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Average earnings fillip on back of living wage

Growth in average weekly earnings received a boost from the introduction of National Living Wage (NLW) in April for workers aged 25 and over.

The rise in average weekly earnings for the whole economy was provisionally up to 2.5% in April against the revised figure of 2.0% for March.

In manufacturing, earnings growth was down to 1.5% in April from 1.6% the previous month. However, in services, growth was up to 2.2% from 1.8%, reflecting in part the fact that the NLW had an impact in this low-paying sector.

In the private sector as a whole, growth was up to 2.7% from 2.3%.

In April, the public sector, excluding financial services, saw growth up to 2.2% from 1.8% the previous month.

TUC general secretary Frances O'Grady said the figures show that "wages have still not fully recovered from the financial crisis. And wages could start falling again if we leave the EU – not least because of the impact on higher-waged skilled jobs in manufacturing, which would be hit hard".

Average weekly earnings¹

£ a week	Whole economy	Manufacturing	Services	Private sector	Public sector ²
February 2015 (r)	488	564	474	485	491
March (r)	490	571	475	489	490
April (r)	490	572	475	488	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	497	577	481	496	497
February (r)	494	574	478	491	498
March (r)	500	580	484	500	499
April (p)	503	580	486	502	501
% annual change					
Single month	2.5	1.5	2.2	2.7	2.2
3-month average ³	2.0	1.6	1.6	2.1	1.8

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

Headline earnings growth (the rolling three-month average) for the whole economy was unchanged at 2.0% in the three-month period ending April on the March period.

Manufacturing growth was down to 1.6% from 1.7%, as was growth in services. In the private sector as a whole, growth was down to 2.1% from 2.2%.

In the public sector, excluding financial services, growth was up to 1.8% from 1.7%.

The regular pay figures strip out bonuses. Here growth for the whole economy was up to 2.5% in April from 1.9% the previous month.

The percentage rises in the year to April for various sectors, along with the previous month's rises in brackets, were: manufacturing 1.9% (1.9%); services 2.3% (1.8%); the private sector 2.7% (2.0%); and the public sector, excluding financial services, 2.0% (1.8%).

The average rise for regular pay in the whole economy for the three-month period ending April was up to 2.3% from 2.2% for the March period.

The sectoral increases were: manufacturing 1.8% (1.9%); services 2.0% (1.9%); the private sector 2.4% (2.4%); and the public sector, excluding financial services, 1.8% (1.7%).

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 2.5% increase in average weekly earnings for the whole economy between April 2015 and April 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	643.10
All male	697.00
All female	560.80
Managers	995.70
Professionals	813.70
Associate professionals	692.20
Admin & secretarial	470.80
Skilled/craft	541.50
Services	376.70
Sales	391.70
Operatives	505.60
Other manual jobs	386.20

Retail price inflation rises in May

The inflation measure used by union negotiators posted an increase in May, while that used by the government was unchanged.

The annual rate of inflation – as measured by the Retail Prices Index (RPI) favoured by negotiators – was up to 1.4% in May from 1.3% the previous month. The main upward influence was the rise in motoring costs, offset by lower clothing prices and fares.

Inflation under the Consumer Prices Index (CPI) – the government's preferred measure – was steady at 0.3%. Falls in the price of clothing offset the rising price of fuel.

The CPI rate has been below the Bank of England's 2% target since January 2014. In May, the Bank forecast that inflation would remain below 1% until late into 2016, and would stay below the 2% target until 2018.

	Price inflation			
		% increase on a year earlier		
	RPI ¹	RPI	RPIX ²	CPI
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
May	262.1	1.4	1.5	0.3

¹ January 1987=100 ² 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 May of 1.4%. The 5.7% rise in clothing and footwear group included rises of 7.9% in the cost of women's clothing and 5.9% for men's.

The housing group's overall increase was 3.3%. However, rents rose by only 2.1% as average charges for private rented properties rose this year by less than a year ago.

Five groups posted an annual decrease in May. The fuel and light group's decrease of 3.8% included an 18.8% fall in oil and other fuels and a 6.8% fall in gas prices.

The food basket's fall of 2.4% saw prices down for most items in the group. Pork was down by 11.5%. Of the basics, bread prices were down by 3.4%, milk by 4.2% and eggs by 9.9%.

More than 1.4%	%	Less than 1.4%	%
Clothing & footwear	5.7	Household goods	1.1
Tobacco	5.0	Personal goods & services	1.1
Housing	3.3	Alcoholic drink	0.3
Household services	3.2	Motoring expenditure	-0.1
Leisure services	2.4	Fares etc	-0.4
Catering	2.0	Leisure goods	-0.7
		Food	-2.4
		Fuel & light	-3.8

www.ons.gov.uk/economy/inflationandpriceindices/bulletins/consumerpriceinflation/may2016

UK unemployment rate at 11-year low

The UK unemployment rate has fallen to its lowest level for nigh on 11 years, official figures show.

The number of unemployed people under the Labour Force Survey count fell by 20,000 to 1.67 million in the three months to April.

The fall in numbers was enough to cut the unemployment rate to 5.0% from 5.1%. According to the Office for National Statistics, that is the lowest rate since October 2005.

The fall was down to the number of unemployed males. Their numbers fell by 31,000 to 892,000, but their unemployment rate fell from 5.2% to 5.0%.

The number of unemployed women, however, increased by 12,000 to 779,000 but the rise was not enough to impact on their unemployment rate, which remained at 5.0%.

In May, unemployment under the claimant count also fell, but only by 400 to 746,100 from the revised

figure for April of 746,500. The fall in numbers was not sufficient to cut the joblessness rate, which remained at 2.2%.

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

The number of women claimants fell by 1,000 to 272,900, but their joblessness rate was unchanged at 1.7%.

Meanwhile, the number of male claimants rose by 600 to 473,200, but their joblessness rate remained at 2.6%.

	Unemployment seasonally adjusted			
	Claimants ¹		LFS ³	
	(000s)	% ²	(000s)	%
May 2015	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)	740	2.2	1,692	5.1
April (r)	747	2.2	1,671	5.0
May (p)	746	2.2		

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 Unemployment fell in seven of the 12 regions/countries in the three-months to April 2016. The largest fall – 11,000 – was in Scotland, followed by 8,000 in London.

The rises in five regions/countries included 8,000 in the South West and 7,000 the East Midlands.

The unemployment rate was above the UK average of 5.0% in half out of the 12 regions/countries. The highest rates were 7.3% in the North East and 5.9% in both Yorkshire and the Humber and London.

In May, the claimant count only fell in five of the 12 region/countries.

The claimant count rate was above the UK average of 2.2% in seven regions/countries. The highest rates were 4.2% in Northern Ireland and 4.0% in the North East.

Region	May claimants		LFS Feb – Apr	
	Number	%	Number	%
North East	48,300	4.0	94,000	7.3
North West	106,600	2.8	175,000	4.9
Yorkshire & the Humber	71,700	2.7	158,000	5.9
East Midlands	44,100	1.9	106,000	4.5
West Midlands	78,500	2.7	159,000	5.7
East of England	45,500	1.5	117,000	3.7
London	103,200	1.8	280,000	5.9
South East	57,400	1.2	181,000	3.9
South West	37,900	1.3	116,000	4.1
Wales	42,100	2.9	73,000	4.8
Scotland	73,600	2.6	160,000	5.8
Northern Ireland	37,200	4.2	51,000	5.8

<http://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/employmentandemployeetypes/bulletins/uklabourmarket/previousReleases>

Modern day slavery judgment against firm

In a landmark high court judgment, a UK company has been found liable for the first time for victims of modern slavery.

The judge, Justice Supperstone, found in favour of six Lithuanian men who were trafficked to the UK. They brought a civil case claiming compensation for being severely exploited by the Kent-based gangmaster firm that employed them, DJ Houghton Chicken Catching Services.

The men were sent by the company, run by the British couple Darrell Houghton and Jacqueline Judge, to catch chickens on farms around the country. They worked frequently on farms producing eggs for the leading supplier to major supermarkets.

The judge ruled that the men were owed compensation for the firm's failure to pay the agricultural minimum wage, for the charging of prohibited work-finding fees, for unlawfully withholding wages, and for depriving the workers of facilities to wash, rest, eat and drink.

The workers have described living and working in inhuman and degrading conditions. They say they were forced to work back-to-back eight-hour shifts for days at a time, and were denied sleep and toilet breaks. The accommodation provided was dirty, overcrowded and unsafe and infested with bed bugs and fleas, the workers claimed.

The amount of compensation will be assessed at a future date but is expected to run to hundreds of thousands of pounds for unpaid wages alone. A claim for personal injury is still to be heard.

Ten other Lithuanian men who were employed by the couple over the same period in similar conditions have now also brought a claim.

Kevin Hyland, the UK's first independent anti-slavery commissioner, said: "It is a disgrace that any British employer in the 21st century would exploit their workers in such conditions. There is a dark irony that a business producing free range eggs did so using slave labour."

www.theguardian.com/global-development/2016/jun/10/court-finds-uk-gangmaster-liable-for-modern-slavery-victims-kent-chicken-catching-eggs

Employers don't have working carers' policy

Employers are being urged to put processes in place to assist working carers. National charity Carers UK states that three in five people will, at some point in their lives, have to care for a friend or family member.

However, research found almost two-fifths (38%) of employers do not have a policy in place to support working carers, or any plans to develop one. And only one-third (34%) have either a formal or informal policy to support working carers.

The report, *Creating an enabling future for carers in the workplace*, from the CIPD professional body and Westfield Health also found that, of the organisations that do support working carers, almost half (45%) think the steps they have taken have made a positive difference to their organisation's culture.

A worrying finding was that just 13% of organisations offer line manager training to support working carers.

www.cipd.co.uk/research/creating-enabling-future-carers-workplace.aspx