

FACT

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MPs reject Sunday shopping change

The government's plans to expand Sunday trading hours in England and Wales have been dropped after they were rejected by MPs.

The government had hoped to relax existing restrictions on Sunday trading, which limit large shops to opening for a maximum of six hours, by devolving responsibility to local councils. But their plans were thwarted by an unlikely alliance of Labour, the SNP and Conservative backbenchers and the proposals were voted down by 317 votes to 286 as 27 Tory MPs rebelled.

The Usdaw shopworkers' union was delighted. General secretary John Hannett said: "This is the third occasion in five years that Conservative ministers have attempted to permanently change Sunday trading regulations and the third time they have been unsuccessful. We hope now the government will leave this great British compromise alone and focus on providing real support for the retail sector."

However, other proposals on shopworker protections contained in the *Enterprise Bill* will remain.

Under the new provisions, the notice period for shopworkers in large stores to opt-out of Sunday

working reduces from three months to one month. In addition, all shopworkers will be able to opt-out of working more hours on a Sunday than they have recently worked on average; this is likely to be only available to those with at least 12 months' service with their current employer.

"These enhanced employment rights address a current problem under the existing restricted Sunday trading laws, but would in no way have been adequate had shops been allowed to open longer," Hannett said.

www.bbc.co.uk/news/uk-politics-35768674

www.usdaw.org.uk/About-Us/News/2016/March/Shopworkers-will-be-hugely-relieved-that-MPs-saved

www.usdaw.org.uk/About-Us/News/2016/March/Improved-Sunday-working-protections-for-shopworker

Unemployment cut by 28,000 in January

Unemployment has fallen, official figures show. The number of unemployed people under the Labour Force Survey count fell by 28,000 to 1.69 million in the three months to January.

The unemployment rate was down to 5.1% from 5.2%, according to the Office for National Statistics.

The number of unemployed males fell by 16,000 to 923,000 and their unemployment rate was down to 5.2% from 5.3%.

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The number of unemployed women was only down by 12,000 to 762,000. Nevertheless it was enough to cut their unemployment rate to 4.9% from 5.0%.

In February, unemployment under the claimant count was down by 18,000 to 716,700 from the revised figure for January of 734,700.

The claimant count only includes claimants of Jobseeker's Allowance and those on the means-tested Universal Credit.

The fall in numbers was, however, not enough to impact on the joblessness rate which remained at 2.1%

Male claimant numbers fell by 12,900 to 452,300 and their joblessness rate was down to 2.5% from 2.6%.

The number of women claimants was down by 5,100 to 264,400 and their joblessness rate was cut to 1.6% from 1.7%.

Unemployment seasonally adjusted				
	Claimants ¹		LFS ³	
	(000s)	% ²	(000s)	%
February 2015	819	2.4	1,838	5.6
March	804	2.3	1,827	5.5
April	795	2.3	1,813	5.5
May	794	2.3	1,853	5.6
June	793	2.3	1,852	5.6
July	785	2.3	1,823	5.5
August	786	2.3	1,774	5.4
September	784	2.3	1,749	5.3
October	783	2.3	1,713	5.2
November	780	2.3	1,675	5.1
December	763	2.2	1,690	5.1
Jan 2016 (r)	735	2.1	1,685	5.1
February (p)	717	2.1		

¹ Jobseeker's Allowance and Universal Credit claimants ² Percentage of working population – the employees, unemployed, self-employed and the armed forces.

³ The Labour Force Survey definition of unemployment – the number of unemployed people who want a job and are ready to start work in two weeks, and have looked for work in the past four weeks. Each figure is the average of the past three months – a rolling average. (p) provisional (r) revised

Regions The LFS unemployment count fell in eight of the 12 regions/countries in the three-months to January 2016. It was unchanged in Northern Ireland, while unemployed numbers rose in three regions: by 16,000 in Scotland, by 8,000 in the South East and 3,000 in the East Midlands.

The largest falls were 15,000 in the East of England and 11,000 in the North East.

The unemployment rate was above the UK average of 5.1% in seven out of the 12 regions/countries. The highest rates were 7.8% in the North East and 6.3% in London.

In February, the claimant count fell in all but two of the 12 region/countries. The two regions posting rises were Northern Ireland and the North East.

The claimant count rate was above the UK average of 2.1% in seven regions/countries. The highest rates were 4.3% in Northern Ireland and 3.9% in the North East.

Region	February claimants		LFS Nov – Jan	
	Number	%	Number	%
North East	47,100	3.9	102,000	7.8
North West	99,200	2.6	177,000	4.9
Yorkshire & the Humber	71,100	2.7	163,000	6.1
East Midlands	42,300	1.9	104,000	4.4
West Midlands	72,900	2.5	150,000	5.4
East of England	42,700	1.4	112,000	3.6
London	104,700	1.8	290,000	6.3
South East	54,000	1.1	177,000	3.8
South West	34,400	1.2	106,000	3.8
Wales	40,200	2.7	79,000	5.2
Scotland	69,900	2.5	171,000	6.1
Northern Ireland	38,300	4.3	53,000	6.0

www.ons.gov.uk/employmentandlabourmarket/peopleinwork/employmentandemployeetypes/bulletins/uklabourmarket/march2016

Budget 2016 – the economic background

The economy will not grow as fast as expected in 2016 and the following few years, chancellor George Osborne was forced to admit in his Budget speech.

Forecasts from the fiscal watchdog, the Office for Budget Responsibility (OBR), provided to the chancellor for his Budget statement, are for growth of only 2.0% in 2016 – down from 2.4% predicted in the OBR's forecasts accompanying the chancellor's November spending review and autumn statement.

GDP is predicted to grow by 2.2% and 2.1% in 2017 and 2018, down from the 2.4% and 2.5% rises forecast four months ago.

Inflation, as measured by the Consumer Prices Index (CPI), is expected to rise by 0.7% in 2016 and by 1.6% next year.

The chancellor said he was writing to Mark Kearney, governor of the Bank of England, confirming that the 2.0% CPI inflation target would remain in the remit for the Monetary Policy Committee.

The OBR also produces RPI inflation forecasts and for this year it is expected to be running at 1.7% before rising to 2.4% in 2017, and 3.2% in each of the three following years.

Forecasts for the labour market up to 2020 include a 2.6% rise in average earnings this year, followed by a 3.6% rise in 2017 and rises of 3.5%, 3.4% and 3.6% in the subsequent three years.

So, with both the expected CPI and RPI inflation rates lower than earnings growth, workers could expect to see an improvement in living standards. However, the forecast rises in average earnings are lower than forecast in November 2015.

In the forecast period, the unemployment rate in both 2016 and 2017 is expected to be 5.0% before rising to 5.2% the following year and 5.3% in both 2019 and 2020.

TUC general secretary Frances O'Grady said: "The chancellor's speech shows his gamble isn't paying off. Far from increasing growth, he's had to downgrade his forecasts and accept that his plan is failing on productivity and pay.

"Real earnings next year are set to grow even more slowly than he'd previously announced."

www.gov.uk/government/topical-events/budget-2016
<http://cdn.budgetresponsibility.org.uk/Executive-summary-1.pdf>

Changes to inflation's shopping basket

Coffee pods from the likes of Nespresso and cream liqueurs, such as Baileys, are in and nightclub entry fees are out.

Each March, the Office for National Statistics updates the basket of goods and services used to calculate Britain's various rates of inflation, such as the RPI and CPI, as part of a process of continual improvement and to ensure that it is representative of consumer spending patterns. This year, 14 items have been added to the basket and 14 removed.

In recent years, developments in technology have influenced the basket updates and in 2016 two products have been introduced that can be seen as reflecting evolving trends. Computer software has replaced CD ROMs, while a computer game downloads are a new item to the basket.

The 14 new items also include six food-related items: microwave rice in a pouch or tray; meat-based snack; cooked sliced chicken or turkey; a large chocolate bar; and in the restaurants and cafe subsection a restaurant main course replaces main course of meat/fish and vegetarian dishes.

In clothing, women's leggings and a boy's T shirt have been added.

Gloss/emulsion paint is the final addition, with the amalgamation of these two separate items.

Food items for the chop include organic dessert apples and organic carrots, along with a pub hot or cold snack.

The rewritable DVD joins CD ROMs in the dustbin of prices history, as do prescription lenses and an electric power point.

<https://www.ons.gov.uk/economy/inflationandpriceindices/articles/consumerpriceinflationbasketofgoodsandservices/2016>

Swings in average earnings growth

Growth in average weekly earnings appears to be on a roller coaster ride at the moment.

The rise in average weekly earnings for the whole economy was provisionally back up to 2.5% in January against the revised rise of 1.7% in December. The monthly rises for September to November were 2.1%, 1.9% and 2.2%.

With RPI inflation running at 1.3% in January, there was real growth in earnings during the month.

In manufacturing, earnings growth was up to 2.0% from 1.3% in December, while in services, growth was up to 2.2% from 1.6% the previous month.

In the private sector as a whole, growth was up to 2.8% from 1.9%.

In January, for the public sector, excluding financial services, growth rebounded to 1.6% from 0.9% in December.

Headline earnings growth (the rolling three-month average) for the whole economy was up to 2.1% in the three-month period ending January from 1.9% in the December period.

Manufacturing growth was up to 1.6% from 1.4%, while service sector growth edged up to 1.9% from 1.8%. For the private sector as a whole, growth was up to 2.3% from 2.1%.

For the public sector, excluding financial services, growth reached 1.4% from 1.3% the previous month.

£ a week	Average weekly earnings ¹				
	Whole economy	Manufacturing	Services	Private sector	Public sector ²
Nov 2014	484	566	470	483	487
December (r)	489	571	473	486	489
January 2015 (r)	485	566	471	483	489
February	483	564	470	480	490
March	493	572	478	492	490
April	492	572	476	489	490
May	492	569	477	490	491
June	489	576	474	491	491
July	495	574	479	494	492
August	494	573	478	494	493
September	492	573	477	491	495
October	494	574	478	493	494
November	495	575	479	494	495
December (r)	497	579	481	495	494
January 2016 (p)	497	579	481	496	497
% annual change					
Single month	2.5	2.0	2.2	2.8	1.6
3-month average ³	2.1	1.6	1.9	2.3	1.4

¹ Average weekly earnings in Great Britain, seasonally adjusted, including bonuses, but excluding arrears. ² Excludes financial services. ³ Average of the seasonally adjusted data for the latest three months compared with three months a year earlier. (p) provisional (r) revised

The regular pay figures strip out bonuses. In January, growth for the whole economy was up to 2.2% from 2.1% the previous month.

The percentage rises in the year to January for various sectors, along with the previous month's rises in brackets, were: manufacturing 2.4% (2.2%); services 1.8% (1.8%); the private sector 2.4% (2.4%); and the public sector, excluding financial services, 1.5% (1.1%).

The average rise for regular pay in the whole economy for the three-month period ending January was up to 2.2% from 2.0% in December.

The sectoral increases were: manufacturing 2.2% (1.8%); services 1.9% (1.7%); the private sector 2.4% (2.2%); and the public sector, excluding financial services, 1.5% (1.4%).

The table below is based on the mean average earnings figures published in the Annual Survey of Hours and Earnings (ASHE) 2015. The original figures have been "updated" by the 1.0% increase in average weekly earnings for the whole economy between April 2015 and January 2015 to give a rough estimate of earnings now.

Full-time average weekly earnings by occupation	
	£ a week
All employees	633.70
All male	686.80
All female	552.60
Managers	981.10
Professionals	801.80
Associate professionals	682.10
Admin & secretarial	463.90
Skilled/craft	533.60
Services	371.20
Sales	385.90
Operatives	498.20
Other manual jobs	380.60

www.ons.gov.uk/employmentandlabourmarket/peopleinwork/employmentandemployeetypes/bulletins/uklabourmarket/march2016

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