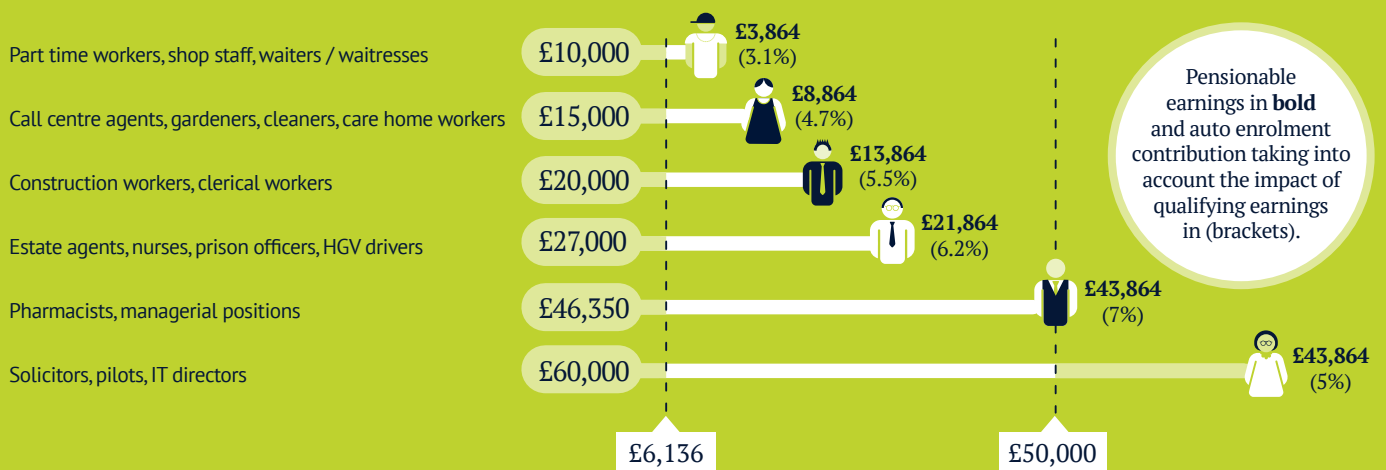


# The not so *trifling* matter of qualifying earnings



## The effect of qualifying earnings on auto enrolment contributions based on an 8% total contribution:



If an employee earns £20,000 their qualifying earnings would be only £13,864 and the effect is even more disproportionate for people on lower incomes. So for someone on £10,000 a year, only £3,864 of their earnings are pensionable, and for them, 8% of qualifying earnings actually means just 3.1% of their total salary is being contributed.

Part time workers with more than one job are particularly affected because the qualifying earnings deduction applies to each job.