
Further information on data collection and results of the study is available in:

IDEA Consult et al, 2013. MORE2 - Support for continued data collection and analysis concerning mobility patterns and career paths of researchers, Remuneration Cross-Country Report (WP4). European Commission, DG Research and Innovation.

Data have been collected in 2012. If there are more recent data available, they have not been included in the country profiles but the respective sources are listed in chapter 7 of the MORE2 WP4 report (IDEA et al. 2013).



1.1 Main indicators



Source: MORE II expert survey; Spokes are normalised minimum = 0, and maximum = 100% in case of "PhD-Stipends" and "Salaries R1-R4", maximum = R1 in case of "Permanent contract", and maximum = 5 in case of "Salary rise", "Salary at appointment", and "Minimum salary". Missing values are set to zero.

- 1) **Degree of autonomy:** "Salary rise", "Salary at appointment", and "Minimum salary" based on question: "Please indicate the institutional level at which the following aspects of public university researchers are de-termined?" Scale: (1) National, (2) Regional (state), (3) Sector/collective agreements, (4) University, (5) Individual negotiation, (0) missing value;
- 2) **Prospect of a "permanent contract"** shows the lowest career stage (R1-R4) at which university researchers can obtain permanent contracts.
- 3) **Salaries:** "PhD Stipends", "Salaries R1-R4" show gross annual salaries (in PPP €) paid in the country as a percentage of the best paying country at this career stage.



1.2 Salaries, stipends and benefits by job positions and employment contract

					ual Gross Sa currency an	*	Mand	latory insur	ances
Rank	_{Klerke}	Employneak status	Contract duration	entifutur.	Profession	Makinum	Health Care	Unemploynet	k Pertion
R1	PhD-Candidate 1)	Stipendiary	Fixed 2-4 years	13,590 (13,555)	15,000 (14,962)	45,000 (44,885)			
R1	PhD-Candidate ²⁾	Employee	Other		15,000	50,000			
R2	Research Fellow/Research Assistant ³⁾	Employee	Fixed 2-4 years	(.) 23,000 (22,941)	(14,962) 30,000 (29,923)	(49,872 40,000 (39,898)			х
R3	Lecturer/Senior Lecturer ⁴⁾	Employee	Permanent	30,000 (29,923)	40,000 (39,898)	55,000 (54,859)			X
R4	Chair/Professor ⁵⁾	Employee	Permanent	56,000 (55,857)	65,000 (64,833)	(.)			х

Source: MORE II - Expert Survey; National currency: GBP; Annual Gross Salary: Source: 1) 2012; Minimum: RCUK Minimum Stipend; Average, Maximum:Interviews; 2) 2012; Interviews; 3, 4) 2012; National pay scales; 5) 2012; MORE II - Expert Survey; Notes: ad 1, 2) R1 positions (both stipend and employee) include clinicians which are not included in R2 to R4. Maximum salaries / stipends might be skewed; ad 2) The name of the job position could be doctoral Student and/or research assistant; Some will manage with no salary; maximum salary is for clinical PhD; ad Stipends: Stipends could be fees only. Stipends are in the main non-taxable. PPP: Salaries and Stipends in national currency are converted into PPP US-Dollar (2011) and the resulting PPPs are converted into EURO using the currency exchange rate of Eurostat 1,3920\$ = 1EURO; if the year of the salary or the stipend is not 2011, the amount was grossed up to to 2011 using the unit labour costs index of the AMECO database.



1.3 Tax System

Taxes						
Income bracket in national currency from	0	35,001	150,001			
Income bracket in national currency to	35,000	150,000	max			
Marginal Tax rate	20.0	40.0	50.0			

Tax Wedge in % of labour costs						
Single, no children (average wage)	32.75	Married couple, two children (average wage)	26.84			
Single, no children (167% of average wage)	37.47	Married couple, two children (167% of average wage)	28.79			
Married couple, no children (133% of average wage)	29.62					

Tax rate: Source: OECD, 2011*; Levy of income tax: Source: MORE II - Expert Survey based on question "Please indicate how personal income tax is usually levied?"; Tax Wedge in % of labour costs: Source: OECD, 2010*; Note: Income tax plus employee and employer contributions less cash benefits in % of the labour costs for selected personal circumstances.

* More recent data available, cf. IDEA et al. 2013, ch. 7.

1.4 Labour legislation in the Higher Education Sector

Salary (at appointment)	Sector/Collective agreements; University	Unemployment insurance	-			
Salary rise	Sector/Collective agreements; University; Individual negotiation	Health care insurance	-			
Minimum salary	National; Sector/Collective agreements; University	Retirement pension insurance	National			
Working time	University					
Relevant factors for salary rise (incl. rank)	Performance(1); Seniority(3); Other reasons(3)					

<u>Source</u>: MORE II - Expert Survey based on question "Please indicate the institutional level at which the following aspects of public university researchers are determined?"; <u>Country-specific comment</u>: Other reasons for relevant factor for salary rise are Networks and favouritism.

Dismissal of University Researchers						
	9 month	s tenure	4 years tenure	20 years tenure		
Notice period (in months)		.2	0.9 0 all workers/ 4	2.8 0 all workers/ 4	2008	OECD
Severance pay (in months)	0 all wo redundar	rkers/ 0 ncy cases	weeks redundancy cases	weeks redundancy cases	2008	OECD
Duration of Compensation in case of Unemployment (in Months)	6	2010	OECD			
Average Net Replacement Rate in case of Unemployment (in % of previous income for a 40 year old)						
Two-earner married couple, no child	39		Two-earne children	er married couple, two	44	

Dismissal of University Researcher: Note: Conversion into months if original data are listed in weeks or days: weeks/7 days * 30 days; days * 30 days; Duration of Compensation in case of Unemployment (in Months): Note: For a 40-year old (where benefits are conditional on work history, the table assumes a long and uninterrupted employment record); Average Net Replacement Rate: Source: OECD, 2010*; Note: The percentage of a worker's pre-unemployment income that is paid out by the unemployment insurance when the worker becomes unemployed in two different categories of personal circumstances.

* More recent data available, cf. IDEA et al. 2013, ch. 7.

OECD



OECD

2007*

6.84

No

1.5 Social Security System

GDP)		GDP)	
Insurances usually go beyond wh	at is mandated by law		
Additional health care insurance			
Additional health care insurance by university	-	Do researchers usually have additional private health care insurance?	No
Covered by researchers' remuneration package (incl.	No compulsory coverage		

Additional retirement pension insurance

Additional retirement pension insurance by university

mandatory insurance)

Public social spending (% of

Always

20.54

2007*

Do researchers usually have additional private retirement pension insurance?

Public health spending (% of

perision insui

Additional (private) retirement pension insurance is... Very

Very important

Additional health care/retirement pension insurances by university: Source: MORE II - Expert Survey based on question "Do universities provide the following social security insurances for university researchers, exceeding what is mandated by law?"; Do researchers usually have additional private health care/retirement pension insurance? Source: MORE II - Expert Survey based on questions "Do researchers usually purchase additional health care insurance/pension funds, beyond what is already provided in the remuneration package?"; Country-specific comment: Some people may buy into private health schemes but it is not that common in the UK as there is a national health service (no figures available); They may have additional private retirement pension insurance - especially if they have been working in the private sector before coming in. But it is relatively unusual; Covered by researchers' remuneration package (incl. mandatory insurance): Source: MORE II - Expert Survey based on question "Please indicate the extent to which health care is compulsorily covered by researchers' remuneration packages in your country."; Additional (private) retirement pension insurance is...: Source: MORE II - Expert Survey based on question "How important is additional (private) retirement pension insurance for researchers in order to maintain their personal standard of living after retirement?";

<u>Country-specific comments:</u> All universities will run a supplementary pensions scheme. This involves contributions from the employer and employee - employees are entitled to join the scheme but it is not compulsory for them and many fixed term and especially foreign researchers chose not to join. The scheme will change next year and autoenrolment will commence - so they will now have to opt out rather than opting in.

^{*} More recent data available, cf. IDEA et al. 2013, ch. 7.



1.6 **Quality of Life**

Income and Welfare		Governance					
GDP per capita (in PPP €)	35,494	2011	Worldbank	Voice and Accountability #	16 / 46	2011	Worldbank
GDP per capita (in €)	27,886	2011	Worldbank	Political Stability and Absence of Violence #	31 / 46	2011	Worldbank
Human Development Index #	26 / 46	2011*	HDI	Government Effectiveness #	15 / 46	2011	Worldbank
Life expectancy	78.50	2011*	UNDESA	Regulatory Quality #	11 / 46	2011	Worldbank
				Rule of Law #	14 / 46	2011	Worldbank
				Control of Corruption #	15 / 46	2011	Worldbank
Quality of public child care				Quality of Education			
Net childcare costs (% avg wage)	43.08	2004	OECD	Average Years of Schooling #	26 / 45	2010	OECD
Childcare fees (% avg wage)	24.71	2004	OECD	PISA reading score #	22 / 43	2009	OECD
Public spending on childcare and early education (% GDP)	1.09	2007	OECD	PISA mathematic score #	23 / 43	2009	OECD
Public spending on family benefits (% GDP)	3.58	2007	OECD	PISA science score #	13 / 43	2009	OECD
Public spending on pre school services (% GDP)	0.65	2007	OECD	Public expenditures on education (% of GDP)	5.33	2009	OECD
Ratio of child to carer	5.00	2009	OECD	Private expenditures on education (% of GDP)	0.71	2009	OECD
Ratio of children to teaching staff	17.62	2009	OECD				

[#] Ranking within countries with available data covered in this study; GDP per capita (in PPP €): Note: GDP per capita is converted into PPP US-Dollar (2011) and the resulting PPPs are converted into EURO using the currency exchange rate of Eurostat 1,3920\$ = 1EURO; Life expectancy: Note: Number of years a new born infant could expect to live if prevailing patterns of age-specific mortality rates at the time of birth stay the same throughout the infant's life; Net childcare costs: Note: for a dual earner family with full-time arrangements of 167% of the average wage in % of the average wage; **Childcare fees:** Note: Childcare fees per twoyear old attending accredited early-years care and education services; Childcare fees in % of average wage; **Public spending on childcare and early education:** Note: Total spending in % of GDP; **Public spending on family benefits:** Note: Public expenditure on pre-school services in % of GDP; Public spending on pre school services: Note: Public expenditure on pre-school services, in % of GDP; Ratio of children to carers: Note: Shows the average child-to-carer/educator ratio for children not yet 4 years of age who attend licensed day care facilities; Ratio of children to teaching staff: Note: For children attending pre-school, certified teacher-to-child ratios are calculated by dividing the number of full-time equivalent children enrolled in pre-school programmes by the number of full-time equivalent teachers at that level.

More recent data available, cf. IDEA et al. 2013, ch. 7.



1.7 Salary data of university researchers by country – A literature survey

nited Kingdom			
Position	Salary (Range) Currency	Reported salary Year	Source Note
Associate lecturer A	3345 PPP\$	Average monthly salary 2005-06	Altbach et al. (2008) Academic year
Professor	5589 PPP\$	Average monthly salary 2005-06	Altbach et al. (2008) Academic year
Lecturer	50500 PPP US\$	Average annual salary 2008	Coates et al. (2009)
Senior lecturer	60400 PPP US\$	Average annual salary 2008	Coates et al. (2009)
Associate Professor	74200 PPP US\$	Average annual salary 2008	Coates et al. (2009)
Professor	82200 PPP US\$	Average annual salary 2008	Coates et al. (2009)
Lecturer	50500 PPP US\$	Average annual gross salary 2006-09	Deloitte (2008)
Senior Lecturer	60400 PPP US\$	Average annual gross salary 2006-09	Deloitte (2008)
Principle Lecturer	74200 PPP US\$	Average annual gross salary 2006-09	Deloitte (2008)
Professor (minimum	82200 PPP US\$	Average annual gross salary 2006-09	Deloitte (2008)
Lecturer	24955 PPP US\$	Average annual salary 2001-02	Horsley et al. (2005) Bottom of scale
Lecturer	29865 PPP US\$	Average annual salary 2001-02	Horsley et al. (2005) middle of scale
Lecturer	37141 PPP US\$	Average annual salary 2001-02	Horsley et al. (2005) maximum
Senior Lecturer	32348 PPP US\$	Average annual salary 2001-02	Horsley et al. (2005) Bottom of scale
Senior Lecturer	36740 PPP US\$	Average annual salary 2001-02	Horsley et al. (2005) middle of scale
Senior Lecturer	43436 PPP US\$	Average annual salary 2001-02	Horsley et al. (2005) maximum
Associate Professor	43457 PPP US\$	Average annual salary 2001-02	Horsley et al. (2005) Bottom of scale
Associate Professor	47004 PPP US\$	Average annual salary 2001-02	Horsley et al. (2005) middle of scale
Associate Professor	51908 PPP US\$	Average annual salary 2001-02	Horsley et al. (2005) maximum
Professor	54158 PPP US\$	Average annual salary 2001-02	Horsley et al. (2005) Bottom of scale
Lecturer A (Lecturer)	53409 PPP US\$	Average annual salary 2006-07	Kubler & Lennon (2007) maximum
Lecturer A (Lecturer)	44343 PPP US\$	Average annual salary 2006-07	Kubler & Lennon (2007) Bottom of scale
Lecturer A (Lecturer)	48876 PPP US\$	Average annual salary 2006-07	Kubler & Lennon (2007) average
Senior Lecturer (Lecturer B)	69534 PPP US\$	Average annual salary 2006-07	Kubler & Lennon (2007) maximum
Senior Lecturer (Lecturer B)	53628 PPP US\$	Average annual salary 2006-07	Kubler & Lennon (2007) Bottom of scale
Senior Lecturer (Lecturer B)	61581 PPP US\$	Average annual salary 2006-07	Kubler & Lennon (2007) average
Reader/Senior/Principal Lecturer (Associate Professor)	81140 PPP US\$	Average annual salary 2006-07	Kubler & Lennon (2007) maximum
Reader/Senior/Principal Lecturer (Associate Professor)	67083 PPP US\$	Average annual salary 2006-07	Kubler & Lennon (2007) Bottom of scale
Reader/Senior/Principal Lecturer (Associate Professor)	74111 PPP US\$	Average annual salary 2006-07	Kubler & Lennon (2007) average
Professor	80995 PPP US\$	Average annual salary 2006-07	Kubler & Lennon (2007) Bottom of scale
Associate Lecturer/Lecturer A	24115 GBP	Average annual salary 2003	Robinson (2006)
Lecturer/Lecturer B	32367 GBP	Average annual salary 2003	Robinson (2006)
Assistant Professor/Senior Lecturer	GBP	Average annual salary 2003	Robinson (2006)
Associate Professor/Senior Lecturer/Reader	39833 GBP	Average annual salary 2003	Robinson (2006)
Professor	53774 GBP	Average annual salary 2003	Robinson (2006)
Associate Lecturer/Lecturer A	37888 GBP	Average annual salary 2003	Robinson (2006)
Lecturer/Lecturer B	50853 GBP	Average annual salary 2003	Robinson (2006)
Associate Professor/Senior Lecturer/Reader	62583 GBP	Average annual salary 2003	Robinson (2006)
Professor	84486 GBP	Average annual salary 2003	Robinson (2006)





nited Kingdom (continued)	0.1 (0.1)		
Position	Salary (Range) Currency	Reported salary Year	Source Note
Post Doc	3364 €	Monthly gross salary 2007	Academic Careers Observatory (ACO) minimum; Essex University
Post Doc	3813 €	Monthly gross salary 2007	Academic Careers Observatory (ACO) average; Essex University
Post Doc	4263 €	Monthly gross salary 2007	Academic Careers Observatory (ACO) maximum; Essex University
Professor	6075 €	Monthly gross salary 2007	Academic Careers Observatory (ACO) minimum; Essex University
Professor	6353 €	Monthly gross salary 2007	Academic Careers Observatory (ACO) average; Essex University
Professor	6632 €	Monthly gross salary 2007	Academic Careers Observatory (ACO) maximum; Essex University
Lecturer	4135 €	Monthly gross salary 2007	Academic Careers Observatory (ACO) minimum; Essex University
Lecturer	4766 €	Monthly gross salary 2007	Academic Careers Observatory (ACO) average; Essex University
Lecturer	5398 €	Monthly gross salary 2007	Academic Careers Observatory (ACO) maximum; Essex University
Senior Lecturer	5259 €	Monthly gross salary 2007	Academic Careers Observatory (ACO) average; Essex University
Senior Lecturer	6002 €	Monthly gross salary 2007	Academic Careers Observatory (ACO) maximum; Essex University
Reader	5240 €	Monthly gross salary 2007	Academic Careers Observatory (ACO) minimum; Essex University
Reader	5842 €	Monthly gross salary 2007	Academic Careers Observatory (ACO) average; Essex University
Reader	6445 €	Monthly gross salary 2007	Academic Careers Observatory (ACO) maximum; Essex University
Post Doc	3520 €	Monthly gross salary 2007	Academic Careers Observatory (ACO) average; London School of Economics
Professor	7061 €	Monthly gross salary 2007	Academic Careers Observatory (ACO) average; London School of Economics
Professor	9780 €	Monthly gross salary 2007	Academic Careers Observatory (ACO) maximum; London School of Economics
Lecturer	4407 €	Monthly gross salary 2007	Academic Careers Observatory (ACO) average; London School of Economics
Lecturer	5087 €	Monthly gross salary 2007	Academic Careers Observatory (ACO) maximum; London School of Economics
Reader	6181 €	Monthly gross salary 2007	Academic Careers Observatory (ACO) average; London School of Economics
Reader	6436 €	Monthly gross salary 2007	Academic Careers Observatory (ACO) maximum; London School of Economics
Seniors at universities	55886 €	Annual salary 2007-08	Ates & Brechelmacher (2012 forthcoming) median; at adjusted CPL
Juniors at universities	43467 €	Annual salary 2007-08	Ates & Brechelmacher (2012 forthcoming) median; at adjusted CPL
Lecturer A	30870 GBP	Annual salary 2007-08	Altbach et al. (2012) minimum
Lecturer A	35646 GBP	Annual salary 2007-08	Altbach et al. (2012) maximum
Lecturer B	36715 GBP	Annual salary 2007-08	Altbach et al. (2012) minimum
Lecturer B	43840 GBP	Annual salary 2007-08	Altbach et al. (2012) maximum
Lecturer	38105 GBP	Annual salary 2007-08	Altbach et al. (2012) average
Senior Lecturer	46319 GBP	Annual salary 2007-08	Altbach et al. (2012) average
Professor	69870 GBP	Annual salary 2007-08	Altbach et al. (2012) average
Rank 4	4077 PPP US\$	Average monthly salary 2010	Altbach et al. (2012) public universities
Rank 3	5276 PPP US\$	Average monthly salary 2010	Altbach et al. (2012) public universities
Rank 2	6050 PPP US\$	Average monthly salary 2010	Altbach et al. (2012) public universities
Top rank	8369 PPP US\$	Average monthly salary 2010	Altbach et al. (2012) public universities