WorldatWork®
Total Rewards Association

51ST ANNUAL

SALARY BUDGET SURVEY 2024-2025

EXECUTIVE REPORT & ANALYSIS

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WorldatWork®
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About WorldatWork®

WorldatWork is the leading global nonprofit association for professionals engaged in the critically important practice of Total Rewards. We serve those who are responsible for cultivating inspired, engaged, productive, and committed workers in effective and rewarding workplaces. We guide them in the design and delivery of Total Rewards programs with our membership, education, certification, idea exchange, thought leadership, knowledge creation, information sharing, research, and networking. For more than 65 years, WorldatWork has served Total Rewards professionals throughout the world working in organizations of all sizes and structures. Professionals from more than 93% of Fortune 500® organizations rely on WorldatWork for Total Rewards solutions.

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INTRODUCTION: STRUCTURE OF THE SALARY BUDGET SURVEY

The **WorldatWork 2024-2025 Salary Budget Survey** consists of two components: this **Executive Report & Analysis** and the customizable **Online Reporting Tool.** The Executive Report & Analysis includes an executive summary and data highlights for the United States, Canada, India, United Kingdom and 18 other countries. A list of definitions of terms in the survey are included in this book. The list of participating organizations and a copy of the complete questionnaire are available in the Online Reporting Tool.

More detailed U.S. and Canadian results from the salary budget survey are available through the Online Reporting Tool, giving users the ability to customize reports by geographic region, industry, state and other ways that are relevant to organizations. Users may run an unlimited number of reports during the 18-month subscription period, as well as save or print the reports.

Get Started Now

Go to www.worldatwork.org/salary-budget and log in with your email address and password. If you participated in the survey, use the instructions in your email to activate your subsciption. If not, add the product to your cart and complete the purchase. Once you've activated/purchased your subscription, you access the tool by selecting **My Profile**, then scrolling down the page and selecting the **2024-2025 Salary Budget Survey** subscription. For assistance logging in, activating/purchasing or accessing the Online Reporting Tool, contact the WorldatWork Customer Experience Team by calling 877-951-9191 or 480-922-2020, or emailing customerexperience@worldatwork.org.

Within the Online Reporting Tool:

- Select the tab for the data for interest (e.g., salary budget increases, salary structure adjustments, promotions or variable pay).
- Choose one statistical method of calculation. Options include mean/average, median/50th percentile, 25th percentile or 75th percentile.
- Use the filters to select the data of interest. Filters are provided for industry (including sub-industries for categories with sufficent responses), number of employees, revenue, and geography, including regions, states, provinces and major metropolitan areas of interest.
- Select whether or not you wish to include 0% responses in the displayed results. (See Methodology section of this report for more details.)

If you wish, you may download by clicking on a column in the table, then right-clicking (or ctrl-clicking on a mac) on the elipses (...) and selecting "download to Excel". To look at different or additional data, repeat the steps as needed.

Though users have access to unlimited customized online reports, the "Online Reporting Tool" is subscription-based. Remember to run and download/print any reports that may be needed prior to the subscription's 18-month expiration.

CONFIDENTIALITY STATEMENT

To ensure the anonymity and protection of participating organizations, WorldatWork does not publish or otherwise make available data points in which fewer than five survey participants responded. In addition, the data are not presented in a way, nor are they intended, to provide a competitive advantage for any participating organization.

Although WorldatWork believes participant responses to the survey are honest and complete, the data presented in this report are provided without warranty of any kind for accuracy, omission, completion or timeliness.

Except for the purposes intended by this publication, participants and purchasers of the salary budget survey may not reproduce, display, rent, lend, resell, commercially exploit, adapt or redistribute the data contained herein without the permission of WorldatWork.

The data presented in this report were collected from April to May 2024 for publication in August 2024, a three-month duration between data collection and publication.

On April 8, 2024, all WorldatWork members were invited to participate in the "WorldatWork 2024-2025 Salary Budget Survey" through direct email, e-newsletters and the WorldatWork website. Members were asked to respond for the United States (U.S.), Canada and 23 other countries: Australia, Belgium, Brazil, China, France, GCC Countries, Germany, India, Italy, Japan, Mexico, Netherlands, New Zealand, Nigeria, Russia, Singapore, South Africa, South Korea, Spain, Sweden, Switzerland, the UK (United Kingdom), and Vietnam. Respondents were asked to respond for any of these countries in which they have operations. The survey officially closed on May 15, 2024. If an organization reported fewer than 10 employees in a specific country, the response for that country was removed from the data set. Also, duplicate submissions for the same country within the same organization were eliminated from the data set. The final data contain responses, covering employees worldwide. Each country was analyzed separately by statistical software.

Data for all countries is broken down by type of increase and employee category. Additional breakdowns are available for the U.S., Canada, India and the UK. Because of sample size limitations, only high-level data is reported for countries outside the U.S., Canada, India and the UK.

Data is broken into four employment categories. U.S. data uses exemption status as defined by the Fair Labor Standards Act of 1938 (FLSA):

- Nonexempt hourly nonunion
- Nonexempt salaried
- Exempt salaried
- Officers/executives

India:

- Technical/individual contributors/support roles
- Junior management
- Middle management
- Top and senior management

All other non-U.S. data are broken into four employment categories:

- Nonmanagement hourly
- Nonmanagement salaried
- Management salaried
- Officers/executives

Survey instructions and post-survey data cleaning and verification help ensure accurate recording of a "zero-percent" response. For each employment category in each country, survey participants were asked to respond to the question "Which employee groups will receive a base pay increase this year (2025)?" and "Which employee groups will receive a base pay increase next year (2025)?" Response options were: (A) Yes, (B) No, this group usually does, but this year we budgeted $0, and (C) No, we don't budget for pay increases for this group. For each employee group, when respondents selected Option A, we collected increase percentages. When they selected Option B, we did not collect increase percentages and entered 0 for each increase percentage into the dataset. When they selected Option C, we did not collect increase percentages and excluded them from all calculated (mean/mean) increases. Thus, a zero-percent response reflects a decision to specifically not budget funds for the period in question. At the request of survey users, this report includes total salary budget increases by employee category, with and without zero-percent responses for each country. Not all organizations provide every type of base pay increase, and not every organization reports data for every employee category. In findings that show a total number of all types of increases or all employee groups, the n is the total number of responses. This may include multiple responses from each respondent if the respondent is reporting for more than one type of increase or employee category.

The frequencies or response distributions listed in the report show the number of times or percent of times a value appears in a data set. Due to rounding, the frequencies of data responses provided in this survey may not total 100 percent.

FIGURE A Total Number of Responses

	2023-2024	2024-2025
Australia	241	232
Belgium	169	148
Brazil	196	185
Canada	621	596
China	260	250
France	267	228
GCC Countries	---	100
Germany	304	264
India	278	267
Italy	211	188
Japan	226	192
Mexico	263	244
Netherlands	239	200
New Zealand	---	3
Nigeria	---	16
Russia	57	41
Singapore	253	205
South Africa	---	93
South Korea	---	134
Spain	223	203
Sweden	168	120
Switzerland	170	141
United Kingdom	401	368
United States	2,023	2,042
Vietnam	---	76
Total	**6,570**	**6,536**

FIGURE B U.S. Responses, by Region

Central	1,342
Southern	1,313
Eastern	1,284
Western	1,271

Note: The combined responses in Figures B through E add to greater than the total U.S., Canadian, Indian and United Kingdom responses. Some participants answered for multiple regions or nationally; thus, their responses reflect multiple regions.

FIGURE C Indian Responses, by Region

South	199
West	146
North	109
East	46
Central	32
Northeast	21

FIGURE D UK Responses, by Region

Greater London	273
South East	92
North West	82
Scotland	75
South West	75
North East	69
East Midlands	68
West Midlands	68
East of England	67
Northern Ireland	54
Wales	54
Yorkshire and the Humber	52

FIGURE E Canadian Responses, by Province

Ontario	499
Quebec	304
British Columbia	287
Alberta	280
Manitoba	141
Saskatchewan	127
Nova Scotia	124
New Brunswick	107
Newfoundland	76
Prince Edward Island	55
Northwest Territories	30
Yukon	29
Nunavut	21

FIGURE F **U.S. Responses, by State**

Texas	1089
California	1044
Illinois	996
New York	959
Florida	952
Pennsylvania	943
Ohio	933
Georgia	921
Colorado	893
Massachusetts	892
Michigan	883
New Jersey	880
North Carolina	878
Virginia	871
Minnesota	865
Washington	865
Indiana	854
Arizona	850
Wisconsin	848
Missouri	846
Tennessee	837
Maryland	834
South Carolina	822
Connecticut	793
Kentucky	789
Oregon	789
Alabama	769
Kansas	767
Iowa	761
Utah	756
Nevada	747
Oklahoma	739
Louisiana	736
New Hampshire	724
Nebraska	723
Arkansas	704
Rhode Island	694
Delaware	691
Maine	691
Mississippi	687
Idaho	686
New Mexico	683
West Virginia	681
South Dakota	655
Vermont	647
Montana	643
North Dakota	619
Wyoming	602
Hawaii	589
Alaska	540

FIGURE G **U.S. Responses, by Major Metropolitan Area**

Chicago	875
Houston	853
Dallas	842
New York	823
Atlanta	806
Los Angeles	804
Denver	795
Boston	783
Washington, D.C.	770
Austin	766
San Francisco	751
Phoenix	746
Minneapolis	745
Philadelphia	736
San Diego	734
Seattle	729
St. Louis	728
Tampa	727
Baltimore	723
Miami	721
Cincinnati	711
Detroit	707
Pittsburgh	703
Cleveland	699
Portland	699
San Jose	689

FIGURE H **Canadian Responses, by Major Metropolitan Area**

Ottawa & Toronto	369
Montreal & Quebec	244
Vancouver	228
Calgary	220
Edmonton	162
Hamilton	136
Winnipeg	119

FIGURE I **Indian Responses, by Major Metropolitan Area**

Bangalore	150
Mumbai	113
Delhi	88
Chennai	77
Hyderabad	70
Kolkata	37

FIGURE J **U.S. Responses, by Organization Size**

1-499	299	15%
500-2,499	596	29%
2,500-9,999	583	29%
10,000-19,999	244	12%
20,000+	320	16%

FIGURE K **Canadian Responses, by Organization Size**

1-499	22	4%
500-2,499	143	24%
2,500-9,999	201	34%
10,000-19,999	95	16%
20,000+	131	22%

FIGURE L **Indian Responses, by Organization Size**

1-499	4	1%
500-2,499	54	20%
2,500-9,999	90	34%
10,000-19,999	53	20%
20,000+	66	25%

FIGURE M **UK Responses, by Organization Size**

1-499	8	2%
500-2,499	98	27%
2,500-9,999	124	34%
10,000-19,999	67	18%
20,000+	71	19%

FIGURE N **U.S. Responses, by 2023 Revenue**

Up to $10 million	98	5%
More than $10 million to $30 million	79	4%
More than $30 million to $100 million	110	5%
More than $100 million to $500 million	339	17%
More than $500 million to $1 billion	230	11%
More than $1 billion to $5 billion	636	32%
More than $5 billion to $10 billion	219	11%
More than $10 billion	294	15%

FIGURE O **Canadian Responses, by 2023 Revenue (Reported in U.S. Dollars)**

Up to $10 million	14	2%
More than $10 million to $30 million	13	2%
More than $30 million to $100 million	14	2%
More than $100 million to $500 million	62	11%
More than $500 million to $1 billion	79	14%
More than $1 billion to $5 billion	203	35%
More than $5 billion to $10 billion	84	14%
More than $10 billion	113	19%

FIGURE P **Indian Responses, by 2023 Revenue (Reported in U.S. Dollars)**

Up to $10 million	7	3%
More than $10 million to $30 million	4	2%
More than $30 million to $100 million	6	2%
More than $100 million to $500 million	28	11%
More than $500 million to $1 billion	37	14%
More than $1 billion to $5 billion	87	34%
More than $5 billion to $10 billion	42	16%
More than $10 billion	48	19%

FIGURE Q **UK Responses, by 2023 Revenue (Reported in U.S. Dollars)**

Up to $10 million	7	2%
More than $10 million to $30 million	6	2%
More than $30 million to $100 million	9	3%
More than $100 million to $500 million	38	11%
More than $500 million to $1 billion	56	16%
More than $1 billion to $5 billion	131	36%
More than $5 billion to $10 billion	61	17%
More than $10 billion	52	14%

FIGURE R U.S. Responses, by Industry Classifications

Industry	Frequency	Percent of Respondents
Administrative and Support and Waste Management & Remediation Services	**15**	**1%**
Support services(including administrative, travel, temp workers, security, janitorial)	9	0%
Waste management	6	0%
Agriculture (includes forestry, fishing and hunting)	**14**	**1%**
Arts, entertainment & recreation	**22**	**1%**
Construction (includes commercial, residential & civil engineering)	**49**	**2%**
Education (K-12 and post-secondary, public & private & educational services)	**64**	**3%**
Extraction (includes mining, quarrying, oil & gas)	**32**	**2%**
Finance & Insurance	**312**	**15%**
Banks, credit unions, mortgage loans, credit cards & other lenders	106	5%
Fund, trusts and other financial vehicles	23	1%
Insurance carriers, agencies, brokerages and employee benefit funds	114	6%
Securities and commodity contracts (includes brokerage, intermediation and funds)	13	1%
All other finance & insurance	56	3%
Government (federal, state, local & tribal EXCEPT public schools and universities)	**68**	**3%**
Health Care and Social Assistance	**172**	**8%**
Childcare	3	0%
Hospitals	109	5%
Outpatient, home & diagnostic healthcare	45	2%
Senior care (including services & residences)	7	0%
Social assistance(includes individual & family services, relief services, etc.)	8	0%
Hotels, restaurants & bars	**30**	**1%**
Information	**161**	**8%**
Hosting, ISPs, web search & software publishing	48	6%
Media streaming, social networks and online content providers	83	1%
Motion picture, sound recording & broadcasting	5	0%
Print publishing	6	0%
Telecommunications	19	1%
Management of Companies and Enterprises	**7**	**0%**
Manufacturing	**409**	**20%**
Aerospace Products & Parts	21	1%
Chemicals	44	2%
Computer & Electronic Products	25	1%
Electrical Equipment, Appliances & Components	33	2%
Food, Beverages & Tobacco Products	64	3%
Machinery	20	1%

FIGURE R **U.S. Responses, by Industry Classifications** (continued)

Industry	Frequency	Percent of Respondents
Metal	22	1%
Paper, Printing & Related Support	12	1%
Plastics & Rubber Products	18	1%
Textiles, Apparel, Leather & Allied Products	13	1%
Transportation Equipment Except Aerospace	30	1%
All Other Manufacturing	107	5%
Other Services (except Public Administration)	**64**	**3%**
Maintenance, repair, laundry & personal services	5	0%
Non-profit associations(includes professional, civic & grantmaking)	59	3%
Pharma	**111**	**5%**
Manufacturing of pharmaceutical & biotech products	49	2%
Pharma and biotech R&D	62	3%
Professional, Scientific & Technical Services	**197**	**10%**
Consulting (management, scientific, technical, engineering, design & architecture)	80	4%
Professional services (includes legal, accounting, tax & advertising)	82	4%
R&D (science and engineering EXCEPT pharma)	35	2%
Rental & real estate (includes sales, mgmt & leasing of property and rental of equipment, cars, etc.)	**32**	**2%**
Retail	**85**	**4%**
Transportation & Warehousing	**63**	**3%**
Air transport	11	1%
All other transportation	39	2%
Warehousing	13	1%
Utilities and energy production	**106**	**5%**
Wholesale	**29**	**1%**

FIGURE S **Canadian Responses, by Industry Classifications**

Industry	Frequency	Percent of Respondents
Administrative and Support and Waste Management & Remediation Services	**4**	**1%**
Support services(including administrative, travel, temp workers, security, janitorial)	1	0%
Waste management	3	1%
Agriculture (includes forestry, fishing and hunting)	**8**	**1%**
Arts, entertainment & recreation	**11**	**2%**
Construction (includes commercial, residential & civil engineering)	**14**	**2%**
Education (K-12 and post-secondary, public & private & educational services)	**4**	**1%**
Extraction (includes mining, quarrying, oil & gas)	**13**	**2%**
Finance & Insurance	**56**	**10%**
Banks, credit unions, mortgage loans, credit cards & other lenders	12	2%
Fund, trusts and other financial vehicles	5	1%
Insurance carriers, agencies, brokerages and employee benefit funds	14	2%
Securities and commodity contracts (includes brokerage, intermediation and funds)	4	1%
All other finance & insurance	18	3%
Government (federal, state, local & tribal EXCEPT public schools and universities)	**3**	**1%**
Health Care and Social Assistance	**4**	**1%**
Childcare	0	0%
Hospitals	0	0%
Outpatient, home & diagnostic healthcare	3	1%
Senior care (including services & residences)	0	0%
Social assistance(includes individual & family services, relief services, etc.)	1	0%
Hotels, restaurants & bars	**7**	**1%**
Information	**84**	**14%**
Hosting, ISPs, web search & software publishing	27	5%
Media streaming, social networks and online content providers	47	8%
Motion picture, sound recording & broadcasting	2	0%
Print publishing	1	0%
Telecommunications	7	1%
Management of Companies and Enterprises	**3**	**1%**
Manufacturing	**175**	**31%**
Aerospace Products & Parts	6	1%
Chemicals	22	4%
Computer & Electronic Products	9	2%
Electrical Equipment, Appliances & Components	16	3%
Food, Beverages & Tobacco Products	24	4%
Machinery	12	2%

FIGURE S Canadian Responses, by Industry Classifications (continued)

Industry	Frequency	Percent of Respondents
Metal	11	2%
Paper, Printing & Related Support	3	1%
Plastics & Rubber Products	7	1%
Textiles, Apparel, Leather & Allied Products	7	1%
Transportation Equipment Except Aerospace	5	1%
All Other Manufacturing	53	9%
Other Services (except Public Administration)	**6**	**2%**
Maintenance, repair, laundry & personal services	3	1%
Non-profit associations(includes professional, civic & grantmaking)	3	1%
Pharma	**50**	**8%**
Manufacturing of pharmaceutical & biotech products	20	3%
Pharma and biotech R&D	30	5%
Professional, Scientific & Technical Services	**55**	**9%**
Consulting (management, scientific, technical, engineering, design & architecture)	25	4%
Professional services (includes legal, accounting, tax & advertising)	25	4%
R&D (science and engineering EXCEPT pharma)	5	1%
Rental & real estate (includes sales, mgmt & leasing of property and rental of equipment, cars, etc.)	**12**	**2%**
Retail	**32**	**5%**
Transportation & Warehousing	**22**	**4%**
Air transport	4	1%
All other transportation	13	2%
Warehousing	5	1%
Utilities and energy production	**20**	**3%**
Wholesale	**12**	**2%**

FIGURE T Indian Responses, by Industry Classifications

Industry	Frequency	Percent of Respondents
Administrative and Support and Waste Management & Remediation Services	**1**	**0%**
Support services(including administrative, travel, temp workers, security, janitorial)	0	0%
Waste management	1	0%
Agriculture (includes forestry, fishing and hunting)	**8**	**1%**
Arts, entertainment & recreation	**2**	**1%**
Construction (includes commercial, residential & civil engineering)	**3**	**1%**
Education (K-12 and post-secondary, public & private & educational services)	**1**	**0%**
Extraction (includes mining, quarrying, oil & gas)	**2**	**1%**
Finance & Insurance	**22**	**8%**
Banks, credit unions, mortgage loans, credit cards & other lenders	6	2%
Fund, trusts and other financial vehicles	1	0%
Insurance carriers, agencies, brokerages and employee benefit funds	3	1%
Securities and commodity contracts (includes brokerage, intermediation and funds)	5	2%
All other finance & insurance	7	3%
Government (federal, state, local & tribal EXCEPT public schools and universities)	**0**	**0%**
Health Care and Social Assistance	**1**	**0%**
Childcare	0	0%
Hospitals	0	0%
Outpatient, home & diagnostic healthcare	1	0%
Senior care (including services & residences)	0	0%
Social assistance(includes individual & family services, relief services, etc.)	0	0%
Hotels, restaurants & bars	**1**	**0%**
Information	**54**	**19%**
Hosting, ISPs, web search & software publishing	21	8%
Media streaming, social networks and online content providers	28	10%
Motion picture, sound recording & broadcasting	1	0%
Print publishing	1	0%
Telecommunications	3	1%
Management of Companies and Enterprises	**1**	**0%**
Manufacturing	**83**	**30%**
Aerospace Products & Parts	6	2%
Chemicals	9	3%
Computer & Electronic Products	8	3%
Electrical Equipment, Appliances & Components	7	3%
Food, Beverages & Tobacco Products	4	1%
Machinery	10	4%

FIGURE T **Indian Responses, by Industry Classifications** (continued)

Industry	Frequency	Percent of Respondents
Metal	3	1%
Paper, Printing & Related Support	1	0%
Plastics & Rubber Products	1	0%
Textiles, Apparel, Leather & Allied Products	2	1%
Transportation Equipment Except Aerospace	5	2%
All Other Manufacturing	27	10%
Other Services (except Public Administration)	**8**	**3%**
Maintenance, repair, laundry & personal services	1	0%
Non-profit associations(includes professional, civic & grantmaking)	7	3%
Pharma	**24**	**9%**
Manufacturing of pharmaceutical & biotech products	11	4%
Pharma and biotech R&D	13	5%
Professional, Scientific & Technical Services	**45**	**17%**
Consulting (management, scientific, technical, engineering, design & architecture)	15	6%
Professional services (includes legal, accounting, tax & advertising)	24	9%
R&D (science and engineering EXCEPT pharma)	6	2%
Rental & real estate (includes sales, mgmt & leasing of property and rental of equipment, cars, etc.)	**1**	**0%**
Retail	**10**	**4%**
Transportation & Warehousing	**6**	**2%**
Air transport	2	1%
All other transportation	3	1%
Warehousing	1	0%
Utilities and energy production	**2**	**1%**
Wholesale	**0**	**0%**

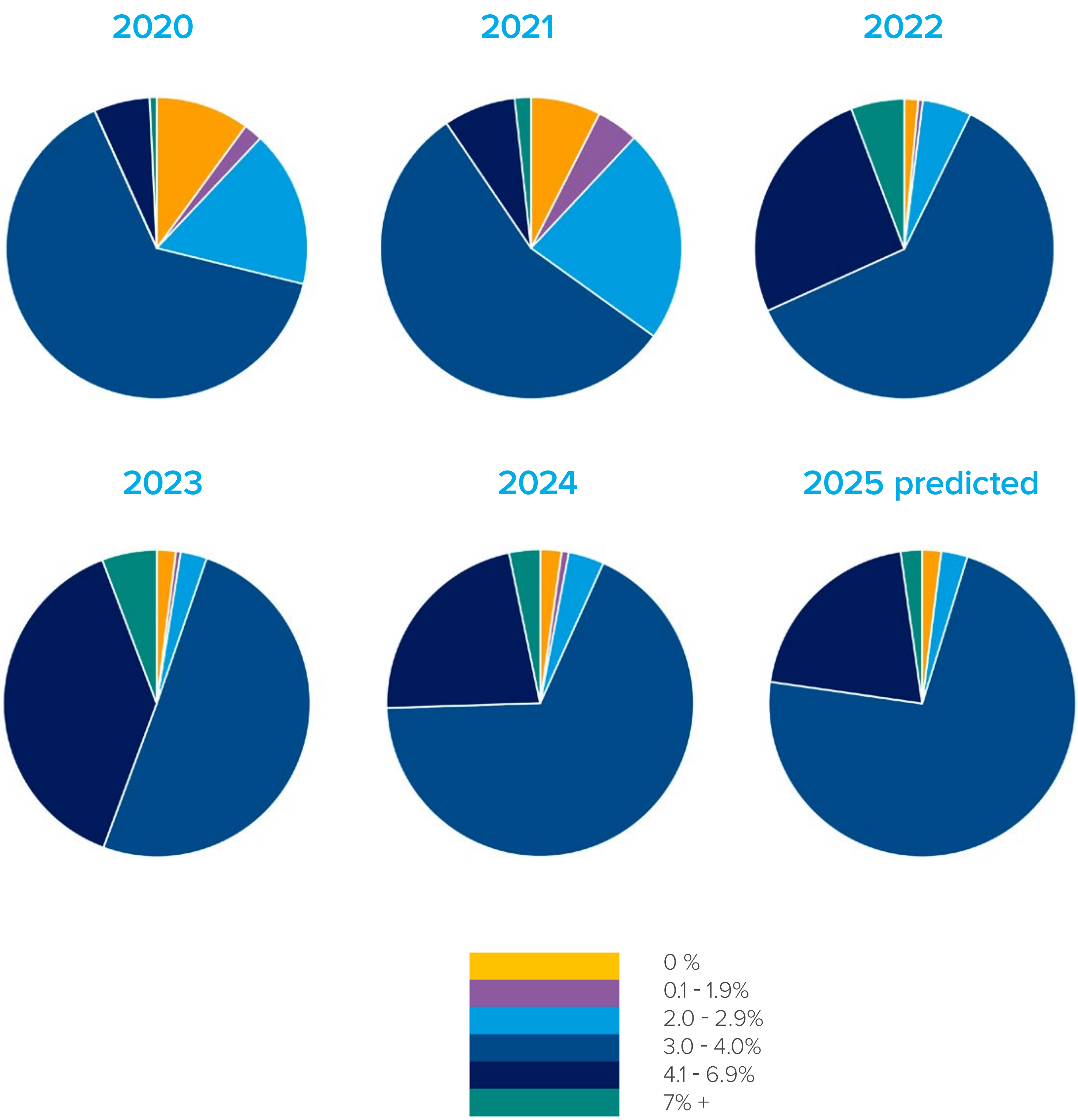
FIGURE U UK Responses, by Industry Classifications

Industry	Frequency	Percent of Respondents
Administrative and Support and Waste Management & Remediation Services	**2**	**1%**
Support services(including administrative, travel, temp workers, security, janitorial)	1	0%
Waste management	1	0%
Agriculture (includes forestry, fishing and hunting)	**3**	**1%**
Arts, entertainment & recreation	**5**	**1%**
Construction (includes commercial, residential & civil engineering)	**3**	**1%**
Education (K-12 and post-secondary, public & private & educational services)	**2**	**1%**
Extraction (includes mining, quarrying, oil & gas)	**3**	**1%**
Finance & Insurance	**39**	**10%**
Banks, credit unions, mortgage loans, credit cards & other lenders	5	1%
Fund, trusts and other financial vehicles	6	2%
Insurance carriers, agencies, brokerages and employee benefit funds	7	2%
Securities and commodity contracts (includes brokerage, intermediation and funds)	5	1%
All other finance & insurance	16	4%
Government (federal, state, local & tribal EXCEPT public schools and universities)	**0**	**0%**
Health Care and Social Assistance	**2**	**0%**
Childcare	0	0%
Hospitals	0	0%
Outpatient, home & diagnostic healthcare	2	1%
Senior care (including services & residences)	0	0%
Social assistance(includes individual & family services, relief services, etc.)	0	0%
Hotels, restaurants & bars	**4**	**1%**
Information	**75**	**20%**
Hosting, ISPs, web search & software publishing	21	6%
Media streaming, social networks and online content providers	46	12%
Motion picture, sound recording & broadcasting	2	1%
Print publishing	1	0%
Telecommunications	5	1%
Management of Companies and Enterprises	**0**	**0%**
Manufacturing	**107**	**29%**
Aerospace Products & Parts	9	2%
Chemicals	10	3%
Computer & Electronic Products	9	2%
Electrical Equipment, Appliances & Components	13	4%
Food, Beverages & Tobacco Products	8	2%
Machinery	8	2%

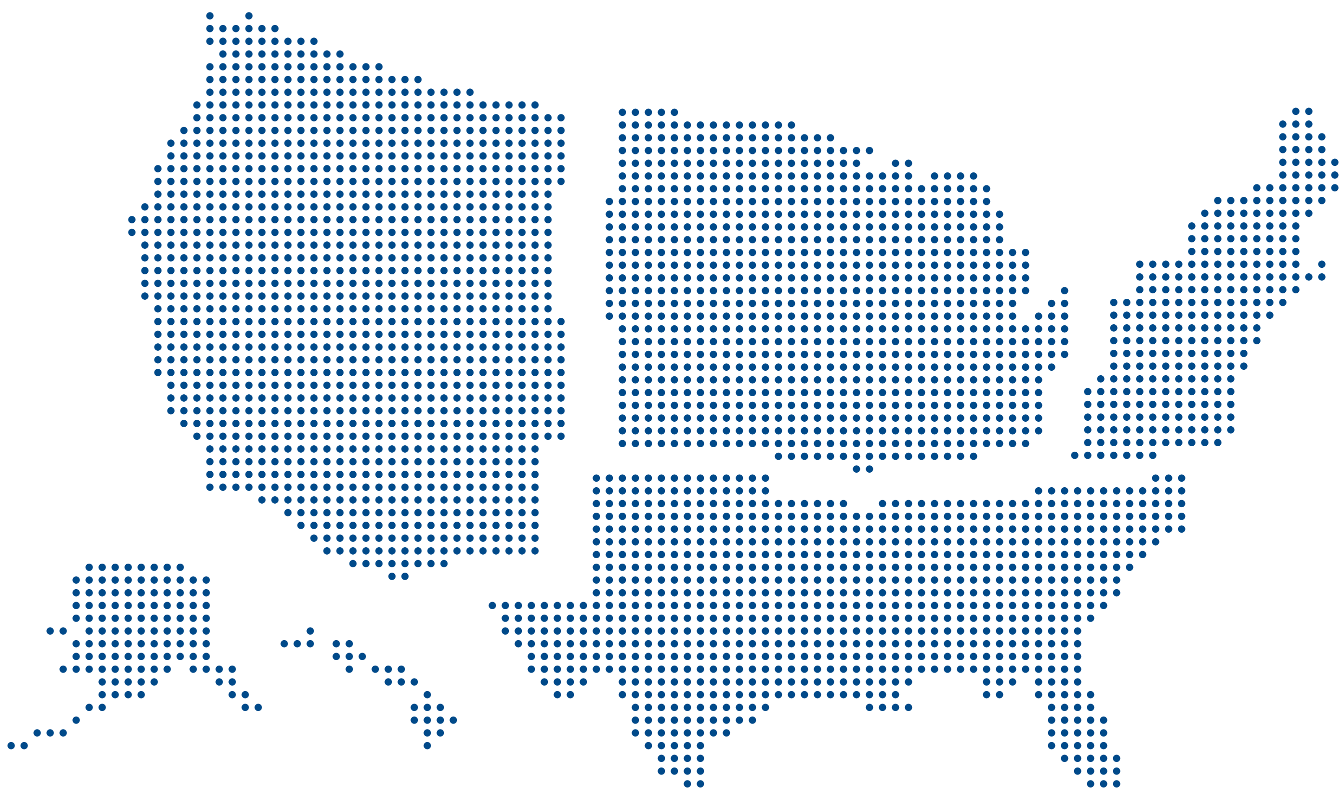
FIGURE U **UK Responses, by Industry Classifications**

Industry	Frequency	Percent of Respondents
Metal	7	2%
Paper, Printing & Related Support	2	1%
Plastics & Rubber Products	1	0%
Textiles, Apparel, Leather & Allied Products	1	0%
Transportation Equipment Except Aerospace	7	2%
All Other Manufacturing	32	9%
Other Services (except Public Administration)	**7**	**2%**
Maintenance, repair, laundry & personal services	2	1%
Non-profit associations(includes professional, civic & grantmaking)	5	1%
Pharma	**34**	**9%**
Manufacturing of pharmaceutical & biotech products	15	4%
Pharma and biotech R&D	19	5%
Professional, Scientific & Technical Services	**45**	**13%**
Consulting (management, scientific, technical, engineering, design & architecture)	14	4%
Professional services (includes legal, accounting, tax & advertising)	25	7%
R&D (science and engineering EXCEPT pharma)	6	2%
Rental & real estate (includes sales, mgmt & leasing of property and rental of equipment, cars, etc.)	**6**	**2%**
Retail	**12**	**3%**
Transportation & Warehousing	**10**	**3%**
Air transport	3	1%
All other transportation	5	1%
Warehousing	2	1%
Utilities and energy production	**4**	**1%**
Wholesale	**5**	**1%**

Distribution of U.S. Salary Increase Budget Responses



United States



Salary increase budgets are lower in 2024 than in 2023 and are expected to decline further in 2025. In the U.S. the average overall salary increase budget for 2024 was 3.9%, down half a percentage point from 2023 and two-tenths of a percentage point lower than last year's projection of 4.1%. Participants in this year's survey predict an average of 3.8% for 2025. (The median 2023 budget prediction for 2024, median actual 2024 budget, and median predicted 2025 budget were all 4.0%).

HIGHEST SALARY INCREASE BUDGET AMONG INDUSTRIES

Government

4.8%

LOWEST SALARY INCREASE BUDGET AMONG INDUSTRIES

Agriculture

3.8%

In addition to the easing of the average total budget, data also shows a decrease in extreme increase budgets. Budgets under 2% are still rare, as they were in 2023. But the number of organizations reporting budget increases of over 4% has gone down from almost 45% to about 25%. The effect of these changes is a consolidation of salary increase budgets in the 3-4% range. In 2024, almost 70% of organizations in our study had budgets in this range. Next year, almost three-quarters of organizations will have budgets in this range.

Organizations Settle In

The pandemic and its immediate aftermath have abated, but it's still a challenging time for Total Rewards professionals. In the face of converging pressures and uncertainty, Total Rewards professionals and their organizations have chosen a path of moderation. Ongoing changes and continued uncertainty in the labor market and business environment are having (or may have) opposite effects on salary increase budgets, and there is still a lot of uncertainty. To highlight just a few events and trends that may impact salary increase budgets over the coming year:

- Strong (but not longer red-hot) labor market
- Easing inflation
- Potential for release of capital when interest rates drop
- Expanding pay transparency requirements
- Continued changes around remote and hybrid work
- Strongly contrasting party platforms, foreshadowing divergent regulatory environments that might arise after the 2024 presidential election
- Economic uncertainty due to geopolitical factors, including but not limited to conflicts in Ukraine and Israel

This difficult situation shows in the level of certainty that people in this study said they had for their 2025 salary increase budget estimates. Almost half say they are not sure, while 21% say they are not at all certain. This is a significant increase from the 13% of last year's participants who said the same thing.

Most organizations seem to have come out of the pandemic era with a compensation approach that meets their immediate needs. In the last twenty years, pay has become more complex. Variable pay and other benefits (including flexible work arrangements) have gained importance in attracting and retaining employees. They also help organizations make informed compensation decisions for their short-, medium-, and long-term needs while maintaining their workforces and managing employee engagement.

Economic Factors

Many factors impact an organization's salary increase budgeting, from macroeconomic forces to the unique characteristics of its business, workforce, and competitive environment. Macroeconomic changes generally have an indirect, delayed impact on salary increase budgets, with salary increase budget trends often lagging changes in the economic landscape by about a year. Nonetheless, monitoring the economic environment remains a critical element of salary increase budgeting. Overall, the U.S. economy over the past year has been characterized by moderate growth, tempered inflation, and low unemployment, with policymakers engaged in ongoing efforts to balance economic stability and growth.

In the U.S., the Federal Reserve is tasked with providing a safe, flexible, and stable monetary and financial system. Its dual mandate is maximum employment and stable prices, and its current actions are focused on bringing supply (labor force) and demand (hiring) into better balance while reducing inflation.

The Consumer Price Index (CPI) measures the rate at which prices increase. In June 2024, the Consumer Price Index (CPI) for All Urban Consumers fell by 0.1% from the prior month on a seasonally adjusted basis, meaning that prices were increasing more slowly than previously. June's 3.0% CPI means that prices of goods and services purchased by urban consumers rose by 3.0% during the prior 12 months. Declining inflation was largely driven by a significant drop in gasoline prices, which offset increases in other areas like shelter costs. The year-over-year inflation rate for June 2024 is the same as the rate reported in June 2023, 3.0%. Over the past year, the 12-month percentage change in the consumer price index has varied only slightly each month, with each month's index falling between 3.0% to 3.7%. [1]

During the same period, the national unemployment rate rose slightly from 3.6% in June of 2023 to 4.1% in June of 2024. The U.S. labor market showed signs of slowing in June, with the economy adding 206,000 jobs while the unemployment rate rose to 4.1%, the highest since November 2021. Revisions to April and May's job numbers lowered the three-month average growth to 177,000, the lowest in the post-pandemic recovery[2]. This slowdown aligns with the Federal Reserve's goal of balancing labor supply and demand to reduce inflation.

While the healthcare and construction sectors added jobs, declines occurred in professional services and temporary help services from the prior month. Healthcare and Construction have both been adding jobs monthly over the past year, but the rate of increase in June slowed for Healthcare and accelerated for Construction. June declines in Professional Services and Temporary Help were at about the same rate as during the prior year.[2]

The increase in unemployment is mainly due to more reentrants and new entrants into the workforce, rather than layoffs. At this level of unemployment, we're approaching an equilibrium where unemployment levels are quite low, but not unsustainable. (Many modern economists agree that some unemployment—usually 5% or less—is needed to avoid inflation and to let workers move between jobs, get education, or improve their skills.)

Composition of Total Salary Increase Budgets

Total salary increase budget, as reported by WorldatWork, is composed of three elements:

- General increase/Cost of Living Allowance (COLA): an identical pay raise either in a flat rate such as cents per hour or as a percentage of salary given to all eligible employees. Also known as an across-the-board increase.
- Merit increase: an adjustment to an individual's base pay rate based on performance or some other individual measure.
- Other increase: may include internal equity adjustments, salary range adjustments, skill-based pay increases, and other types of adjustments (See Figure 4a and the discussion that follows.)

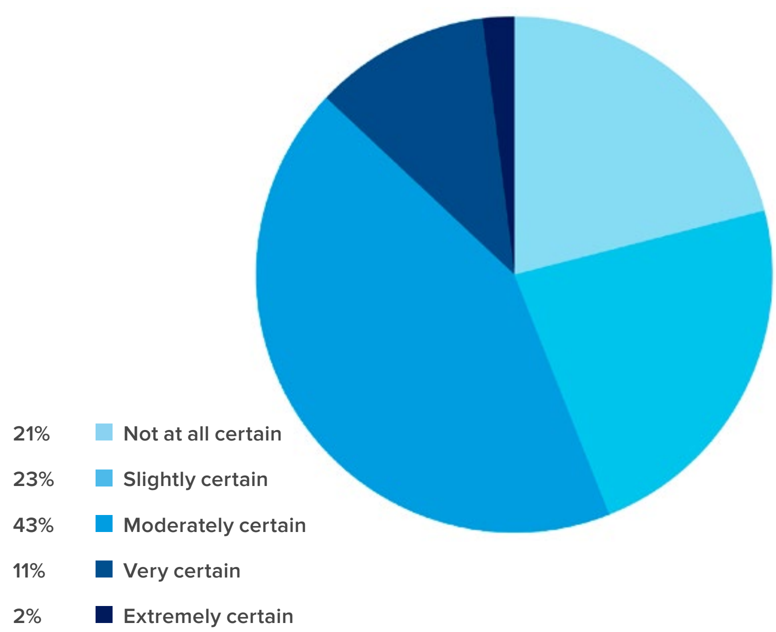
Merit increase budgets are the most common (and largest) type of salary increase budget. Two to three times as many organizations report these budget types than other budget types. In 2024, average merit increase budgets were reported at 3.4% (median: 3.5%), a three-tenths of a percentage point decrease from 2023. Projected mean and median merit budgets remain unchanged for 2025. (See Figure 1).

This study provides additional information on two practices that may impact total salary increase budgets: budgeting for pay adjustments to remediate pay equity issues and budgeting for promotional increases. While our definitions of General/COLA, merit and other increases remove overlap, in actual practice, organizations employ a wide range of budgeting practices.

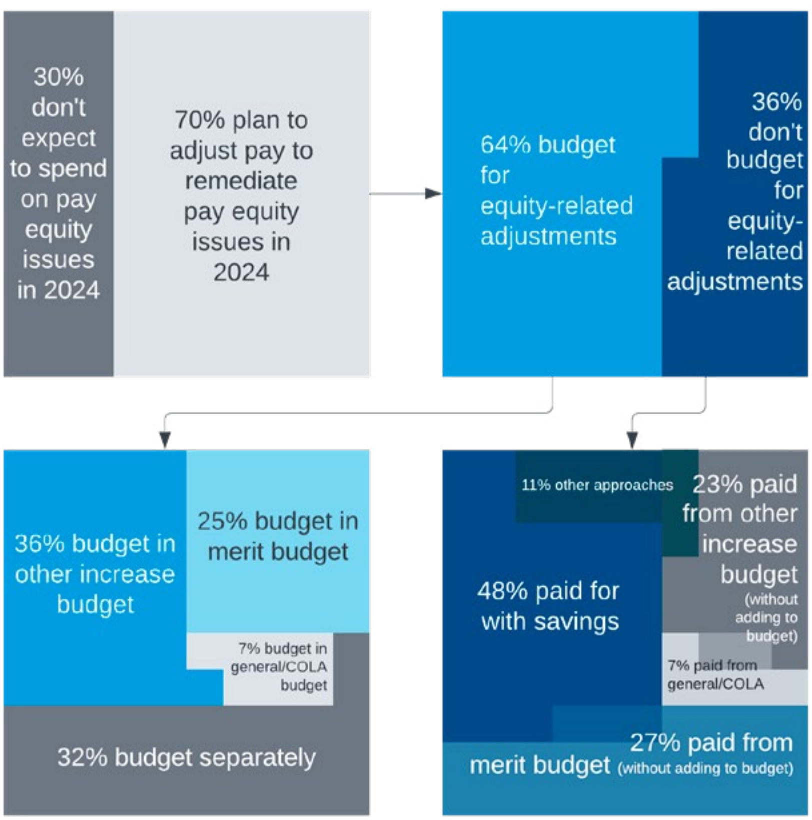
[1] U.S. Bureau of Labor Statistics. (2024, July 11). Consumer Price Index – June 2024. https://www.bls.gov/news.release/archives/cpi_07112024.htm

[2] U.S. Bureau of Labor Statistics. (2024, July 25). The Employment Situation – June 2024. https://www.bls.gov/news.release/empsit.nr0.htm

CERTAINTY OF PROJECTED 2025 SALARY INCREASE BUDGET



Seventy percent of this year's participating organizations expect to make pay adjustments for pay equity reasons. These adjustments may include both those required to maintain internal equity among employees as well as those needed to resolve unwarranted differences in pay between different groups of workers. Some organizations that make equity adjustments budget for them while others draw funds from a variety of sources. This chart details the variety of approaches employed. (See Figures 12-12c for more detail on budgeting for equity adjustments in 2024 and 2025. Note that those who do not budget often use multiple approaches, so the square representing unbudgeted spend includes overlap.)



Promotional Increases

Promotional increases were awarded to an average of 10.4% of employees in 2023, six-tenths of a percentage point higher than the 9.8% average in 2022. However, there was a decline in the median percent of employees receiving promotional increases in 2023 (8%) as compared to 2022 (8.5%). This is consistent with a scenario in which the many organizations are reducing the proportion of workers getting promotional increases, but there a small number of organizations promoting a relatively large number of employees. The cohort that is promoting at a higher rate could be a long-tailed effect of freezes on promotions enacted during the pandemic and recovery era and, if so, this pattern will likely dissipate over time. The size of the average promotional pay increase as a percent of salary decreased from 9.1% (Median: 10%) to 8.8% (Median: 9.5%). Organizations plan to spend an average of 3.1% on promotional increases as a proportion of total base salaries in 2024, up eight-tenths of a percentage point from last year's prediction, but the median remains at the 1.0%, as it has for many years.

Like increases to remediate pay equity issues, funds for promotional increases may be budgeted (56%) or paid for without being expressly budgeted (44%). Nearly 40% of organizations that budget for promotional increases budget for them as a separate line item, while about one-third include them in their "other increase" budget, one-quarter in their merit increase budget, and 5% in their general/COLA budget. For those who do not budget for promotional increases, the most popular way to fund them is with vacancy or salary savings. About 20% of organizations pull funds from the merit budget to cover promotional increases, without increasing that budget for the purpose. Others draw from "other increase" or general/COLA budgets. Organizations may apply more than one of these strategies. Figures 13-15 provide more detail on promotional increases.

Geographic Data

Total average salary increase budgets for 2024 are uniform at 3.8% for all states and major metropolitan areas, at 3.8%, which is slightly below the national average of 3.9%. For 2025, participants in most states and metro areas again predict nearly uniform budgets of 3.8%, with a few falling to 3.7%. (Figures 7 and 8). In part this reflects the general consolidation of salary increase budgets to a narrower range discussed earlier. Nonetheless, these findings beg the following questions “Why are the means for all states (or metro areas) the same, while the medians vary?” and “Why is the mean national mean increase budget higher than the mean increase for any state?

Why are the means for all states (or metro areas) the same, while the medians vary?

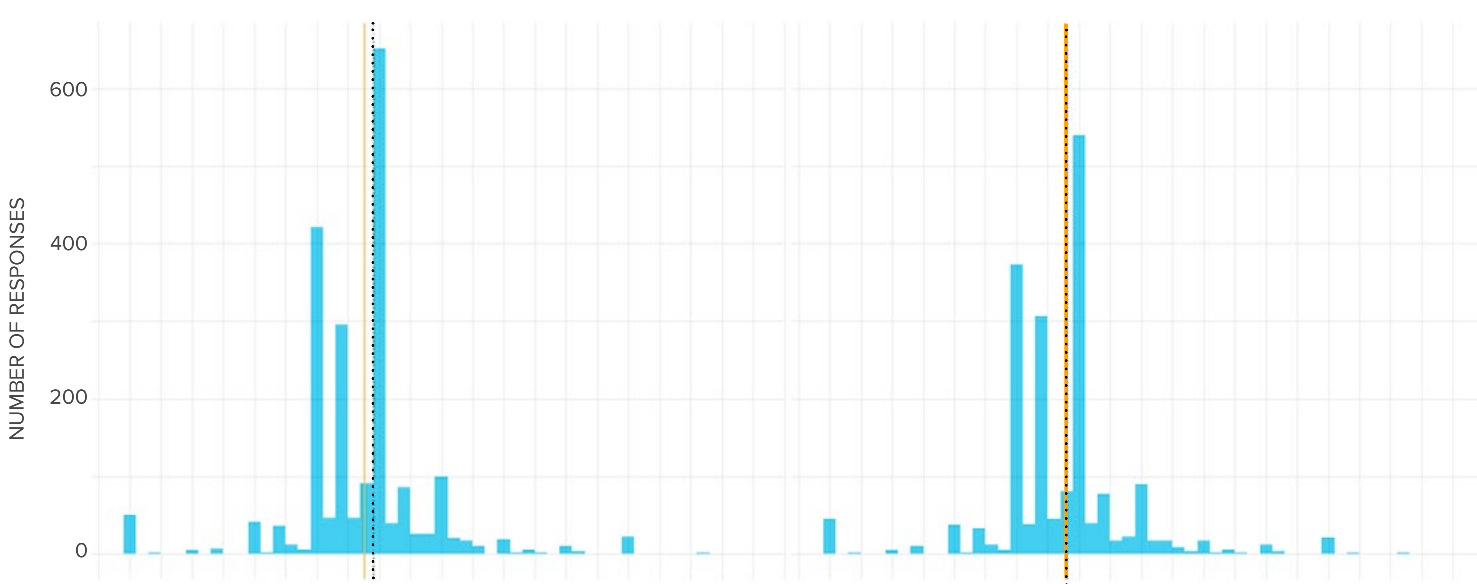
In part, this is simply an effect of rounding. When means are carried out to an additional decimal place, they vary slightly. (We report results at one decimal place as that is the level of precision at which we collect this data.) But this primarily occurs because the shape of the distribution of total increase budgets varies from one location to the next. For instance, 30% of Iowa’s responses indicated a 4% increase budget, the highest proportion of any state. But Iowa also had the highest proportion of 3.0% increases (20%), so its median was 3.9% and its mean was 3.8%. In contrast, just 27% of Mississippi’s responses indicated a 4.0% increase budget, the lowest level found across all states. But it also had the highest proportion of 3.5% increases (15%) so its median was 3.8% and its mean was 3.8%. (In the figure, the median is marked with a black dotted line and the median with a solid yellow line. Distributions for all 50 states can be seen on pages 32-33.

Why is the mean national increase budget higher than the mean increase for any state?

In general, larger organizations have slightly smaller overall increase budgets. (This has been true for many years.) And larger organizations are also more likely to operate in more states. In our study, about one-third of companies with less than 500 employees are in 10 or fewer states. Over half of companies with at least 20,000 employees are in 40 or more states.

Number Of Employees	Number Of States Reported		
	10 or less	11-39	40 or more
Less Than 500	75%	15%	9%
Less Than 500	59%	22%	19%
500 - 2,499	48%	21%	31%
2,500- 9,999	39%	21%	40%
10,000- 20,000	34%	14%	52%
More Than 20,000	2%	1%	1%

IOWA **MISSISSIPPI**



Within any single geographic area, the average increase budget is pushed down by the effect of whichever large employers are present. Conversely, nationwide averages are higher because many small employers offset the downward pressure of large employers. Here's an example:

MARKET 1	
BigCorp	3.7%
LittleCompanyA	4.3%
LittleCompanyB	4.1%
LittleCompanyC	4.0%

MARKET 1 MEAN INCREASE 4.0%

MARKET 2	
BigCorp	3.7%
LittleCompanyD	4.2%
LittleCompanyE	4.3%
LittleCompanyF	3.9%

MARKET 2 MEAN INCREASE 4.0%

MARKET 2	
BigCorp	3.7%
LittleCompanyA	4.3%
LittleCompanyB	4.1%
LittleCompanyC	4.0%
LittleCompanyD	4.2%
LittleCompanyE	4.3%
LittleCompanyF	3.9%

NATIONAL MEAN INCREASE 4.1%

As a subscriber to the 2024-2025 Salary Budget Survey, you have eighteen months of access to the interactive Online Reporting Tool. This tool allows you to filter U.S. (and Canadian) data by geographic variables and organization size simultaneously. To better understand how the company-size effect affects your area better, you may want to look at the effects of including or excluding different sizes of organizations from the places you are interested in using the Interactive Tool. In addition, the tool allows you to select based on headcount, revenue, industry, and/or geography.)

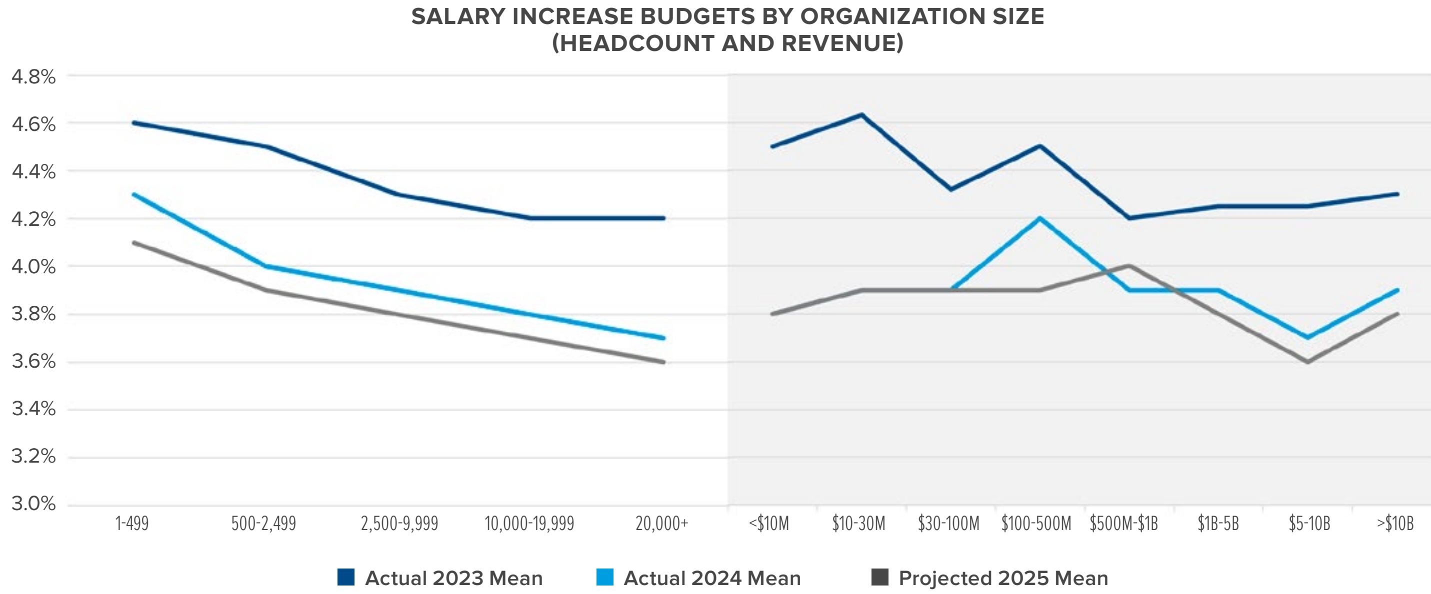
Industry Data

Unlike geographic areas, industries show some variation in 2024 and predicted 2025 overall salary increase budgets. The consolidation effect that impacts other data is still present in the industry-level data. While last year's industry averages had a 2.3% range, this year's range has contracted. Averages range from 3.4% to 4.8%, only a 1.4% range.

Management of Companies & Enterprises and Agriculture have the smallest average 2024 increase budgets of all industries but have very small sample sizes in this year's study. Users should be careful about using only this data for projections. (These industries were the smallest industry groups in this year's Salary Budget Survey.) Administrative & Support Services, Education, Retail and Transportation & Warehousing all came in at 3.6% average increase budget for 2024. Admin & Support Services and Retail were both among the lowest increase budgets in last year, but Education was in the middle of the pack while Transportation & Warehousing was one of the highest increase budgets in 2023 at 4.8%. (This year's smaller increase budget for Transportation & Warehousing might be a correction, especially since predictions for next year put it back into the middle of the pack.) Government reported the highest increase budget of all industries for 2024, 4.8%, likely reflecting the impact of across-the-board increases made in some jurisdictions over the past year. Construction and Utilities also had higher average increases in 2024, at 4.2%. For next year, almost all industries anticipate that budgets will stay the same or drop by no more than two tenths of a percentage point. (See Figure 9)

Organization Size Data

As is generally the case in our Salary Budget Survey, salary increase budgets continue to be larger for smaller organizations. This occurrence is more pronounced when size is based on the number of employees instead of on revenue. The range of average increase budgets based on number of employees is 3.7 to 4.3%, and 3.7 to 4.2% for revenue. Budgets for all headcount sizes declined from 2023. Next year's predicted averages show a steady state or small drops for all headcount categories and revenue categories except $500 million - $1 billion, which predicts a 0.1% increase. The median ranges for both headcount and revenue are slightly narrower than the range of the means. Note that revenue categories have changed since 2023, so 2023 data has been averaged to approximate the current categories. (See Figures 10 and 11)



Pay for Performance

Because performance management practices continue to evolve, WorldatWork has standardized this scale to allow evaluation of differentiation practices over time. The results do not relate to a specific rating system, but rather to general categories of employee performance used in the survey. This allows respondents to report merit awards by generally known performance levels. In 2023, organizations averaged a 3.5% merit increase for mid-level performers (median: 3.5%) and a 4.8% payout for top performers (median: 4.6%). Low-level performers averaged a 1.3% increase in the same year, although the median payout was 1.0%. The average expected performance-based pay increase for 2024 for mid-level performers decreased slightly to an average and median of 3.3%. For high performers, the anticipated 2024 mean increase declines slightly to 4.6%, and the median drops to 4.5%. (See Figure 17)

Though overall merit budgets have varied over the past ten years, differentiation based on performance has remained remarkably consistent apart from 2020, which had greater differentiation. High performers in 2023 averaged a merit increase that was 1.3% larger than their middle performer counterparts, as has been the case for most years since 2015, and the predicted differentiation remains the same for 2024. (See Figure 18) In addition, the size of merit increase awards depends on the proportion of the workforce that is rated as high performers. The greater the proportion of highly rated workers, the lower the increase they receive. In 2023, organizations rating 30% or more of workers high award increases of 4.5% (4.4% median), while those that considered only 10% or fewer workers to be high performers awarded an average (and median) of 5%. (See Figure 19) Of course, merit increases are not the only means by which organization can differentiate rewards based on performance. Variable pay and other award programs are widely used and continue to expand to include additional categories of workers in many organizations.

Base Pay Market Targets

Targets for base pay levels in comparison to the market have remained quite steady over the past ten years. As in 2014, a large majority of organizations target the 50th percentile when anchoring base pay. Eighty-three or eighty-four percent of organizations target the 50th percentile for non-executive workers, and 77% use that percentile for executives as well. In 2014, 50th percentile was non-executive target for 86-87% of organizations and the executive target for 77% of them. No organization report 10th percentile targets in 2024, whereas less than 1% did in 2014. Targets at the 90th and 75th percentiles have grown slightly, but the 60th percentile has gained a small following as well. (It was so infrequent in 2014 that it didn't have its own category). The number of companies that say they have no formal compensation strategy has stayed the same since 2014. This group likely includes both new companies that have not yet set up one and small companies are too small to use a market-based strategy. (See Figures 20-21),

Salary Structure Adjustments

Salary structure changes are usually smaller than salary increase budgets. They often lag economic changes and organizations may not update structures every year. In 2024, the reported overall average salary structure adjustment is 2.5% (median: 2.6%) slightly lower than the projected 2.6% (median: 3.0%). For 2025, the projection drops slightly to 2.4%. For the past several years, structure increases for officers and executives have been slightly lower than those for other workers. Data for 2024 and predictions for 2025 maintain this pattern. The differences between other employee groups are small and show no particular pattern. Regional differences are also minimal. (See Figures 22-27)

Variable Pay

The percentage of organizations using variable pay decreased slightly to 83% in 2024, after standing at 85% for the prior three years. Variable pay use has remained in the range of 83-85% since 2013. In 2024, two-thirds of companies that use variable pay reported using combination awards based on both the company's and individual performance. Organization-wide awards are a distant second at 31%. (Participants could select multiple responses, so the total exceeds 100%.) (See Figure 27) Depending on employee category, 78% to 86% of employees received variable pay for 2023, with officers/executives most likely to receive variable pay. In 2023, the percent budgeted for variable pay fell slightly short of the percent paid for all workers except nonexempt hourly nonunion. The gap was greater for more highly compensated workers. Projected percent paid for 2024 is marginally lower for all worker groups, while 2025 budget predictions remain very close to 2024 budgets. (See Figures 28-32)

AVERAGE MERIT INCREASE BUDGETS

2024
3.4%

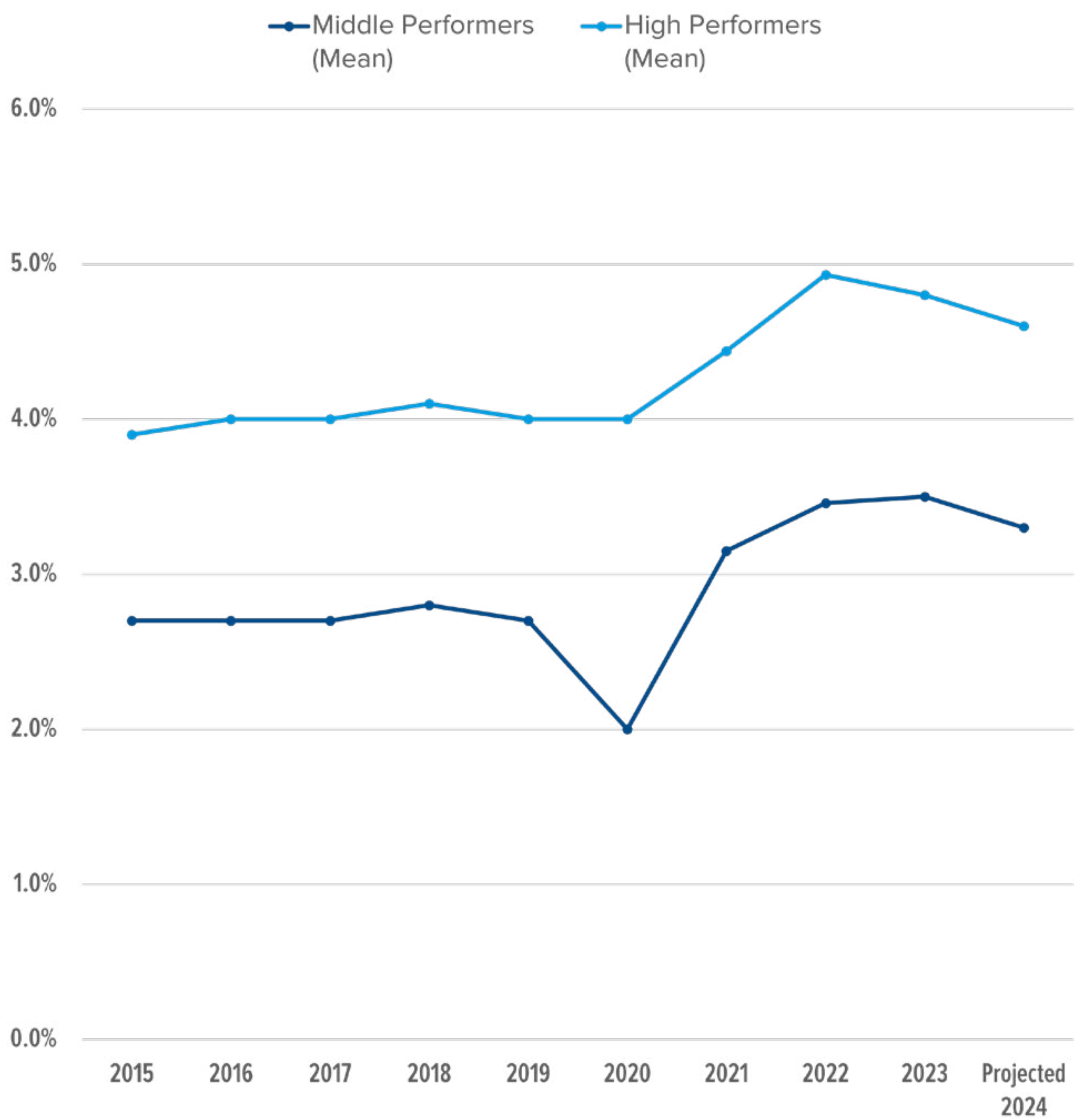
Projected 2025
3.4%

AVERAGE SALARY STRUCTURE ADJUSTMENT

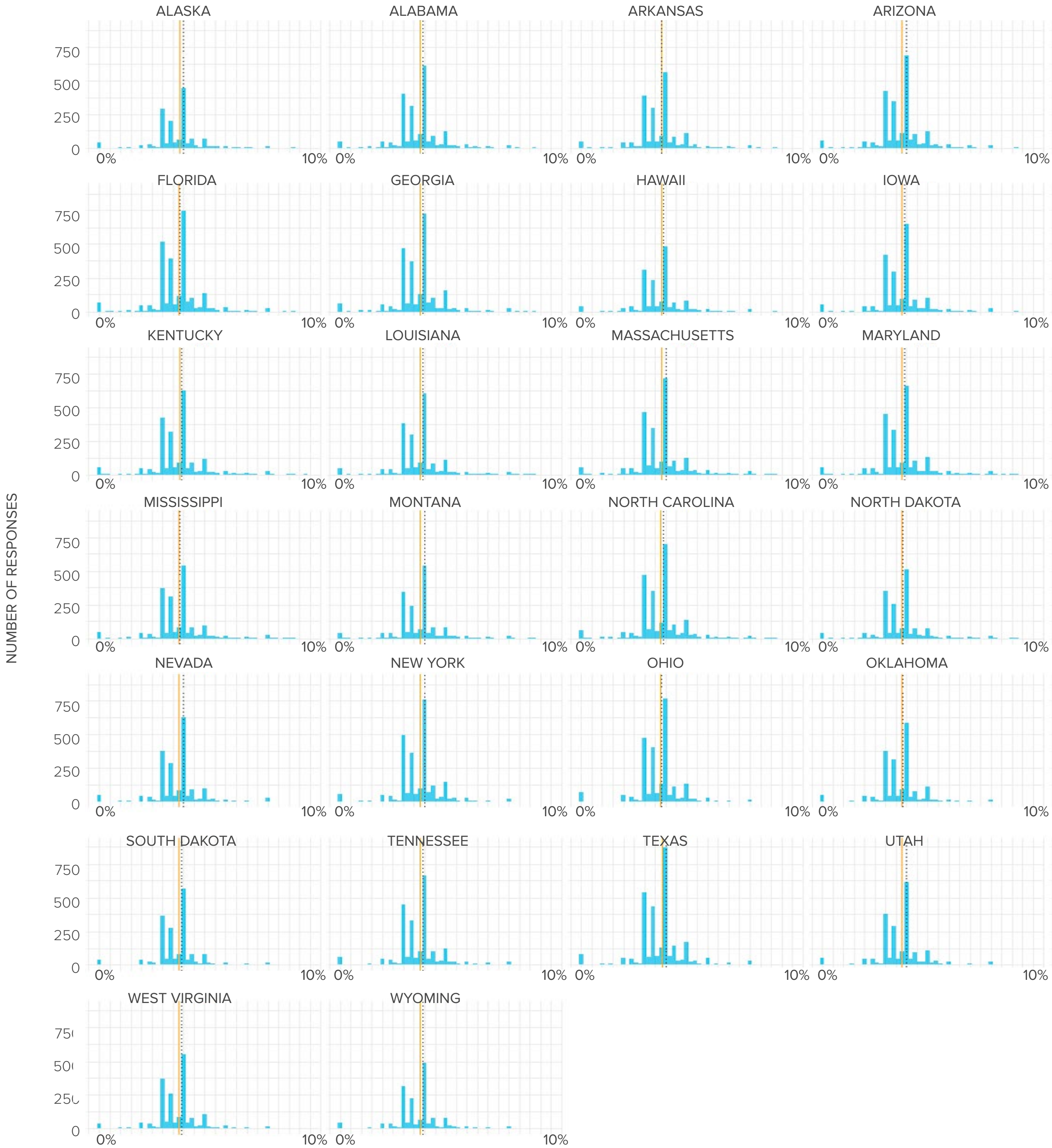
2024
2.5%

Projected 2025
2.4%

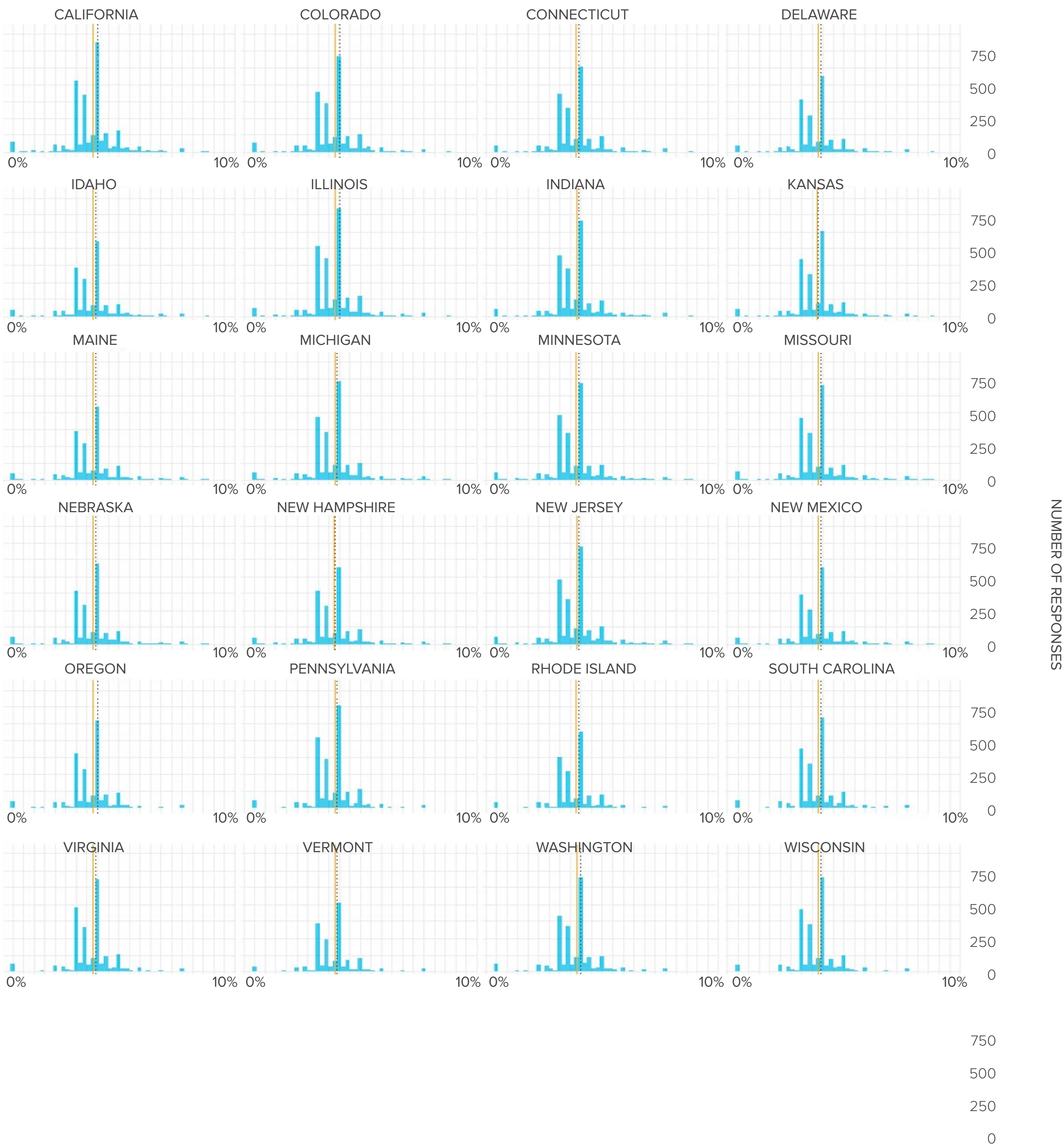
Merit Increase Differentiation Between High-Performers and Middle-Performers is Consistent Over Time



DISTRIBUTION OF SALARY INCREASE BUDGETS BY STATE



DISTRIBUTION OF SALARY INCREASE BUDGETS BY STATE



SALARY INCREASE BUDGETS

FIGURE 1 **Salary Increase Budgets, by Type of Increase**

	Actual 2022		Actual 2023		Projected 2024		Actual 2024		Projected 2025	
	Mean	Median	Mean	Median	Mean	Median	Mean	Median	Mean	Median
General Increase/COLA	1.9%	2.0%	2.0%	1.1%	1.8%	1.0%	1.7%	1.0%	1.8%	2.0%
Merit Increase	3.5%	3.2%	3.7%	4.0%	3.6%	3.5%	3.4%	3.5%	3.4%	3.5%
Other Increase	1.3%	1.0%	1.0%	0.8%	0.9%	0.8%	0.9%	0.5%	0.9%	0.5%
Total Increase	4.1%	3.8%	4.4%	4.0%	4.1%	4.0%	3.9%	4.0%	3.8%	4.0%

Note: “General Increase/COLA,” “Merit” and “Other” do not add to the “Total Increase” because not every organization provides all three types of increase. The n’s represent the number of responses for each type of increase, which may include multiple responses if each respondent reports for more than one employee category for that type of increase.

*2024 study sample size is 2,042

FIGURE 2 **Total Salary Increase Budgets, by Employee Category**

Salary Increase Budgets (zeros included)

	Actual 2022		Actual 2023		Projected 2024		Actual 2024		Projected 2025	
	Mean	Median	Mean	Median	Mean	Median	Mean	Median	Mean	Median
Nonexempt Hourly Nonunion	4.2%	4.0%	4.4%	4.0%	4.1%	4.0%	3.9%	4.0%	3.8%	3.8%
Nonexempt Salaried	4.1%	4.0%	4.4%	4.0%	4.1%	4.0%	4.1%	4.0%	3.8%	4.0%
Exempt Salaried	4.2%	4.0%	4.5%	4.0%	4.1%	4.0%	3.9%	4.0%	3.8%	4.0%
Officers/Executives	3.9%	3.5%	4.2%	4.0%	4.0%	4.0%	3.8%	4.0%	3.8%	3.8%
All	4.1%	3.8%	4.4%	4.0%	4.1%	4.0%	3.9%	4.0%	3.8%	4.0%

Salary Increase Budgets (zeros not included)

	Actual 2022		Actual 2023		Projected 2024		Actual 2024		Projected 2025	
	Mean	Median	Mean	Median	Mean	Median	Mean	Median	Mean	Median
Nonexempt Hourly Nonunion	4.2%	4.0%	4.5%	4.0%	4.1%	4.0%	4.0%	4.0%	3.9%	4.0%
Nonexempt Salaried	4.2%	4.0%	4.5%	4.0%	4.2%	4.0%	4.1%	4.0%	3.9%	4.0%
Exempt Salaried	4.2%	4.0%	4.5%	4.0%	4.2%	4.0%	4.0%	4.0%	3.9%	4.0%
Officers/Executives	4.0%	3.6%	4.4%	4.0%	4.2%	4.0%	4.0%	4.0%	3.9%	4.0%
All	4.2%	3.9%	4.5%	4.0%	4.2%	4.0%	4.0%	4.0%	3.9%	4.0%

FIGURE 3 Number of Months Between Increases

	Actual 2023		Projected 2024		Actual 2024		Projected 2025	
	Mean	Median	Mean	Median	Mean	Median	Mean	Median
Nonexempt Hourly Nonunion	11.8	12.0	11.8	12.0	11.8	12.0	11.8	12.0
Nonexempt Salaried	11.9	12.0	11.9	12.0	11.8	12.0	11.8	12.0
Exempt Salaried	11.7	12.0	12.0	12.0	11.9	12.0	11.9	12.0
Officers/Executives	11.9	12.0	12.1	12.0	11.9	12.0	11.9	12.0
All	11.8	12.0	11.9	12.0	11.9	12.0	11.9	12.0

FIGURE 3A Additional or Off-Cycle Base Pay Increase

	Yes	No, we did not consider it	No, we considered it but decided not to
Nonexempt Hourly Nonunion	18%	75%	7%
Nonexempt Salaried	14%	80%	6%
Exempt Salaried	16%	77%	7%
Officers/Executives	10%	84%	5%

FIGURE 4 Distribution of Total Salary Increase Budget Responses, Actual 2023 vs. Actual 2024

	Zero (0%)		0.1%–1.9%		2.0%–2.9%		3.0%–4.0%		4.1%–6.9%		7.0%+	
	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024
Nonexempt Hourly Nonunion	1%	2%	1%	1%	3%	4%	51%	69%	38%	22%	7%	3%
Nonexempt Salaried	1%	1%	0%	0%	2%	3%	51%	69%	40%	22%	5%	4%
Exempt Salaried	1%	2%	0%	1%	3%	4%	50%	67%	40%	23%	6%	3%
Officers/Executives	5%	4%	1%	1%	3%	4%	49%	66%	36%	22%	5%	3%

FIGURE 4A Nature of “Other Increases” in Salary Increase Budgets

	2024	Projected 2025
Market adjustment/competitive adjustment	70%	63%
Internal equity	51%	44%
Retention/critical skill adjustment	33%	28%
Salary range adjustment	31%	28%
Compression	25%	22%
Adjustment related to state or local minimum wage increase	22%	18%
Accelerated increase cycle to move employee closer to midpoint (salary progression)	17%	15%
Skill-based pay increase	12%	11%
Pay transparency	6%	7%
Step rate	4%	4%
Other increase	30%	1%

FIGURE 5 **Salary Increase Budget Trends**

	Nonexempt Hourly Nonunion	Nonexempt Salaried	Exempt Salaried	Officers/Executives
1988	—	5.1%	5.2%	5.6%
1989	—	5.2%	5.4%	5.7%
1990	—	5.4%	5.5%	5.8%
1991	—	5.0%	5.0%	5.1%
1992	—	4.6%	4.7%	4.8%
1993	—	4.2%	4.3%	4.4%
1994	—	4.0%	4.0%	4.1%
1995	—	3.9%	4.0%	4.1%
1996	3.8%	4.0%	4.1%	4.3%
1997	4.1%	4.1%	4.3%	4.5%
1998	4.1%	4.2%	4.5%	4.6%
1999	4.1%	4.2%	4.4%	4.5%
2000	4.3%	4.4%	4.6%	4.8%
2001	4.3%	4.4%	4.6%	4.7%
2002	3.7%	3.7%	3.9%	4.0%
2003	3.5%	3.4%	3.6%	3.6%
2004	3.5%	3.4%	3.6%	3.6%
2005	3.6%	3.6%	3.7%	3.8%
2006	3.7%	3.7%	3.8%	3.9%
2007	3.8%	3.8%	3.9%	4.1%
2008	3.8%	3.8%	3.9%	4.0%
2009	2.3%	2.1%	2.2%	2.0%
2010	2.4%	2.4%	2.5%	2.5%
2011	2.7%	2.8%	2.8%	2.8%
2012	2.8%	2.9%	2.9%	2.8%
2013	2.9%	2.9%	2.9%	2.9%
2014	2.9%	3.0%	3.0%	3.0%
2015	2.9%	3.0%	3.0%	3.0%
2016	3.0%	2.9%	3.0%	3.0%
2017	3.0%	3.0%	3.0%	3.0%
2018	3.1%	3.1%	3.1%	3.1%
2019	3.2%	3.1%	3.2%	3.3%
2020	2.8%	2.9%	2.9%	2.9%
2021	3.0%	2.9%	3.0%	2.8%
2022	4.2%	4.1%	4.2%	3.9%
2023	4.4%	4.4%	4.5%	4.2%
2024	3.9%	4.1%	3.9%	3.8%
2025 Projected	3.8%	3.9%	3.9%	3.9%

FIGURE 6 **Total Salary Increase Budgets, by Region and Employee Category**

	Central						Eastern					
	Actual 2023		Actual 2024		Projected 2025		Actual 2023		Actual 2024		Projected 2025	
	Mean	Median	Mean	Median	Mean	Median	Mean	Median	Mean	Median	Mean	Median
Nonexempt Hourly Nonunion	4.3%	4.0%	3.8%	4.0%	3.8%	3.6%	4.3%	4.0%	3.8%	4.0%	3.8%	3.7%
Nonexempt Salaried	4.4%	4.0%	4.0%	4.0%	3.8%	3.9%	4.4%	4.0%	4.0%	4.0%	3.8%	4.0%
Exempt Salaried	4.3%	4.0%	3.8%	4.0%	3.8%	3.8%	4.4%	4.0%	3.8%	4.0%	3.8%	3.8%
Officers/Executives	4.1%	4.0%	3.7%	3.8%	3.7%	3.7%	4.1%	4.0%	3.8%	3.9%	3.8%	3.6%
All	4.3%	4.0%	3.8%	4.0%	3.8%	3.8%	4.3%	4.0%	3.8%	4.0%	3.8%	3.8%

	Southern						Western					
	Actual 2023		Actual 2024		Projected 2025		Actual 2023		Actual 2024		Projected 2025	
	Mean	Median	Mean	Median	Mean	Median	Mean	Median	Mean	Median	Mean	Median
Nonexempt Hourly Nonunion	4.4%	4.0%	3.9%	4.0%	3.8%	3.7%	4.4%	4.0%	3.9%	4.0%	3.8%	4.0%
Nonexempt Salaried	4.4%	4.0%	4.0%	4.0%	3.8%	4.0%	4.4%	4.0%	4.0%	4.0%	3.8%	4.0%
Exempt Salaried	4.5%	4.0%	3.9%	4.0%	3.8%	3.8%	4.4%	4.0%	3.9%	4.0%	3.9%	4.0%
Officers/Executives	4.2%	4.0%	3.8%	3.8%	3.7%	3.6%	4.1%	4.0%	3.7%	4.0%	3.8%	3.8%
All	4.4%	4.0%	3.9%	4.0%	3.8%	3.8%	4.4%	4.0%	3.9%	4.0%	3.8%	4.0%

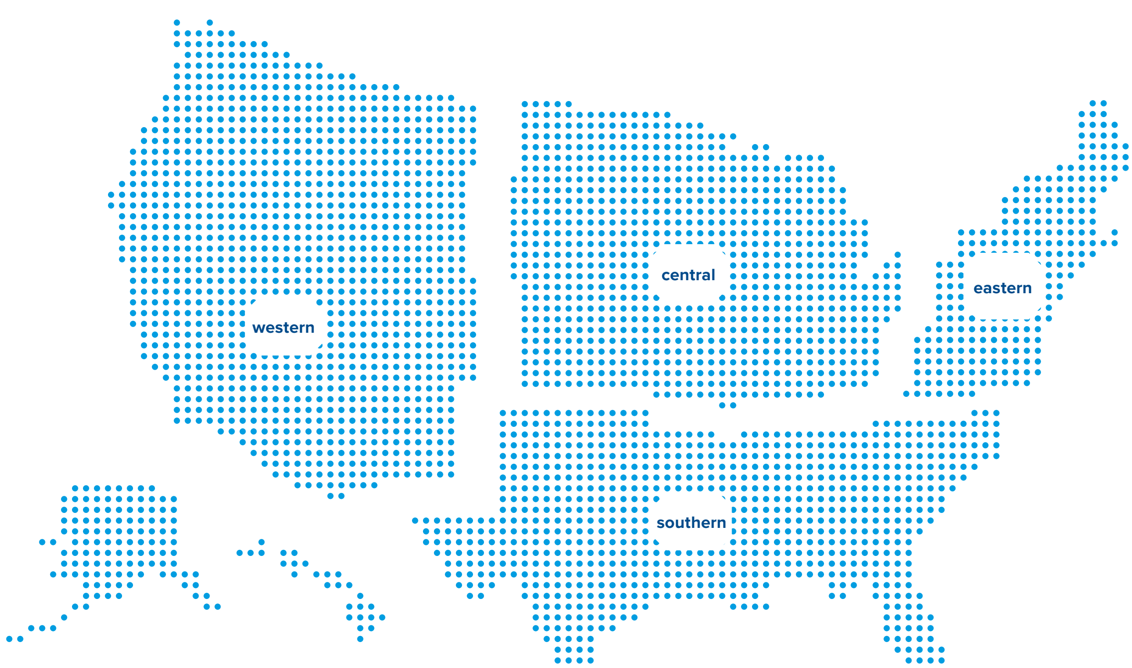


FIGURE 7 **Total Salary Increase Budgets, by State**

	Actual 2023		Projected 2024		Actual 2024		Projected 2025	
	Mean	Median	Mean	Median	Mean	Median	Mean	Median
National	**4.4%**	**4.0%**	**4.1%**	**4.0%**	**3.9%**	**4.0%**	**3.9%**	**4.0%**
Alabama	4.4%	4.0%	4.1%	4.0%	3.8%	3.9%	3.8%	3.7%
Alaska	4.5%	4.0%	4.1%	4.0%	3.8%	4.0%	3.8%	3.7%
Arizona	4.2%	4.0%	4.1%	4.0%	3.8%	4.0%	3.8%	3.7%
Arkansas	4.4%	4.0%	4.1%	4.0%	3.8%	3.8%	3.8%	3.5%
California	4.3%	4.0%	4.2%	4.0%	3.8%	4.0%	3.8%	3.8%
Colorado	4.4%	4.0%	4.1%	4.0%	3.8%	4.0%	3.8%	3.8%
Connecticut	4.3%	4.0%	4.0%	4.0%	3.8%	3.9%	3.8%	3.7%
Delaware	4.3%	4.0%	4.0%	4.0%	3.8%	3.9%	3.7%	3.6%
Florida	4.3%	4.0%	4.1%	4.0%	3.8%	3.8%	3.7%	3.5%
Georgia	4.4%	4.0%	4.1%	4.0%	3.8%	3.9%	3.8%	3.7%
Hawaii	4.3%	4.0%	4.1%	4.0%	3.8%	3.9%	3.8%	3.6%
Idaho	4.3%	4.0%	4.1%	4.0%	3.8%	3.9%	3.8%	3.6%
Illinois	4.3%	4.0%	4.1%	4.0%	3.8%	4.0%	3.8%	3.7%
Indiana	4.3%	4.0%	4.1%	4.0%	3.8%	3.9%	3.8%	3.7%
Iowa	4.4%	4.0%	4.2%	4.0%	3.8%	3.9%	3.7%	3.6%
Kansas	4.3%	4.0%	4.1%	4.0%	3.8%	3.8%	3.8%	3.7%
Kentucky	4.3%	4.0%	4.1%	4.0%	3.8%	3.9%	3.8%	3.6%
Louisiana	4.3%	4.0%	4.0%	4.0%	3.8%	3.9%	3.8%	3.7%
Maine	4.3%	4.0%	4.0%	4.0%	3.8%	3.9%	3.8%	3.6%
Maryland	4.4%	4.0%	4.2%	4.0%	3.8%	3.9%	3.8%	3.6%
Massachusetts	4.4%	4.0%	4.1%	4.0%	3.8%	4.0%	3.8%	3.7%
Michigan	4.3%	4.0%	4.1%	4.0%	3.8%	3.9%	3.8%	3.7%
Minnesota	4.4%	4.0%	4.1%	4.0%	3.8%	3.9%	3.8%	3.7%
Mississippi	4.3%	4.0%	4.0%	4.0%	3.8%	3.8%	3.8%	3.6%
Missouri	4.3%	4.0%	4.1%	4.0%	3.8%	3.9%	3.8%	3.6%
Montana	4.4%	4.0%	4.1%	4.0%	3.8%	4.0%	3.7%	3.5%
Nebraska	4.4%	4.0%	4.1%	4.0%	3.8%	3.9%	3.8%	3.6%
Nevada	4.3%	4.0%	4.1%	4.0%	3.8%	4.0%	3.8%	3.8%
New Hampshire	4.4%	4.0%	4.1%	4.0%	3.8%	3.8%	3.8%	3.6%
New Jersey	4.3%	4.0%	4.1%	4.0%	3.8%	3.9%	3.8%	3.7%
New Mexico	4.4%	4.0%	4.1%	4.0%	3.8%	3.9%	3.8%	3.7%
New York	4.3%	4.0%	4.0%	4.0%	3.8%	4.0%	3.8%	3.7%
North Carolina	4.4%	4.0%	4.1%	4.0%	3.8%	3.9%	3.8%	3.7%
North Dakota	4.5%	4.0%	4.1%	4.0%	3.8%	3.8%	3.8%	3.5%
Ohio	4.3%	4.0%	4.0%	4.0%	3.8%	3.8%	3.8%	3.6%
Oklahoma	4.4%	4.0%	4.1%	4.0%	3.8%	3.8%	3.8%	3.6%
Oregon	4.4%	4.0%	4.1%	4.0%	3.8%	4.0%	3.8%	3.8%
Pennsylvania	4.2%	4.0%	4.0%	4.0%	3.8%	3.9%	3.8%	3.7%
Rhode Island	4.4%	4.0%	4.1%	4.0%	3.8%	3.9%	3.8%	3.6%
South Carolina	4.4%	4.0%	4.2%	4.0%	3.8%	3.9%	3.8%	3.7%
South Dakota	4.3%	4.0%	4.1%	4.0%	3.8%	3.9%	3.7%	3.5%
Tennessee	4.4%	4.0%	4.1%	4.0%	3.8%	3.9%	3.8%	3.6%

(Continued on page 39)

FIGURE 7 **Total Salary Increase Budgets, by State** (continued)

	Actual 2023		Projected 2024		Actual 2024		Projected 2025	
	Mean	Median	Mean	Median	Mean	Median	Mean	Median
Texas	4.4%	4.0%	4.1%	4.0%	3.8%	4.0%	3.8%	3.8%
Utah	4.4%	4.0%	4.2%	4.0%	3.8%	4.0%	3.8%	3.7%
Vermont	4.4%	4.0%	4.1%	4.0%	3.8%	3.9%	3.8%	3.6%
Virginia	4.4%	4.0%	4.1%	4.0%	3.8%	3.9%	3.8%	3.7%
Washington	4.5%	4.0%	4.2%	4.0%	3.8%	4.0%	3.8%	3.8%
West Virginia	4.3%	4.0%	4.0%	4.0%	3.8%	3.9%	3.8%	3.6%
Wisconsin	4.4%	4.0%	4.1%	4.0%	3.8%	3.9%	3.7%	3.5%
Wyoming	4.6%	4.0%	4.3%	4.0%	3.8%	3.9%	3.8%	3.7%

FIGURE 8 **Total Salary Increase Budgets, by Major Metropolitan Area**

	Actual 2023		Projected 2024		Actual 2024		Projected 2025	
	Mean	Median	Mean	Median	Mean	Median	Mean	Median
National	**4.4%**	**4.0%**	**4.1%**	**4.0%**	**3.9%**	**4.0%**	**3.9%**	**4.0%**
Atlanta	4.4%	4.0%	4.1%	4.0%	3.8%	4.0%	3.8%	3.8%
Austin	---	---	---	---	3.8%	4.0%	3.8%	3.8%
Baltimore	4.4%	4.0%	4.1%	4.0%	3.8%	4.0%	3.8%	3.8%
Boston	4.5%	4.0%	4.1%	4.0%	3.8%	4.0%	3.8%	3.7%
Chicago	4.3%	4.0%	4.1%	4.0%	3.8%	4.0%	3.8%	3.7%
Cincinnati	4.4%	4.0%	4.1%	4.0%	3.8%	3.9%	3.8%	3.6%
Cleveland	4.4%	4.0%	4.1%	4.0%	3.8%	3.8%	3.7%	3.5%
Dallas	4.4%	4.0%	4.1%	4.0%	3.8%	4.0%	3.8%	3.8%
Denver	4.4%	4.0%	4.2%	4.0%	3.8%	4.0%	3.8%	3.8%
Detroit	4.3%	4.0%	4.1%	4.0%	3.8%	3.9%	3.8%	3.7%
Houston	4.4%	4.0%	4.1%	4.0%	3.8%	4.0%	3.8%	3.8%
Los Angeles	4.3%	4.0%	4.1%	4.0%	3.8%	4.0%	3.8%	3.7%
Miami	4.3%	4.0%	4.1%	4.0%	3.8%	3.8%	3.8%	3.5%
Minneapolis	4.4%	4.0%	4.1%	4.0%	3.8%	3.9%	3.8%	3.7%
New York	4.3%	4.0%	4.0%	4.0%	3.8%	4.0%	3.8%	3.7%
Philadelphia	4.3%	4.0%	4.0%	4.0%	3.8%	3.9%	3.8%	3.6%

(Continued on page 40)

FIGURE 8 **Total Salary Increase Budgets, by Major Metropolitan Area** (continued)

	Actual 2023		Projected 2024		Actual 2024		Projected 2025	
	Mean	Median	Mean	Median	Mean	Median	Mean	Median
Phoenix	4.4%	4.0%	4.2%	4.0%	3.8%	4.0%	3.8%	3.7%
Pittsburgh	4.3%	4.0%	4.0%	4.0%	3.8%	4.0%	3.8%	3.6%
Portland	4.5%	4.0%	4.2%	4.0%	3.8%	4.0%	3.8%	3.8%
San Diego	4.4%	4.0%	4.2%	4.0%	3.8%	3.9%	3.8%	3.6%
San Francisco	4.4%	4.0%	4.2%	4.0%	3.8%	3.9%	3.8%	3.8%
San Jose	4.3%	4.0%	4.2%	4.0%	3.8%	3.9%	3.8%	3.7%
Seattle	4.5%	4.0%	4.2%	4.0%	3.8%	4.0%	3.8%	3.8%
St. Louis	4.3%	4.0%	4.1%	4.0%	3.8%	3.8%	3.8%	3.5%
Tampa	4.4%	4.0%	4.1%	4.0%	3.8%	3.9%	3.7%	3.5%
Washington, D.C.	4.6%	4.0%	4.2%	4.0%	3.8%	4.0%	3.8%	3.8%

FIGURE 9 **Total Salary Increase Budgets, by Major Industry Grouping**

Summary data are presented this year for all major industries in which data were reported. Detailed information about these industries and additional subindustries can be accessed through the "Online Reporting Tool." See page 6 for details.

	Actual 2023		Projected 2024		Actual 2024		Projected 2025	
	Mean	Median	Mean	Median	Mean	Median	Mean	Median
All Industries	**4.4%**	**4.0%**	**4.1%**	**4.0%**	**3.9%**	**4.0%**	**3.9%**	**4.0%**
Administrative & Support & Waste Management & Remediation Services	4.0%	3.8%	3.5%	3.5%	3.6%	3.5%	3.3%	3.5%
Agriculture (includes forestry, fishing and hunting)	5.0%	4.1%	4.4%	4.0%	3.4%	3.5%	4.0%	4.0%
Arts, entertainment & recreation	4.1%	4.0%	4.2%	4.0%	3.7%	3.8%	3.5%	4.0%
Construction (includes commercial, residential & civil engineering)	4.4%	4.0%	4.0%	4.0%	4.3%	4.0%	4.2%	4.0%
Education(K-12 and post-secondary, public & private & ed services)	4.2%	4.0%	3.9%	4.0%	3.6%	3.5%	3.4%	3.0%
Extraction (includes mining, quarrying, oil & gas)	4.8%	4.5%	4.2%	4.0%	4.2%	4.0%	4.1%	4.0%
Finance & Insurance	4.3%	4.0%	3.9%	4.0%	3.9%	4.0%	3.8%	3.8%
Government (federal, state, local & tribal EXCEPT public schools and universities)	6.0%	5.6%	5.5%	5.0%	4.8%	4.1%	3.7%	4.0%
Healthcare & Social Assistance	3.9%	3.9%	3.8%	3.5%	3.7%	3.5%	3.6%	3.5%
Hotels, restaurants & bars	4.2%	4.0%	3.6%	4.0%	3.8%	4.0%	3.6%	3.5%
Information	4.1%	4.0%	4.2%	4.0%	3.7%	3.5%	3.7%	3.5%
Management of companies and enterprises	4.4%	4.0%	4.1%	4.0%	3.4%	3.5%	3.4%	3.5%
Manufacturing	4.2%	4.0%	3.9%	4.0%	3.9%	4.0%	3.7%	3.8%
Other Services (except Public Administration)	4.2%	4.0%	4.1%	4.0%	4.2%	4.0%	4.1%	4.0%

(Continued on page 40)

FIGURE 9 **Total Salary Increase Budgets, by Major Industry Grouping** (continued)

	Actual 2023		Projected 2024		Actual 2024		Projected 2025	
	Mean	Median	Mean	Median	Mean	Median	Mean	Median
Pharmaceuticals	---	---	---	---	4.1%	4.0%	4.2%	4.0%
Professional, Scientific, and Technical Services	4.9%	4.5%	4.6%	4.0%	4.1%	4.0%	4.1%	4.0%
Rental & real estate(includes sales, mgmt & leasing of property and rental of equipment, cars, etc.)	4.4%	4.5%	3.9%	4.0%	4.2%	4.0%	4.2%	4.0%
Retail	3.7%	4.0%	3.7%	3.5%	3.6%	3.5%	3.6%	3.5%
Transportation and Warehousing	4.8%	4.0%	4.2%	4.0%	3.6%	3.5%	3.8%	3.5%
Utilities and energy production	4.7%	4.1%	4.2%	4.0%	4.3%	4.0%	3.9%	4.0%
Wholesale	4.1%	4.0%	3.9%	3.5%	3.8%	3.5%	3.5%	3.5%

Note: Pharma is shown as a separate industry for the first time in 2024

FIGURE 10 **Total Salary Increase Budgets, by Organization Size**

	Actual 2023		Projected 2024		Actual 2024		Projected 2025	
Number of Employees	Mean	Median	Mean	Median	Mean	Median	Mean	Median
1-499	4.6%	4.0%	4.2%	4.0%	4.3%	4.0%	4.1%	4.0%
500-2,499	4.5%	4.0%	4.2%	4.0%	4.0%	4.0%	3.9%	4.0%
2,500-9,999	4.3%	4.5%	4.0%	4.0%	3.9%	4.0%	3.8%	3.9%
10,000-19,999	4.2%	4.0%	3.9%	4.0%	3.8%	3.8%	3.7%	3.5%
20,000+	4.2%	4.0%	4.0%	4.0%	3.7%	3.6%	3.6%	3.5%

FIGURE 11 **Total Salary Increase Budgets, by Revenue**

	Actual 2023		Projected 2024		Actual 2024		Projected 2025	
2023 Revenue	Mean	Median	Mean	Median	Mean	Median	Mean	Median
Up to $10 million	4.5%	4.0%	4.3%	4.0%	3.8%	4.0%	3.8%	4.0%
Between $10 million and $30 million	4.6%	4.5%	3.8%	4.0%	3.9%	4.0%	3.9%	4.0%
Between $30 million and $100 million	4.3%	4.2%	4.2%	4.0%	3.9%	4.0%	3.9%	4.0%
Between $100 million and $500 million	4.5%	4.3%	4.2%	4.0%	4.2%	4.0%	3.9%	4.0%
Between $500 million and $1 billion	4.2%	4.0%	4.1%	4.0%	3.9%	4.0%	4.0%	4.0%
Between $1 billion and $5 billion	4.4%	4.0%	4.1%	4.0%	3.9%	4.0%	3.8%	3.8%
Between $5 billion and $10 billion	4.3%	4.0%	4.0%	4.0%	3.7%	3.8%	3.6%	3.5%
$10 billion or more	4.3%	4.0%	4.0%	4.0%	3.9%	4.0%	3.8%	3.8%

Note: Revenue categories changed for 2024. Actual 2023 and Projected 2024 data was averaged as needed to align with current revenue categories.

FIGURE 12 **Impact of Anticipating Pay Adjustments to Remediate Pay Equity Issues on 2024 Salary Budgets** *(n=2,037)*

Additional amount budgeted for equity adjustments as part of salary budget but separate from other pay increase budgets	14%
Additional amount budgeted for equity adjustment as part of merit budget	11%
Additional amount budgeted for equity adjustment as part of general increase/COLA increase budget	3%
Additional amount budgeted for equity adjustment as part of other increase budget	16%
Percent of organizations that do NOT budget for pay equity adjustments	**25%**
Organizations not anticipating pay adjustments to remediate pay equity issues	**30%**

FIGURE 12A **2024 Funding When Pay Equity Adjustments Are Not Budgeted** *(n=529)*

Pay equity adjustments are paid for out of the merit budget, even though the merit budget is not inflated to cover equity adjustments	27%
Pay equity adjustments are paid for out of the general increase/COLA increase budget, even though the general increase/COLA budget is not inflated to cover equity adjustments	7%
Pay equity adjustments are paid for out of the other increase budget, even though the other increase budget is not inflated to cover equity adjustments	23%
Pay equity adjustments are paid for with savings (e.g., savings realized from vacant positions, hiring at a lower rate than the previous incumbent, downsizing)	48%
Other	11%

FIGURE 12B **Impact of Anticipating Pay Adjustments to Remediate Pay Equity Issues on 2025 Salary Budgets** *(n=2,038)*

Additional amount budgeted for equity adjustments as part of salary budget but separate from other pay increase budgets	17%
Additional amount budgeted for equity adjustment as part of merit budget	13%
Additional amount budgeted for equity adjustment as part of general increase/COLA increase budget	2%
Additional amount budgeted for equity adjustment as part of other increase budget	18%
Percent of organizations that do NOT budget for pay equity adjustments	**20%**
Organizations not anticipating pay adjustments to remediate pay equity issues	**29%**

FIGURE 12C **2025 Funding When Pay Equity Adjustments Are Not Budgeted** *(n=529)*

Pay equity adjustments are paid for out of the merit budget, even though the merit budget is not inflated to cover equity adjustments	27%
Pay equity adjustments are paid for out of the general increase/COLA increase budget, even though the general increase/COLA budget is not inflated to cover equity adjustments	7%
Pay equity adjustments are paid for out of the other increase budget, even though the other increase budget is not inflated to cover equity adjustments	25%
Pay equity adjustments are paid for with savings (e.g., savings realized from vacant positions, hiring at a lower rate than the previous incumbent, downsizing)	44%
Other	12%

FIGURE 13 Impact of Promotional Increases on Salary Budgets *(n=2,042)*

Additional amount budgeted for promotional increases as part of salary budget but separate from other pay increase budgets	21%
Additional amount budgeted for promotional increases as part of **merit** budget	13%
Additional amount budgeted for promotional increases as part of **general increase/COLA increase** budget	3%
Additional amount budgeted for promotional increases as part of **other increase** budget	18%
Percent of organizations that do budget for promotions	**56%**
No budget for promotional increases	44%
Percent of organizations that do NOT budget for promotions	**44%**

FIGURE 13A Promotional Increase Funding When Promotional Increases Are Not Budgeted *(n=707)*

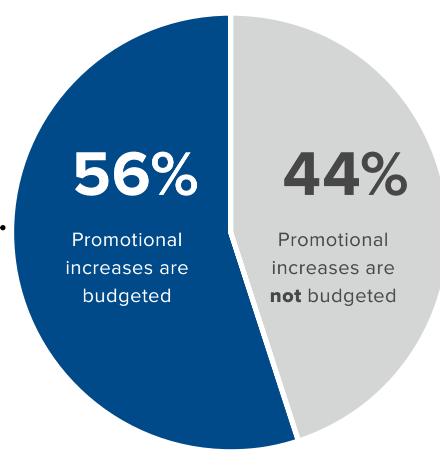
Promotional increases are paid for out of the merit budget, even though the merit budget is not inflated to cover promotional increases	21%
Promotional increases are paid for out of the general increase/COLA increase budget, even though the general increase/COLA budget is not inflated to cover promotional increases	6%
Promotional increases are paid for out of the other increase budget, even though the other increase budget is not inflated to cover promotional increases	17%
Promotional increases are paid for with savings (e.g., savings realized from vacant positions, hiring at a lower rate than the previous incumbent, downsizing)	50%
Other	18%

FIGURE 13B Promotional Increase Budget Practices

Where are promotional increases budgeted?* (n=1,134)

Separately from other pay increase budgets	39%
As part of the **merit** increase budget	24%
As part of the **other increase** budget	32%
As part of the **general increase/COLA** budget	5%

* Data for companies that do budget for promotions were extracted from Figure 13 and recalculated to show breakdown within those 56% of respondents. NOTE: See Figure 13a for additional detail on data used to create this chart.



How are promotional increases paid for/funded if not budgeted?* (n=707)

With vacancy, salary or other savings	21%
Out of **merit** increase budget	6%
Out of **other increase** budget	17%
Out of **general increase/COLA** budget	50%
Other	18%

* Totals exceed 100% as participants could select multiple responses to this item.

BASE SALARY INCREASES

FIGURE 14 **Promotional Increases**

	2022		2023 as reported in 2024		Expected 2024	
	Mean	Median	Mean	Median	Mean	Median
Percentage of employees that received promotional increases	9.8%	8.5%	10.4%	8.0%	--	--
	n=1,433		n=2042			
Percentage of promoted employees' base salary	9.1%	10%	8.8%	9.5%	--	--
	n=1,480		n=2,039			
Planned spending on promotional increases as a percentage of total base salaries	--		--		3.1%	1.0%
					n=2042	

FIGURE 15 **Change in Planned Spending on Promotional Increases**

	More	Similar	Less
Planned spending on promotional increases in 2024 is … than 2023	7%	81%	12%
Estimated spending on promotional increases in 2025 will be … than 2024	6%	90%	4%

BASE SALARY INCREASES

FIGURE 16 **Percent of Employees Receiving a Base Salary Increase in 2024, by Employee Category**

	Percent of Employees receiving an increase in 2024 is … than 2023		
	Larger	Similar	Smaller
Nonexempt Hourly Nonunion	15%	52%	33%
Nonexempt Salaried	15%	51%	33%
Exempt Salaried	15%	51%	34%
Officers/Executives	15%	51%	35%

FIGURE 17 Merit Increases Awarded, by Performance Category

	High Performers		Middle Performers		Low Performers	
	Mean	Median	Mean	Median	Mean	Median
2023						
Percentage of employees rated in this category for 2023	24%	20%	59%	67%	5%	3%
Average merit increase awarded to this 3 performance category	4.8%	4.6%	3.5%	3.5%	1.3%	1%
2024						
Percentage of employees estimated to be rated in this category for 2024	23%	20%	59%	69%	5%	5%
Average merit increase estimated for this 2024 performance category	4.6%	4.5%	3.3%	3.3%	1.1%	1.0%

Note: The mean distribution of the percent of employees in each performance category will total 100% or, as a result of rounding, may be very close. However, by definition, the median value for each category will move depending on the frequency of values in the dataset. Therefore, the median distribution of the percent of employees in each category will not equal 100%.

FIGURE 18 Ten-Year History of Merit Increase Differentiation

	Middle Performers (Mean)	High Performers (Mean)	Differentiation Between Middle and High Performers
2015	2.7%	3.9%	1.2%
2016	2.7%	4.0%	1.3%
2017	2.7%	4.0%	1.3%
2018	2.8%	4.1%	1.3%
2019	2.7%	4.0%	1.3%
2020	2.0%	4.0%	2.0%
2021	3.2%	4.4%	1.3%
2022	3.5%	4.9%	1.5%
2023	3.5%	4.8%	1.3%
2024 (estimated)	3.3%	4.6%	1.3%

MERIT INCREASE AWARDS

FIGURE 19 **Relationship Between the Number of Employees Rated as High Performers and the Size of Merit Increases Awarded to High Performers**

Percent of employees rated as high performers for 2023	2023 Merit Increase Award for High Performers		
	n	Mean	Median
Up to 10% of employees	278	5.0%	5.0%
11 to 15% of employees	164	4.9%	4.8%
16 to 24% of employees	482	4.8%	4.7%
25 to 29% of employees	183	4.9%	4.7%
30% or more of employees	542	4.5%	4.4%

COMPENSATION PHILOSOPHY

FIGURE 20 **Base Pay Market Comparison Target, by Employee Category**

	n	25th Percentile	50th Percentile (median)	60th Percentile	75th Percentile	90th Percentile	Other Percentile	No Formal Compensation Strategy
Nonexempt Hourly Nonunion	1639	3%	83%	4%	4%	1%	2%	4%
Nonexempt Salaried	651	2%	84%	4%	3%	1%	2%	4%
Exempt Salaried	1976	2%	84%	5%	4%	1%	2%	3%
Officers/ Executives	1394	1%	77%	6%	8%	0%	2%	6%

COMPENSATION PHILOSOPHY

FIGURE 20A Changes in Base Pay Level Targets in Past 12 Months

	Increased	Stayed about the same	Decreased
Nonexempt Hourly Nonunion	13%	87%	1%
Nonexempt Salaried	14%	86%	0%
Exempt Salaried	12%	87%	1%
Officers/Executives	10%	89%	1%

LUMP-SUM AWARDS (BASE-PAY RELATED)

A lump-sum award is defined as an increase in pay that is made in the form of a single cash payment. Lump-sum awards often are used in one of three circumstances:

- When an employer does not want to increase the employee's base pay due to budget constraints
- When an employee is reaching or exceeding the maximum of his/her salary range
- When an employer is trying to give the employee more buying power at a specific point in time.

FIGURE 21 Lump-Sum Awards, by Employee Category

	Percent of Companies Giving Lump-Sum Awards	Percent of Employees Receiving Lump-Sum Awards in 2023	Anticipated Percent of Employees Receiving a Lump-Sum Award in 2024 is ... than 2023		
		Mean	Larger	Similar	Smaller
Nonexempt Hourly Nonunion	46%	6%	4%	87%	9%
Nonexempt Salaried	48%	2%	3%	88%	8%
Exempt Salaried	50%	10%	5%	86%	9%
Officers/Executives	35%	8%	2%	90%	8%

SALARY STRUCTURE ADJUSTMENTS

An organization's salary structure is a hierarchy of pay ranges with established minimums and maximums. Organizations frequently apply control points (often the midpoint) within each salary range. The collection of those control points determines the pay line. As a general rule, the numbers displayed in Figure 25 refer to the percent increase in the salary structure pay line encompassing all salary range control points.

FIGURE 22 Salary Structure Increases, by Employee Category

	Actual 2023		Projected 2024		Actual 2024		Projected 2025	
	Mean	Median	Mean	Median	Mean	Median	Mean	Median
Nonexempt Hourly Nonunion	2.8%	3.0%	2.6%	3.0%	2.6%	2.6%	2.5%	2.5%
Nonexempt Salaried	2.9%	3.0%	2.7%	3.0%	2.6%	3.0%	2.5%	3.0%
Exempt Salaried	2.8%	3.0%	2.6%	3.0%	2.5%	2.8%	2.5%	2.5%
Officers/Executives	2.6%	3.0%	2.5%	3.0%	2.2%	2.5%	2.2%	2.5%
All	2.8%	3.0%	2.6%	3.0%	2.5%	2.6%	2.4%	2.5%

FIGURE 22A Actual 2024 Salary Structure Increase Data, Most Common Responses

	Nonexempt Hourly Nonunion Mean: 2.6%	Nonexempt Salaried Mean: 2.6%	Exempt Salaried Mean: 2.5%	Officers/Executives Mean: 2.2%
4.0% increase	8%	10%	8%	8%
3.0% increase	24%	27%	24%	21%
2.5% increase	9%	8%	9%	8%
2.0% increase	15%	13%	14%	13%
0.0% increase	20%	17%	19%	28%

FIGURE 22B Projected 2025 Salary Structure Increase Data, Most Common Responses

	Nonexempt Hourly Nonunion Mean: 2.5%	Nonexempt Salaried Mean: 2.5%	Exempt Salaried Mean: 2.5%	Officers/Executives Mean: 2.2%
3.0% increase	29%	30%	28%	27%
2.5% increase	10%	10%	11%	9%
2.0% increase	23%	21%	23%	22%
0.0% increase	15%	12%	14%	21%

FIGURE 23 **Organizations Reporting No Salary Structure Increase (0%), by Employee Category**

	Actual 2023		Actual 2024		Projected 2025	
	%	n	%	n	%	n
Nonexempt Hourly Nonunion	16%	189	20%	1,351	15%	1,277
Nonexempt Salaried	14%	75	17%	540	12%	505
Exempt Salaried	17%	244	19%	1,635	14%	1,547
Officers/Executives	22%	247	28%	1,060	21%	1,007

FIGURE 24 **Number of Months Since Last Increase if No Increase Was Reported (0% or Blank) and Most Common Responses**

				Frequency of Responses			
	n	Mean	Median	12 months	18 months	24 months	36 months
Nonexempt Hourly Nonunion	275	16.4	12.0	31%	7%	20%	4%
Nonexempt Salaried	98	13.3	12.0	35%	8%	15%	2%
Exempt Salaried	316	16.2	12.0	29%	6%	19%	3%
Officers/Executives	303	16.1	12.0	27%	5%	19%	4%

FIGURE 25 **Salary Structure Trends**

	Nonexempt Hourly Nonunion	Nonexempt Salaried	Exempt Salaried	Officers/Executives
1994	—	2.4%	2.5%	2.5%
1995	—	2.3%	2.4%	2.4%
1996	2.7%	2.8%	2.9%	3.0%
1997	2.5%	2.5%	2.7%	2.6%
1998	2.6%	2.7%	2.9%	2.7%
1999	2.6%	2.7%	2.9%	2.7%
2000	2.8%	2.8%	3.0%	2.9%
2001	3.0%	3.1%	3.2%	3.0%
2002	2.3%	2.4%	2.5%	2.4%
2003	2.0%	2.3%	2.1%	2.2%
2004	1.9%	2.0%	2.0%	2.0%
2005	2.1%	2.2%	2.2%	2.2%
2006	2.5%	2.6%	2.6%	2.7%
2007	2.5%	2.6%	2.6%	2.6%
2008	2.5%	2.5%	2.5%	2.6%
2009	1.5%	1.5%	1.5%	1.4%
2010	1.1%	1.3%	1.2%	1.2%
2011	1.4%	1.5%	1.5%	1.4%
2012	1.7%	2.1%	1.7%	1.7%
2013	1.8%	1.9%	1.9%	1.9%
2014	1.9%	1.9%	1.9%	1.9%
2015	1.8%	2.0%	2.0%	1.9%
2016	1.9%	1.9%	2.0%	2.0%
2017	2.0%	2.0%	2.0%	2.1%
2018	2.0%	2.1%	2.1%	2.0%
2019	2.1%	2.1%	2.2%	2.2%
2020	1.9%	1.9%	1.9%	1.9%
2025	1.7%	1.7%	1.7%	1.6%
2022	2.8%	2.8%	2.7%	2.5%
2023	2.8%	2.9%	2.8%	2.6%
2024	2.6%	2.6%	2.5%	2.2%
2025 Projected	2.5%	2.5%	2.5%	2.2%

FIGURE 26 **Salary Structure Increases, by Region and Employee Category**

	Central				Eastern			
	Actual 2024		Projected 2025		Actual 2024		Projected 2025	
	Mean	Median	Mean	Median	Mean	Median	Mean	Median
Nonexempt Hourly Nonunion	2.5%	2.5%	2.5%	2.5%	2.4%	2.5%	2.3%	2.5%
Nonexempt Salaried	2.6%	3.0%	2.5%	2.5%	2.6%	3.0%	2.6%	3.0%
Exempt Salaried	2.5%	2.7%	2.4%	2.5%	2.5%	2.7%	2.4%	2.5%
Officers/Executives	2.2%	2.5%	2.2%	2.5%	2.2%	2.5%	2.3%	2.5%
All	2.5%	2.5%	2.4%	2.5%	2.4%	2.6%	2.4%	2.5%

	Southern				Western			
	Actual 2024		Projected 2025		Actual 2024		Projected 2025	
	Mean	Median	Mean	Median	Mean	Median	Mean	Median
Nonexempt Hourly Nonunion	2.4%	2.5%	2.4%	2.5%	2.5%	2.5%	2.4%	2.5%
Nonexempt Salaried	2.6%	3.0%	2.5%	2.5%	2.5%	3.0%	2.5%	2.5%
Exempt Salaried	2.4%	2.6%	2.4%	2.5%	2.5%	2.7%	2.5%	2.5%
Officers/Executives	2.2%	2.5%	2.2%	2.5%	2.2%	2.5%	2.2%	2.5%
All	2.4%	2.5%	2.4%	2.5%	2.4%	2.5%	2.4%	2.5%

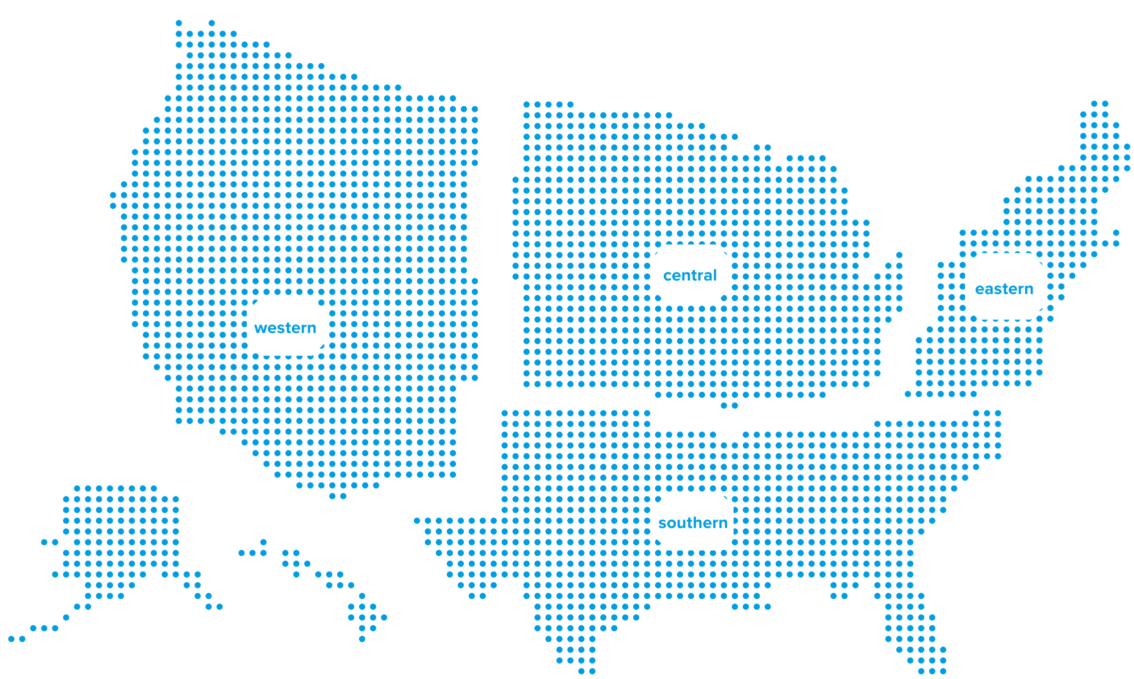


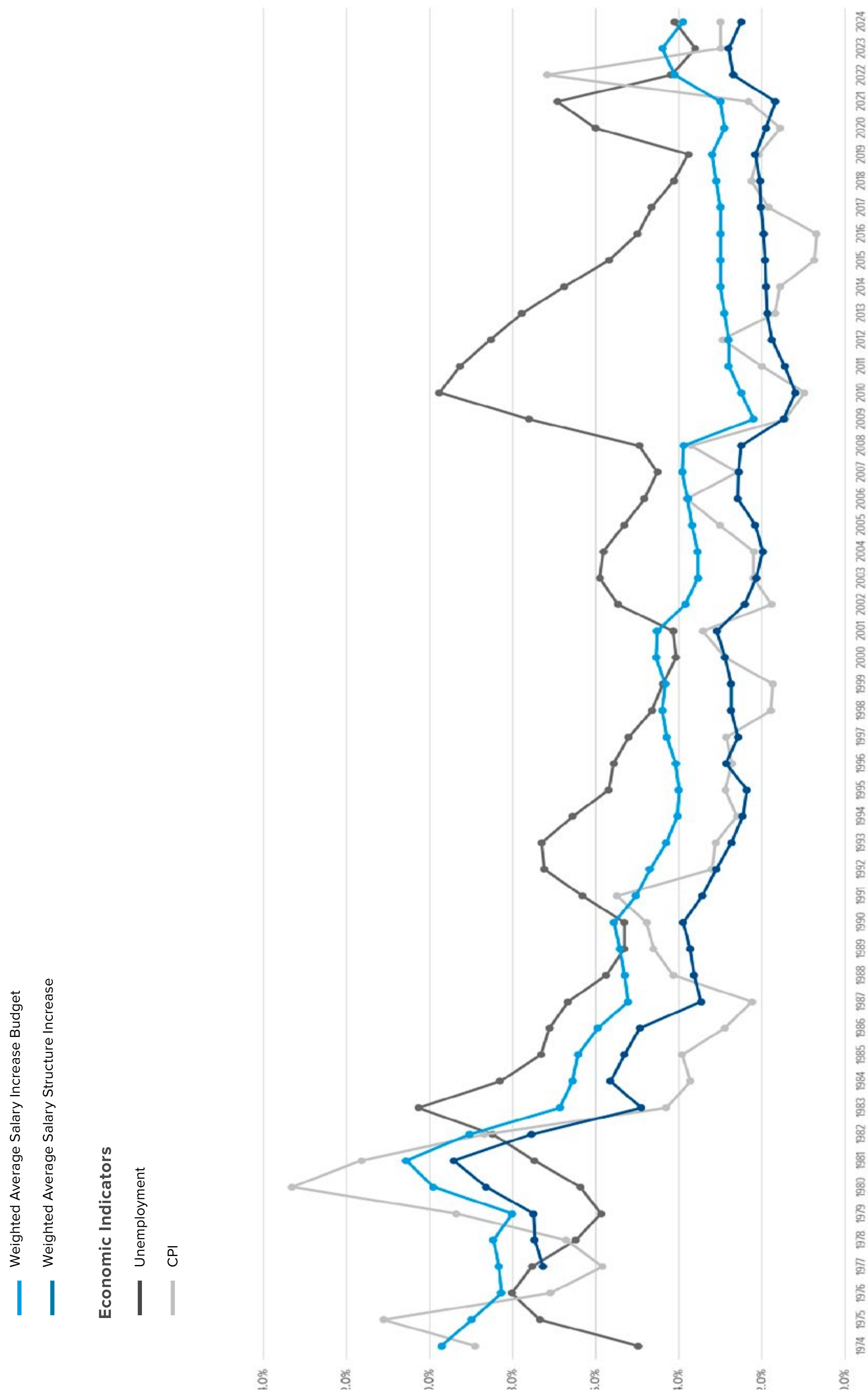
FIGURE 27 **51-Year Perspective: Salary Budget and Structure Increases**

	Weighted Average Salary Increase Budget	Weighted Average Salary Structure Increase	Unemployment	CPI
1974	9.7%		5.0%	8.9%
1975	9.0%		7.3%	11.1%
1976	8.3%		8.0%	7.1%
1977	8.3%	7.3%	7.5%	5.8%
1978	8.5%	7.5%	6.5%	6.7%
1979	8.0%	7.5%	5.9%	9.4%
1980	9.9%	8.6%	6.4%	13.3%
1981	10.6%	9.4%	7.5%	11.6%
1982	9.0%	7.5%	8.5%	8.7%
1983	6.9%	4.9%	10.3%	4.3%
1984	6.6%	5.6%	8.3%	3.7%
1985	6.4%	5.3%	7.3%	3.9%
1986	5.9%	4.9%	7.1%	2.9%
1987	5.2%	3.5%	6.7%	2.2%
1988	5.3%	3.6%	5.8%	4.1%
1989	5.4%	3.7%	5.3%	4.6%
1990	5.6%	3.9%	5.3%	4.8%
1991	5.0%	3.4%	6.3%	5.5%
1992	4.7%	3.1%	7.2%	3.2%
1993	4.3%	2.7%	7.3%	3.1%
1994	4.0%	2.5%	6.6%	2.6%
1995	4.0%	2.4%	5.7%	2.9%
1996	4.1%	2.9%	5.6%	2.7%
1997	4.3%	2.6%	5.2%	2.9%
1998	4.4%	2.7%	4.6%	1.8%
1999	4.3%	2.7%	4.4%	1.7%
2000	4.5%	2.9%	4.1%	2.9%
2001	4.5%	3.1%	4.1%	3.4%
2002	3.8%	2.4%	5.5%	1.8%

	Weighted Average Salary Increase Budget	Weighted Average Salary Structure Increase	Unemployment	CPI
2003	3.5%	2.1%	5.9%	2.2%
2004	3.5%	2.0%	5.8%	2.2%
2005	3.7%	2.2%	5.3%	3.0%
2006	3.8%	2.6%	4.8%	3.8%
2007	3.9%	2.6%	4.5%	2.6%
2008	3.9%	2.5%	5.0%	3.7%
2009	2.2%	1.5%	7.6%	1.4%
2010	2.5%	1.2%	9.8%	1.0%
2011	2.8%	1.4%	9.3%	2.0%
2012	2.8%	1.8%	8.5%	3.0%
2013	2.9%	1.9%	7.8%	1.7%
2014	3.0%	1.9%	6.8%	1.6%
2015	3.0%	1.9%	5.7%	0.7%
2016	3.0%	2.0%	5.0%	0.7%
2017	3.0%	2.0%	4.7%	1.8%
2018	3.1%	2.0%	4.1%	2.3%
2019	3.2%	2.2%	3.8%	2.1%
2020	2.9%	1.9%	6.0%	1.6%
2021	3.0%	1.7%	6.9%	2.3%
2022	4.1%	2.7%	4.2%	7.2%
2023	4.4%	2.8%	3.6%	3.0%
2024	3.9%	2.5%	4.1%	3.0%

Note: U.S. CPI as reported by U.S. Bureau of Labor Statistics (BLS) for all urban consumers averaged across the preceding 12 months ending in June each year. Average U.S. unemployment rate as reported by BLS for labor force 16 years and over averaged across the preceding 12 months ending in June each year. (www.bls.gov.)

FIGURE 27 **51-Year Perspective: Salary Budget and Structure Increases** *(continued)*



VARIABLE PAY

Variable pay is the percentage of payroll established by management to grant to employees for performance-based, lump-sum, short-term cash awards during the year. Included in this calculation are payments provided under a formal plan, such as organizationwide awards, unit/strategic business unit (SBU) awards and/or individual incentive awards. (Specific salesforce incentive awards and cash awards for recognition are excluded from the variable pay data.)

FIGURE 28 Use of Variable Pay

Percent of organizations ...	2022	2023	2024
Using variable pay	85%	85%	83%
Not using variable pay	16%	15%	17%

FIGURE 29 Types of Variable Pay Programs

Combination awards based on both organization/unit success and individual performance	67%
Organizationwide awards	31%
Individual incentive awards	22%
Unit/strategic business unit awards	14%

Note: Participants could select all answers that applied, so totals will exceed 100%

FIGURE 30 Impact of Variable Pay on Base Salary Budget Recommendations

	Nonexempt Hourly Nonunion	Nonexempt Salaried	Exempt Salaried	Officers/Executives
No impact	80%	76%	71%	69%
Some impact	18%	23%	27%	25%
Significant impact	1%	2%	2%	6%

FIGURE 31 **Variable Pay Programs, 2023-2025**

National	Nonexempt Hourly Nonunion		Nonexempt Salaried		Exempt Salaried		Officers/Executives	
	Mean	Median	Mean	Median	Mean	Median	Mean	Median
2023								
Average percent budgeted	6.4%	5.0%	7.1%	5.0%	13.5%	12.0%	34.2%	32.0%
Average percent paid	6.4%	3.3%	8.3%	5.0%	15.0%	11.0%	37.0%	32.0%
Percent of employees eligible in 2023 for variable pay	83%	100%	86%	100%	81%	100%	91%	100%
Percent of eligible employees actually paid variable pay for 2023	78%	98%	79%	98%	81%	98%	86%	100%
2024								
Average percent budgeted	6.2%	5.0%	6.9%	5.0%	13.3%	12.0%	34.2%	32.8%
Projected percent paid	6.2%	3.0%	7.8%	5.0%	14.9%	11.0%	36.8%	35.0%
2025								
Projected percent budgeted	6.1%	5.0%	6.9%	5.0%	13.3%	12.0%	33.8%	32.0%

FIGURE 32 **2023-2025 Variable Pay Programs, by Region**

Central	Nonexempt Hourly Nonunion		Nonexempt Salaried		Exempt Salaried		Officers/ Executives	
	Mean	Median	Mean	Median	Mean	Median	Mean	Median
2025								
Average percent budgeted	6.5%	5.0%	7.2%	5.0%	14.0%	12.0%	35.7%	35.0%
Average percent paid	6.8%	3.3%	8.6%	5.0%	15.4%	12.0%	38.4%	35.0%
Percent of employees eligible in 2023 for variable pay	82%	100%	86%	100%	82%	100%	92%	100%
Percent of eligible employees actually paid variable pay for 2023	78%	97%	79%	98%	82%	98%	86%	100%
2024								
Average percent budgeted	6.3%	5.0%	7.0%	5.0%	13.8%	12.0%	35.8%	35.0%
Projected percent paid	6.7%	3.3%	8.2%	5.0%	15.4%	12.0%	38.7%	35.0%
2025								
Projected percent budgeted	6.2%	5.0%	7.1%	5.0%	13.8%	12.0%	35.5%	35.0%

Eastern	Mean	Median	Mean	Median	Mean	Median	Mean	Median
2023								
Average percent budgeted	7.0%	5.0%	7.0%	5.0%	14.5%	13.0%	36.2%	35.0%
Average percent paid	6.7%	3.2%	7.5%	4.8%	15.8%	12.0%	38.7%	35.0%
Percent of employees eligible in 2023 for variable pay	81%	100%	87%	100%	81%	99%	92%	100%
Percent of eligible employees actually paid variable pay for 2023	77%	96%	79%	98%	82%	97%	86%	100%
2024								
Average percent budgeted	6.7%	5.0%	6.9%	5.0%	14.2%	12.5%	36.2%	35.0%
Projected percent paid	6.6%	3.0%	7.1%	4.7%	15.7%	12.0%	38.9%	36.2%
2025								
Projected percent budgeted	6.5%	5.0%	6.8%	5.0%	14.2%	12.5%	35.9%	35.0%

(Continued on page 57)

FIGURE 32 **2023-2025 Variable Pay Programs, by Region** *(continued)*

Southern	Nonexempt Hourly Nonunion		Nonexempt Salaried		Exempt Salaried		Officers/ Executives	
	Mean	Median	Mean	Median	Mean	Median	Mean	Median
2023								
Average percent budgeted	6.7%	5.0%	7.5%	5.0%	14.6%	13.0%	35.9%	35.0%
Average percent paid	7.3%	3.5%	8.7%	5.0%	16.4%	12.0%	39.4%	35.0%
Percent of employees eligible in 2023 for variable pay	80%	100%	87%	100%	81%	100%	91%	100%
Percent of eligible employees actually paid variable pay for 2023	78%	96%	80%	98%	82%	97%	86%	100%
2024								
Average percent budgeted	6.4%	5.0%	7.3%	5.0%	14.4%	12.8%	36.0%	35.0%
Projected percent paid	7.2%	3.4%	8.4%	5.0%	16.3%	12.5%	39.2%	38.0%
2025								
Projected percent budgeted	6.3%	5.0%	7.3%	5.0%	14.4%	12.6%	35.7%	35.0%

Western	Mean	Median	Mean	Median	Mean	Median	Mean	Median
2023								
Average percent budgeted	6.9%	5.0%	7.4%	5.0%	14.3%	12.0%	35.7%	35.0%
Average percent paid	7.1%	3.5%	8.0%	5.0%	16.0%	12.0%	38.3%	35.0%
Percent of employees eligible in 2023 for variable pay	82%	100%	88%	100%	81%	100%	92%	100%
Percent of eligible employees actually paid variable pay for 2023	78%	97%	79%	98%	82%	97%	86%	100%
2024								
Average percent budgeted	6.7%	5.0%	7.3%	5.0%	14.1%	12.0%	35.8%	35.0%
Projected percent paid	7.0%	3.5%	7.5%	5.0%	16.1%	12.0%	38.6%	36.0%
2025								
Projected percent budgeted	6.5%	5.0%	7.1%	5.0%	14.2%	12.0%	35.5%	35.0%

Canada

The average Canadian total salary increase budget is 3.8% in 2024 (median: 3.7%), a slight decrease from the 4.0% increase budget reported in 2023 and on track with the projected 2024 budget (3.8%). Like participants from most countries in this year's study, Canadian participants expect that 2025 salary increase budgets will be very similar to those seen in this year, in this case, a projected 3.7%, with a corresponding median of 3.5%.

The average Canadian total salary increase budget is 3.8% in 2024 (median: 3.7%), a slight decrease from the 4.0% increase budget reported in 2023 and on track with the projected 2024 budget (3.8%). Like participants from most countries in this year's study, Canadian participants expect that 2025 salary increase budgets will be very similar to those seen in this year, in this case, a projected 3.7%, with a corresponding median of 3.5%. Both general/COLA increase budgets and merit increase budgets are expected to hold steady in 2025, at 2.1% and 3.3% respectively, while other increase budgets are expected to increase by 0.1 percentage point to 0.9%. (See Figure C1)

Canadian data shows little difference in average salary increase budget among employee groups in 2024. Although nonmanagement salaried workers and management salaried have the lowest average increase budget at 3.7% in 2024, their budgets were only slightly below the 3.8% of nonmanagement hourly nonunion workers and the officers/executives. (See Figure C2)

Economic Influences

According to Statistics Canada's Consumer Price Index, inflation in Canada rose 3.9% by the end of 2023. Excluding inflation peaks in 2022 in which inflation was measured at 6.8%, inflation in 2023 was considered Canada's largest increase since 1991. By contrast, as of June of 2024, inflation has slowed to 2.7% across all consumer categories, largely attributed to slower growth rates in prices of gasoline and travel tours, combined with decreased pricing in durable goods such as vehicles and furniture.[1] Since January 2023, Canadian unemployment has been steadily increasing, having reached 6.4% in May of 2024, the highest rate since 6.5% in January of 2022. Year-over-year, the unemployment rate is up across all major demographic groups, with the largest increase in unemployment seen in young women aged 15 to 24. Average hourly wages rose 5.1% (+$1.69 to $34.94) on a year-over-year basis in May of 2024.[2]

[1] Statistics Canada. (2024, July 16). Consumer Price Index, June 2024. The Daily. https://www150.statcan.gc.ca/n1/daily-quotidien/240716/dq240716a-eng.htm?HPA=1&indid=3665-1&indgeo=0

[2] Statistics Canada. (2024, July 5). Labour Force Survey, June 2024. The Daily. https://www150.statcan.gc.ca/n1/daily-quotidien/240705/dq240705a-eng.htm?HPA=1&indid=3587-2&indgeo=0

Regional Data

Average salary increase budgets for all Canadian provinces and territories experienced a slight downward trend in 2024, most on the order of 0.3 percentage points lower than 2023. Alberta, British Columbia, New Brunswick, and Saskatchewan showed the greatest decrease, falling by 0.4 percentage points in 2024. Nunavut and Prince Edward Island, which showed the greatest increase in 2023 decreased less than other provinces this year, losing only 0.1 percentage points. Predictions for 2025 salary increase budgets for all provinces and territories show modest declines of 0.1 to 0.2 percentage points for most regions from 2024 levels. (Some of the provinces with very small samples show larger predicted changes. Small sample data in generally to be considered less reliable.) (See Figure C6)

Similarly, major metropolitan areas reported around a 0.3 percentage point downturn in average salary increase budgets for 2024, with Calgary, Edmonton, and Vancouver (down by 0.5 percentage points to around 3.5%) experiencing the greatest and Vancouver reporting no change in average salary increase budget from 2022 to 2023. Consistent with global trends, Canadian cities are anticipating that 2025 average salary increase budgets will be similar to 2024 levels, although medians for 2025 are expected to be unchanged from 2024. (See Figure C7 on page xx.) Note that due to a programming error within our data collection platform, data for Montreal and Quebec were inadvertently combined in 2024 data collection, as were Ottawa and Toronto.

Industry Data

Average salary increase budgets for Canadian industries vary rather broadly around the national average salary increase budget in 2024, ranging from 3.1% to 4.9% this year and remaining varied in 2025 with a range of 2.7% to 4.3%. A number of Canadian industries have very small sample sizes both this year and last. It is common to see greater swings in small-sample data, and we encourage users to make use of the Online Reporting Tool to create custom reports in which industries relying on similar worker populations may be combined to gather more robust estimates.

Agriculture had the highest average salary increase budget in 2024 of 4.9% (median 3.9%) but the industry anticipates that 2025 average increase budget will drop to 4.3%. Of industries with robust sample sizes, Pharma had the highest salary increase budgets in 2024 at 4.0% and expects to slightly decline to 3.9% in 2025. Professional, scientific, and technical services report the smallest average increase budgets in 2024, at 3.4% with a slight rebound in average salary increase budget predicted for this industry in 2025. (See Figure C8)

Salary Structure Adjustments

Salary structure adjustments for all employee categories combined averaged 2.5% in 2024, unchanged from 2023, but the median increase in salary structure went from 2.0% in 2023 to 2.7% in 2024, suggesting much more uniformity across organizations this year. Organizations are projecting that increases in salary structures will be slightly smaller next year, with average structure increases expected to be 2.4% in 2025. Data from 2024 show structure increase variation across employee groups, with a markedly lower adjustment for officers/executives. This finding is consistent with the finding from most other countries in our study. Thirty-six percent of Canadian respondents reported making no structure increases for officers/executives in 2024. (See Figures C19, C19A and C19B)

Promotional Increases

Organizations reported that 8.1% of employees received a promotional increase in 2023 with an 8.0% average increase in base pay for promoted employees, a decrease in both the size of promotional increases and the portion of employees receiving them over the prior year. Organizations are budgeting 2.8% (as a percentage of total base salaries) for promotional increases in 2024, with a median of 1% common to other countries in our study. Ninety-two percent of organizations estimate that 2025 promotional spending will be similar to spending in 2024. (See Figures C12 and C13)

Variable Pay

In this year's survey, 89% of Canadian participants report that their organization uses variable pay, a proportion largely unchanged since 2021 when we first collected this data for Canada. Of those organizations, 72% award variable pay on a combination of organization/unit success and individual performance. Depending on employee category, 80% to 84% of employees received variable pay in 2023, somewhat fewer than those who did so in 2022. (See Figures C24-C26)

CANADIAN TRENDS IN SALARY INCREASE BUDGETS VARY BY INDUSTRY

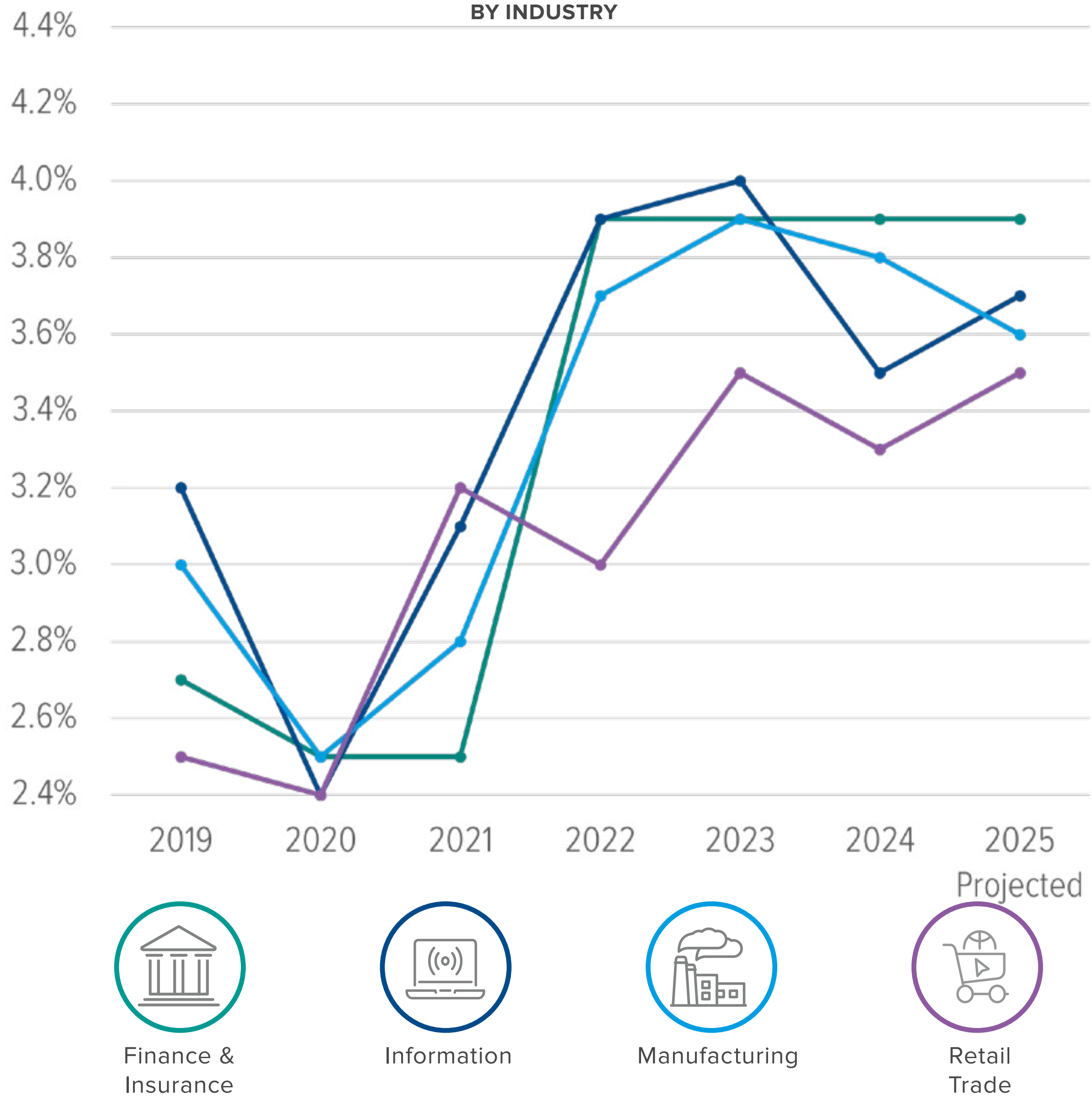


FIGURE C1 **Salary Increase Budgets, by Type of Increase**

	Actual 2022		Actual 2023		Projected 2024		Actual 2024		Projected 2025	
	Mean	Median	Mean	Median	Mean	Median	Mean	Median	Mean	Median
General Increase/COLA	1.9%	2.0%	2.5%	3.0%	2.3%	3.0%	2.1%	2.5%	2.1%	3.0%
Merit Increase	3.3%	3.0%	3.7%	3.6%	3.5%	3.5%	3.3%	3.5%	3.3%	3.5%
Other Increase	1.2%	1.0%	1.0%	1.0%	1.0%	1.0%	0.8%	0.5%	0.9%	0.5%
Total Increase	3.7%	3.2%	4.0%	4.0%	3.8%	3.8%	3.8%	3.7%	3.7%	3.5%

Note: "General Increase/COLA," "Merit" and "Other" do not add to the "Total Increase" because not every organization provides all three types of increase. The n's represent the number of responses for each type of increase, which may include multiple responses if each respondent reports for more than one employee category for that type of increase.

*2024 study sample size is 592

FIGURE C2 **Total Salary Increase Budgets, by Employee Category**

Salary Increase Budgets (zeros included)

	Actual 2022		Actual 2023		Projected 2024		Actual 2024		Projected 2025	
	Mean	Median	Mean	Median	Mean	Median	Mean	Median	Mean	Median
Nonexempt Hourly Nonunion	3.6%	3.1%	3.9%	4.0%	3.7%	3.5%	3.8%	3.7%	3.7%	3.5%
Nonexempt Salaried	3.8%	3.2%	4.0%	4.0%	3.9%	4.0%	3.7%	3.7%	3.7%	3.6%
Exempt Salaried	3.8%	3.4%	4.1%	4.0%	3.9%	4.0%	3.7%	3.7%	3.7%	3.5%
Officers/Executives	3.7%	3.2%	3.9%	4.0%	3.7%	3.6%	3.8%	3.5%	3.6%	3.5%
All	3.7%	3.2%	4.0%	4.0%	3.8%	3.8%	3.8%	3.7%	3.7%	3.5%

Salary Increase Budgets (zeros not included)

	Actual 2022		Actual 2023		Projected 2024		Actual 2024		Projected 2025	
	Mean	Median	Mean	Median	Mean	Median	Mean	Median	Mean	Median
Nonexempt Hourly Nonunion	3.7%	3.1%	4.0%	4.0%	3.8%	3.8%	3.9%	3.8%	3.8%	3.5%
Nonexempt Salaried	3.8%	3.2%	4.1%	4.0%	3.9%	4.0%	3.8%	3.8%	3.8%	3.6%
Exempt Salaried	3.8%	3.4%	4.1%	4.0%	3.9%	4.0%	3.8%	3.7%	3.8%	3.5%
Officers/Executives	3.8%	3.2%	4.1%	4.0%	3.8%	3.8%	3.9%	3.5%	3.7%	3.5%
All	3.8%	3.3%	4.1%	4.0%	3.8%	3.9%	3.8%	3.7%	3.8%	3.5%

FIGURE C3 Number of Months Between Increases

	Actual 2023		Projected 2024		Actual 2024		Projected 2025	
	Mean	Median	Mean	Median	Mean	Median	Mean	Median
Nonmanagement Hourly Nonunion	12.0	12.0	11.9	12.0	11.7	12.0	11.7	12.0
Nonmanagement Salaried	11.8	12.0	11.9	12.0	12.0	12.0	11.8	12.0
Management Salaried	11.8	12.0	11.9	12.0	11.9	12.0	11.8	12.0
Officers/Executives	11.9	12.0	12.0	12.0	11.5	12.0	11.7	12.0
All	11.9	12.0	11.9	12.0	11.9	12.0	11.8	12.0

FIGURE C3A Additional or Off-Cycle Base Pay Increase

	Yes	No, we did not consider it	No, we considered it but decided not to
Nonmanagement Hourly Nonunion	13%	82%	6%
Nonmanagement Salaried	12%	85%	4%
Management Salaried	11%	85%	4%
Officers/Executives	11%	85%	3%

FIGURE C4 Distribution of Total Salary Increase Budget Responses, Actual 2023 vs. Actual 2024

	Zero (0%)		0.1%-1.9%		2.0%-2.9%		3.0%-4.0%		4.1%-6.9%		7.0%+	
	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024
Nonmanagement Hourly Nonunion	2%	2%	1%	0%	6%	6%	61%	75%	26%	14%	2%	3%
Nonmanagement Salaried	2%	3%	1%	1%	5%	7%	60%	71%	28%	16%	4%	2%
Management Salaried	1%	2%	0%	1%	5%	8%	60%	71%	29%	15%	4%	3%
Officers/Executives	5%	2%	1%	1%	5%	10%	54%	68%	32%	17%	3%	3%

FIGURE C5 **Salary Increase Budget Trends**

	Nonmanagement Hourly Nonunion	Nonmanagement Salaried	Management Salaried	Officers/Executives
1988	—	5.4%	5.8%	6.0%
1989	—	5.8%	5.9%	6.0%
1990	—	6.2%	6.3%	6.4%
1991	—	5.5%	5.5%	5.5%
1992	—	3.7%	3.6%	3.3%
1993	—	2.5%	2.4%	2.3%
1994	—	2.1%	2.1%	2.1%
1995	—	2.4%	2.3%	2.5%
1996	2.7%	3.0%	3.0%	3.3%
1997	2.8%	3.0%	3.0%	3.3%
1998	3.3%	3.7%	3.9%	4.1%
1999	3.1%	3.6%	3.7%	3.6%
2000	3.5%	3.8%	3.9%	4.1%
2001	3.5%	4.1%	4.2%	4.4%
2002	3.2%	3.5%	3.6%	3.8%
2003	3.2%	3.5%	3.5%	4.0%
2004	3.2%	3.4%	3.4%	3.7%
2005	3.4%	3.5%	3.4%	3.5%
2006	3.7%	3.8%	3.8%	4.0%
2007	3.6%	4.0%	4.0%	4.1%
2008	3.8%	3.8%	3.9%	3.9%
2009	2.5%	2.5%	2.4%	2.2%
2010	2.5%	2.6%	2.7%	2.6%
2011	2.9%	3.1%	3.0%	2.9%
2012	3.0%	3.0%	3.0%	3.0%
2013	2.9%	2.9%	3.0%	2.9%
2014	2.8%	3.0%	3.0%	3.0%
2015	2.8%	2.8%	2.8%	2.7%
2016	2.6%	2.7%	2.7%	2.6%
2017	2.7%	2.8%	2.8%	2.8%
2018	2.8%	2.9%	2.9%	2.9%
2019	2.9%	3.0%	3.0%	2.9%
2020	2.6%	2.6%	2.6%	2.5%
2021	2.7%	2.7%	2.8%	2.6%
2022	3.6%	3.8%	3.8%	3.7%
2023	3.9%	4.0%	4.1%	3.9%
2024	3.8%	3.7%	3.7%	3.8%
2025 projected	3.7%	3.7%	3.7%	3.6%

FIGURE C6 **Total Salary Increase Budgets, by Province**

	Actual 2023		Projected 2024		Actual 2024		Projected 2025	
	Mean	Median	Mean	Median	Mean	Median	Mean	Median
National	**4.0%**	**4.0%**	**3.8%**	**3.8%**	**3.8%**	**3.7%**	**3.7%**	**3.5%**
Alberta	4.0%	4.0%	3.7%	3.5%	3.6%	3.5%	3.5%	3.5%
British Columbia	4.0%	4.0%	3.8%	3.5%	3.6%	3.5%	3.6%	3.5%
Manitoba	4.0%	4.0%	3.7%	3.5%	3.7%	3.5%	3.5%	3.5%
New Brunswick	3.9%	4.0%	3.7%	3.5%	3.5%	3.5%	3.5%	3.5%
Newfoundland	3.8%	3.9%	3.6%	3.5%	3.5%	3.5%	3.3%	3.5%
Northwest Terroritories	3.9%	4.0%	3.6%	3.5%	3.6%	3.5%	3.3%	3.5%
Nova Scotia	3.8%	3.9%	3.5%	3.5%	3.6%	3.5%	3.5%	3.5%
Nunavut	3.9%	4.0%	3.6%	3.5%	3.8%	3.6%	3.4%	3.5%
Ontario	4.0%	4.0%	3.8%	4.0%	3.7%	3.6%	3.7%	3.5%
Prince Edward Island	3.8%	3.5%	3.6%	3.5%	3.7%	3.5%	3.5%	3.5%
Quebec	3.9%	4.0%	3.7%	3.5%	3.7%	3.5%	3.6%	3.5%
Saskatchewan	4.0%	4.0%	3.7%	3.5%	3.6%	3.5%	3.5%	3.5%
Yukon	3.8%	3.8%	3.6%	3.0%	3.6%	3.5%	3.3%	3.0%
Yukon	3.8%	3.8%	3.6%	3.0%	3.6%	3.5%	3.3%	3.0%

FIGURE C7 **Total Salary Increase Budgets, by Major Metropolitan Area**

<table>
<tr><th></th><th colspan="2">Actual 2023</th><th colspan="2">Projected 2024</th><th colspan="2">Actual 2024</th><th colspan="2">Projected 2025</th></tr>
<tr><th></th><th>Mean</th><th>Median</th><th>Mean</th><th>Median</th><th>Mean</th><th>Median</th><th>Mean</th><th>Median</th></tr>
<tr><td>National</td><td>4.0%</td><td>4.0%</td><td>3.8%</td><td>3.8%</td><td>3.8%</td><td>3.7%</td><td>3.7%</td><td>3.5%</td></tr>
<tr><td>Calgary</td><td>4.0%</td><td>4.0%</td><td>3.7%</td><td>3.5%</td><td>3.5%</td><td>3.5%</td><td>3.4%</td><td>3.5%</td></tr>
<tr><td>Edmonton</td><td>4.1%</td><td>4.0%</td><td>3.7%</td><td>3.5%</td><td>3.6%</td><td>3.5%</td><td>3.5%</td><td>3.5%</td></tr>
<tr><td>Hamilton</td><td>3.8%</td><td>4.0%</td><td>3.6%</td><td>3.5%</td><td>3.6%</td><td>3.5%</td><td>3.6%</td><td>3.5%</td></tr>
<tr><td>Montreal*</td><td>4.0%</td><td>4.0%</td><td>3.8%</td><td>3.5%</td><td rowspan="2">3.7%</td><td rowspan="2">3.5%</td><td rowspan="2">3.6%</td><td rowspan="2">3.5%</td></tr>
<tr><td>Quebec*</td><td>3.9%</td><td>4.0%</td><td>3.6%</td><td>3.5%</td></tr>
<tr><td>Ottawa*</td><td>3.9%</td><td>4.0%</td><td>3.7%</td><td>3.5%</td><td rowspan="2">3.7%</td><td rowspan="2">3.5%</td><td rowspan="2">3.6%</td><td rowspan="2">3.5%</td></tr>
<tr><td>Toronto*</td><td>4.0%</td><td>4.0%</td><td>3.9%</td><td>4.0%</td></tr>
<tr><td>Vancouver</td><td>4.0%</td><td>4.0%</td><td>3.8%</td><td>3.5%</td><td>3.5%</td><td>3.5%</td><td>3.5%</td><td>3.5%</td></tr>
<tr><td>Winnipeg</td><td>4.0%</td><td>4.0%</td><td>3.8%</td><td>3.5%</td><td>3.7%</td><td>3.5%</td><td>3.5%</td><td>3.5%</td></tr>
</table>

* Due to a programming error within our data collection platform, data for Montreal and Quebec were inadvertently combined in 2024 data collection, as were Ottawa and Toronto.

FIGURE C8 **Total Salary Increase Budgets, by Major Industry Grouping**

	Actual 2023		Projected 2024		Actual 2024		Projected 2025	
	Mean	Median	Mean	Median	Mean	Median	Mean	Median
All Industries	**4.0%**	**4.0%**	**3.8%**	**3.8%**	**3.8%**	**3.7%**	**3.7%**	**3.5%**
Administrative & Support & Waste Management & Remediation Services	3.8%	3.8%	3.3%	3.5%	3.6%	3.5%	3.6%	3.5%
Agriculture (includes forestry, fishing and hunting)	3.7%	3.8%	3.6%	3.5%	4.9%	3.9%	4.3%	3.5%
Arts, entertainment & recreation	4.2%	4.3%	3.9%	3.2%	3.8%	4.0%	3.7%	3.8%
Construction (includes commercial, residential & civil engineering)	4.4%	4.5%	4.0%	4.0%	4.2%	4.0%	4.0%	4.0%
Education(K-12 and post-secondary, public & private & ed services)	3.2%	3.5%	3.3%	3.3%	4.5%	4.0%	4.5%	4.0%
Extraction (includes mining, quarrying, oil & gas)	4.4%	4.0%	3.7%	4.0%	3.8%	4.0%	3.7%	4.0%
Finance & Insurance	3.9%	3.8%	3.7%	3.5%	3.9%	3.5%	3.9%	3.5%
Government (federal, state, local & tribal EXCEPT public schools and universities)	5.5%	5.9%	3.8%	3.5%	4.7%	5.0%	4.3%	5.0%
Healthcare & Social Assistance	4.8%	4.0%	4.5%	4.0%	4.3%	5.0%	3.0%	3.0%
Hotels, restaurants & bars	3.8%	3.0%	3.0%	3.5%	4.5%	4.0%	4.2%	3.8%
Information	4.0%	4.0%	4.1%	4.0%	3.5%	3.4%	3.7%	3.5%
Management of companies and enterprises	--	--	--	--	3.7%	4.0%	3.6%	3.5%
Manufacturing	3.9%	4.0%	3.7%	3.8%	3.8%	3.8%	3.6%	3.6%
Other Services (except Public Administration)	3.6%	4.0%	3.3%	4.0%	3.4%	3.0%	3.3%	3.0%
Pharma	--	--	--	--	4.0%	3.8%	3.9%	3.8%
Professional, Scientific, and Technical Services	4.1%	4.0%	4.1%	4.0%	3.4%	3.5%	3.6%	3.5%
Rental & real estate (includes sales, mgmt & leasing of property and rental of equipment, cars, etc.)	4.6%	4.5%	4.3%	4.3%	3.9%	4.0%	3.8%	3.0%
Retail	3.5%	3.5%	3.5%	3.0%	3.3%	3.5%	3.5%	3.1%
Transportation and Warehousing	4.1%	3.5%	4.2%	3.5%	3.5%	3.5%	3.9%	3.5%
Utilities and energy production	4.5%	4.0%	3.6%	3.5%	3.8%	3.8%	3.4%	3.5%
Wholesale	3.7%	4.0%	3.7%	3.5%	3.1%	3.5%	2.7%	3.0%

FIGURE C9 **Total Salary Increase Budgets, by Organization Size**

Number of Employees	Actual 2023		Projected 2024		Actual 2024		Projected 2025	
	Mean	Median	Mean	Median	Mean	Median	Mean	Median
1-499	4.1%	4.0%	4.0%	4.0%	4.5%	4.0%	4.2%	4.0%
500-2,499	4.1%	4.0%	3.9%	4.0%	3.9%	4.0%	3.7%	3.5%
2,500-9,999	3.9%	4.0%	3.7%	3.5%	3.7%	3.5%	3.7%	3.5%
10,000-19,999	3.9%	3.8%	3.8%	4.0%	3.9%	3.8%	3.9%	3.8%
20,000+	4.0%	4.0%	3.9%	3.8%	3.6%	3.5%	3.5%	3.5%

FIGURE C10 Total Salary Increase Budgets, by Revenue

2023 Revenue	Actual 2023		Projected 2024		Actual 2024		Projected 2025	
	Mean	Median	Mean	Median	Mean	Median	Mean	Median
Up to $10 million	4.1%	3.7%	3.8%	3.5%	4.1%	3.7%	3.8%	3.5%
Between $10 million and $30 million	4.2%	4.0%	4.2%	4.0%	4.2%	4.0%	4.2%	4.0%
Between $30 million and $100 million	3.7%	4.0%	3.8%	4.0%	3.7%	4.0%	3.8%	4.0%
Between $100 million and $500 million	4.1%	4.0%	4.0%	4.0%	4.4%	4.0%	4.2%	4.0%
Between $500 million and $1 billion	3.9%	4.0%	3.6%	3.5%	3.9%	4.0%	3.7%	4.0%
Between $1 billion and $5 billion	4.0%	3.8%	3.8%	3.8%	3.9%	4.0%	3.6%	3.5%
Between $5 billion and $10 billion	3.7%	3.5%	3.8%	3.8%	3.9%	3.5%	3.7%	3.5%
$10 billion or more	4.3%	4.0%	4.0%	4.0%	4.1%	4.0%	3.9%	4.0%

Note: Revenue categories changed for 2024. Actual 2023 and Projected 2024 data was averaged as needed to align with current revenue categories.

FIGURE C11 Impact of Promotional Increases on Salary Budgets *(n=592)*

Additional amount budgeted for promotional increases as part of salary budget but separate from other pay increase budgets	19%
Additional amount budgeted for promotional increases as part of **merit** budget	15%
Additional amount budgeted for promotional increases as part of **general increase/COLA increase** budget	2%
Additional amount budgeted for promotional increases as part of **other increase** budget	19%
Percent of organizations that do budget for promotions	**55%**
No budget for promotional increases	45%
Percent of organizations that do NOT budget for promotions	**45%**

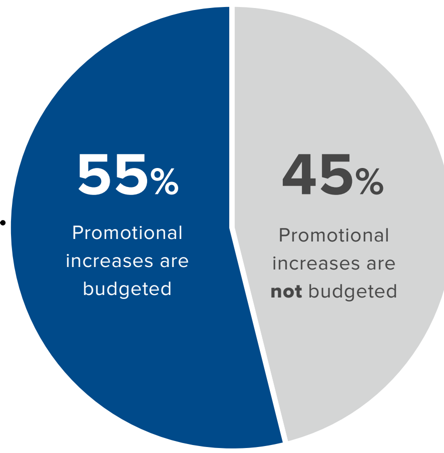
FIGURE C11A Promotional Increase Funding When Promotional Increases Are Not Budgeted *(n=263)*

Promotional increases are paid for out of the merit budget, even though the merit budget is not inflated to cover promotional increases	24%
Promotional increases are paid for out of the general increase/COLA increase budget, even though the general increase/COLA budget is not inflated to cover promotional increases	5%
Promotional increases are paid for out of the other increase budget, even though the other increase budget is not inflated to cover promotional increases	13%
Promotional increases are paid for with savings (e.g., savings realized from vacant positions, hiring at a lower rate than the previous incumbent, downsizing)	48%
Other	23%

FIGURE C11B Promotional Increase Budget Practices

Where are promotional increases budgeted?* (n=325)

Separately from other pay increase budgets	34%
As part of the **merit** increase budget	28%
As part of the **other increase** budget	34%
As part of the **general increase/COLA** budget	4%



How are promotional increases paid for/funded if not budgeted? (n=263)

With vacancy, salary or other savings	48%
Out of **merit** increase budget	24%
Out of **other increase** budget	13%
Out of **general increase/COLA** budget	5%
Other	23%

* Data for companies that do budget for promotions were extracted from Figure 11 and recalculated to show breakdown within those 55% of respondents. NOTE: See Figure 11a for additional detail on data used to create this chart.

* Totals exceed 100% as participants could select multiple responses to this item.

FIGURE C12 Promotional Increases

	2022		2023 as reported in 2024		Expected 2024	
	Mean	Median	Mean	Median	Mean	Median
Percentage of employees that received promotional increases	9.3%	8.0%	8.1%	5.0%	--	--
	n=352		n=592			
Percentage of promoted employees' base salary	9.5%	10%	8.0%	8.0%	--	--
	n=376		n=592			
Planned spending on promotional increases as a percentage of total base salaries	--		--		2.8%	1.0%
					n=592	

FIGURE C13 Change in Planned Spending on Promotional Increases

	More	Similar	Less
Planned spending on promotional increases in 2024 is ... than 2023	5%	84%	11%
Estimated spending on promotional increases in 2025 will be ... than 2024	5%	92%	3%

PERCENT OF EMPLOYEES RECEIVING A BASE SALARY INCREASE

FIGURE C14 **Percent of Employees Receiving a Base Salary Increase in 2024 by Employee Category**

	Percent of Employees Receiving an Increase in 2024 is … than 2023		
	Larger	Similar	Smaller
Nonmanagement Hourly Nonunion	12%	60%	28%
Nonmanagement Salaried	13%	62%	26%
Management Salaried	12%	60%	28%
Officers/Executives	14%	53%	33%

MERIT INCREASE AWARDS

FIGURE C15 **Merit Increases Awarded, by Performance Category**

	High Performers		Middle Performers		Low Performers	
	Mean	Median	Mean	Median	Mean	Median
2023						
Percentage of employees rated in this category for 2023	20%	19%	61%	70%	5%	4%
Average merit increase awarded to this 2023 performance category	4.8%	4.7%	3.4%	3.4%	1.5%	1.1%
2024						
Percentage of employees estimated to be rated in this category for 2024	19%	20%	62%	70%	5%	5%
Average merit increase estimated for this 2024 performance category	4.7%	4.5%	3.3%	3.3%	1.2%	1.0%

Note: The mean distribution of the percent of employees in each performance category will total 100% or, as a result of rounding, may be very close. However, by definition, the median value for each category will move depending on the frequency of values in the dataset. Therefore, the median distribution of the percent of employees in each category will not equal 100%.

FIGURE C16 **Relationship Between the Number of Employees Rated as High Performers and the Size of Merit Increases Awarded to High Performers**

	2023 Merit Increase Award for High Performers		
Percent of employees rated as high performers for 2023	n	Mean	Median
Up to 10% of employees	208	5.0%	5.0%
11 to 15% of employees	52	4.9%	4.6%
16 to 24% of employees	156	4.8%	4.7%
25 to 29% of employees	59	4.8%	4.7%
30% or more of employees	119	4.5%	4.5%

MERIT INCREASE AWARDS

FIGURE C17 Base Pay Market Comparison Target, by Employee Category

	25th Percentile	50th Percentile (median)	60th Percentile	75th Percentile	90th Percentile	Other Percentile	No Formal Compensation Strategy
Nonmanagement Hourly Nonunion	1%	91%	3%	2%	0%	1%	3%
Nonmanagement Salaried	1%	88%	5%	3%	0%	1%	2%
Management Salaried	1%	88%	5%	3%	0%	1%	2%
Officers/Executives	1%	81%	8%	5%	0%	1%	5%

FIGURE C17A Changes in Base Pay Level Targets in Past 12 Months

	Increased	Stayed about the same	Decreased
Nonexempt Hourly Nonunion	12%	87%	1%
Nonexempt Salaried	12%	87%	1%
Exempt Salaried	12%	87%	1%
Officers/Executives	10%	90%	0%

LUMP-SUM AWARDS (BASE-PAY RELATED)

A lump-sum award is defined as an increase in pay that is made in the form of a single cash payment. Lump-sum awards often are used in one of three circumstances:

- When an employer does not want to increase the employee's base pay due to budget constraints
- When an employee is reaching or exceeding the maximum of his/her salary range
- When an employer is trying to give the employee more buying power at a specific point in time.

FIGURE C18 Lump-Sum Awards, by Employee Category

	Percent of Companies Giving Lump-Sum Awards	Percent of Employees Receiving Lump-Sum Awards in 2024	Anticipated Percent of Employees Receiving an Increase in 2024 is … than 2023		
	Mean	Mean	Larger	Similar	Smaller
Nonmanagement Hourly Nonunion	33%	3%	3%	92%	6%
Nonmanagement Salaried	38%	8%	3%	93%	4%
Management Salaried	37%	8%	2%	93%	5%
Officers/Executives	29%	4%	5%	89%	6%

FIGURE C19 **Salary Structure Increases, by Employee Category**

	Actual 2023		Projected 2024		Actual 2024		Projected 2025	
	Mean	Median	Mean	Median	Mean	Median	Mean	Median
Nonmanagement Hourly Nonunion	2.5%	2.0%	2.6%	2.5%	2.7%	2.9%	2.5%	2.5%
Nonmanagement Salaried	2.5%	2.0%	2.6%	2.4%	2.5%	2.7%	2.4%	2.5%
Management Salaried	2.5%	2.0%	2.6%	2.5%	2.6%	2.8%	2.4%	2.5%
Officers/Executives	2.5%	2.0%	2.5%	2.3%	2.0%	2.0%	1.8%	2.0%
All	2.5%	2.0%	2.6%	2.5%	2.5%	2.7%	2.4%	2.5%

FIGURE C19A **Actual 2024 Salary Structure Increase Data, Most Common Responses**

	Nonmanagement Hourly Nonunion Mean: 2.7%	Nonmanagement Salaried Mean: 2.5%	Management Salaried Mean: 2.6%	Officers/Executives Mean: 2.0%
4.0% increase	10%	8%	8%	7%
3.0% increase	22%	23%	25%	19%
2.5% increase	5%	9%	8%	6%
2.0% increase	12%	11%	11%	9%
0.0% increase	21%	21%	20%	36%

FIGURE C19B **Projected 2025 Salary Structure Increase Data, Most Common Responses**

	Nonmanagement Hourly Nonunion Mean: 2.5%	Nonmanagement Salaried Mean: 2.4%	Management Salaried Mean: 2.4%	Officers/Executives Mean: 1.8%
4.0% increase	9%	9%	10%	7%
3.0% increase	25%	25%	26%	21%
2.5% increase	8%	9%	9%	8%
2.0% increase	20%	19%	19%	22%
0.0% increase	20%	18%	18%	32%

FIGURE C20 **Salary Structure Trends**

	Nonexempt Hourly Nonunion	Nonexempt Salaried	Exempt Salaried	Officers/Executives
1994	—	2.4%	2.5%	2.5%
1995	—	2.3%	2.4%	2.4%
1996	2.7%	2.8%	2.9%	3.0%
1997	2.5%	2.5%	2.7%	2.6%
1998	2.6%	2.7%	2.9%	2.7%
1999	2.6%	2.7%	2.9%	2.7%
2000	2.8%	2.8%	3.0%	2.9%
2001	3.0%	3.1%	3.2%	3.0%
2002	2.3%	2.4%	2.5%	2.4%
2003	2.0%	2.3%	2.1%	2.2%
2004	1.9%	2.0%	2.0%	2.0%
2005	2.1%	2.2%	2.2%	2.2%
2006	2.5%	2.6%	2.6%	2.7%
2007	2.5%	2.6%	2.6%	2.6%
2008	2.5%	2.5%	2.5%	2.6%
2009	1.5%	1.5%	1.5%	1.4%
2010	1.1%	1.3%	1.2%	1.2%
2011	1.4%	1.5%	1.5%	1.4%
2012	1.7%	2.1%	1.7%	1.7%
2013	1.9%	1.9%	1.9%	1.7%
2014	1.7%	1.8%	1.7%	1.7%
2015	1.8%	1.8%	1.8%	1.6%
2016	1.6%	1.6%	1.6%	1.4%
2017	1.7%	1.7%	1.8%	1.7%
2018	1.8%	2.0%	2.0%	1.9%
2019	2.0%	2.0%	2.0%	2.1%
2020	1.6%	1.7%	1.7%	1.7%
2021	1.5%	1.5%	1.6%	1.6%
2022	2.5%	2.5%	2.5%	2.5%
2023	2.5%	2.5%	2.5%	2.5%
2024	2.7%	2.5%	2.6%	2.0%
2025 Projected	2.5%	2.4%	2.4%	1.8%

FIGURE C21 **10-Year Perspective: Salary Budget and Structure Increases**

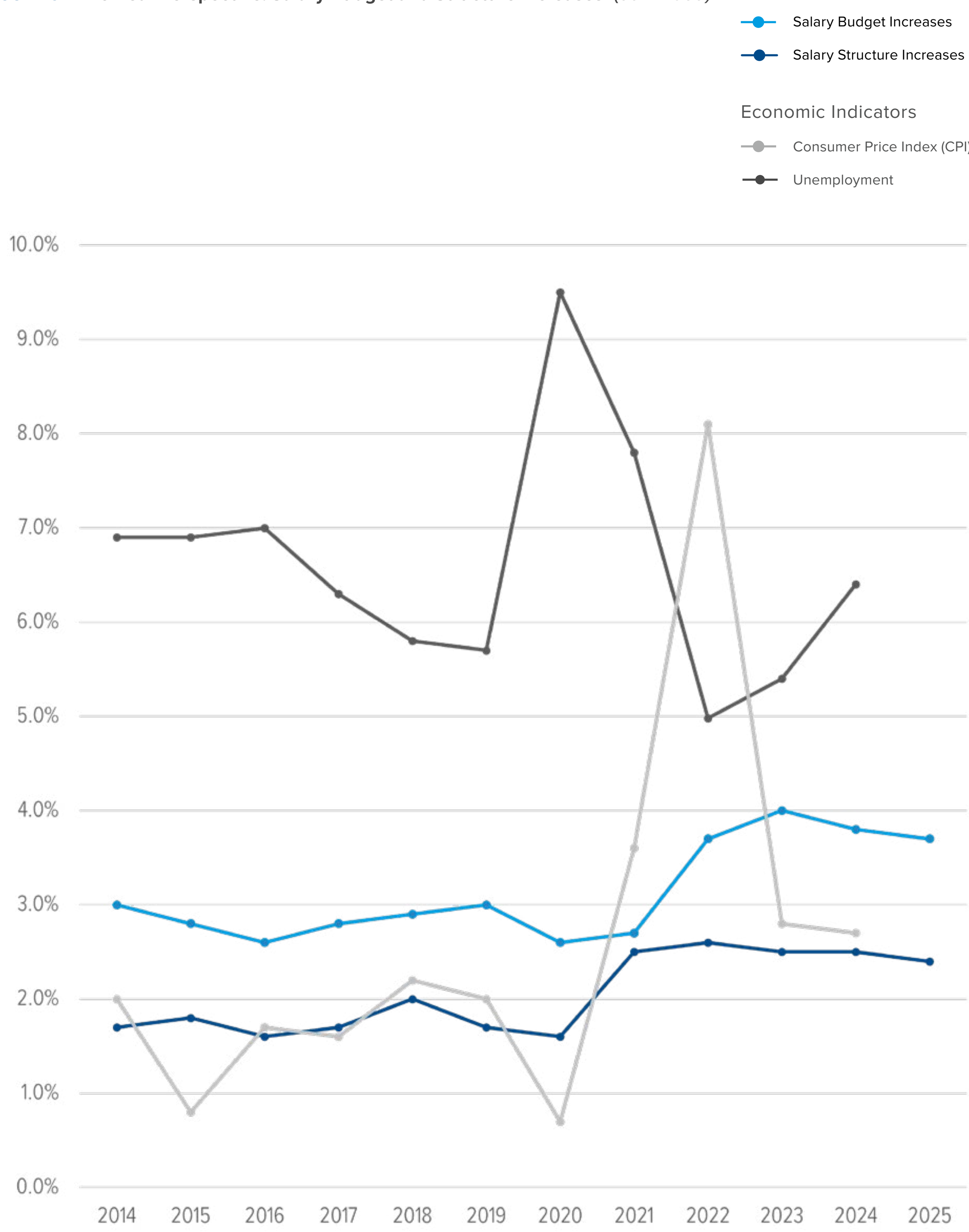
	Salary Budget Increases											
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025 projected
Nonmanagement Hourly Nonunion	2.8%	2.8%	2.6%	2.7%	2.8%	2.9%	2.6%	2.7%	3.6%	3.9%	3.8%	3.7%
Nonmanagement Salaried	3.0%	2.8%	2.7%	2.8%	2.9%	3.0%	2.6%	2.7%	3.8%	4.0%	3.7%	3.7%
Management Salaried	3.0%	2.8%	2.7%	2.8%	2.9%	3.0%	2.6%	2.8%	3.8%	4.1%	3.7%	3.7%
Officers/Executives	3.0%	2.7%	2.6%	2.8%	2.9%	2.9%	2.5%	2.6%	3.7%	3.9%	3.8%	3.6%
All	**3.0%**	**2.8%**	**2.6%**	**2.8%**	**2.9%**	**3.0%**	**2.6%**	**2.7%**	**3.7%**	**4.0%**	**3.8%**	**3.7%**

	Salary Structure Increases											
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025 projected
Nonmanagement Hourly Nonunion	1.7%	1.8%	1.6%	1.7%	1.8%	2.0%	1.6%	1.5%	2.5%	2.5%	2.7%	2.5%
Nonmanagement Salaried	1.8%	1.8%	1.6%	1.7%	2.0%	2.0%	1.7%	1.5%	2.5%	2.5%	2.5%	2.4%
Management Salaried	1.7%	1.8%	1.6%	1.8%	2.0%	2.0%	1.7%	1.6%	2.5%	2.5%	2.6%	2.4%
Officers/Executives	1.7%	1.6%	1.4%	1.7%	1.9%	2.1%	1.7%	1.6%	2.5%	2.5%	2.0%	1.8%
All	**1.7%**	**1.8%**	**1.6%**	**1.7%**	**2.0%**	**1.7%**	**1.6%**	**2.5%**	**2.6%**	2.5%	**2.5%**	**2.4%**

	Economic Indicators											
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025 projected
Consumer Price Index (CPI)	2.0%	0.8%	1.7%	1.6%	2.2%	2.0%	0.7%	3.6%	8.1%	2.8%	2.7%	—
Unemployment	6.9%	6.9%	7.0%	6.3%	5.8%	5.7%	9.5%	7.8%	4.9%	5.4%	6.4%	—

Note: Canadian CPI as reported by Statistics Canada for the 12 months ending June each year. Average Canadian unemployment rate as reported by Statistics Canada for labor force 16 years and over for 12 months ending June each year (www.statcan.ca).

FIGURE C21 **10-Year Perspective: Salary Budget and Structure Increases** *(continued)*



Variable pay is the percentage of payroll established by management to grant to employees for performance-based, lump-sum, short-term cash awards during the year. Included in this calculation are payments provided under a formal plan, such as organizationwide awards, unit/strategic business unit (SBU) awards and/or individual incentive awards. (Specific salesforce incentive awards and cash awards for recognition are excluded from the variable pay data.)

FIGURE C22 Use of Variable Pay

Percent of organizations ...	2023	2024
Using variable pay	91%	89%
Not using variable pay	10%	11%

FIGURE C23 Types of Variable Pay Programs

Combination awards based on both organization/unit success and individual performance	72%
Organizationwide awards	21%
Individual incentive awards	13%
Unit/strategic business unit awards	12%

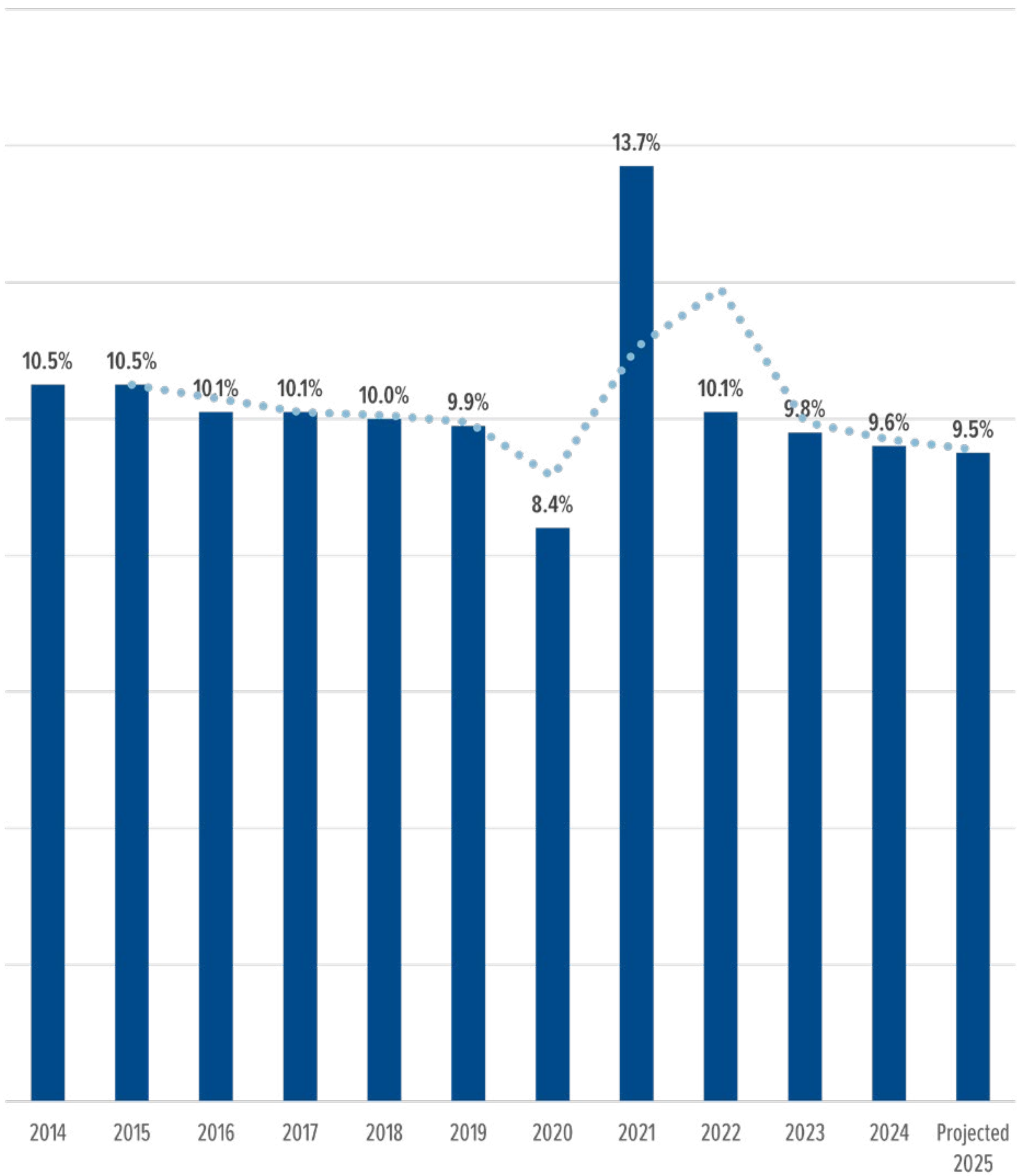
FIGURE C24 Impact of Variable Pay on Base Salary Budget Recommendations

	Nonmanagement Hourly Nonunion	Nonmanagement Salaried	Management Salaried	Officers/Executives
No impact	82%	73%	70%	73%
Some impact	16%	26%	27%	22%
Significant impact	1%	2%	3%	5%

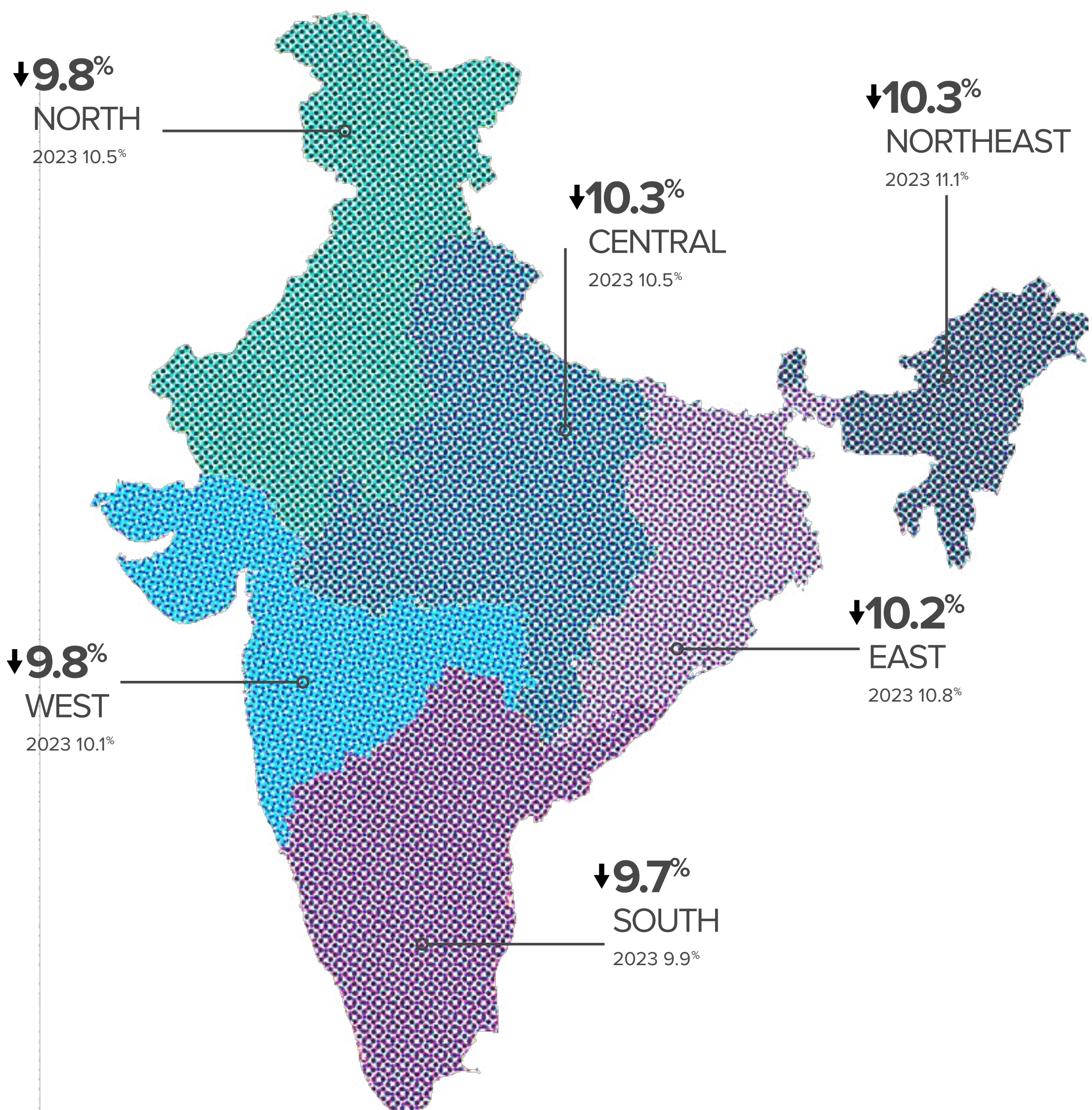
FIGURE C25 **Variable Pay Programs, 2023-2025**

National	Nonmanagement Hourly Nonunion		Nonmanagement Salaried		Management Salaried		Officers/Executives	
	Mean	Median	Mean	Median	Mean	Median	Mean	Median
2023								
Average percent budgeted	6.5%	5.0%	10.6%	10.0%	16.5%	15.0%	32.2%	30.0%
Average percent paid	6.1%	2.5%	11.6%	8.0%	18.8%	15.0%	35.8%	33.4%
Percent of employees eligible in 2023 for variable pay	79%	100%	79%	100%	83%	100%	85%	100%
Percent of eligible employees actually paid variable pay for 2023	80%	99%	82%	99%	84%	100%	84%	100%
2024								
Average percent budgeted	6.6%	5.0%	10.3%	10.0%	16.3%	15.0%	34.0%	35.0%
Projected percent paid	6.1%	2.5%	11.6%	8.0%	18.8%	15.0%	34.5%	35.0%
2025								
Projected percent budgeted	6.6%	5.0%	10.6%	10.0%	16.4%	15.0%	32.7%	32.5%

10 Years of Average Salary Increase Budgets in India



India



As has been true for many years, India reported the largest total salary increase budget amongst the responding countries in the WorldatWork 2024-2025 Salary Budget Survey. Showing their understanding of the Indian market, last year's participants correctly projected a 9.6% average increase budget for 2024. The median predicted 2024 overall increase budget was 10.0%, and the actual value for 2024 was 9.9%. Participants predict that average 2025 salary increase budgets will be a marginally smaller 9.5%, with a median of 10.0%.

AVERAGE MERIT INCREASE BUDGETS

2024
8.7%

Projected 2025
8.6%

AVERAGE SALARY STRUCTURE ADJUSTMENT

2024
5.4%

Projected 2025
5.0%

Economic Indicators:

In May 2024, India's real GDP had grown by 7.8% compared to the previous year. This strong growth was mainly due to the industrial sector, which expanded by 8.6%, as well as by manufacturing and construction. In terms of macroeconomic indicators, CPI inflation eased to a 12-month low in May'24, driven by moderated core inflation and declining fuel prices.[1] The Ministry of Statistics and Programme Implementation reported that inflation in India was at 5.08% in June 2024.[2] Inflation, which had been on the steady decline this year, bumped up from 4.75% in May to 5.08% in June.

According to the Centre for Monitoring Indian Economy (CMIE), the unemployment rate was 9.16% in June 2024, an increase from 7.00% in May 2024. For context, unemployment rates in India stood at just below 5.5% from 2014 to 2019, before jumping up to 8.0% in 2020, recovering to just under 6% in 2021, and then continuing to climb. CMIE's Consumer Pyramids Household Survey shows that female unemployment reached 18.5 percent, exceeding the national average, in June 2024. This is up from 15.1% in the same period last year. At the same time, male unemployment stood at 7.8%, slightly higher than 7.7% in June 2023.[3]

Regional Data

Average salary increase budgets throughout the Indian regions in 2024 ranged from a low of 9.2% in the Northeast region to a high of 9.8% in the Central region, as compared to a national average of 9.6%. All regions are projecting a decrease in average salary increase budgets for 2025, with predicted average salary increase budgets converging to a narrower range from 9.3% to 9.7%. Median regional salary increase budgets range from 9.4% to 10.0% for 2024 and from 9.5% to 10.0% in all regions next year.

Major metropolitan areas showed minor variability in 2024, with average salary increase budgets ranging from 9.3% to 9.9%, while medians ranged from 9.5% to 10.0%. Delhi had the highest salary increase budget for 2024 at 9.9% (median: 10.0%), whereas Kolkata and Mumbai shared the lowest salary increase budget, at 9.3% (median: 9.5%). All surveyed metropolitan areas anticipate small decreases in average salary increase budgets for 2025 except Kolkata and Mumbai, which anticipate average increase budgets to grow by 0.4 and 0.2 percentage points, respectively, in 2025. The median projected 2025 salary increase budget is 10.0% for all included metropolitan areas, except Mumbai at 9.8%.

Industry Data

As we continue to grow Salary Budget Survey participation in India, sample sizes for many industries remain very small. We report data for industries with five or more participating organizations, but caution users seeking to make industry-specific inferences to seek additional sources of data for industries with small samples in our study.

Among industries with larger sample sizes, average salary increase budgets for 2024 varied widely from a low of 8.8% (median 10.0%) for Professional, Scientific & Technical Services to a high of 9.8% (median 9.5%) for Information (IT). Other industries with larger samples include Pharma (mean: 9.2%, median: 9.5%) and Finance & Insurance (mean: 9.5%, median: 8.9%). Mean salary increase budgets are expected to increase in each of these four industries in 2025. In general, average salary increase budgets are expected to go down in about half of the industries. This is in line with the overall trend of smaller average salary increase budgets for 2025. Predicted average salary increase budgets for 2025 range from 6.9% to 11.5%. (Predictions for smaller samples are generally less stable.)

Salary Structure Adjustments

In 2024, the overall average salary structure adjustment was 5.4% (median 5.0%) and varies by 1.4 points between employee groups. This was somewhat less than the average structure increase of 5.9% (median 5.3%) reported in 2023. As we see in many other countries in this study, structure adjustments for the most senior workers in organizations are somewhat smaller. Participants predict an additional decline in the average adjustment to 5.0% in 2025, although the median prediction for 2025 matches the 2024 median of 5.0%.

Participants in this study did not express a very high level of confidence in their 2025 structure adjustment predictions. Thirty-seven percent reported that they were not at all certain, 25% that they were slightly certain and 30% moderately certain. The time of data collection for this study compared to the Indian budget cycle likely makes participants more uncertain. Data is collected before the 2025 budget is released. There was a lot of uncertainty about possible 2025 changes to the Production Linked Incentive (PLI) scheme and corporate taxation, which made it harder to estimate future increases.

Market Targets for Base Pay

In 2024, large majorities of organizations (from 76% to 87%, depending on employee level) reported that their base pay target was the 50th percentile. Some organizations were targeting the 60th percentile. The higher percentile was most often used for top and senior management (17% of organizations). Eighty-six percent of organizations reported that their base pay level targets had stayed about the same in the last twelve months, while another 13-14% reported that those targets have increased.

Pay for Performance

The distribution of employee performance among high-, middle-, and low-performers mirrors those in other markets. In 2023, the last full performance year prior to this survey, the differentiation between average awards for high and middle performers was 3.0%, while the differentiation between middle and low performers was 5.3%. (See Figure I14) Differentiation between high- and middle-performers is expected to grow a bit in 2024, with a small increase in the average merit award to high-performers coupled with a slight decrease in the award for middle-performers.

Pay Equity

For the first time this year, this study presents information on the impact of equity adjustments on salary increase budgeting practices in India. These adjustments may include both those required to maintain internal equity among employees as well as those needed to resolve unwarranted differences in pay between different groups of workers.

About half of Indian organizations report making adjustments to maintain equity in 2024, and those organizations employed a variety of budget strategies to fund those adjustments. Even for those not anticipating adjustments to remediate pay equity issues, it is valuable to understand how those adjustments might impact salary increase budgets reported in this study. (See Figures I13-I13C)

Regarding external pay equity, India, 129th on the World Economic Forum's gender parity index, has closed 64.1% of its gender gap in 2024.[4] Substantial gender gaps in earnings for labourers (and within the informal economy) mask the important progress that has been made gender pay parity for workers in technical and professional roles.

Variable Pay

Eighty-seven percent of Indian organizations reported using variable pay in 2024, a slight increase over the last several years. The most common variable pay programs are based on how well an organization or unit does and how well each employee performs. These programs are used in 70% of organizations.

Depending on the employee category, 85% to 87% of employees received variable pay for 2023 (see Figures I18-I21). In 2023, the average variable pay payout was slightly more than the average budgeted level for middle, top, and senior management. This trend is expected to continue in 2024. Mean budgets for variable pay for all employee levels changed little between 2023 and 2024 and are expected to stay about the same in 2025.

[1] Boston Consulting Group. (2024, June). India Economic Monitor: June 2024. https://web-assets.bcg.com/f6/88/271b26284ddd8b-dc91d81e7ebcfd/india-economic-monitor-june-2024.pdf

[2] Ministry of Statistics and Programme Implementation. (2024, May 13). Consumer Price Index (CPI): Press Release. https://mospi.gov.in/sites/default/files/press_release/CPI_PR_13may24.pdf

[3] Forbes India. (2024, July 28). Unemployment rate in India. https://www.forbesindia.com/article/explainers/unemployment-rate-in-india/87441/1

[4] World Economic Forum. (2024, June 11). Global Gender Gap Report 2024. https://www.weforum.org/reports/global-gender-gap-report-2024

FIGURE I1 Salary Increase Budgets, by Type of Increase

	Actual 2022		Actual 2023		Projected 2024		Actual 2024		Projected 2025	
	Mean	Median	Mean	Median	Mean	Median	Mean	Median	Mean	Median
General Increase/COLA	5.6%	6.0%	4.7%	1.5%*	4.7%	1.5%	4.7%	4.0%	4.6%	3.5%
Merit Increase	9.5%	9.5%	9.3%	9.8%	9.1%	9.8%	8.7%	9.5%	8.6%	9.4%
Other Increase	2.3%	1.6%	1.9%	1.0%	1.6%	1.0%	1.9%	1.0%	1.7%	1.0%
Total Increase	10.1%	10.0%	9.8%	10.0%	9.6%	10.0%	9.6%	9.9%	9.5%	10.0%

Note: "General Increase/COLA," "Merit" and "Other" do not add to the "Total Increase" because not every organization provides all three types of increase. The n's represent the number of responses for each type of increase, which may include multiple responses if each respondent reports for more than one employee category for that type of increase.

FIGURE I2 Total Salary Increase Budgets, by Employee Category

Salary Increase Budgets (zeros included)

	Actual 2022		Actual 2023		Projected 2024		Actual 2024		Projected 2025	
	Mean	Median	Mean	Median	Mean	Median	Mean	Median	Mean	Median
Technical/Individual Contributors/Support Roles	10.1%	10.0%	9.9%	10.0%	9.6%	10.0%	9.7%	10.0%	9.5%	10.0%
Junior Management	10.4%	10.0%	9.9%	10.0%	9.7%	10.0%	9.7%	9.9%	9.4%	10.0%
Middle Management	10.0%	10.0%	9.9%	10.0%	9.6%	10.0%	9.7%	9.9%	9.5%	10.0%
Top and Senior Management	10.2%	10.0%	9.7%	10.0%	9.4%	10.0%	9.3%	9.5%	8.9%	9.4%
All	10.1%	10.0%	9.8%	10.0%	9.6%	10.0%	9.6%	9.9%	9.5%	10.0%

Salary Increase Budgets (zeros not included)

	Actual 2022		Actual 2023		Projected 2024		Actual 2024		Projected 2025	
	Mean	Median	Mean	Median	Mean	Median	Mean	Median	Mean	Median
Technical/Individual Contributors/Support Roles	10.1%	10.0%	10.0%	10.0%	9.8%	10.0%	9.7%	10.0%	9.7%	10.0%
Junior Management	10.4%	10.0%	10.0%	10.0%	9.8%	10.0%	9.8%	10.0%	9.7%	10.0%
Middle Management	10.0%	10.0%	10.0%	10.0%	9.8%	10.0%	9.8%	10.0%	9.8%	10.0%
Top and Senior Management	10.2%	10.0%	9.8%	10.0%	9.6%	10.0%	9.9%	9.6%	9.3%	9.4%
All	10.1%	10.0%	10.0%	10.0%	9.7%	10.0%	9.8%	10.0%	9.7%	10.0%

FIGURE I3 Number of Months Between Increases

	Actual 2023		Projected 2024		Actual 2024		Projected 2025	
	Mean	Median	Mean	Median	Mean	Median	Mean	Median
Technical/Individual Contributors/Support Roles	11.9	12.0	12.0	12.0	12.0	12.0	11.8	12.0
Junior Management	11.9	12.0	11.9	12.0	12.0	12.0	11.7	12.0
Middle Management	11.8	12.0	11.9	12.0	12.1	12.0	11.7	12.0
Top and Senior Management	11.8	12.0	11.9	12.0	11.3	12.0	11.7	12.0
All	11.8	12.0	11.9	12.0	12.0	12.0	11.7	12.0

FIGURE I3A Additional or Off-Cycle Base Pay Increase

	Yes	No, we did not consider it	No, we considered it but decided not to
Technical/Individual Contributors/Support Roles	14%	82%	3%
Junior Management	13%	82%	5%
Middle Management	15%	82%	3%
Top and Senior Management	16%	81%	3%

FIGURE I4 Distribution of Total Salary Increase Budget Responses 2023 vs. 2024

	Zero (0%)		0.1%-4.9%		5.0%-7..9%		8.0%-9.0%		9.1%-14.9%		15%+	
	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024
Technical/Individual Contributors/Support Roles	1%	1%	2%	5%	10%	10%	6%	20%	61%	61%	5%	4%
Junior Management	1%	1%	2%	5%	11%	8%	6%	23%	72%	59%	7%	4%
Middle Management	1%	1%	3%	5%	10%	10%	5%	22%	76%	57%	6%	4%
Top and Senior Management	1%	6%	4%	6%	9%	8%	6%	22%	72%	51%	7%	6%

FIGURE I4A Nature of "Other Increases" in Salary Increase Budgets

	2024	Projected 2025
Market adjustment/competitive adjustment	62%	55%
Internal equity	39%	34%
Other increase	36%	33%
Retention/critical skill adjustment	33%	30%
Salary range adjustment	25%	21%
Adjustment related to state or local minimum wage increase	14%	9%
Accelerated increase cycle to move employee closer to midpoint (salary progression)	13%	13%
Compression	13%	11%
Skill-based pay increase	13%	12%
Pay transparency	4%	3%
Step rate	1%	3%

FIGURE I5 Total Salary Increase Budgets, by Region

	Actual 2023		Projected 2024		Actual 2024		Projected 2025	
	Mean	Median	Mean	Median	Mean	Median	Mean	Median
National	**9.8%**	**10.0%**	**9.6%**	**10.0%**	**9.6%**	**9.9%**	**9.5%**	**10.0%**
Central	10.5%	9.9%	10.3%	10.0%	9.8%	9.7%	9.7%	9.8%
East	10.8%	9.9%	10.2%	10.0%	9.5%	9.4%	9.5%	9.5%
North	10.5%	10.0%	9.8%	10.0%	9.6%	9.7%	9.3%	9.7%
Northeast	11.1%	10.4%	10.3%	10.0%	9.2%	9.7%	9.4%	10.0%
South	9.9%	10.0%	9.7%	10.0%	9.7%	10.0%	9.4%	10.0%
West	10.1%	10.0%	9.8%	10.0%	9.4%	9.5%	9.4%	9.7%

FIGURE I6 Total Salary Increase Budgets, by Major Metropolitan Area

	Actual 2023		Projected 2024		Actual 2024		Projected 2025	
	Mean	Median	Mean	Median	Mean	Median	Mean	Median
National	**9.8%**	**10.0%**	**9.6%**	**10.0%**	**9.6%**	**9.9%**	**9.5%**	**10.0%**
Bangalore	9.9%	10.0%	9.7%	10.0%	9.8%	10.0%	9.4%	10.0%
Chennai	10.7%	10.1%	10.2%	10.0%	9.6%	10.0%	9.5%	10.0%
Delhi	10.5%	10.0%	9.8%	10.0%	9.9%	10.0%	9.7%	10.0%
Hyderabad	10.0%	10.0%	10.1%	10.0%	9.6%	10.0%	9.2%	10.0%
Kolkata	10.8%	9.9%	10.2%	10.0%	9.3%	9.5%	9.7%	10.0%
Mumbai	10.0%	10.0%	9.7%	10.0%	9.3%	9.5%	9.5%	9.8%
Pune	10.6%	10.0%	10.3%	10.0%	* Pune was unavailable in the 2024 survey			

FIGURE I7 Total Salary Increase Budgets, by Organization Size

	Actual 2023		Projected 2024		Actual 2024		Projected 2025	
	Mean	Median	Mean	Median	Mean	Median	Mean	Median
1-499	8.8%	8.3%	8.4%	7.5%	9.8%	10.0%	9.7%	10.0%
500-2,499	8.6%	10.0%	9.0%	10.0%	9.0%	10.0%	9.4%	10.0%
2,500-9,999	10.4%	10.0%	9.9%	10.0%	9.2%	9.7%	9.4%	10.0%
10,000-19,999	10.7%	10.0%	10.3%	10.0%	10.1%	9.8%	9.8%	9.7%
20,000+	10.2%	10.0%	9.9%	10.0%	10.2%	10.0%	9.2%	9.5%

FIGURE I8 Total Salary Increase Budgets, by Major Industry Grouping

	Actual 2023		Projected 2024		Actual 2024		Projected 2025	
	Mean	Median	Mean	Median	Mean	Median	Mean	Median
All Industries	**10.1%**	**10.0%**	**10.5%**	**10.0%**	**9.8%**	**10.0%**	**9.6%**	**10.0%**
Administrative & Support & Waste Management & Remediation Services	--	--	--	--	--	--	--	--
Agriculture (includes forestry, fishing and hunting)	--	--	--	--	--	--	--	--
Arts, entertainment & recreation	9.3%	9.8%	10.3%	10.0%	--	--	--	--
Construction (includes commercial, residential & civil engineering)	--	--	--	--	--	--	--	--
Education (K-12 and post-secondary, public & private & ed services)	--	--	--	--	--	--	--	--
Extraction (includes mining, quarrying, oil & gas)	--	--	--	--	--	--	--	--
Finance & Insurance	9.9%	10.0%	9.4%	10.0%	9.5%	8.9%	9.9%	9.5%
Government(federal, state, local & tribal EXCEPT public schools and universities)	--	--	--	--	--	--	--	--
Healthcare & Social Assistance	--	--	--	--	--	--	--	--
Hotels, restaurants & bars	--	--	--	--	--	--	--	--
Information	9.3%	10.0%	9.4%	10.0%	9.8%	9.5%	10.1%	10.0%
Management of companies and enterprises	--	--	--	--	--	--	--	--
Manufacturing	9.9%	10.0%	9.5%	9.8%	9.9%	9.8%	9.2%	9.8%
Other Services (except Public Administration)	--	--	--	--	8.7%	9.0%	8.5%	9.0%
Pharma	--	--	--	--	9.2%	9.5%	9.4%	9.5%
Professional, Scientific, and Technical Services	10.0%	10.0%	9.5%	10.0%	8.8%	10.0%	8.9%	10.0%
Rental & real estate(includes sales, mgmt & leasing of property and rental of equipment, cars, etc.)	--	--	--	--	--	--	--	--
Retail	10.4%	10.5%	10.3%	10.0%	12.6%	10.0%	11.5%	11.0%
Transportation and Warehousing	--	--	--	--	10.0%	10.0%	6.9%	10.0%
Utilities and energy production	--	--	--	--	--	--	--	--
Wholesale	--	--	--	--	--	--	--	--

-- fewer than 5 responses

FIGURE I9 Total Salary Increase Budgets, by Revenue

2023 Revenue	Actual 2023		Projected 2024		Actual 2024		Projected 2025	
	Mean	Median	Mean	Median	Mean	Median	Mean	Median
Up to $10 million	5.5%	5.5%	8.0%	8.0%	8.5%	9.4%	8.7%	9.7%
Between $10 million and $30 million	10.4%	10.4%	--	--	8.9%	10.0%	8.9%	10.0%
Between $30 million and $100 million	9.8%	10.0%	9.8%	10.0%	9.8%	10.0%	9.6%	9.5%
Between $100 million and $500 million	7.9%	8.9%	8.3%	8.3%	8.8%	9.0%	8.9%	10.0%
Between $500 million and $1 billion	10.2%	10.0%	10.0%	9.9%	9.1%	10.0%	9.9%	10.0%
Between $1 billion and $5 billion	10.4%	10.5%	9.9%	9.9%	9.6%	9.6%	9.6%	9.5%
Between $5 billion and $10 billion	9.3%	9.3%	9.8%	9.5%	9.7%	9.8%	9.0%	10.0%
$10 billion or more	11.2%	10.0%	10.2%	10.0%	10.4%	10.0%	9.6%	10.0%

Note: Revenue categories changed for 2024. Actual 2023 and Projected 2024 data was averaged as needed to align with current revenue categories.

FIGURE I10 Promotional Increases

	2023 as reported in 2024		Expected 2024	
	Mean	Median	Mean	Median
Percentage of employees that received promotional increases	8.8%	5.90%	--	--
	n=267			
Percentage of promoted employees' base salary	12.0%	10.0%	--	--
	n=267			
Planned spending on promotional increases as a percentage of total base salaries	--		4.1%	1.0%
			n=267	

FIGURE I11 Change in Planned Spending on Promotional Increases

	More	Similar	Less
Planned spending on promotional increases in 2024 is ... than 2023	5%	85%	10%
Estimated spending on promotional increases in 2025 will be ... than 2024	4%	94%	2%

FIGURE I12 **Impact of Promotional Increases on Salary Budgets** *(n=267)*

Additional amount budgeted for promotional increases as part of salary budget but separate from other pay increase budgets	23%
Additional amount budgeted for promotional increases as part of merit budget	16%
Additional amount budgeted for promotional increases as part of general increase/COLA increase budget	2%
Additional amount budgeted for promotional increases as part of other increase budget	16%
Percent of organizations that do budget for promotions	**57%**
No budget for promotional increases	43%
Percent of organizations that do NOT budget for promotions	**43%**

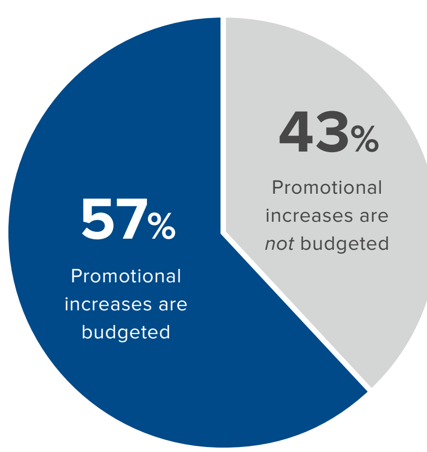
FIGURE I12A **Promotional Increase Funding When Promotional Increases Are Not Budgeted** *(n=114)*

Promotional increases are paid for out of the merit budget, even though the merit budget is not inflated to cover promotional increases	36%
Promotional increases are paid for out of the general increase/COLA increase budget, even though the general increase/COLA budget is not inflated to cover promotional increases	4%
Promotional increases are paid for out of the other increase budget, even though the other increase budget is not inflated to cover promotional increases	11%
Promotional increases are paid for with savings (e.g., savings realized from vacant positions, hiring at a lower rate than the previous incumbent, downsizing)	46%
Other	15%

FIGURE I12B **Promotional Increase Budget Practices**

Where are promotional increases budgeted?* (n=114)

Separately from other pay increase budgets	40%
As part of the **merit** increase budget	29%
As part of the **other increase** budget	4%
As part of the **general increase/COLA** budget	27%



How are promotional increases paid for/funded if not budgeted? (n=114)

With vacancy, salary or other savings	46%
Out of merit increase budget	36%
Out of other increase budget	11%
Out of general increase/ COLA budget	4%
Other	15%

* Data for companies that do budget for promotions were extracted from Figure I10 and recalculated to show breakdown within those 57% of respondents. NOTE: See Figure I10 and I10a for additional detail on data used to create this chart.

* Totals exceed 100% as participants could select multiple responses to this item.

FIGURE I13 Impact of Anticipating Pay Adjustments to Remediate Pay Equity Issues on 2024 Salary Budgets *(n=267)*

Additional amount budgeted for equity adjustments as part of salary budget but separate from other pay increase budgets	13%
Additional amount budgeted for equity adjustment as part of merit budget	12%
Additional amount budgeted for equity adjustment as part of general increase/COLA increase budget	0%
Additional amount budgeted for equity adjustment as part of other increase budget	13%
Percent of organizations that do NOT budget for pay equity adjustments	**19%**
Organizations not anticipating pay adjustments to remediate pay equity issues	**42%**

FIGURE I13A 2024 Funding When Pay Equity Adjustments Are Not Budgeted *(n=51)*

Pay equity adjustments are paid for out of the merit budget, even though the merit budget is not inflated to cover equity adjustments	39%
Pay equity adjustments are paid for out of the general increase/COLA increase budget, even though the general increase/COLA budget is not inflated to cover equity adjustments	2%
Pay equity adjustments are paid for out of the other increase budget, even though the other increase budget is not inflated to cover equity adjustments	24%
Pay equity adjustments are paid for with savings (e.g., savings realized from vacant positions, hiring at a lower rate than the previous incumbent, downsizing)	47%
Other	10%

FIGURE I13B Impact of Anticipating Pay Adjustments to Remediate Pay Equity Issues on 2025 Salary Budgets *(n=267)*

Additional amount budgeted for equity adjustments as part of salary budget but separate from other pay increase budgets	15%
Additional amount budgeted for equity adjustment as part of merit budget	14%
Additional amount budgeted for equity adjustment as part of general increase/COLA increase budget	1%
Additional amount budgeted for equity adjustment as part of other increase budget	13%
Percent of organizations that do NOT budget for pay equity adjustments	**15%**
Organizations not anticipating pay adjustments to remediate pay equity issues	**43%**

FIGURE I13C 2025 Funding When Pay Equity Adjustments Are Not Budgeted *(n=41)*

Pay equity adjustments are paid for out of the merit budget, even though the merit budget is not inflated to cover equity adjustments	44%
Pay equity adjustments are paid for out of the general increase/COLA increase budget, even though the general increase/COLA budget is not inflated to cover equity adjustments	0%
Pay equity adjustments are paid for out of the other increase budget, even though the other increase budget is not inflated to cover equity adjustments	13%
Pay equity adjustments are paid for with savings (e.g., savings realized from vacant positions, hiring at a lower rate than the previous incumbent, downsizing)	49%
Other	10%

FIGURE I14 Merit Increases Awarded, by Performance Category

	High Performers		Middle Performers		Low Performers	
	Mean	Median	Mean	Median	Mean	Median
2023						
Percentage of employees rated in this category for 2023	18%	18%	59%	70%	5%	3%
Average merit increase awarded to this 2023 performance category	11.4%	11.3%	8.4%	8.9%	3.1%	3.0%
2024						
Percentage of employees estimated to be rated in this category for 2024	18%	16%	58%	70%	6%	5%
Average merit increase estimated for this 2024 performance category	11.6%	11.8%	8.2%	9.0%	3.1%	3.0%

Note: The mean distribution of the percent of employees in each performance category will total 100% or, as a result of rounding, may be very close. However, by definition, the median value for each category will move depending on the frequency of values in the dataset. Therefore, the median distribution of the percent of employees in each category will not equal 100%.

FIGURE I14A Relationship Between the Number of Employees Rated as High Performers and the Size of Merit Increases Awarded to High Performers

Percent of employees rated as high performers for 2023	2023 Merit Increase Award for High Performers		
	n	Mean	Median
Up to 10% of employees	46	10.1%	10.0%
11 to 15% of employees	21	12.3%	12.0%
16 to 24% of employees	78	12.1%	12.0%
25 to 29% of employees	18	9.8%	10.9%
30% or more of employees	40	12.0%	11.1%

FIGURE I15 Base Pay Market Comparison Target, by Employee Category

	25th Percentile	50th Percentile (median)	60th Percentile	75th Percentile	90th Percentile	Other Percentile	No Formal Compensation Strategy
Technical/Individual Contributors/Support Roles	2%	81%	9%	4%	0%	1%	3%
Junior Management	1%	87%	7%	2%	0%	1%	4%
Middle Management	2%	82%	7%	5%	0%	1%	3%
Top and Senior Management	0%	76%	17%	3%	0%	3%	0%

FIGURE I15A Changes in Base Pay Level Targets in Past 12 Months

	Increased	Stayed about the same	Decreased
Technical/Individual Contributors/Support Roles	14%	86%	0%
Junior Management	13%	86%	1%
Middle Management	13%	86%	1%
Top and Senior Management	14%	86%	0%

A lump-sum award is defined as an increase in pay that is made in the form of a single cash payment. Lump-sum awards often are used in one of three circumstances:

- When an employer does not want to increase the employee's base pay due to budget constraints
- When an employee is reaching or exceeding the maximum of his/her salary range
- When an employer is trying to give the employee more buying power at a specific point in time.

FIGURE I16 **Lump-Sum Awards, by Employee Category**

	Percent of Companies Giving Lump-Sum Awards	Percent of Employees Receiving Lump-Sum Awards in 2023	Percent of Employees Receiving an Increase in 2024 is … than 2023		
		Mean	Larger	Similar	Smaller
Technical/Individual Contributors/ Support Roles	30%	8%	1%	94%	5%
Junior Management	30%	4%	1%	93%	5%
Middle Management	32%	5%	1%	94%	5%
Top and Senior Management	33%	2%	0%	97%	3%

An organization's salary structure is a hierarchy of pay ranges with established minimums and maximums. Organizations frequently apply control points (often the midpoint) within each salary range. The collection of those control points determines the pay line. As a general rule, the numbers displayed in Figure I17 refer to the percent increase in the salary structure pay line encompassing all salary range control points.

FIGURE I17 **Salary Structure Increases, by Employee Category**

	Actual 2023		Projected 2024		Actual 2024		Projected 2025	
	Mean	Median	Mean	Median	Mean	Median	Mean	Median
Technical/Individual Contributors/Support Roles	6.2%	6.7%	5.8%	6.0%	5.3%	5.6%	5.0%	5.0%
Junior Management	5.9%	5.6%	5.8%	5.0%	5.7%	5.0%	5.4%	5.0%
Middle Management	5.9%	5.7%	5.5%	5.0%	5.6%	5.0%	5.0%	5.0%
Top and Senior Management	5.3%	5.0%	5.2%	5.0%	4.3%	3.0%	4.1%	4.0%
All	5.9%	5.3%	5.6%	5.0%	5.4%	5.0%	5.0%	5.0%

FIGURE I17A **Actual 2024 Salary Structure Increase Data, Most Common Responses**

	Technical/Individual Contributors/Support Roles Mean: 5.3%	Junior Management Mean: 5.7%	Middle Management Mean: 5.6%	Top and Senior Management Mean: 4.3%
10.0% increase	12%	9%	8%	0%
8.0% increase	7%	8%	7%	11%
5.0% increase	6%	8%	8%	2%
3.0% increase	6%	8%	7%	9%
0.0% increase	30%	30%	29%	41%

FIGURE I17B **Projected 2025 Salary Structure Increase Data, Most Common Responses**

	Technical/Individual Contributors/Support Roles Mean: 5.0%	Junior Management Mean: 5.4%	Middle Management Mean: 5.0%	Top and Senior Management Mean: 4.1%
10.0% increase	11%	10%	9%	3%
8.0% increase	8%	9%	9%	6%
7.0% increase	8%	7%	6%	3%
5.0% increase	11%	5%	9%	11%
3.0% increase	6%	5%	6%	6%
0.0% increase	26%	30%	27%	34%

Variable pay is the percentage of payroll established by management to grant to employees for performance-based, lump-sum, short-term cash awards during the year. Included in this calculation are payments provided under a formal plan, such as organizationwide awards, unit/strategic business unit (SBU) awards and/or individual incentive awards. (Specific salesforce incentive awards and cash awards for recognition are excluded from the variable pay data.)

FIGURE I18 Use of Variable Pay

Percent of organizations …	2022	2023	2024
Using variable pay	84%	85%	87%
Not using variable pay	16%	15%	13%

FIGURE I19 Types of Variable Pay Programs

Combination awards based on both organization/unit success and individual performance	70%
Organizationwide awards	21%
Individual incentive awards	12%
Unit/strategic business unit awards	9%

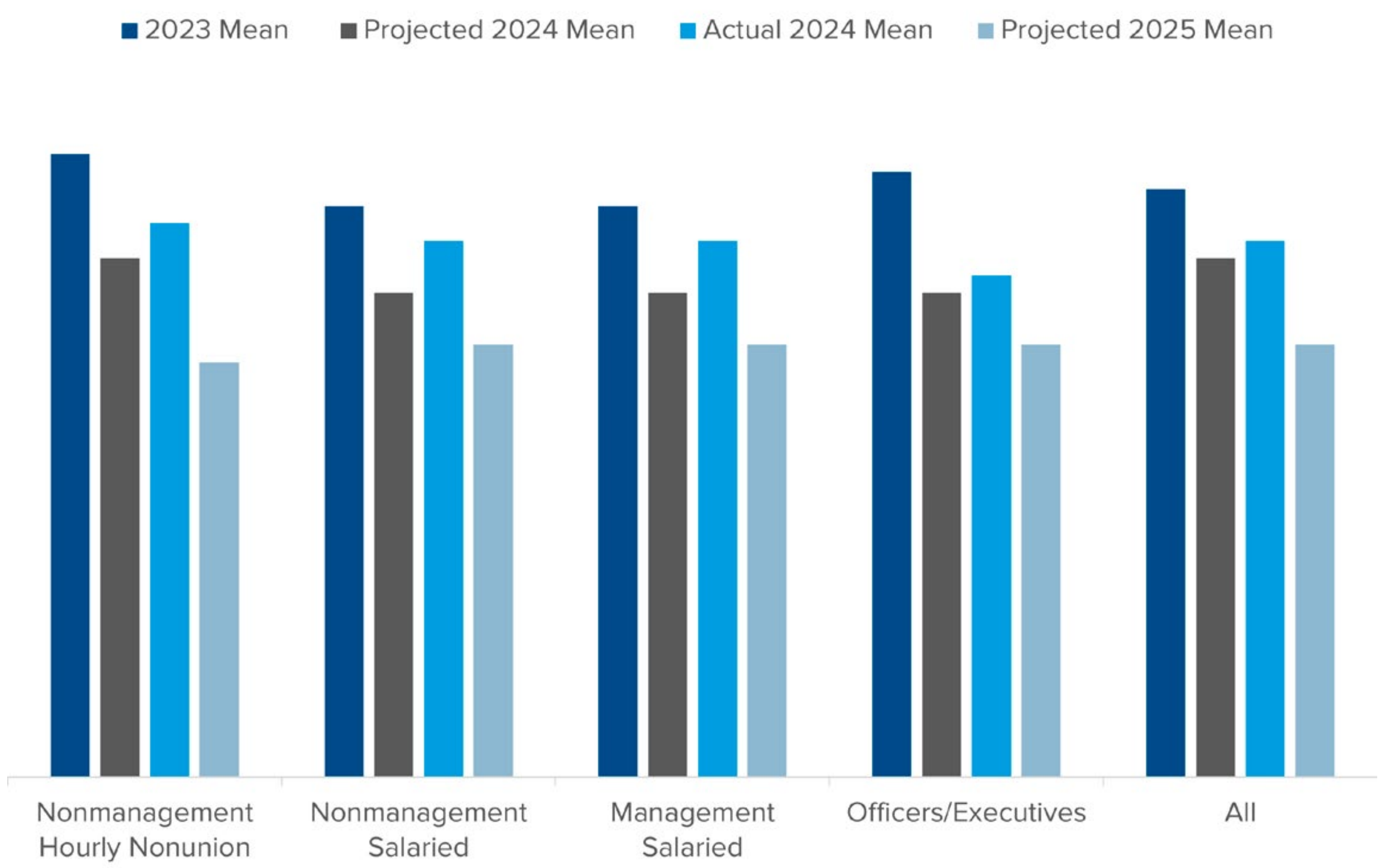
FIGURE I20 Impact of Variable Pay on Base Salary Budget Recommendations

	Technical/Individual Contributors/ Support Roles	Junior Management	Middle Management	Top and Senior Management
No impact	76%	77%	73%	68%
Some impact	22%	22%	25%	28%
Significant impact	1%	1%	2%	4%

FIGURE I21 **Variable Pay Programs, 2023-2025**

National	Technical/Individual Contributors/Support Roles		Junior Management		Middle Management		Top and Senior Management	
	Mean	Median	Mean	Median	Mean	Median	Mean	Median
2023								
Average percent budgeted	10.4%	9.1%	12.5%	10.0%	15.6%	15.0%	20.6%	15.0%
Average percent paid	9.8%	7.0%	12.4%	10.0%	16.0%	14.0%	28.7%	20.7%
Percent of employees eligible in 2023 for variable pay	79%	100%	78%	100%	83%	100%	83%	100%
Percent of eligible employees actually paid variable pay for 2023	86%	99%	85%	100%	87%	100%	86%	100%
2024								
Average percent budgeted	10.2%	9.4%	12.2%	10.0%	15.3%	15.0%	19.2%	15.0%
Projected percent paid	10.4%	8.0%	12.6%	10.0%	16.3%	14.8%	24.5%	20.0%
2025								
Projected percent budgeted	10.2%	9.5%	12.4%	10.0%	15.5%	15.0%	19.7%	15.0%

UK Salary Structure Increases Slow in 2024 but Exceed Predictions. Slower Growth Expected in 2025.



United Kingdom

In 2024, the average overall salary increase budget for organizations in the United Kingdom (UK) was reported at 4.3% (median 4.0). UK salary increase budgets exceeded those of the U.S. (3.9%) and Canada (3.8%) as well as those of all EU countries except the Netherlands (4.3%). Nonetheless, UK respondents appeared to predict this outcome as both mean and median increase budgets matched the estimates made last year. Projections for 2025 are slightly lower than 2024 levels, with participants anticipating average salary increase budgets of 4.2%. That said, the 2025 predicted average salary increase budget for the UK still exceeds the 2025 estimates for many other countries, including the U.S. and Canada. (See Figure UK1)

Economic Factors

The Office for National Statistics reported that the UK's inflation rate in June 2024 was at 2.8%, a drastic decrease from June 2023's 7.3% and a relief from the October 2022 peak of 9.6%, which was the rate since the early 90's.[1] Meanwhile, the unemployment rate was 4.4% for the period from March to May 2024, slightly higher than the rate just before the pandemic (3.8% in Oct-Dec 2019) but lower than the UK economy has sustained for any earlier period since 1990.[2]

Regional Data

Total salary increase budgets varied within a 0.5% range among regions, with averages ranging from a low of 4.2% in Greater London to a high of 4.7% in West Midlands. Most regions matched or exceeded the levels projected last year for 2024. The North West, which had the highest projected 2024 budget, fell short of that prediction by four-tenths of a percent. Northern Ireland and Scotland both came in one-tenth below their projected value. Projected average increase budgets for 2025 are lower than actual 2024 increase budgets in all regions except the Northwest, which is projecting no change from 2024. Median salary increase budgets for 2024

[1] Office for National Statistics. (2024, July 17). Consumer price inflation, UK: June 2024. https://www.ons.gov.uk/economy/inflationandpriceindices/bulletins/consumerpriceinflation/june2024

[2] Office for National Statistics. (n.d.). Unemployment. https://www.ons.gov.uk/employmentandlabourmarket/peoplenotinwork/unemployment

and 2025 are uniformly 4.0% across all regions. (See Figure UK6)

Industry Data

There is moderate variation between industries, with total salary increase budget averages ranging from 4.0% to 5.0% in 2024. (See Figure UK6) The highest average 2024 increase budgets were in rental and real estate (5.0%, median: 5.0%). Retail enterprises posted the lowest average salary increase budgets for 2024 at 3.8% (median: 4.0%). For 2025, Arts, Entertainment & Recreation projects the highest average at 4.9% (median 4.5%, n=5), followed by Pharma at 4.6% (median: 4.0%, n=34).

Retail, Transportation & Warehousing and Wholesale, share the smallest 2025 average, 4%. Sample sizes for many UK industries are quite small, which can lead to unreliability of estimates. Users are encouraged to augment these findings with additional sources of data when making industry projections.

Salary Structure Adjustments

The mean overall salary structure adjustment for 2024 was 3.1% (median 3.0%), 0.3% points lower than last year's mean adjustment and also slightly higher than the mean projection for 2024 made last year (3.0%). Median structure increases for 2025 are estimated to be lower, at 2.5%, with a median of 3.0%.

In every employee category in 2024, the most common mean structure adjustment was 0%, with 3% the next most common. Nearly a quarter of companies said they made no structure adjustments for non-executive workers. Thirty-one percent of companies said they did not change the structure for officers/executives. Zero-percent increases are about as common in 2025 projections as they were in 2024 reports. However, increases of 3% or greater are somewhat more common than in 2024, with just over 34% of participants anticipating such increases. (See FigureS UK18A-18C)

Promotional Increases

On average, 8.4% of UK employees received promotional increases in 2023 and promoted employees were awarded, on average, a 8.8% increase to their base pay, an increase in both the proportion of employees being promoted and the magnitude of their promotional increases compare to data reported last year for 2022 promotions. Average planned spending for 2024 promotional increases as a percentage of total base salaries is 3.0%, higher than last year's 1.9%, but the median remains at 1%, as is true for other countries in this report. (See Figure UK12A)

Twelve percent of companies in the UK said they would spend less money on promotions in 2024 than they did in 2023. This is very similar to last year's finding that 13% of companies planned to spend less. 92% of companies say they will spend the same amount in 2025 on promotions as they did in 2024. This is even more stable than what was reported in 2024. (See Figure UK12B)

Variable Pay

In 2024, almost 90% of UK organizations used variable pay. More than two-thirds of these organizations use combination awards that are based on both the success of the company and how well employees do their jobs. About a quarter of organizations report that variable pay has some impact on base salary budget recommendations, but most report no impact. Depending on the type of employee, 81% to 89% of employees got variable pay for the 2023 plan year. This is a small decrease from the 2022 plan year.

Average variable pay payout exceeded average budgets for management salaried workers and officers/executive in 2023. This pattern holds for 2024, with the addition of nonmanagement salaried workers to those groups exceeding average budgets. The average variable pay budgets for 2025 are very similar to the ones in 2024. However, the amount budgeted for officer/executive variable pay will be smaller than in 2024. (See Figures UK20A-20D)

FIGURE UK1 **Salary Increase Budgets, by Type of Increase**

	Actual 2022		Actual 2023		Projected 2024		Actual 2024		Projected 2025	
	Mean	Median	Mean	Median	Mean	Median	Mean	Median	Mean	Median
General Increase/COLA	2.6%	3.0%	2.6%	3.0%	2.3%	3.0%	2.5%	3.5%	2.4%	3.0%
Merit Increase	3.4%	3.0%	4.1%	4.0%	3.9%	4.0%	3.7%	4.0%	3.7%	4.0%
Other Increase	1.2%	1.0%	1.0%	1.0%	1.1%	1.0%	0.9%	0.9%	0.9%	1.0%
Total Increase	3.8%	3.5%	4.5%	4.0%	4.3%	4.0%	4.3%	4.0%	4.2%	4.0%

Note: "General Increase/COLA," "Merit" and "Other" do not add to the "Total Increase" because not every organization provides all three types of increase. The n's represent the number of responses for each type of increase, which may include multiple responses if each respondent reports for more than one employee category for that type of increase.

*2024 study sample size is 368

FIGURE UK2 **Total Salary Increase Budgets, by Employee Category**

Salary Increase Budgets (zeros included)

	Actual 2022		Actual 2023		Projected 2024		Actual 2024		Projected 2025	
	Mean	Median	Mean	Median	Mean	Median	Mean	Median	Mean	Median
Nonmanagement Hourly	3.8%	3.4%	4.5%	4.0%	4.3%	4.0%	4.6%	4.0%	4.3%	4.0%
Nonmanagement Salaried	3.8%	3.5%	4.5%	4.0%	4.3%	4.0%	4.2%	4.0%	4.2%	4.0%
Management Salaried	3.9%	3.5%	4.5%	4.0%	4.3%	4.0%	4.2%	4.0%	4.2%	4.0%
Officers/Executives	3.7%	3.3%	4.4%	4.0%	4.2%	4.0%	4.3%	4.1%	3.9%	4.0%
All	3.8%	3.5%	4.5%	4.0%	4.3%	4.0%	4.3%	4.0%	4.2%	4.0%

Salary Increase Budgets (zeros not included)

	Actual 2022		Actual 2023		Projected 2024		Actual 2024		Projected 2025	
	Mean	Median	Mean	Median	Mean	Median	Mean	Median	Mean	Median
Nonmanagement Hourly	3.8%	3.4%	4.6%	4.0%	4.4%	4.0%	4.7%	4.2%	4.4%	4.0%
Nonmanagement Salaried	3.8%	3.5%	4.6%	4.0%	4.4%	4.0%	4.3%	4.0%	4.3%	4.0%
Management Salaried	3.9%	3.5%	4.6%	4.0%	4.4%	4.0%	4.3%	4.0%	4.3%	4.0%
Officers/Executives	3.7%	3.3%	4.5%	4.4%	4.3%	4.0%	4.4%	4.2%	4.2%	4.0%
All	3.8%	3.5%	4.6%	4.1%	4.4%	4.0%	4.4%	4.0%	4.3%	4.0%

FIGURE UK3 **Nature of "Other Increases" in Salary Increase Budgets**

	2024	Projected 2025
Market adjustment/competitive adjustment	75%	73%
Internal equity	49%	49%
Retention/critical skill adjustment	33%	33%
Other increase	29%	30%
Salary range adjustment	25%	26%
Adjustment related to state or local minimum wage increase	17%	17%
Accelerated increase cycle to move employee closer to midpoint (salary progression)	17%	17%
Compression	17%	17%
Skill-based pay increase	11%	11%
Pay transparency	9%	10%
Step rate	1%	2%

FIGURE UK4 **Number of Months Between Increases**

	Actual 2023		Projected 2024		Actual 2024		Projected 2025	
	Mean	Median	Mean	Median	Mean	Median	Mean	Median
Nonmanagement Hourly	11.8	12.0	11.8	12.0	11.8	12.0	11.9	12.0
Nonmanagement Salaried	11.6	12.0	11.8	12.0	12.1	12.0	11.9	12.0
Management Salaried	11.6	12.0	11.8	12.0	12.1	12.0	11.9	12.0
Officers/Executives	11.9	12.0	12.1	12.0	11.6	12.0	11.8	12.0
All	11.7	12.0	11.9	12.0	12.0	12.0	11.9	12.0

FIGURE UK5 **Distribution of Total Salary Increase Budget Responses Actual 2023 vs. Actual 2024**

	Zero (0%)		0.1%-1.9%		2.0%-2.9%		3.0%-4.0%		4.1%-6.9%		7.0%+	
	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024
Nonmanagement Hourly	2%	2%	1%	0%	3%	1%	46%	47%	41%	44%	7%	6%
Nonmanagement Salaried	2%	3%	1%	1%	3%	4%	39%	50%	39%	37%	8%	5%
Management Salaried	2%	3%	0%	1%	3%	4%	48%	49%	39%	38%	8%	5%
Officers/Executives	4%	3%	0%	2%	5%	5%	4%	40%	4%	43%	7%	7%

FIGURE UK6 Total Salary Increase Budgets, by Region

	Actual 2023		Projected 2024		Actual 2024		Projected 2025	
	Mean	Median	Mean	Median	Mean	Median	Mean	Median
National	**4.5%**	**4.0%**	**4.3%**	**4.0%**	**4.3%**	**4.0%**	**4.2%**	**4.0%**
East Midlands	4.5%	4.1%	4.3%	4.0%	4.5%	4.0%	4.3%	4.0%
East of England	4.4%	4.0%	4.3%	4.0%	4.4%	4.0%	4.3%	4.0%
Greater London	4.4%	4.0%	4.2%	4.0%	4.2%	4.0%	4.1%	4.0%
North East	4.3%	4.0%	4.5%	4.0%	4.5%	4.0%	4.1%	4.0%
North West	4.8%	4.5%	4.7%	4.3%	4.3%	4.0%	4.3%	4.0%
Northern Ireland	4.8%	4.5%	4.4%	4.3%	4.3%	4.0%	4.1%	4.0%
Scotland	4.8%	4.5%	4.5%	4.5%	4.4%	4.0%	4.2%	4.0%
South East	4.3%	4.0%	4.0%	4.0%	4.5%	4.0%	4.4%	4.0%
South West	4.5%	4.1%	4.3%	4.0%	4.4%	4.0%	4.2%	4.0%
Wales	4.4%	4.0%	4.2%	4.0%	4.3%	4.0%	4.1%	4.0%
West Midlands	4.7%	4.5%	4.5%	4.4%	4.7%	4.0%	4.4%	4.0%
Yorkshire and the Humber	4.8%	4.4%	4.4%	4.1%	4.4%	4.0%	4.1%	4.0%

FIGURE UK7 Additional or Off-Cycle Base Pay Increase

	Yes	No, we did not consider it	No, we considered it but decided not to
Nonmanagement Hourly	9%	88%	3%
Nonmanagement Salaried	12%	86%	2%
Management Salaried	12%	86%	2%
Officers/Executives	13%	84%	3%

FIGURE UK8 **Total Salary Increase Budgets, by Major Industry Grouping**

	Actual 2023		Projected 2024		Actual 2024		Projected 2025	
	Mean	Median	Mean	Median	Mean	Median	Mean	Median
All Industries	**4.5%**	**4.0%**	**4.3%**	**4.0%**	**4.3%**	**4.0%**	**4.2%**	**4.0%**
Administrative & Support & Waste Management & Remediation Services	-	-	-	-	3.5%	3.5%	3.0%	3.5%
Agriculture (includes forestry, fishing and hunting)	-	-	-	-	5.0%	5.5%	4.2%	4.5%
Arts, entertainment & recreation	4.1%	4.0%	3.9%	3.7%	4.1%	4.0%	4.9%	4.5%
Construction (includes commercial, residential & civil engineering)	5.0%	5.0%	4.4%	4.0%	6.1%	6.3%	4.9%	4.9%
Education (K-12 and post-secondary, public & private & ed services)	-	-	-	-	--	--	--	--
Extraction (includes mining, quarrying, oil & gas)	4.0%	4.0%	4.0%	4.0%	3.3%	3.0%	3.7%	4.0%
Finance & Insurance	4.9%	4.6%	4.4%	4.3%	4.1%	4.0%	4.2%	4.0%
Government(federal, state, local & tribal EXCEPT public schools and universities)	-	-	-	-	--	--	--	--
Healthcare & Social Assistance	5.2%	4.9%	3.5%	3.5%	--	--	--	--
Hotels, restaurants & bars	-	-	-	-	--	--	--	--
Information	4.4%	4.0%	4.3%	4.0%	3.9%	4.0%	3.9%	3.9%
Management of companies and enterprises	-	-	-	-	--	--	--	--
Manufacturing	4.5%	4.0%	4.3%	4.0%	4.5%	4.3%	4.1%	4.0%
Other Services (except Public Administration)	4.6%	5.0%	4.0%	4.0%	4.2%	4.4%	4.2%	4.2%
Pharma	-	-	-	-	4.4%	4.0%	4.6%	4.0%
Professional, Scientific, and Technical Services	4.8%	4.0%	4.5%	4.0%	4.2%	4.0%	4.4%	4.0%
Rental & real estate(includes sales, mgmt & leasing of property and rental of equipment, cars, etc.)	-	-	-	-	5.0%	5.0%	4.5%	4.2%
Retail	3.8%	3.8%	4.2%	4.0%	4.0%	4.0%	4.0%	4.0%
Transportation and Warehousing	4.4%	4.0%	4.4%	4.0%	4.1%	4.2%	4.0%	4.0%
Utilities and energy production	-	-	-	-	4.6%	4.2%	4.6%	4.1%
Wholesale	3.8%	4.0%	3.7%	3.5%	4.7%	4.3%	4.0%	4.0%

-- fewer than 5 reponses

FIGURE UK9 **Total Salary Increase Budgets, by Organization Size**

Number of Employees	Actual 2023		Projected 2024		Actual 2024		Projected 2025	
	Mean	Median	Mean	Median	Mean	Median	Mean	Median
1-499	--	--	--	--	4.4%	4.5%	5.0%	4.8%
500-2,499	5.8%	5.5%	4.5%	4.5%	4.0%	4.0%	4.0%	4.0%
2,500-9,999	4.6%	4.8%	4.6%	4.0%	4.2%	4.0%	4.1%	4.0%
10,000-19,999	4.3%	3.8%	4.4%	4.0%	4.4%	4.0%	4.4%	4.0%
20,000+	4.2%	4.0%	4.3%	4.0%	4.5%	4.0%	4.3%	4.0%

FIGURE UK10 **Total Salary Increase Budgets, by Revenue**

2023 Revenue	Actual 2023		Projected 2024		Actual 2024		Projected 2025	
	Mean	Median	Mean	Median	Mean	Median	Mean	Median
Up to $10 million	4.0%	4.0%	3.0%	3.0%	4.7%	4.2%	4.5%	4.0%
Between $10 million and $30 million	-	-	-	-	4.8%	4.5%	4.5%	4.5%
Between $30 million and $100 million	-	-	-	-	4.2%	4.0%	4.3%	4.0%
Between $100 million and $500 million	4.9%	4.9%	4.2%	4.2%	3.5%	4.0%	3.8%	4.0%
Between $500 million and $1 billion	5.9%	5.8%	4.9%	4.5%	4.2%	4.0%	4.2%	4.0%
Between $1 billion and $5 billion	4.5%	4.5%	4.6%	4.3%	4.1%	4.0%	4.0%	4.1%
Between $5 billion and $10 billion	4.1%	3.8%	4.4%	4.3%	4.2%	4.0%	4.1%	4.0%
$10 billion or more	4.8%	5.0%	4.5%	4.5%	4.9%	4.2%	4.4%	4.0%

Note: Revenue categories changed for 2024. Actual 2023 and Projected 2024 data was averaged as needed to align with current revenue categories.

FIGURE UK11A **Impact of Promotional Increases on Salary Budgets** *(n=368)*

Additional amount budgeted for promotional increases as part of salary budget but separate from other pay increase budgets	22%
Additional amount budgeted for promotional increases as part of merit budget	18%
Additional amount budgeted for promotional increases as part of general increase/COLA increase budget	3%
Additional amount budgeted for promotional increases as part of other increase budget	22%
Percent of organizations that do budget for promotions	**65%**
No budget for promotional increases	34%
Percent of organizations that do NOT budget for promotions	**34%**

FIGURE UK11B **Promotional Increase Funding When Promotional Increases Are Not Budgeted** *(n=125)*

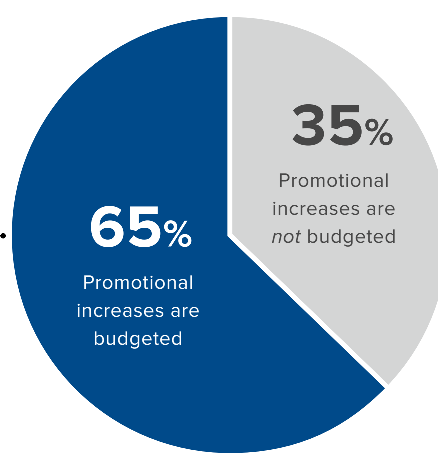
Promotional increases are paid for out of the merit budget, even though the merit budget is not inflated to cover promotional increases	31%
Promotional increases are paid for out of the general increase/COLA increase budget, even though the general increase/COLA budget is not inflated to cover promotional increases	5%
Promotional increases are paid for out of the other increase budget, even though the other increase budget is not inflated to cover promotional increases	8%
Promotional increases are paid for with savings (e.g., savings realized from vacant positions, hiring at a lower rate than the previous incumbent, downsizing)	47%
Other	21%

FIGURE UK11C **Promotional Increase Budget Practices**

Where are promotional increases budgeted?* (n=239)

Separately from other pay increase budgets	34%
As part of the **merit** increase budget	28%
As part of the **other increase** budget	34%
As part of the **general increase/COLA** budget	5%

* Data for companies that do budget for promotions were extracted from Figure UK11A and recalculated to show breakdown within those 65% of respondents. NOTE: See Figure UK11A and UK11B for additional detail on data used to create this chart.



How are promotional increases paid for/funded if not budgeted? (n=125)

With vacancy, salary or other savings	47%
Out of **merit** increase budget	31%
Out of **other increase** budget	8%
Out of **general increase/COLA** budget	5%
Other	21%

* Totals exceed 100% as participants could select multiple responses to this item.

PROMOTIONAL INCREASES

FIGURE UK12A **Promotional Increases**

	2022		2023 as reported in 2024		Expected 2024	
	Mean	Median	Mean	Median	Mean	Median
Percentage of employees that received promotional increases	8.0%	5.00%	8.4%	5.60%	--	--
	n=219		n=368			
Percentage of promoted employees' base salary	8.7%	9.0%	8.8%	10.0%	--	--
	n=229		n=368			
Planned spending on promotional increases as a percentage of total base salaries	--		--		3.0%	1.0%
					n=368	

FIGURE UK12B **Change in Planned Spending on Promotional Increases**

	More	Similar	Less
Planned spending on promotional increases in 2024 is ... than 2023	5%	82%	12%
Estimated spending on promotional increases in 2025 will be ... than 2024	5%	92%	4%

MERIT INCREASE AWARDS

FIGURE UK13A **Merit Increases Awarded, by Performance Category**

	High Performers		Middle Performers		Low Performers	
	Mean	Median	Mean	Median	Mean	Median
2023						
Percentage of employees rated in this category for 2023	20%	20%	59%	69%	5%	3%
Average merit increase awarded to this 2023 performance category	5.2%	5.0%	3.8%	4.0%	1.7%	1.2%
2024						
Percentage of employees estimated to be rated in this category for 2024	18%	17%	59%	70%	5%	4%
Average merit increase estimated for this 2024 performance category	5.2%	5.0%	3.6%	3.7%	1.4%	1.0%

Note: The mean distribution of the percent of employees in each performance category will total 100% or, as a result of rounding, may be very close. However, by definition, the median value for each category will move depending on the frequency of values in the dataset. Therefore, the median distribution of the percent of employees in each category will not equal 100%.

FIGURE UK13B **Relationship Between the Number of Employees Rated as High Performers and the Size of Merit Increases Awarded to High Performers**

Percent of employees rated as high performers for 2023	2023 Merit Increase Award for High Performers		
	n	Mean	Median
Up to 10% of employees	131	5.1%	5.0%
11 to 15% of employees	27	5.1%	5.1%
16 to 24% of employees	100	5.3%	5.0%
25 to 29% of employees	28	5.1%	5.5%
30% or more of employees	82	5.3%	4.8%

FIGURE UK14 **Percent of Employees Receiving a Base Salary Increase in 2024 by Employee Category**

	Percent of Employees Receiving an Increase in 2024 is … than 2023		
	Larger	Similar	Smaller
Nonmanagement Hourly Nonunion	14%	63%	23%
Nonmanagement Salaried	12%	64%	24%
Management Salaried	11%	66%	23%
Officers/Executives	16%	60%	24%

FIGURE UK15 **Base Pay Market Comparison Target, by Employee Category**

	25^{th} Percentile	50^{th} Percentile (median)	60^{th} Percentile	75^{th} Percentile	90^{th} Percentile	Other Percentile	No Formal Compensation Strategy
Nonmanagement Hourly Nonunion	0%	95%	1%	1%	0%	0%	3%
Nonmanagement Salaried	1%	85%	7%	3%	0%	1%	2%
Management Salaried	1%	85%	7%	5%	0%	1%	2%
Officers/Executives	2%	76%	8%	11%	0%	0%	3%

FIGURE UK16 **Changes in Base Pay Level Targets in Past 12 Months**

	Increased	Stayed about the same	Decreased
Nonexempt Hourly Nonunion	10%	90%	0%
Nonexempt Salaried	11%	88%	1%
Exempt Salaried	12%	87%	1%
Officers/Executives	11%	89%	0%

FIGURE UK17A **Impact of Anticipating Pay Adjustments to Remediate Pay Equity Issues on 2024 Salary Budgets** *(n=368)*

Additional amount budgeted for equity adjustments as part of salary budget but separate from other pay increase budgets	11%
Additional amount budgeted for equity adjustment as part of merit budget	13%
Additional amount budgeted for equity adjustment as part of general increase/COLA increase budget	1%
Additional amount budgeted for equity adjustment as part of other increase budget	15%
Percent of organizations that do NOT budget for pay equity adjustments	**21%**
Organizations not anticipating pay adjustments to remediate pay equity issues	**39%**

FIGURE UK17B **2024 Funding When Pay Equity Adjustments Are Not Budgeted** *(n=76)*

Pay equity adjustments are paid for out of the merit budget, even though the merit budget is not inflated to cover equity adjustments	39%
Pay equity adjustments are paid for out of the general increase/COLA increase budget, even though the general increase/COLA budget is not inflated to cover equity adjustments	0%
Pay equity adjustments are paid for out of the other increase budget, even though the other increase budget is not inflated to cover equity adjustments	22%
Pay equity adjustments are paid for with savings (e.g., savings realized from vacant positions, hiring at a lower rate than the previous incumbent, downsizing)	43%
Other	8%

FIGURE UK17C **Impact of Anticipating Pay Adjustments to Remediate Pay Equity Issues on 2025 Salary Budgets** *(n=368)*

Additional amount budgeted for equity adjustments as part of salary budget but separate from other pay increase budgets	13%
Additional amount budgeted for equity adjustment as part of merit budget	14%
Additional amount budgeted for equity adjustment as part of general increase/COLA increase budget	2%
Additional amount budgeted for equity adjustment as part of other increase budget	18%
Percent of organizations that do NOT budget for pay equity adjustments	**17%**
Organizations not anticipating pay adjustments to remediate pay equity issues	**37%**

FIGURE UK17D **2025 Funding When Pay Equity Adjustments Are Not Budgeted** *(n=61)*

Pay equity adjustments are paid for out of the merit budget, even though the merit budget is not inflated to cover equity adjustments	44%
Pay equity adjustments are paid for out of the general increase/COLA increase budget, even though the general increase/COLA budget is not inflated to cover equity adjustments	3%
Pay equity adjustments are paid for out of the other increase budget, even though the other increase budget is not inflated to cover equity adjustments	18%
Pay equity adjustments are paid for with savings (e.g., savings realized from vacant positions, hiring at a lower rate than the previous incumbent, downsizing)	41%
Other	7%

SALARY STRUCTURE INCREASES

An organization's salary structure is a hierarchy of pay ranges with established minimums and maximums. Organizations frequently apply control points (often the midpoint) within each salary range. The collection of those control points determines the pay line. As a general rule, the numbers displayed in Figure UK18A refer to the percent increase in the salary structure pay line encompassing all salary range control points.

FIGURE UK18A **Salary Structure Increases, by Employee Category**

	Actual 2023		Projected 2024		Actual 2024		Projected 2025	
	Mean	Median	Mean	Median	Mean	Median	Mean	Median
Nonmanagement Hourly	3.6%	3.0%	3.0%	3.0%	3.2%	3.0%	2.4%	2.8%
Nonmanagement Salaried	3.3%	3.0%	2.8%	3.0%	3.1%	3.0%	2.5%	3.0%
Management Salaried	3.3%	3.0%	2.8%	3.0%	3.1%	3.0%	2.5%	3.0%
Officers/Executives	3.5%	3.0%	2.8%	3.0%	2.9%	3.0%	2.5%	3.0%
All	3.4%	3.0%	3.0%	3.0%	3.1%	3.0%	2.5%	3.0%

FIGURE UK18B **Actual 2024 Salary Structure Increase Data, Most Common Responses**

	Nonmanagement Hourly Mean: 3.2%	Nonmanagement Salaried Mean: 3.1%	Management Salaried Mean: 3.1%	Officers/Executives Mean: 2.9%
4.0% increase	8%	8%	6%	5%
3.0% increase	19%	18%	19%	10%
2.5% increase	3%	5%	5%	0%
2.0% increase	12%	11%	10%	8%
0.0% increase	24%	24%	23%	31%

FIGURE UK18C **Projected 2025 Salary Structure Increase Data, Most Common Responses**

	Nonmanagement Hourly Mean: 2.4%	Nonmanagement Salaried Mean: 2.5%	Management Salaried Mean: 2.5%	Officers/Executives Mean: 2.5%
4.0% increase	10%	13%	11%	11%
3.0% increase	24%	23%	24%	19%
2.5% increase	3%	5%	5%	0%
2.0% increase	18%	16%	15%	14%
0.0% increase	24%	22%	21%	25%

A lump-sum award is defined as an increase in pay that is made in the form of a single cash payment. Lump-sum awards often are used in one of three circumstances:

- When an employer does not want to increase the employee's base pay due to budget constraints
- When an employee is reaching or exceeding the maximum of his/her salary range
- When an employer is trying to give the employee more buying power at a specific point in time.

FIGURE UK19 **Lump-Sum Awards, by Employee Category**

	Percent of Companies Giving Lump-Sum Awards	Percent of Employees Receiving Lump-Sum Awards in 2023	Percent of Employees Receiving an Increase in 2024 is … than 2023		
	Mean	Mean	Larger	Similar	Smaller
Nonmanagement Hourly	35%	1%	3%	90%	7%
Nonmanagement Salaried	30%	5%	3%	92%	5%
Management Salaried	31%	6%	3%	92%	5%
Officers/Executives	25%	2%	2%	95%	3%

VARIABLE PAY

Variable pay is the percentage of payroll established by management to grant to employees for performance-based, lump-sum, short-term cash awards during the year. Included in this calculation are payments provided under a formal plan, such as organizationwide awards, unit/strategic business unit (SBU) awards and/or individual incentive awards. (Specific salesforce incentive awards and cash awards for recognition are excluded from the variable pay data.)

FIGURE UK20A **Use of Variable Pay**

Percent of organizations ...	2022	2023	2024
Using variable pay	91%	90%	89%
Not using variable pay	10%	10%	11%

FIGURE UK20B **Types of Variable Pay Programs**

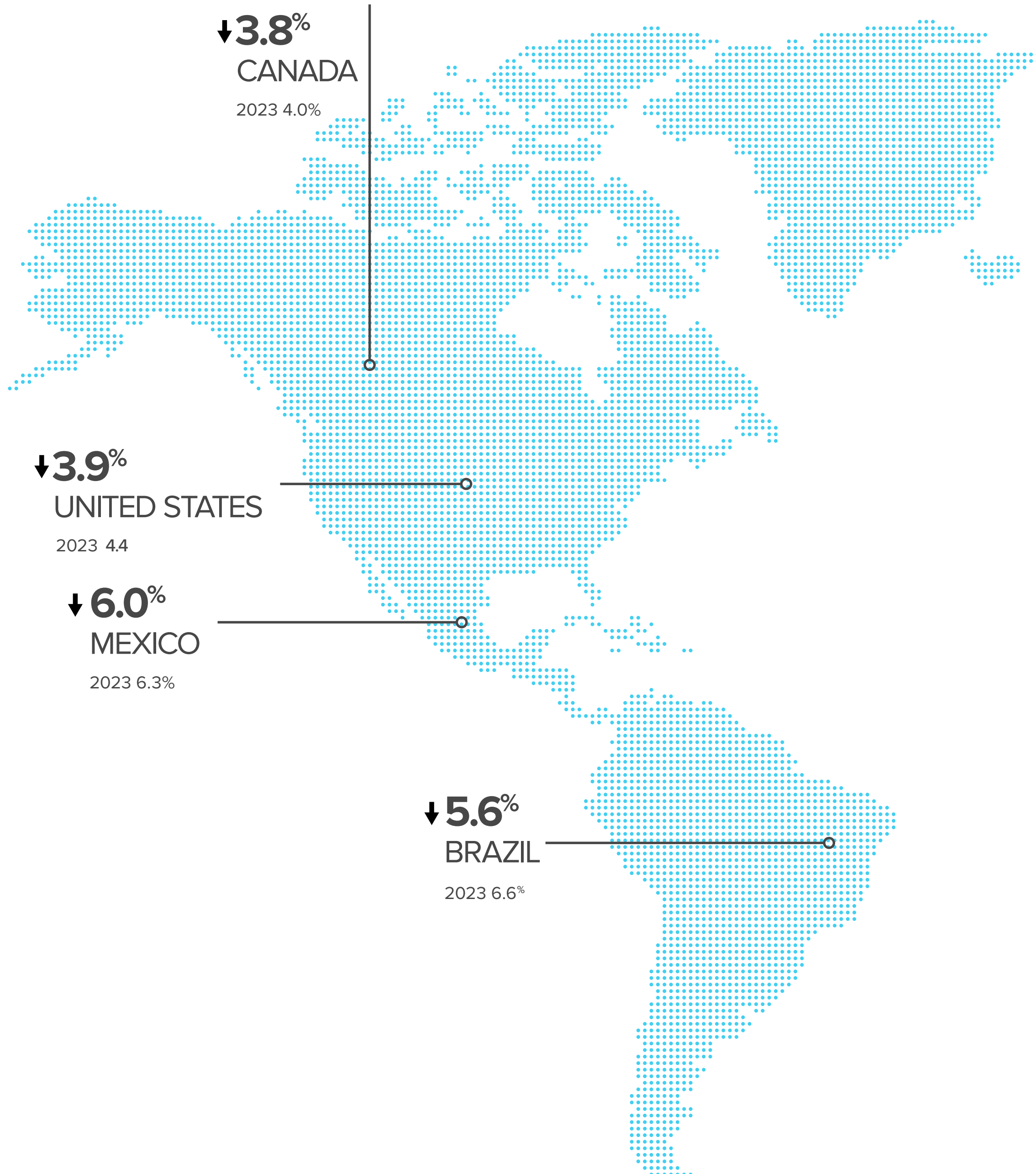
Combination awards based on both organization/unit success and individual performance	69%
Organizationwide awards	26%
Individual incentive awards	13%
Unit/strategic business unit awards	9%

FIGURE UK20C **Impact of Variable Pay on Base Salary Budget Recommendations**

	Nonmanagement Hourly	Nonmanagement Salaried	Management Salaried	Officers/Executives
No impact	72%	73%	71%	64%
Some impact	27%	25%	26%	30%
Significant impact	1%	2%	2%	7%

FIGURE UK20D **Variable Pay Programs, 2023-2025**

National	Nonmanagement Hourly		Nonmanagement Salaried		Management Salaried		Officers/ Executives	
	Mean	Median	Mean	Median	Mean	Median	Mean	Median
2023								
Average percent budgeted	6.5%	5.0%	10.2%	9.3%	16.4%	15.0%	31.5%	30.0%
Average percent paid	5.1%	2.0%	10.0%	7.0%	17.6%	15.0%	37.3%	30.0%
Percent of employees eligible in 2023 for variable pay	81%	100%	77%	99.9%	81%	100%	84%	100%
Percent of eligible employees actually paid variable pay for 2023	89%	100%	81%	99.0%	86%	100%	86%	100%
2024								
Average percent budgeted	6.1%	4.0%	10.4%	9.5%	16.4%	15.0%	31.8%	30.0%
Projected percent paid	5.0%	2.0%	11.0%	8.0%	17.9%	15.0%	34.2%	30.0%
2025								
Projected percent budgeted	6.4%	5.0%	10.6%	9.5%	16.4%	15.0%	29.7%	30.0%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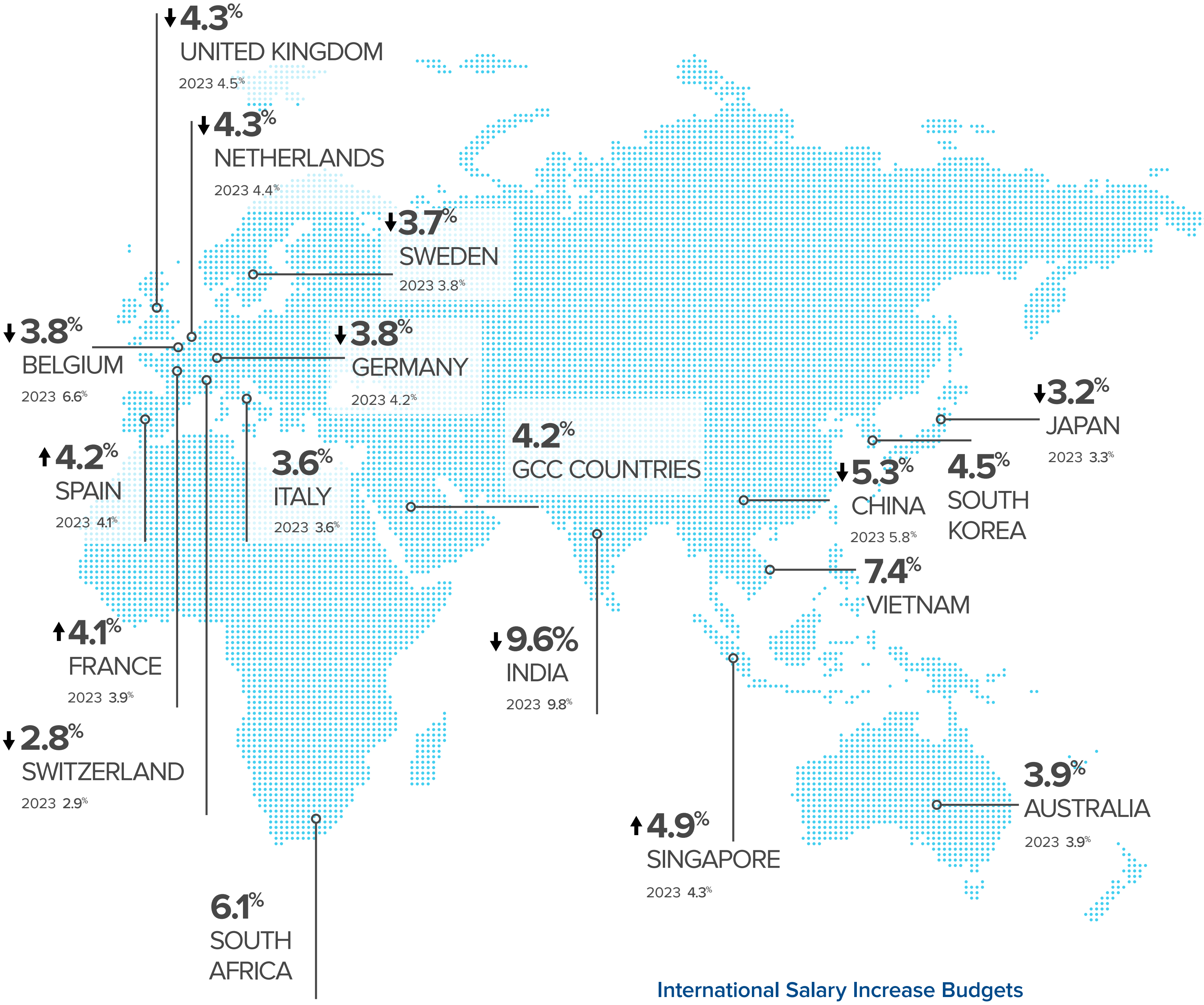
MEXICO
2023 6.3%
5.6%
BRAZIL
2023 6.6%

Global



International Salary Increase Budgets

Most countries reported shrinkage in salary increase budgets for 2024 compared to 2023, with changes in average salary increase budgets ranging from -2.8 to +0.6 percentage points. Belgium had the largest reduction in mean salary increase budget for 2024, dropping 2.8 percentage points to return to levels similar to its EU peers. (A January 2023 government-mandated salary increase for many workers temporarily inflated Belgian salary increase budgets last year.) Only three countries showed growth in salary increase budgets. Spain and France saw small increases of 0.1

and 0.2 percentage points, respectively. Singapore posted the largest increase, 0.6%. (Singapore's National Wage Council (NWC) recommended wage increases for many workers employed by thriving companies from 1 December 2023[1] which likely led to growth in salary increase budgets). As usual, India had the largest overall salary increase budget among countries in our study, coming in at 9.8% for 2024. Switzerland once again had the smallest one at 2.8%.

Little change is predicted in salary increase budgets next year compared to this year. The largest predicted change is in Japan, where increase budgets are expected to grow by 0.6 percentage points to 3.8% in 2025. (In March 2024, Japan's biggest companies agreed to raise wages by 5.28% for 2024, the highest increase in 33 years.[2] Though the increase applied only to certain employers, it is likely that upward wage pressure continues to influence 2025 increase budgets.) Increase budgets in Singapore are predicted to drop by 0.7 points in 2025, to 4.2%.

Mandatory Pay Increases

One important consideration for salary budget planning is government-required pay increases. In some cases, employers' pre-planned salary increase budgets are sufficient to ensure that wages meet statuatory or collective bargaining requirements and mandatory increases go unnoticed in the increase budget data. But larger-than-expected or unusually timed mandates commonly push salary increase budgets in the year or two surrounding their enactment. Organizations that report growth in salary increase budgets due to mandatory pay increases may do so within the general increase/COLA, merit increase and/or other increase portion of our survey, depending on their organization's

Since 2012, the "WorldatWork Salary Budget Survey" has collected, analyzed, and reported salary increase budget data globally. Organizations interested in benchmarking global pay practices have sought data that mirror WorldatWork's types of data and employee categories.

Starting in 2021, WorldatWork expanded the range of data it collects for India and the U.K. to mirror that of the U.S. and Canada, expanding the depth of information in areas such as salary structure adjustments and variable pay budgets. In addition, WorldatWork reports core salary budget increase data for 14 countries in addition to the U.S., Canada, India, and the U.K.

This year, 3,263 responses were received for the surveyed countries outside of the U.S., Canada, India, and the U.K., a 73% increase in the volume of data from this group of countries since 2022. There are 22 total countries for which WorldatWork data is presented this year:

- Australia
- Belgium
- Brazil
- Canada
- China
- France
- Gulf Cooperation Council (GCC) Countries
- Germany
- India
- Italy
- Japan
- Mexico
- Netherlands
- Singapore
- South Africa
- South Korea
- Spain
- Sweden
- Switzerland
- United Kingdom
- United States
- Vietnam

We attempted to collect data for New Zealand, Nigeria and Russia, but received insufficient responses to publish. We will continue to expand the countries from which we collect data in future as participation permits.

budgeting practices. (For instance, Belgium's 2023 mandate was reflected in an unusually high general/ COLA increase budget that year.)

Data by Type of Pay Increase

While merit budgets remain the largest type of increase, general increase/COLA budgets have seen significant movement in 2024. Singapore showed a large increase in average general increase/COLA increase budgets (to 6.4%), followed by Sweden, whose 2024 general/COLA budgets grew by a much smaller 1.6 percentage points to reach 3.2% in 2024. On the other hand, several other countries have seen a sharp drop in such budgets, including Belgium (-5.4%), Brazil (-1.6%), and Mexico (-0.6%). (See Figures G1A and G1B.)

Data by Employee Category

International data gathered by WorldatWork were aggregated using WorldatWork's analysis method to report salary budget increases by employee category. Most countries show small differences when comparing data by employee group. Officers/ executives in most countries have slightly lower increase budgets than other groups of workers. In Brazil, Mexico, and Vietnam, increase budgets for officers/executives are larger than those of other groups. Differences among employee groups were smallest in Canada, where the highest-budgeted workers differed from the lowest-budgeted workers by only 0.1% and largest in Vietnam, where the range was 2.8%. (See Figures G2A and G2B.)

Certainty of 2025 Predictions

Participants from South Africa, the Gulf Cooperation Council (GCC) countries, and Vietnam were most likely to report that they were not at all certain of their 2025 projections. In those countries, more than 40% of participants expressed deep uncertainty. Elsewhere in the world, about two-thirds of participants reported that they were slightly or moderately certain of their projections. Participants from Switzerland and the U.S. were most likely to say that they were very certain, with 11% of respondents from each nation expressing strong confidence. Across the globe, almost no one felt extremely certain of their predictions.

Base Pay Levels

The majority of respondents in all countries reported that base pay was higher in 2024 than in 2023 for all non-executive employee types. Ninety-one percent of Swedish respondents said that nonunion hourly workers were being paid more than last year, while only 50% of Swiss respondents said the same. Changes in base pay for officers/ executives showed no consistent trends, but the number organizations responding for this group is very small for many included countries. So, random variation likely hides any trends.

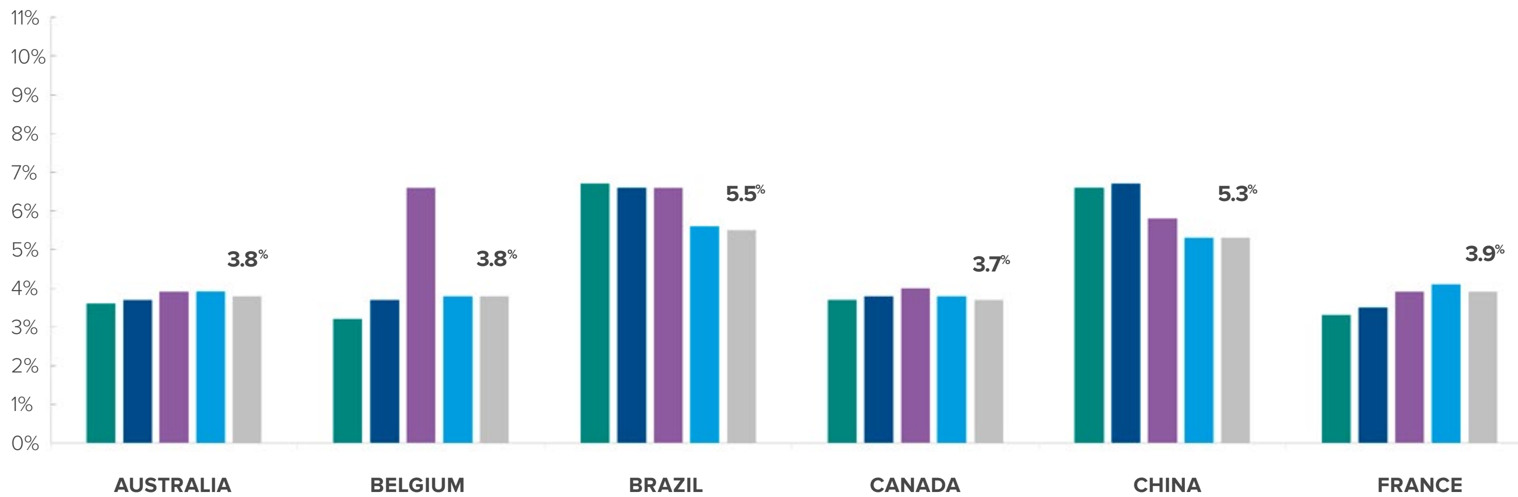
Notes about International Data

While WorldatWork reports aggregated data for as few as five organizations within a country, data corresponding to larger sample sizes will have stronger statistical power and validity. Some caution should be exercised when using data points contained in this report that have been aggregated from relatively few respondents.

Unlimited, customized reports for the United States and Canada can be run through the "Online Reporting Tool." (See page 123 for instructions.) In 2024, WorldatWork did not receive enough responses from any other country to support user-customized cuts of data from an online database. WorldatWork will continue endeavors to increase the number for all countries to expand the coverage of the "Online Reporting Tool."

[1] Ministry of Manpower. (2023). National Wages Council (NWC) 2023/2024 Guidelines. Retrieved from https://www.mom.gov.sg/-/media/mom/documents/employment-practices/pwm/annex-b—nwc-infographic-2023.pdf

[2] Asahi Shimbun. (2024, March 15). Japan union group announces biggest wage hikes in 33 years, presaging shift at central bank. The Asahi Shimbun. https://www.asahi.com/ajw/articles/15200130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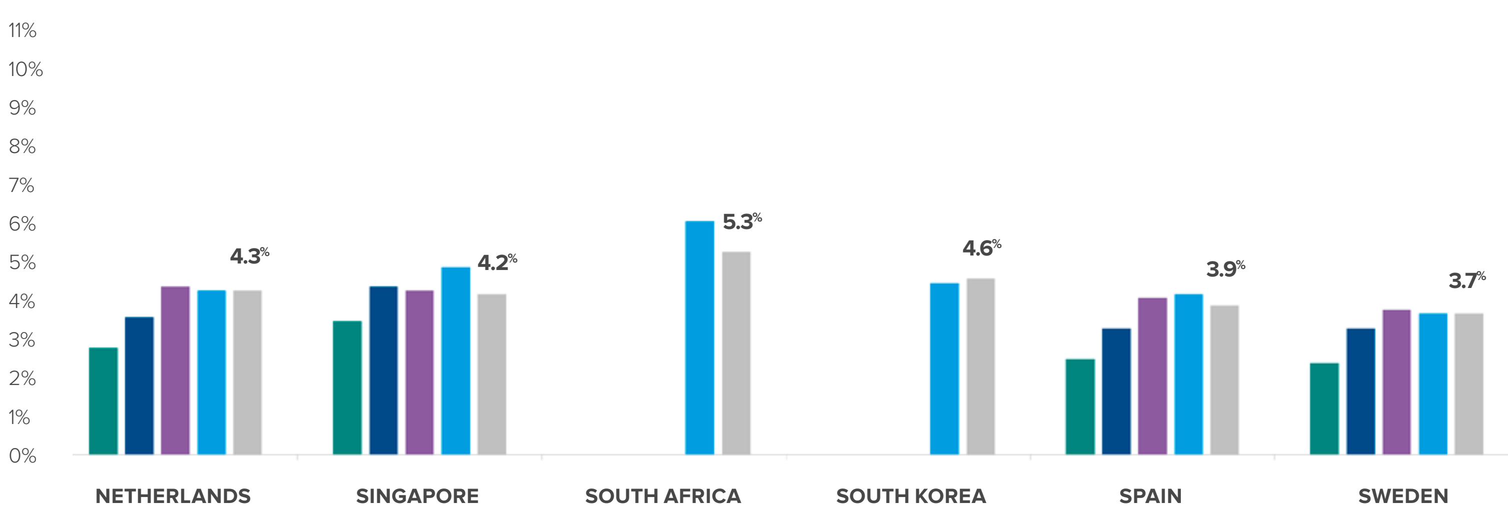
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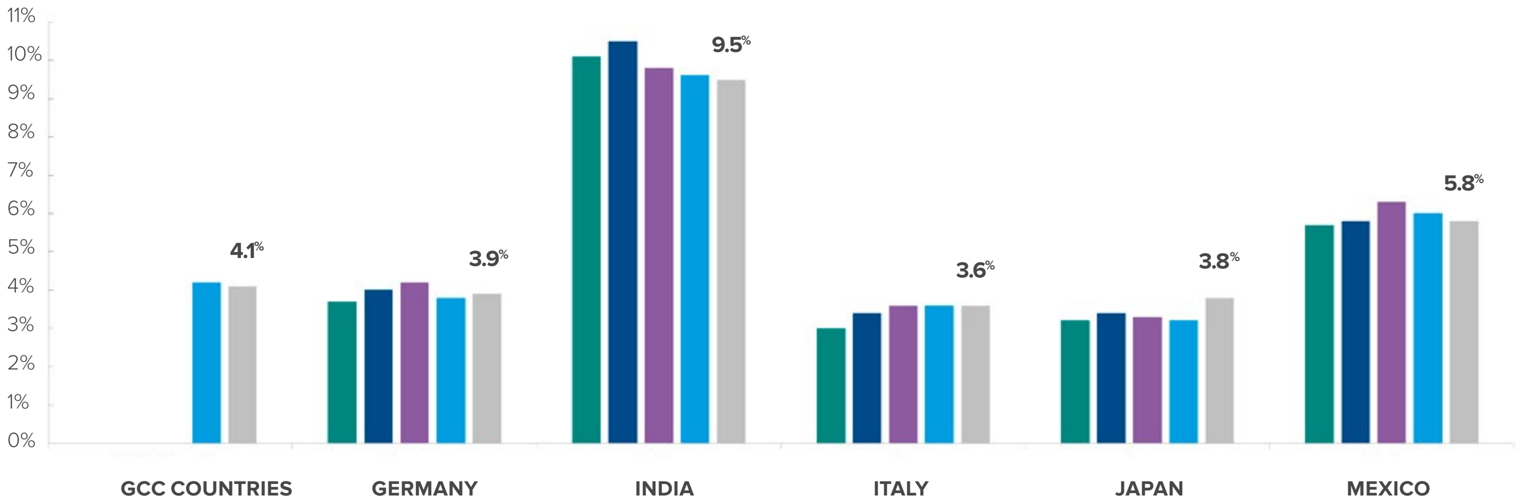
SPAIN
SWEDEN

GLOBAL TOTAL SALARY INCREASE BUDGET TRENDS



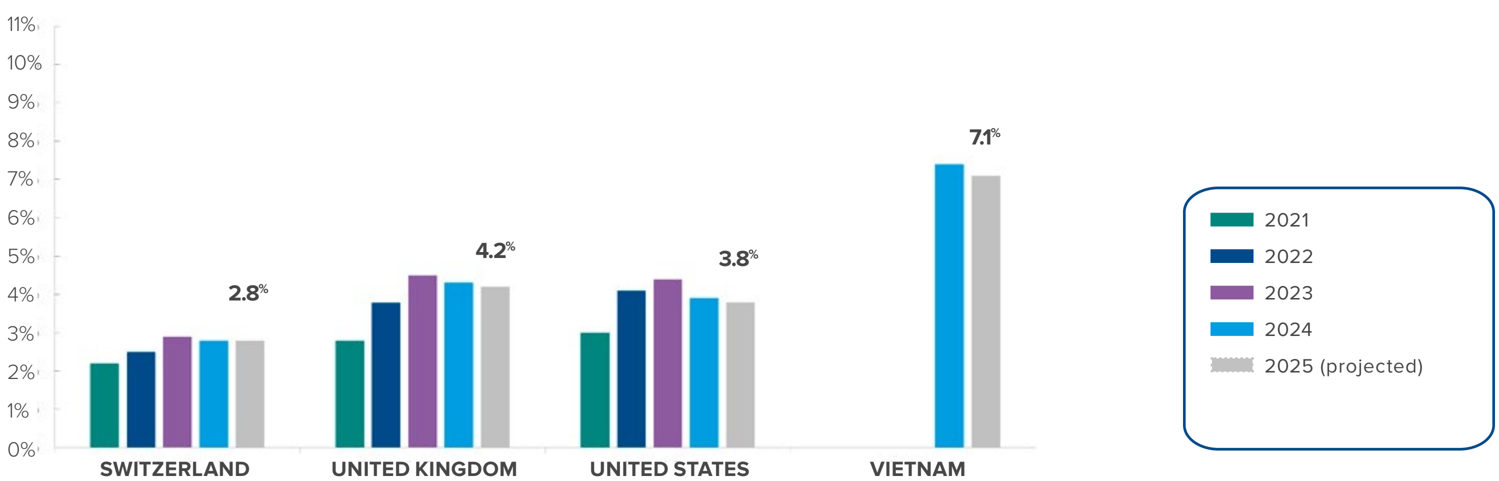


FIGURE G1 Number of 2024 Salary Increase Budget Responses, by Country

	General Increase/ COLA	Merit Increase	Other Increase	Total Increase
Australia	33	153	49	164
Belgium	27	65	33	74
Brazil	49	111	39	137
Canada	109	431	149	468
China	43	175	61	191
France	33	157	45	169
GCC Countries	15	64	22	68
Germany	42	189	62	207
India	43	209	75	225
Italy	27	115	34	125
Japan	25	115	40	125
Mexico	37	176	54	189
Netherlands	30	116	42	130
New Zealand	1	3	1	3
Nigeria	2	5	3	6
Russia	7	19	7	22
Singapore	22	122	39	132
South Africa	18	44	13	54
South Korea	16	78	32	86
Spain	32	127	44	142
Sweden	12	59	21	67
Switzerland	16	79	29	85
United Kingdom	70	279	104	304
United States	530	1778	687	1933
Vietnam	7	39	11	43

FIGURE G1A Salary Increase Budgets, by Type of Increase (zeros included)

	Type of Increase	Actual 2023		Actual 2024		Projected 2025	
		Mean	Median	Mean	Median	Mean	Median
Australia	General Increase/COLA	1.9%*	1.0%*	2.5%	3.5%	2.1%	3.0%
	Merit Increase	3.5%	3.5%	3.3%	3.5%	3.3%	3.5%
	Other Increase	0.9%	1.0%	1.0%	0.6%	1.1%	0.6%
	Total Increase	**3.9%**	**3.5%**	**3.9%**	**3.6%**	**3.8%**	**3.6%**
Belgium	General Increase/COLA	7.4%*	9.7%*	2.0%*	1.7%*	1.9%*	1.5%*
	Merit Increase	4.2%	3.0%	0.0%	3.0%	2.8%	3.0%
	Other Increase	4.4%	1.8%	1.6%	0.9%	1.7%	1.0%
	Total Increase	**6.6%**	**6.0%**	**3.8%**	**3.5%**	**3.8%**	**3.5%**

(Continued on page 109)

FIGURE G1A Salary Increase Budgets, by Type of Increase (zeros included) (continued)

	Type of Increase	Actual 2023		Actual 2024		Projected 2025	
		Mean	Median	Mean	Median	Mean	Median
Brazil	General Increase/COLA	5.8%	6.0%	4.2%	4.8%	4.0%	4.0%
	Merit Increase	5.1%	5.0%	4.2%	4.1%	4.2%	4.7%
	Other Increase	2.3%	1.0%	2.2%	1.0%	2.1%	1.0%
	Total Increase	**6.6%**	**6.3%**	**5.6%**	**5.5%**	**5.5%**	**5.6%**
Canada	General Increase/COLA	2.5%	3.0%	2.1%	2.5%	2.2%	3.0%
	Merit Increase	3.7%	3.6%	3.3%	3.5%	3.3%	3.5%
	Other Increase	1.0%	1.0%	0.9%	0.5%	0.9%	0.5%
	Total Increase	**4.0%**	**4.0%**	**3.8%**	**3.7%**	**3.7%**	**3.5%**
China	General Increase/COLA	2.4%*	0.4%*	3.0%	4.2%	2.8%	3.0%
	Merit Increase	5.5%	6.0%	4.9%	5.4%	4.9%	5.5%
	Other Increase	0.9%	1.0%	0.8%	0.5%	0.8%	0.8%
	Total Increase	**5.8%**	**6.0%**	**5.3%**	**5.6%**	**5.3%**	**5.7%**
France	General Increase/COLA	2.0%*	1.8%*	2.7%	3.5%	2.6%	3.0%
	Merit Increase	3.6%	3.3%	3.4%	3.5%	3.4%	3.5%
	Other Increase	0.9%	0.8%	1.2%	1.0%	1.0%	0.8%
	Total Increase	**3.9%**	**3.7%**	**4.1%**	**3.7%**	**3.9%**	**3.6%**
GCC Countries	General Increase/COLA	---	---	2.4%*	3.0%*	2.4%*	3.4%*
	Merit Increase	---	---	3.6%	4.0%	3.4%	4.0%
	Other Increase	---	---	0.8%*	0.5%*	0.8%*	0.5%*
	Total Increase	**---**	**---**	**4.2%**	**4.0%**	**4.1%**	**4.0%**
Germany	General Increase/COLA	1.9%*	0.5%*	2.6%	3.0%	2.7%	3.2%
	Merit Increase	4.1%	4.0%	3.3%	3.6%	3.4%	3.5%
	Other Increase	0.9%	0.7%	0.9%	0.5%	1.0%	0.9%
	Total Increase	**4.2%**	**4.0%**	**3.8%**	**3.9%**	**3.9%**	**3.9%**
India	General Increase/COLA	4.9%*	1.4%*	4.7%	4.0%	4.6%	3.5%
	Merit Increase	9.3%	9.8%	8.7%	9.5%	8.6%	9.4%
	Other Increase	1.9%	1.0%	1.9%	1.0%	1.7%	1.0%
	Total Increase	**9.8%**	**10.0%**	**9.6%**	**9.9%**	**9.5%**	**10.0%**
Italy	General Increase/COLA	1.5%*	0.7%*	2.4%*	2.9%*	2.3%*	2.9%*
	Merit Increase	3.2%	3.0%	3.0%	3.2%	3.1%	3.2%
	Other Increase	1.0%	0.7%	0.9%	0.6%	0.8%	0.9%
	Total Increase	**3.6%**	**3.2%**	**3.6%**	**3.5%**	**3.6%**	**3.5%**
Japan	General Increase/COLA	1.6%*	1.0%*	2.0%*	2.2%*	3.5%*	2.5%*
	Merit Increase	2.8%	2.8%	2.8%	3.0%	2.9%	3.0%
	Other Increase	0.9%	0.7%	0.9%	0.5%	1.7%	1.0%
	Total Increase	**3.3%**	**3.0%**	**3.2%**	**3.0%**	**3.8%**	**3.0%**
Mexico	General Increase/COLA	4.6%*	5.0%*	4.0%	4.5%	3.9%	4.0%
	Merit Increase	5.6%	5.4%	5.1%	5.5%	5.0%	5.4%
	Other Increase	2.4%	1.0%	1.6%	0.8%	1.5%	1.0%
	Total Increase	**6.3%**	**5.5%**	**6.0%**	**5.8%**	**5.8%**	**5.7%**
Netherlands	General Increase/COLA	3.4%*	3.2%*	2.9%	3.5%	2.8%	3.5%
	Merit Increase	3.9%	3.5%	3.5%	3.6%	3.4%	3.5%
	Other Increase	1.0%	0.9%	1.5%	1.0%	1.6%	1.0%
	Total Increase	**4.4%**	**4.0%**	**4.3%**	**4.0%**	**4.3%**	**4.0%**

(Continued on page 110)

FIGURE G1A Salary Increase Budgets, by Type of Increase (zeros included)

(continued)

	Type of Increase	Actual 2023		Actual 2024		Projected 2025	
		Mean	Median	Mean	Median	Mean	Median
Singapore	General Increase/COLA	1.9%*	0.9%*	6.4%*	3.0%*	2.9%*	3.4%*
	Merit Increase	4.1%	4.0%	3.7%	4.0%	3.7%	4.0%
	Other Increase	0.9%	0.9%	0.9%	0.5%	0.9%	0.5%
	Total Increase	**4.3%**	**4.0%**	**4.9%**	**4.0%**	**4.2%**	**4.0%**
South Africa	General Increase/COLA	---	---	4.5%*	6.0%*	3.5%*	5%*
	Merit Increase	---	---	5.3%	5.7%	4.5%	5.0%
	Other Increase	---	---	0.9%*	0.3%*	0.9%*	0.2%*
	Total Increase	**---**	**---**	**6.1%**	**6.0%**	**5.3%**	**6.0%**
South Korea	General Increase/COLA	---	---	2.3%*	3.0%*	2.3%*	3.0%*
	Merit Increase	---	---	4.1%	4.4%	4.1%	4.4%
	Other Increase	---	---	0.9%	0.5%	1.0%	0.8%
	Total Increase	**---**	**---**	**4.5%**	**4.5%**	**4.6%**	**4.5%**
Spain	General Increase/COLA	1.8%*	1.0%*	3.3%	3.0%	2.5%	2.6%
	Merit Increase	3.6%	3.2%	3.5%	3.3%	3.3%	3.3%
	Other Increase	1.1%	1.0%	1.3%	0.5%	1.0%	0.6%
	Total Increase	**4.1%**	**4.0%**	**4.2%**	**3.5%**	**3.9%**	**3.5%**
Sweden	General Increase/COLA	1.6%*	1.4%*	3.2%*	3.3%*	3.0%*	3.5%*
	Merit Increase	3.3%	3.0%	3.1%	3.1%	3.2%	3.2%
	Other Increase*	1.1%	0.9%	1.2%*	0.5%*	1.1%*	0.5%*
	Total Increase	**3.8%**	**3.5%**	**3.7%**	**3.5%**	**3.7%**	**3.5%**
Switzerland	General Increase/COLA	1.5%*	1.3%*	1.9%*	2.2%*	1.9%*	2.1%*
	Merit Increase	2.4%	2.4%	2.3%	2.5%	2.2%	2.5%
	Other Increase*	1.0%	0.7%	0.9%*	0.5%*	0.9%*	0.5%*
	Total Increase	**2.9%**	**2.5%**	**2.8%**	**2.5%**	**2.8%**	**2.5%**
United Kingdom	General Increase/COLA	2.6%*	2.4%*	2.5%	3.5%	2.4%	3.0%
	Merit Increase	4.1%	4.0%	3.7%	4.0%	3.7%	4.0%
	Other Increase	1.0%	1.0%	0.9%	0.9%	0.9%	1.0%
	Total Increase	**4.5%**	**4.0%**	**4.3%**	**4.0%**	**4.2%**	**4.0%**
United States	General Increase/COLA	2.0%	1.1%	1.7%	1.0%	1.8%	2.0%
	Merit Increase	3.7%	4.0%	3.4%	3.5%	3.4%	3.5%
	Other Increase	1.0%	0.8%	0.9%	0.5%	0.9%	0.5%
	Total Increase	**4.4%**	**4.0%**	**3.9%**	**4.0%**	**3.8%**	**4.0%**
Vietnam	General Increase/COLA	---	---	5.1%*	6.5%*	4.5%*	4.0%*
	Merit Increase	---	---	7.0%	7.8%	6.8%	7.8%
	Other Increase	---	---	0.9%*	0.5%*	0.6%*	0.5%*
	Total Increase	**---**	**---**	**7.4%**	**8.0%**	**7.1%**	**8.0%**

Note: "General Increase/COLA," "Merit" and "Other" do not add to the "Total Increase" because not every organization provides all three types of increase. The n's represent the number of responses for each type of increase, which may include multiple responses if each respondent reports for more than one employee category for that type of increase.

*This data may represent a small sample size of fewer than 30 responses. Please refer to figure G1.

FIGURE G1B **Salary Increase Budgets, by Type of Increase (zeros NOT included)**

	Type of Increase	Actual 2023		Actual 2024		Projected 2025	
		Mean	Median	Mean	Median	Mean	Median
Australia	General Increase/COLA	3.6%*	3.9%*	3.7%	3.9%	3.6%	3.6%
	Merit Increase	0.4%	0.4%	3.4%	3.5%	3.4%	3.5%
	Other Increase	1.1%	1.0%	1.2%	1.0%	1.2%	1.0%
	Total Increase	**3.9%**	**3.6%**	**4.0%**	**3.6%**	**3.9%**	**3.7%**
Belgium	General Increase/COLA	8.3%*	9.4%*	2.8%*	2.0%*	3.1%*	3.0%*
	Merit Increase	5.3%	3.5%	3.1%	3.0%	3.3%	3.2%
	Other Increase	4.7%	3.1%	2.0%	1.0%	2.1%	1.0%
	Total Increase	**7.2%**	**6.6%**	**3.9%**	**3.5%**	**4.2%**	**3.9%**
Brazil	General Increase/COLA	6.6%	6.1%	5.2%	5.2%	5.1%	5.0%
	Merit Increase	5.3%	5.3%	4.5%	4.5%	4.6%	5.0%
	Other Increase	2.6%	1.4%	2.7%	1.6%	2.6%	1.0%
	Total Increase	**6.9%**	**6.5%**	**6.0%**	**5.8%**	**5.9%**	**5.8%**
Canada	General Increase/COLA	3.5%	3.4%	3.3%	3.5%	3.2%	3.0%
	Merit Increase	3.8%	3.7%	3.4%	3.5%	3.4%	3.5%
	Other Increase	1.2%	1.0%	1.1%	1.0%	1.1%	1.0%
	Total Increase	**4.1%**	**4.0%**	**3.8%**	**3.7%**	**3.8%**	**3.5%**
China	General Increase/COLA	5.0%	5.8%	5.2%	5.0%	4.9%	5.2%
	Merit Increase	5.6%	6.0%	5.1%	5.5%	5.3%	5.5%
	Other Increase	1.0%	0.9%	1.1%	1.0%	0.9%	1.0%
	Total Increase	**5.9%**	**6.0%**	**5.5%**	**5.7%**	**5.6%**	**5.8%**
France	General Increase/COLA	3.7%*	3.5%*	4.2%	4.0%	4.1%	3.6%
	Merit Increase	3.6%	3.4%	3.5%	3.5%	3.5%	3.5%
	Other Increase	1.0%	0.9%	1.4%	1.0%	1.2%	1.0%
	Total Increase	**4.0%**	**3.8%**	**4.2%**	**3.8%**	**4.1%**	**3.7%**
GCC Countries	General Increase/COLA	---	---	3.7%*	3.6%*	3.9%*	4.0%*
	Merit Increase	---	---	3.7%	4.0%	3.8%	4.0%
	Other Increase	---	---	0.9%*	0.5%*	1.1%*	0.8%*
	Total Increase	**---**	**---**	**4.3%**	**4.0%**	**4.3%**	**4.0%**
Germany	General Increase/COLA	3.8%*	2.9%*	4.2%	4.0%	4.1%	3.6%
	Merit Increase	4.2%	4.0%	3.5%	3.7%	3.5%	3.6%
	Other Increase	1.1%	0.9%	1.1%	0.8%	1.1%	1.0%
	Total Increase	**4.3%**	**4.0%**	**4.0%**	**3.9%**	**4.0%**	**4.0%**
India	General Increase/COLA	7.3%*	9.5%*	7.7%	8.8%	7.2%	8.5%
	Merit Increase	9.4%	9.8%	9.0%	9.5%	9.1%	9.5%
	Other Increase	2.2%	1.1%	2.2%	1.0%	1.8%	1.0%
	Total Increase	**10.0%**	**10.0%**	**9.8%**	**10.0%**	**9.7%**	**10.0%**
Italy	General Increase/COLA	2.7%*	2.4%*	3.0%*	3.5%*	3.0%*	3.0%*
	Merit Increase	3.3%	3.1%	3.1%	3.3%	3.2%	3.3%
	Other Increase	1.1%	0.8%	1.1%	0.8%	0.9%	1.0%
	Total Increase	**3.6%**	**3.4%**	**3.6%**	**3.5%**	**3.6%**	**3.5%**
Japan	General Increase/COLA	0.0%*	0.0%*	3.5%*	3.0%*	5.4%*	3.0%*
	Merit Increase	2.9%	2.8%	2.9%	3.0%	3.0%	3.0%
	Other Increase	1.1%	0.9%	1.1%	0.8%	1.9%	1.0%
	Total Increase	**3.3%**	**3.0%**	**3.4%**	**3.0%**	**4.0%**	**3.0%**

*This data may represent a small sample size of fewer than 30 responses. Please refer to figure G1.

(Continued on page 112)

FIGURE G1B **Salary Increase Budgets, by Type of Increase (zeros NOT included)**

(continued)

	Type of Increase	Actual 2023		Actual 2024		Projected 2025	
		Mean	Median	Mean	Median	Mean	Median
Mexico	General Increase/COLA	6.7%*	6.1%*	6.0%	5.1%	5.5%	5.0%
	Merit Increase	5.7%	5.4%	5.4%	5.5%	5.2%	5.5%
	Other Increase	2.7%	1.4%	2.1%	1.0%	1.8%	1.0%
	Total Increase	**6.4%**	**5.7%**	**6.3%**	**6.0%**	**6.0%**	**5.8%**
Netherlands	General Increase/COLA	4.9%	4.7%	4.1%	4.0%	4.1%	4.0%
	Merit Increase	4.0%	3.6%	3.6%	3.7%	3.6%	3.7%
	Other Increase	1.2%	1.0%	1.6%	1.0%	1.7%	1.0%
	Total Increase	**4.5%**	**4.0%**	**4.3%**	**4.0%**	**4.5%**	**4.0%**
Singapore	General Increase/COLA	3.5%*	3.5%*	10.8%*	4.0%*	4.4%*	4.0%*
	Merit Increase	4.2%	4.0%	3.8%	4.0%	3.8%	4.0%
	Other Increase	1.1%	0.9%	1.1%	0.5%	1.1%	0.8%
	Total Increase	**4.4%**	**4.0%**	**5.0%**	**4.0%**	**4.3%**	**4.0%**
South Africa	General Increase/COLA	---	---	6.0%*	6.0%*	6.0%*	6.0%*
	Merit Increase	---	---	5.7%	6.0%	5.4%	5.7%
	Other Increase	---	---	1.3%*	1.0%*	1.5%*	1.0%*
	Total Increase	**---**	**---**	**6.4%**	**6.0%**	**6.2%**	**6.0%**
South Korea	General Increase/COLA	---	---	4.2%*	3.8%*	4.0%*	3.8%*
	Merit Increase	---	---	4.2%	4.4%	4.2%	4.4%
	Other Increase	---	---	1.0%	0.5%	1.1%	1.0%
	Total Increase	**---**	**---**	**4.6%**	**4.5%**	**4.7%**	**4.5%**
Spain	General Increase/COLA	0.0%*	0.0%*	4.8%	3.5%	3.9%	3.2%
	Merit Increase	3.7%	3.3%	3.7%	3.5%	3.5%	3.4%
	Other Increase	1.2%	1.0%	1.4%	1.0%	1.2%	1.0%
	Total Increase	**4.2%**	**3.9%**	**4.4%**	**3.5%**	**4.1%**	**3.5%**
Sweden	General Increase/COLA	0.0%*	0.0%*	4.0%*	3.5%*	4.3%*	3.5%*
	Merit Increase	3.4%	3.3%	3.2%	3.1%	3.4%	3.2%
	Other Increase	1.1%	0.8%	1.4%*	1.0%*	1.3%*	0.8%*
	Total Increase	**3.8%**	**3.7%**	**3.8%**	**3.5%**	**4.0%**	**3.5%**
Switzerland	General Increase/COLA	0.0%*	0.0%*	2.9%*	2.5%*	3.1%*	2.8%*
	Merit Increase	2.4%	2.4%	2.4%	2.5%	2.5%	2.5%
	Other Increase	1.0%	0.7%	1.0%*	0.5%*	1.1%*	0.5%*
	Total Increase	**2.8%**	**2.5%**	**2.9%**	**2.5%**	**3.0%**	**2.7%**
United Kingdom	General Increase/COLA	4.2%	4.3%	4.3%	4.0%	4.0%	4.0%
	Merit Increase	4.1%	4.0%	3.9%	4.0%	3.8%	4.0%
	Other Increase	1.2%	1.0%	1.0%	1.0%	1.0%	1.0%
	Total Increase	**4.6%**	**4.1%**	**4.4%**	**4.0%**	**4.3%**	**4.0%**
United States	General Increase/COLA	3.7%	3.9%	3.3%	3.2%	3.1%	3.0%
	Merit Increase	3.9%	4.0%	3.6%	3.5%	3.5%	3.5%
	Other Increase	1.4%	1.0%	1.2%	1.0%	1.1%	1.0%
	Total Increase	**4.5%**	**4.0%**	**4.0%**	**4.0%**	**3.9%**	**4.0%**
Vietnam	General Increase/COLA	---	---	7.6%*	7.8%*	7.1%*	8.0%*
	Merit Increase	---	---	7.1%	7.8%	7.3%	7.9%
	Other Increase	---	---	0.9%*	0.5%*	0.8%*	0.5%*
	Total Increase	**---**	**---**	**7.5%**	**8.0%**	**7.6%**	**8.0%**

Note: "General Increase/COLA," "Merit" and "Other" do not add to the "Total Increase" because not every organization provides all three types of increase. The n's represent the number of responses for each type of increase, which may include multiple responses if each respondent reports for more than one employee category for that type of increase.

*This data may represent a small sample size of fewer than 30 responses. Please refer to figure G1.

FIGURE G2 Number of 2023 Total Salary Increase Budget Responses, by Employee Category

	NHN	NS	MS	OE	All
Australia	53	164	129	12	358
Belgium	22	74	66	3	165
Brazil	44	137	95	12	288
Canada	291	468	448	115	1322
China	68	191	170	19	448
France	42	169	124	10	345
GCC Countries	15	68	43	12	138
Germany	60	207	157	19	443
India	225	143	179	49	596
Italy	35	125	97	10	267
Japan	34	125	88	7	254
Mexico	80	189	152	11	432
Netherlands	41	130	99	14	284
Singapore	26	132	105	14	277
South Africa	15	54	31	5	105
South Korea	20	86	61	3	170
Spain	33	142	95	9	279
Sweden	11	67	32	4	114
Switzerland	13	85	65	14	177
United Kingdom	96	304	275	58	733
United States	1587	636	1933	1311	5467
Vietnam	8	43	22	1	74

FIGURE G2A Total Salary Increase Budgets, by Employee Category (zeros included)

	Employee Category	Actual 2023		Actual 2024		Projected 2025	
		Mean	Median	Mean	Median	Mean	Median
Australia	NHN	3.8%	3.5%	4.5%	3.9%	4.2%	4.0%
	NS	3.9%	3.6%	3.7%	3.5%	3.7%	3.6%
	MS	3.9%	3.5%	3.8%	3.5%	3.7%	3.6%
	OE	3.8%	3.5%	4.2%*	3.8%*	3.7%*	3.9%*
	All	**3.9%**	**3.5%**	**3.9%**	**3.6%**	**3.8%**	**3.6%**
Belgium	NHN	8.0%*	6.0%*	4.5%*	4.0%*	4.5%*	4.1%*
	NS	6.5%	6.0%	3.7%	3.3%	3.7%	3.5%
	MS	6.4%	6.0%	3.7%	3.4%	3.7%	3.5%
	OE	6.4%	6.2%	2.1%*	1.4%*	0.0%*	0.0%*
	All	**6.6%**	**6.0%**	**3.8%**	**3.5%**	**3.8%**	**3.5%**
Brazil	NHN	6.9%	6.5%	6.4%	6.1%	5.9%	6.0%
	NS	6.4%	6.2%	5.6%	5.5%	5.6%	5.5%
	MS	6.5%	6.2%	5.4%	5.5%	5.4%	5.5%
	OE	7.1%	7.0%	5.2%*	5.5%*	4.6%*	5.7%*
	All	**6.6%**	**6.3%**	**5.6%**	**5.5%**	**5.5%**	**5.6%**
Canada	NHN	3.9%	4.0%	3.8%	3.7%	3.7%	3.5%
	NS	4.0%	4.0%	3.7%	3.7%	3.7%	3.6%
	MS	4.1%	4.0%	3.7%	3.7%	3.7%	3.5%
	OE	3.9%	4.0%	3.8%	3.5%	3.6%	3.5%
	All	**4.0%**	**4.0%**	**3.8%**	**3.7%**	**3.7%**	**3.5%**

*This data may represent a small sample size of fewer than 30 responses. Please refer to figure G2.

NHN - Nonmanagement Hourly Nonunion | NS - Nonmanagement Salaried | MS - Management Salaried | OE - Officers/Executives

(Continued on page 118)

FIGURE G2A **Total Salary Increase Budgets, by Employee Category (zeros included)**

(continued)

	Employee Category	Actual 2023		Actual 2024		Projected 2025	
		Mean	Median	Mean	Median	Mean	Median
China	NHN	5.8%	6.0%	5.6%	5.8%	5.2%	5.7%
	NS	5.8%	6.0%	5.3%	5.5%	5.3%	5.7%
	MS	5.9%	6.0%	5.3%	5.5%	5.3%	5.7%
	OE	5.7%	6.0%	5.5%*	5.5%*	5.1%*	5.8%*
	All	**5.8%**	**6.0%**	**5.3%**	**5.6%**	**5.3%**	**5.7%**
France	NHN	3.8%	3.5%	4.5%	4.0%	3.9%	3.7%
	NS	4.0%	3.7%	3.8%	3.6%	4.0%	3.6%
	MS	3.9%	3.7%	4.3%	3.8%	3.9%	3.6%
	OE	3.9%	4.0%	4.1%*	4.0%*	2.9%*	3.0%*
	All	**3.9%**	**3.7%**	**4.1%**	**3.7%**	**3.9%**	**3.6%**
GCC Countries	NHN	---	---	4.7%*	4.5%*	4.9%*	4.5%*
	NS	---	---	4.0%	4.0%	4.0%	4.0%
	MS	---	---	4.3%	4.0%	4.0%	4.0%
	OE	---	---	4.7%*	4.2%*	3.8%*	4.0%*
	All	**---**	**---**	**4.2%**	**4.0%**	**4.1%**	**4.0%**
Germany	NHN	4.1%	4.0%	4.0%	4.0%	4.2%	4.0%
	NS	4.3%	4.0%	3.8%	3.8%	3.9%	3.9%
	MS	4.2%	4.0%	3.8%	3.8%	3.9%	3.8%
	OE	4.3%	4.0%	3.8%*	3.8%*	3.6%*	3.7%*
	All	**4.2%**	**4.0%**	**3.8%**	**3.9%**	**3.9%**	**3.9%**
India	TIC	9.9%	10.0%	9.7%	10.0%	9.5%	10.0%
	JM	9.9%	10.0%	9.7%	9.9%	9.4%	10.0%
	MM	9.9%	10.0%	9.7%	9.9%	9.5%	10.0%
	TSM	9.7%	10.0%	9.3%	9.5%	8.9%	9.4%
	All	**9.8%**	**10.0%**	**9.6%**	**9.9%**	**9.5%**	**10.0%**
Italy	NHN	3.1%	3.0%	3.5%	3.5%	3.6%	3.7%
	NS	3.7%	3.2%	3.5%	3.4%	3.6%	3.5%
	MS	3.7%	3.2%	3.7%	3.5%	3.6%	3.5%
	OE	3.8%	3.8%	3.4%*	3.5%*	3.1%*	3.2%*
	All	**3.6%**	**3.2%**	**3.6%**	**3.5%**	**3.6%**	**3.5%**
Japan	NHN	3.0%	3.0%	3.4%	3.0%	3.7%	3.2%
	NS	3.3%	3.0%	3.2%	3.0%	3.8%	3.0%
	MS	3.4%	3.0%	3.2%	3.0%	4.0%	3.0%
	OE	3.1%	3.0%	3.1%*	3.0%*	2.5%*	3.0%*
	All	**3.3%**	**3.0%**	**3.2%**	**3.0%**	**3.8%**	**3.0%**
Mexico	NHN	7.1%	5.7%	6.1%	6.0%	5.8%	5.9%
	NS	6.2%	5.6%	5.9%	5.7%	5.8%	5.6%
	MS	6.0%	5.5%	6.1%	6.0%	5.9%	5.8%
	OE	6.2%	6.0%	6.7%*	6.4%*	4.7%*	5.2%*
	All	**6.3%**	**5.5%**	**6.0%**	**5.8%**	**5.8%**	**5.7%**
Netherlands	NHN	4.7%	4.0%	4.4%	4.0%	4.3%	4.0%
	NS	4.3%	4.0%	4.2%	4.0%	4.3%	4.0%
	MS	4.4%	4.0%	4.4%	4.0%	4.4%	4.0%
	OE	4.1%	4.0%	4.2%*	4.0%*	3.5%*	4.0%*
	All	**4.4%**	**4.0%**	**4.3%**	**4.0%**	**4.3%**	**4.0%**

*This data may represent a small sample size of fewer than 30 responses. Please refer to figure G2.

(Continued on page 119)

NHN - Nonmanagement Hourly Nonunion | NS - Nonmanagement Salaried | MS - Management Salaried | OE - Officers/Executives
TIC - Technical/Individual Contributors/Support Roles | JM - Junior Management | MM - Middle Management | TSM - Top and Senior Management

FIGURE G2A Total Salary Increase Budgets, by Employee Category (zeros included) (continued)

	Employee Category	Actual 2023		Actual 2024		Projected 2025	
		Mean	Median	Mean	Median	Mean	Median
Singapore	NHN	4.2%	4.0%	4.8%*	4.3%*	4.9%*	4.5%*
	NS	4.4%	4.0%	4.8%	4.0%	4.1%	4.0%
	MS	4.4%	4.0%	5.1%	4.0%	4.2%	4.0%
	OE	4.3%	4.0%	3.4%*	4.0%*	3.0%*	4.0%*
	All	**4.3%**	**4.0%**	4.9%	**4.0%**	4.2%	4.0%
South Africa	NHN	---	---	6.0%*	6.0%*	5.3%*	6.0%*
	NS	---	---	5.9%	6.0%	5.7%	6.0%
	MS	---	---	6.4%	6.0%	5.3%	6.0%
	OE	---	---	7.0%*	6.0%*	1.7%*	0.0%*
	All	**---**	**---**	**6.1%**	**6.0%**	**5.3%**	**6.0%**
South Korea	NHN	---	---	4.2%*	4.5%*	4.5%*	4.6%*
	NS	---	---	4.6%	4.5%	4.7%	4.5%
	MS	---	---	4.5%	4.5%	4.5%	4.5%
	OE	---	---	4.3%*	5.0%*	2.9%*	2.9%*
	All	**---**	**---**	**4.5%**	**4.5%**	**4.6%**	**4.5%**
Spain	NHN	3.7%	3.5%	4.0%	3.7%	3.5%	3.5%
	NS	4.2%	4.0%	4.1%	3.5%	3.9%	3.5%
	MS	4.1%	4.0%	4.5%	3.5%	4.1%	3.5%
	OE	4.1%	4.0%	3.8%*	3.3%*	2.3%*	2.8%*
	All	**4.1%**	**4.0%**	**4.2%**	**3.5%**	**3.9%**	**3.5%**
Sweden	NHN	3.1%*	3.0%*	4.0%*	3.5%*	4.0%*	3.5%*
	NS	3.9%	3.6%	3.7%	3.4%	3.7%	3.5%
	MS	3.9%	3.6%	3.8%	3.5%	3.9%	3.5%
	OE	4.1%*	4.2%*	3.4%*	3.2%*	2.2%*	3.2%*
	All	**3.8%**	**3.5%**	**3.7%**	**3.5%**	**3.7%**	**3.5%**
Switzerland	NHN	2.7%*	2.5%*	2.4%*	2.5%*	2.4%*	2.5%*
	NS	3.0%	2.5%	2.9%	2.6%	2.9%	2.7%
	MS	3.0%	2.5%	2.9%	2.5%	2.8%	2.5%
	OE	2.7%	2.5%	2.2%*	2.5%*	2.0%*	2.0%*
	All	**2.9%**	**2.5%**	**2.8%**	**2.5%**	**2.8%**	**2.5%**
United Kingdom	NHN	4.5%	4.0%	4.6%	4.0%	4.3%	4.0%
	NS	4.5%	4.0%	4.2%	4.0%	4.2%	4.0%
	MS	4.5%	4.0%	4.2%	4.0%	4.2%	4.0%
	OE	4.4%	4.0%	4.3%	4.1%	3.9%	4.0%
	All	**4.5%**	**4.0%**	**4.3%**	**4.0%**	**4.2%**	**4.0%**
United States	NHN	4.4%	4.0%	3.9%	4.0%	3.8%	3.8%
	NS	4.4%	4.0%	4.1%	4.0%	3.8%	4.0%
	MS	4.5%	4.0%	3.9%	4.0%	3.8%	4.0%
	OE	4.2%	4.0%	3.8%	4.0%	3.8%	3.8%
	All	**4.4%**	**4.0%**	**3.9%**	**4.0%**	**3.8%**	**4.0%**
Vietnam	NHN	---	---	8.1%*	8.0%*	8.1%*	8.0%*
	NS	---	---	7.2%	8.0%	7.1%	8.0%
	MS	---	---	7.5%*	8.0%*	7.1%*	8.0%*
	OE	---	---	10.0%*	10.0%*	0.0%*	0.0%*
	All	**---**	**---**	**7.4%**	**8.0%**	**7.1%**	**8.0%**

*This data may represent a small sample size of fewer than 30 responses. Please refer to figure G2.

NHN - Nonmanagement Hourly Nonunion | NS - Nonmanagement Salaried | MS - Management Salaried | OE - Officers/Executives

FIGURE G2B **Total Salary Increase Budgets, by Employee Category (zeros NOT included)**

	Employee Category	Actual 2023 Mean	Actual 2023 Median	Actual 2024 Mean	Actual 2024 Median	Projected 2025 Mean	Projected 2025 Median
Australia	NHN	3.8%	3.5%	4.6%	4.0%	4.4%	4.0%
	NS	4.0%	3.8%	3.8%	3.5%	3.8%	3.6%
	MS	4.0%	3.7%	3.9%	3.6%	3.8%	3.7%
	OE	3.8%	3.5%	4.2%*	3.8%*	3.7%*	3.9%*
	All	**3.9%**	**3.6%**	**4.0%**	**3.6%**	**3.9%**	**3.7%**
Belgium	NHN	8.3%*	6.0%*	4.5%*	4.0%*	4.7%*	4.2%*
	NS	7.0%	7.5%	3.8%	3.5%	4.1%	3.5%
	MS	6.9%	6.5%	3.9%	3.5%	4.1%	3.7%
	OE	6.4%	6.3%	2.1%*	1.4%*	---	---
	All	**7.2%**	**6.6%**	**3.9%**	**3.5%**	**4.2%**	**3.9%**
Brazil	NHN	7.0%	6.5%	6.7%	6.2%	6.2%	6.0%
	NS	6.7%	6.4%	5.9%	5.5%	5.9%	5.7%
	MS	6.8%	6.3%	5.8%	5.5%	5.8%	5.6%
	OE	7.3%	7.0%	6.3%*	5.8%*	6.2%*	5.9%*
	All	**6.9%**	**6.5%**	**6.0%**	**5.8%**	**5.9%**	**5.8%**
Canada	NHN	4.0%	4.0%	3.9%	3.8%	3.8%	3.5%
	NS	4.1%	4.0%	3.8%	3.8%	3.8%	3.6%
	MS	4.1%	4.0%	3.8%	3.7%	3.8%	3.5%
	OE	4.1%	4.0%	3.9%	3.5%	3.7%	3.5%
	All	**4.1%**	**4.0%**	**3.8%**	**3.7%**	**3.8%**	**3.5%**
China	NHN	6.0%	6.0%	5.7%	5.8%	5.5%	5.8%
	NS	5.9%	6.0%	5.5%	5.6%	5.6%	5.9%
	MS	5.9%	6.0%	5.5%	5.7%	5.6%	5.8%
	OE	5.8%	6.0%	5.5%*	5.5%*	5.9%*	5.9%*
	All	**5.9%**	**6.0%**	**5.5%**	**5.7%**	**5.6%**	**5.8%**
France	NHN	3.8%	3.5%	4.6%	4.0%	4.0%	3.7%
	NS	4.0%	3.8%	3.9%	3.7%	4.1%	3.7%
	MS	4.0%	3.8%	4.4%	3.8%	4.1%	3.6%
	OE	4.1%	4.0%	4.1%*	4.0%*	3.4%*	3.0%*
	All	**4.0%**	**3.8%**	**4.2%**	**3.8%**	**4.1%**	**3.7%**
GCC Countries	NHN	---	---	4.7%*	4.5%*	4.9%*	4.5%*
	NS	---	---	4.1%	4.0%	4.2%	4.0%
	MS	---	---	4.5%	4.0%	4.3%	4.0%
	OE	---	---	4.7%*	4.2%*	4.3%*	4.5%*
	All	**---**	**---**	**4.3%**	**4.0%**	**4.3%**	**4.0%**
Germany	NHN	4.2%	4.0%	4.1%	4.0%	4.2%	4.0%
	NS	4.3%	4.0%	4.0%	3.9%	4.0%	4.0%
	MS	4.3%	4.0%	4.0%	3.9%	4.0%	3.9%
	OE	4.4%	4.0%	3.8%*	3.8%*	3.9%*	3.9%*
	All	**4.3%**	**4.0%**	**4.0%**	**3.9%**	**4.0%**	**4.0%**
India	TIC	10.0%	10.0%	9.7%	10.0%	9.7%	10.0%
	JM	10.0%	10.0%	9.8%	10.0%	9.7%	10.0%
	MM	10.0%	10.0%	9.8%	10.0%	9.8%	10.0%
	TSM	9.8%	10.0%	9.9%	9.6%	9.3%	9.4%
	All	**10.0%**	**10.0%**	**9.8%**	**10.0%**	**9.7%**	**10.0%**

*This data may represent a small sample size of fewer than 30 responses. Please refer to figure G2.

NHN - Nonmanagement Hourly Nonunion | NS - Nonmanagement Salaried | MS - Management Salaried | OE - Officers/Executives
TIC - Technical/Individual Contributors/Support Roles | JM - Junior Management | MM - Middle Management | TSM - Top and Senior Management

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FIGURE G2B **Total Salary Increase Budgets, by Employee Category (zeros NOT included)**

(continued)

	Employee Category	Actual 2023		Actual 2024		Projected 2025	
		Mean	Median	Mean	Median	Mean	Median
Italy	NHN	3.2%	3.0%	3.6%	3.5%	3.6%	3.7%
	NS	3.7%	3.2%	3.6%	3.4%	3.6%	3.5%
	MS	3.7%	3.2%	3.7%	3.5%	3.7%	3.5%
	OE	4.0%	4.0%	3.4%*	3.5%*	3.5%*	3.5%*
	All	**3.6%**	**3.4%**	**3.6%**	**3.5%**	**3.6%**	**3.5%**
Japan	NHN	3.0%	3.0%	3.6%	3.0%	3.7%	3.2%
	NS	3.4%	3.0%	3.3%	3.0%	3.9%	3.0%
	MS	3.4%	3.0%	3.4%	3.0%	4.2%	3.0%
	OE	3.3%	3.0%	3.1%*	3.0%*	3.2%*	3.0%*
	All	**3.3%**	**3.0%**	**3.4%**	**3.0%**	**4.0%**	**3.0%**
Mexico	NHN	7.1%	5.7%	6.5%	6.0%	6.0%	6.0%
	NS	6.3%	5.7%	6.1%	5.8%	6.0%	5.7%
	MS	6.1%	5.5%	6.3%	6.0%	6.1%	5.8%
	OE	6.2%	6.0%	6.7%*	6.4%*	5.4%*	5.5%*
	All	**6.4%**	**5.7%**	**6.3%**	**6.0%**	**6.0%**	**5.8%**
Netherlands	NHN	4.7%	4.0%	4.4%	4.0%	4.5%	4.0%
	NS	4.4%	4.0%	4.3%	4.0%	4.4%	4.0%
	MS	4.5%	4.0%	4.4%	4.0%	4.6%	4.0%
	OE	4.4%	4.0%	4.2%*	4.0%*	3.9%*	4.0%*
	All	**4.5%**	**4.0%**	**4.3%**	**4.0%**	**4.5%**	**4.0%**
Singapore	NHN	4.3%	4.0%	4.8%*	4.3%*	4.9%*	4.5%*
	NS	4.5%	4.0%	4.9%	4.0%	4.2%	4.0%
	MS	4.5%	4.0%	5.3%	4.0%	4.3%	4.0%
	OE	4.4%	4.0%	4.0%*	4.0%*	4.3%*	4.0%*
	All	**4.4%**	**4.0%**	**5.0%**	**4.0%**	**4.3%**	**4.0%**
South Africa	NHN	---	---	6.0%*	6.0%*	5.8%*	6.0%*
	NS	---	---	6.2%	6.0%	6.2%	6.0%
	MS	---	---	6.8%	6.0%	6.3%	6.0%
	OE	---	---	7.0%*	6.0%*	5.0%*	5.0%*
	All	**---**	**---**	**6.4%**	**6.0%**	**6.2%**	**6.0%**
South Korea	NHN	---	---	4.5%*	4.5%*	4.5%*	4.6%*
	NS	---	---	4.7%	4.5%	4.8%	4.5%
	MS	---	---	4.6%	4.5%	4.6%	4.5%
	OE	---	---	4.3%*	5.0%*	5.8%*	5.8%*
	All	**---**	**---**	**4.6%**	**4.5%**	**4.7%**	**4.5%**
Spain	NHN	3.8%	3.5%	4.2%	3.7%	3.6%	3.5%
	NS	4.4%	4.0%	4.3%	3.5%	4.1%	3.5%
	MS	4.2%	4.0%	4.7%	3.7%	4.3%	3.5%
	OE	4.4%	4.0%	3.8%*	3.3%*	3.0%*	3.0%*
	All	**4.2%**	**3.9%**	**4.4%**	**3.5%**	**4.1%**	**3.5%**

*This data may represent a small sample size of fewer than 30 responses. Please refer to figure G2.

(Continued on page 122)

NHN - Nonmanagement Hourly Nonunion | **NS** - Nonmanagement Salaried | **MS** - Management Salaried | **OE** - Officers/Executives

FIGURE G2B Total Salary Increase Budgets, by Employee Category (zeros NOT included) (continued)

	Employee Category	Actual 2023 Mean	Actual 2023 Median	Actual 2024 Mean	Actual 2024 Median	Projected 2025 Mean	Projected 2025 Median
Sweden	NHN	3.3%*	3.0%*	4.0%*	3.5%*	4.0%*	3.5%*
	NS	4.0%	3.7%	3.7%	3.5%	3.8%	3.5%
	MS	3.9%	3.7%	4.1%	3.5%	4.2%	3.5%
	OE	4.1%*	4.2%*	3.4%*	3.2%*	3.4%*	3.4%*
	All	**3.8%**	**3.7%**	**3.8%**	**3.5%**	**4.0%**	**3.5%**
Switzerland	NHN	2.7%*	2.5%*	2.6%*	2.5%*	2.6%*	2.5%*
	NS	3.0%	2.5%	3.0%	2.6%	3.1%	2.7%
	MS	3.0%	2.5%	3.0%	2.5%	3.1%	2.6%
	OE	2.7%	2.5%	2.4%*	2.5%*	2.5%*	2.5%*
	All	**2.8%**	**2.5%**	**2.9%**	**2.5%**	**3.0%**	**2.7%**
United Kingdom	NHN	4.6%	4.0%	4.7%	4.2%	4.4%	4.0%
	NS	4.6%	4.0%	4.3%	4.0%	4.3%	4.0%
	MS	4.6%	4.0%	4.3%	4.0%	4.3%	4.0%
	OE	4.5%	4.4%	4.4%	4.2%	4.2%	4.0%
	All	**4.6%**	**4.1%**	**4.4%**	**4.0%**	**4.3%**	**4.0%**
United States	NHN	4.5%	4.0%	4.0%	4.0%	3.9%	4.0%
	NS	4.5%	4.0%	4.1%	4.0%	3.9%	4.0%
	MS	4.5%	4.0%	4.0%	4.0%	3.9%	4.0%
	OE	4.4%	4.0%	4.0%	4.0%	3.9%	4.0%
	All	**4.5%**	**4.0%**	**4.0%**	**4.0%**	**3.9%**	**4.0%**
Vietnam	NHN	---	---	8.1%*	8.0%*	8.1%*	8.0%*
	NS	---	---	7.4%	8.0%	7.5%	8.0%
	MS	---	---	7.5%*	8.0%*	7.5%*	8.0%*
	OE	---	---	10.0%*	10.0%*	---	---
	All	**---**	**---**	**7.5%**	**8.0%**	**7.6%**	**8.0%**

*This data may represent a small sample size of fewer than 30 responses. Please refer to figure G2.

FIGURE G3 Number of Months Between Increases

	Actual 2023 Mean	Actual 2023 Median	Actual 2024 Mean	Actual 2024 Median	Projected 2025 Mean	Projected 2025 Median
Australia	11.8	12.0	12.0	12.0	12.0	12.0
Belgium	11.3	12.0	12.0	12.0	12.0	12.0
Brazil	11.7	12.0	12.0	12.0	12.0	12.0
Canada	11.9	12.0	12.0	12.0	12.0	12.0
China	11.6	12.0	12.0	12.0	12.0	12.0
France	11.9	12.0	12.0	12.0	12.0	12.0
GCC Countries	---	---	12.0	12.0	12.0	12.0
Germany	11.8	12.0	12.0	12.0	12.0	12.0
India	11.8	12.0	12.0	12.0	12.0	12.0
Italy	11.8	12.0	12.0	12.0	12.0	12.0
Japan	11.9	12.0	12.0	12.0	12.0	12.0
Mexico	11.8	12.0	12.0	12.0	12.0	12.0
Netherlands	11.9	12.0	12.0	12.0	12.0	12.0

(Continued on page 123)

NHN - Nonmanagement Hourly Nonunion | NS - Nonmanagement Salaried | MS - Management Salaried | OE - Officers/Executives

FIGURE G3 **Number of Months Between Increases** (continued)

	Actual 2023		Actual 2024		Projected 2025	
	Mean	Median	Mean	Median	Mean	Median
Singapore	11.7	12.0	12.0	12.0	12.0	12.0
South Africa	---	---	11.0	12.0	11.0	12.0
South Korea	---	---	12.0	12.0	12.0	12.0
Spain	11.6	12.0	12.0	12.0	12.0	12.0
Sweden	12.0	12.0	12.0	12.0	12.0	12.0
Switzerland	11.8	12.0	12.0	12.0	12.0	12.0
United Kingdom	11.7	12.0	12.0	12.0	12.0	12.0
United States	11.8	12.0	12.0	12.0	12.0	12.0
Vietnam	---	---	12.0	12.0	12.0	12.0

FIGURE G4 **Certainty of projected 2025 base pay increases**

	Not at all certain	Slightly certain	Moderately certain	Very certain	Extremely certain
Australia	33%	27%	36%	4%	1%
Belgium	34%	32%	31%	4%	0%
Brazil	38%	28%	32%	3%	0%
Canada	30%	27%	37%	6%	1%
China	34%	29%	35%	2%	0%
France	36%	26%	33%	4%	1%
GCC Countries	42%	22%	30%	5%	0%
Germany	32%	30%	33%	4%	0%
India	33%	26%	37%	5%	0%
Italy	33%	29%	34%	5%	0%
Japan	30%	30%	36%	4%	1%
Mexico	33%	30%	32%	5%	0%
Netherlands	35%	28%	33%	4%	1%
Singapore	33%	28%	34%	5%	0%
South Africa	46%	24%	27%	3%	0%
South Korea	34%	26%	36%	3%	0%
Spain	37%	25%	33%	4%	1%
Sweden	38%	27%	34%	1%	0%
Switzerland	29%	26%	34%	11%	0%
United Kingdom	32%	28%	35%	5%	1%
United States	21%	23%	43%	11%	2%
Vietnam	41%	18%	39%	2%	0%

FIGURE G5 Change in percent base pay increase from 2023 to 2024

	Employee Category	2024 percentage is larger than 2023	2024 percentage is simlar to 2023	2024 percentage is smaller than 2023
Australia	NHN	74%	10%	16%
	NS	69%	12%	18%
	ES	69%	14%	17%
	OE*	71%	14%	14%
Belgium	NHN*	64%	8%	28%
	NS	66%	11%	23%
	ES	66%	7%	27%
	OE*	33%	0%	67%
Brazil	NHN	53%	11%	36%
	NS	65%	4%	31%
	ES	57%	6%	37%
	OE*	57%	0%	43%
Canada	NHN	60%	12%	28%
	NS	62%	13%	26%
	ES	60%	12%	28%
	OE	53%	14%	33%
China	NHN	71%	6%	23%
	NS	67%	6%	28%
	ES	67%	6%	27%
	OE*	75%	5%	20%
France	NHN	73%	7%	20%
	NS	66%	12%	22%
	ES	66%	10%	24%
	OE*	45%	0%	55%
GCC Countries	NHN*	87%	0%	13%
	NS	64%	9%	28%
	ES	66%	9%	25%
	OE*	83%	0%	17%
Germany	NHN	65%	11%	24%
	NS	64%	12%	24%
	ES	66%	10%	24%
	OE*	55%	10%	35%
India	NHN	68%	12%	21%
	NS	64%	12%	24%
	ES	67%	11%	22%
	OE	66%	10%	24%
Italy	NHN	84%	5%	11%
	NS	66%	14%	20%
	ES	68%	14%	17%
	OE*	60%	10%	30%
Japan	NHN	68%	14%	19%
	NS	70%	9%	22%
	ES	69%	10%	21%
	OE*	57%	0%	43%

*This data may represent a small sample size of fewer than 30 responses.

NHN - Nonmanagement Hourly Nonunion | **NS** - Nonmanagement Salaried | **MS** - Management Salaried | **OE** - Officers/Executives
TIC - Technical/Individual Contributors/Support Roles | **JM** - Junior Management | **MM** - Middle Management | **TSM** - Top and Senior Management

(Continued on page 124)

FIGURE G5 **Change in percent base pay increase from 2023 to 2024** (continued)

	Employee Category	2024 percentage is larger than 2023	2024 percentage is simlar to 2023	2024 percentage is smaller than 2023
Mexico	NHN	66%	10%	24%
	NS	66%	9%	25%
	ES	66%	8%	25%
	OE*	64%	0%	36%
Netherlands	NHN	81%	5%	14%
	NS	70%	11%	19%
	ES	72%	13%	15%
	OE*	53%	27%	20%
Singapore	NHN*	89%	0%	11%
	NS	73%	7%	21%
	ES	70%	8%	21%
	OE*	73%	7%	20%
South Africa	NHN*	62%	6%	31%
	NS	65%	7%	27%
	ES	78%	6%	16%
	OE*	80%	0%	20%
South Korea	NHN*	75%	5%	20%
	NS	72%	6%	23%
	ES	71%	8%	21%
	OE*	33%	33%	33%
Spain	NHN	71%	6%	23%
	NS	64%	10%	26%
	ES	67%	12%	21%
	OE*	22%	11%	67%
Sweden	NHN*	91%	9%	0%
	NS	68%	9%	23%
	ES	66%	12%	22%
	OE*	0%	50%	50%
Switzerland	NHN*	50%	36%	14%
	NS	66%	12%	22%
	ES	64%	12%	24%
	OE*	62%	12%	25%
United Kingdom	NHN	63%	14%	23%
	NS	64%	12%	24%
	ES	66%	11%	23%
	OE	60%	16%	24%
United States	NHN	52%	15%	33%
	NS	51%	15%	33%
	ES	51%	15%	34%
	OE	51%	15%	35%
Vietnam	NHN*	75%	12%	12%
	NS*	73%	4%	22%
	ES	79%	4%	17%
	OE*	100%	0%	0%

*This data may represent a small sample size of fewer than 30 responses. Please refer to figure G2.

NHN - Nonmanagement Hourly Nonunion | NS - Nonmanagement Salaried | MS - Management Salaried | OE - Officers/Executives

SURVEY DEFINITIONS

Bonus: an after-the-fact reward or payment based on the performance of an individual, a group of workers operating as a unit, a division or business unit, or an entire workforce.

Exempt Salaried: all other salaried employees, except officers and executives, not subject to the overtime pay provisions of Fair Labor Standards Act of 1938 (FLSA).

General increase/Cost of Living Allowance (COLA): an identical pay raise either in a flat rate such as cents per hour or as a percentage of salary given to all eligible employees. Also known as an across-the-board increase.

Incentive: any form of variable payment tied to performance. The payment is a monetary award. Incentives are contrasted with bonuses in that performance goals for incentives are predetermined.

Junior Management (India): includes supervisory staff usually involved in the day-to-day functioning of a small team (first level of people management responsibility).

Lump-sum Award: an award that is paid in a single cash payment.

Management Salaried (Non-U.S.): all other salaried employees, except officers and executives.

Merit increase: an adjustment to an individual's base pay rate based on performance or some other individual measure.

Middle Management (India): includes supervisory responsibilities for a sub-function, part of a business, etc. who directly report to senior management.

Nonexempt Hourly Nonunion: hourly employees who are not exempt from the minimum wage and overtime pay provisions of the Fair Labor Standards Act of 1938 (FLSA). Exclude hourly union employees.

Nonexempt Salaried: salaried (compensation paid by the week, month or year rather than by the hour) employees who are not exempt from the minimum wage and overtime pay provisions of the Fair Labor Standards Act of 1938 (FLSA). Excludes hourly employees both union and nonunion.

Nonmanagement Hourly Nonunion (Non-U.S.): hourly nonunion employees. Excludes hourly union employees.

Nonmanagement Salaried (Non-U.S.): salaried nonunion employees. Excludes hourly employees both union and nonunion.

Officers/Executives: top and/or senior management that have significant responsibility for the management of the company as well as influence on the results of the company.

Other increase: may include internal equity adjustments, salary range adjustments, skill-based pay increases. See options in question 9a for more examples.

Promotional increase: an increase in a salary or wage rate provided to a person because of a promotion to a higher-level job.

Salary range structure change: the percentage change in the control points (or the midpoints) of a formal salary range, band or wage rate that are adjusted to reflect movements in the marketplace.

Technical/Individual Contributors/Support Roles (India): includes technical, analyst, individual contributor and business support roles that do not have direct people management responsibility.

Top and Senior Management (India): top and/or senior management that have significant responsibility for the management of the company as well as influence on the results of the company. Total base salaries: total salaries for all eligible employees (base salaries only).

Total increase: the total amount of any combination of the above increases (General, COLA, Merit, Other) expressed as a percentage of payroll to be granted as increases during the year. The budget percentage is calculated by totaling the amount of general increases, cost-of-living increases, merit and other increases granted or scheduled to be granted in the year, and dividing the total salaries of all eligible employees whether or not they received a salary increase.

Variable pay: compensation that is contingent on discretion, performance or results achieved. It may be referred to as pay at risk.

Need More Data for the United States or Canada?

1. Log in at **worldatwork.org**.
2. Click on the person icon, then click on **My Profile**.
3. Scroll down to **Surveys** and then select "2024-2025 Salary Budget Survey."
4. Run unlimited reports, customized by:
   a. Type of data
   b. Statistic (e.g., mean, median, $25^{th}/75^{th}$ percentile)
   c. Industry
   d. Number of employees
   e. Revenue
   f. Geographic region
   g. State/province
   h. Major metropolitan area
5. View reports or print for later review.
6. Access participant lists and questionnaires.

See page 6 (Get Started Now) for step-by-step login and "Online Reporting Tool" access instructions.

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