

# FACT

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## Unemployment falls

UK unemployment has fallen on both main counts, official figures show.

The number of unemployed people under the Labour Force Survey count fell by 2,000 to 1.69 million in the three months to March.

The unemployment rate was unchanged at 5.1%, according to the Office for National Statistics.

The fall was all down to number of unemployed males. Their numbers fell by 7,000 to 917,000, but their unemployment rate remained at 5.2%.

However, the number of unemployed women increased by 5,000 to 775,000. The rise was not enough to affect their unemployment rate, which remained at 5.0%.

In April, unemployment under the claimant count also fell. This count fell by 2,400 to 737,800 from the revised figure for March of 740,100. The fall in numbers helped cut the joblessness rate to 2.1% from 2.2%.

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

Male claimant numbers fell by 700 to 467,300, but their joblessness rate remained at 2.6%.

The number of women claimants fell by 1,600 to 270,500 and their joblessness rate was unchanged at 1.7%.

### Unemployment seasonally adjusted

	Claimants <sup>1</sup>		LFS <sup>3</sup>	
	(000s)	% <sup>2</sup>	(000s)	%
April 2015	795	2.3	1,818	5.5
May	794	2.3	1,846	5.6
June	793	2.3	1,848	5.6
July	785	2.3	1,822	5.5
August	786	2.3	1,774	5.4
September	784	2.3	1,750	5.3
October	783	2.3	1,718	5.2
November	780	2.3	1,685	5.1
December	763	2.2	1,694	5.1
January 2016	735	2.1	1,691	5.1
February	725	2.1	1,700	5.1
March (r)	740	2.2	1,692	5.1
April (p)	738	2.1		

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

<sup>3</sup> 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** Even though the overall LFS unemployment count fell, unemployment increased in six of the 12 regions/countries in the three-months to March 2016. The largest increase of 14,000 was in the South West. The count was unchanged in Yorkshire and the Humber and fell in the other five regions. London posted a 20,000 decrease.

The unemployment rate was above the UK average of 5.1% in half out of the 12 regions/countries. The highest rates were 7.9% in the North East and 6.2% in Yorkshire and the Humber, Scotland and Northern Ireland.

In April, the claimant count fell in eight of the 12 region/countries.

The claimant count rate was above the UK average of 2.1% in seven regions/countries. The highest rates were 4.2% in Northern Ireland and 3.9% in the North East.

Region	April claimants		LFS Jan – Mar	
	Number	%	Number	%
North East	47,700	3.9	103,000	7.9
North West	105,100	2.8	175,000	4.9
Yorkshire & the Humber	71,600	2.7	166,000	6.2
East Midlands	43,000	1.9	109,000	4.6
West Midlands	76,700	2.7	154,000	5.5
East of England	43,700	1.4	118,000	3.8
London	104,200	1.8	274,000	5.8
South East	56,300	1.2	176,000	3.7
South West	37,400	1.3	119,000	4.2
Wales	41,600	2.8	74,000	4.8
Scotland	72,600	2.6	169,000	6.2
Northern Ireland	37,900	4.2	55,000	6.2

[www.ons.gov.uk/employmentandlabourmarket/peopleinwork/employmentandemployeetypes/bulletins/uklabourmarket/may2016](http://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/employmentandemployeetypes/bulletins/uklabourmarket/may2016)

## Anaemic growth in average earnings

Growth in average weekly earnings, despite a rise, remained weak in March.

The rise in average weekly earnings for the whole economy was provisionally up to 1.9% in March against the revised figure of 1.3% for February.

In manufacturing, earnings growth was down to 1.3% in March from 1.7% the previous month.

However, in services, growth rebounded to 1.6% from 0.8%.

In the private sector as a whole, growth was up to 2.1% from 1.2%.

In March, for the public sector, excluding financial services, growth edged up to 1.7% from 1.5% the previous month.

Headline earnings growth (the rolling three-month average) for the whole economy was up to 2.0% in the three-month period ending March from 1.9% in the February period.

Manufacturing growth was steady at 1.7%, and services unchanged at 1.6%. In the private sector as a whole, growth was up to 2.1% from 2.0%.

For the public sector, excluding financial services, growth was up to 1.6% from 1.4%.

£ a week	Average weekly earnings <sup>1</sup>				
	Whole economy	Manufacturing	Services	Private sector	Public sector <sup>2</sup>
January 2015 (r)	484	566	470	481	489
February (r)	487	565	474	485	490
March (r)	490	571	475	489	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	496	578	479	494	494
January 2016 (r)	497	577	481	496	497
February (r)	493	575	477	491	498
March (p)	499	579	483	499	499
<b>% annual change</b>					
Single month	1.9	1.3	1.6	2.1	1.7
3-month average <sup>3</sup>	2.0	1.7	1.6	2.1	1.6

<sup>1</sup> Average weekly earnings in Great Britain, seasonally adjusted, including bonuses, but excluding arrears. <sup>2</sup> Excludes financial services. <sup>3</sup> 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 March, and here growth for the whole economy was down to 1.8% from 2.3% the previous month.

The percentage rises in the year to March for various sectors, along with the previous month's

rises in brackets, were: manufacturing 1.8% (1.5%); services 1.6% (2.0%); the private sector 1.9% (2.5%); and the public sector, excluding financial services, 1.7% (1.6%).

The average rise for regular pay in the whole economy for the three-month period ending March was down to 2.1% from 2.2% for the February period.

The sectoral increases were: manufacturing 1.9% (2.0%); services 1.9% (1.9%); the private sector 2.3% (2.5%); and the public sector, excluding financial services, 1.6% (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 "uprated" by the 1.4% increase in average weekly earnings for the whole economy between April 2015 and March 2016 to give a rough estimate of earnings now in the various occupational groups.

Full-time average weekly earnings by occupation	
	£ a week
All employees	636.20
All male	689.50
All female	554.80
Managers	985.00
Professionals	805.00
Associate professionals	684.80
Admin & secretarial	465.70
Skilled/craft	535.70
Services	372.60
Sales	387.40
Operatives	500.20
Other manual jobs	382.10

[www.ons.gov.uk/employmentandlabourmarket/peopleinwork/employmentandemployeetypes/bulletins/uklabourmarket/may2016](http://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/employmentandemployeetypes/bulletins/uklabourmarket/may2016)

## Check-off victory

The removal of the check-off method of collecting union subscriptions in the Department for Work and Pensions (DWP) has been ruled unlawful after a High Court challenge by the PCS civil service union.

Judge Elisabeth Laing agreed with the union that DWP staff had a contractual right to have their subscriptions paid by check-off and it should not have been scrapped without agreement.

The judgement opens the way for the union, which has been forced to spend considerable time and resources re-recruiting tens of thousands of members to pay by direct debit, to claim damages for loss of income. The union is also considering further legal challenges against other government departments that have removed check-off.

The then Cabinet Office minister Francis Maude called on civil service employers to end the check-off system in what the union has always argued was an unnecessary and vindictive attempt to undermine its finances and break its organisation.

The DWP, the largest civil service department, unilaterally ended the arrangement one year ago alongside similar moves by other departments, including HM Revenue and Customs, Home Office, Ministry of Justice and Ministry of Defence.

Plans to ban check-off in the rest of the public sector had been included in the *Trade Union Bill* but were dropped before it became law, in a concession that came just days before the union's High Court claim was heard.

PCS general secretary Mark Serwotka said: "It has always been clear that the political decision to remove check-off was unnecessary and vindictive, and we have comprehensively been proved right.

"This is not just a defeat for DWP, it is a victory for all unions over a major injustice. And it is scandalous that taxpayers again face huge legal bills because Tory ministers have an obsession with trying to undermine trade unions in the workplace."

[www.pcs.org.uk/en/news\\_and\\_events/news\\_centre/news\\_centre.cfm/vindictive-check-off-removal-ruled-unlawful-in-dwp-by-high-court](http://www.pcs.org.uk/en/news_and_events/news_centre/news_centre.cfm/vindictive-check-off-removal-ruled-unlawful-in-dwp-by-high-court)

## Inflation down again

In April, the main inflation measures were back down to the rates posted for the first two months of the year, the latest Office for National Statistics figures show.

The annual rate of inflation – as measured by the Retail Prices Index (RPI) – was down to 1.3% from 1.6%. That was the first fall in the RPI since September 2015.

The main downward effects came from clothing and footwear, fares and leisure services.

Inflation under the Consumer Prices Index (CPI) also fell for the first time since September last year.

The annual percentage increase for this measure was down to 0.3% in April from 0.5% in March.

A fall in air fares after the Easter holiday rise in March was the main contributor to the decrease, along with falls in vehicles, clothing and social housing rents.

The CPI rate has been below the Bank of England's 2% target since January 2014.

Price inflation				
	% increase on a year earlier			
	RPI <sup>1</sup>	RPI	RPIX <sup>2</sup>	CPI
March	257.1	0.9	0.9	0.0
April	258.0	0.9	0.9	-0.1
May	258.5	1.0	1.1	0.1
June	258.9	1.0	1.1	0.0
July	258.6	1.0	1.1	0.1
August	259.8	1.1	1.2	0.0
September	259.6	0.8	0.9	-0.1
October	259.5	0.7	0.8	-0.1
November	259.8	1.1	1.1	0.1
December	260.6	1.2	1.3	0.2
January 2016	258.8	1.3	1.4	0.3
February	260.0	1.3	1.4	0.3
March	261.1	1.6	1.7	0.5
April	261.4	1.3	1.4	0.3

<sup>1</sup> January 1987=100 <sup>2</sup> RPI except mortgage interest payments

Six of the 14 groups that make up the basket of goods used to calculate the RPI increased by more than the overall rise for April of 1.3%. The 6.2% rise in clothing and footwear group included rises of 8.9% in children's clothing and 7.7% in the cost of women's clothing.

The housing group's overall increase of 3.2% was tempered with a 1.8% decrease in mortgage interest payments.

Four groups posted a decrease in the year to April. The fuel and light group's decrease of 4.4% included a 22.0% fall in oil and other fuels and a 7.4% fall in gas prices; the fall in electricity prices was only 0.2%.

The food basket's fall of 2.2% saw prices down for most items in the group. Of the basics, bread prices were down by 2.2%, milk by 3.8% and eggs by 9.2%. Tea bucked the trend with a 1.4% increase.

More than 1.3%	%	1.3% or less	%
Clothing & footwear	6.2	Household goods	1.3
Tobacco	4.8	Personal goods & services	1.0
Housing	3.2	Fares etc	0.8
Household services	3.0	Alcoholic drink	0.5
Leisure services	2.5	Leisure goods	-0.6
Catering	1.9	Motoring expenditure	-1.0
		Food	-2.2
		Fuel & light	-4.4

[www.ons.gov.uk/economy/inflationandpriceindices/bulletins/consumerpriceinflation/apr2016](http://www.ons.gov.uk/economy/inflationandpriceindices/bulletins/consumerpriceinflation/apr2016)

[www.bbc.co.uk/news/business-36311126](http://www.bbc.co.uk/news/business-36311126)

## Old and in poverty

Nearly one million people over the age of 75 are living in poverty in Britain, a charity has warned.

Hundreds of thousands are in a "poverty trap" with little hope of escape in their lifetimes, according to a new report by the charity Independent Age.

Its research found many older pensioners are worse off than their younger counterparts by thousands of pounds a year on average, leaving one in five of over-75s living below the poverty line.

Janet Morrison, chief executive of Independent Age, said it was "misleading" to treat the country's 11.8 million pensioners as one group.

The report recommends that:

- the government and other key agencies re-energise their efforts to promote the take-up of Pension Credit and other benefits to the groups of older people most at risk of living in poverty – in particular single older people, older women and older renters;
- the government should introduce a "triple lock" on Pension Credit to guarantee that recipients of the "old" State Pension do not suffer a relative decline in their state income;
- the government should ensure that lower income pensioners continue to receive vital universal benefits like the Winter Fuel Payment and the free bus pass; and
- the government should guarantee that proposed reforms to Attendance Allowance will not introduce a means test, and will not result in reduced incomes for older people.

[www.independentage.org/campaigning/policy-and-research/research-reports/](http://www.independentage.org/campaigning/policy-and-research/research-reports/)