

# FACT

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Annual Subscription £87.00 (£73.50 for LRD affiliates)

Volume 78, Issue 33, 18 August 2016

## Unemployment down

The number of unemployed people under the Labour Force Survey count fell by 52,000 to 1.64 million in the three months to June, according to the Office for National Statistics.

The fall in numbers was enough to cut the unemployment rate to 4.9% from 5.1%.

The number of unemployed men fell by 27,000 to 890,000 and their unemployment rate fell to 5.0% from 5.2%.

Unemployed women numbers were down by 25,000 to 750,000, cutting their unemployment rate to 4.8% from 5.0%.

The TUC said the figures were good news for workers across the UK. However, general secretary Frances O'Grady said: "The Bank of England has warned of a risk to jobs from Brexit. The government should heed that warning, and take action so that working people don't pay the price for leaving the EU. That means seriously investing in infrastructure all over the UK."

In July, unemployment under the claimant count fell by 8,600 to 763,600 from the heavily revised figure for June of 772,200.

The fall in numbers was not sufficient to affect the joblessness rate which remained at 2.2%.

### Unemployment seasonally adjusted

	Claimants <sup>1</sup>		LFS <sup>3</sup>	
	(000s)	% <sup>2</sup>	(000s)	%
July 2015 (r)	791	2.3	1,822	5.5
August (r)	792	2.3	1,774	5.4
September (r)	792	2.3	1,750	5.3
October (r)	793	2.3	1,718	5.2
November (r)	785	2.3	1,685	5.1
December (r)	770	2.2	1,694	5.1
January 2016 (r)	741	2.2	1,691	5.1
February (r)	735	2.1	1,700	5.1
March(r)	751	2.2	1,692	5.1
April (r)	760	2.2	1,671	5.0
May (r)	771	2.2	1,646	4.9
June (r)	772	2.2	1,641	4.9
July (p)	764	2.2		

<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

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

## LABOUR RESEARCH DEPARTMENT

Published weekly by LRD Publications Ltd, 78 Blackfriars Road, London SE1 8HF. 020 7928 3649 [www.lrd.org.uk](http://www.lrd.org.uk)

The overall decrease in numbers was split between the sexes. The number of male claimants fell by 4,200 to 491,900, although their joblessness rate remained at 2.6%.

Meanwhile, the number of women claimants fell by 4,400 to 271,700, but their joblessness rate was unchanged at 1.7%.

**Regions** Unemployment fell in all but two of the 12 regions/countries in the three-months to June. The odd ones out were the West Midlands with a 18,000 rise and London with a 7,000 rise.

The largest fall, by a long way, was in Scotland, where the total was down by 26,000. Numbers were down by 12,000 in the East.

The unemployment rate was above the UK average of 4.9% in six of the 12 regions/countries. The highest rates were 7.6% in the North East, 6.1% in the West Midlands and 6.0% in Northern Ireland.

In July, the claimant count fell in all 12 region/countries. The claimant count rate was above the UK average of 2.2% in seven regions/countries. The highest rates were 4.1% in the North East and 4.0% in Northern Ireland.

Region	July claimants		LFS Apr – June	
	Number	%	Number	%
North East	50,300	4.1	100,000	7.6
North West	103,600	2.8	172,000	4.9
Yorkshire & the Humber	74,500	2.8	159,000	5.9
East Midlands	45,200	2.0	103,000	4.3
West Midlands	82,100	2.8	173,000	6.1
East	46,600	1.5	106,000	3.3
London	105,000	1.8	281,000	5.9
South East	60,600	1.3	173,000	3.7
South West	40,700	1.4	113,000	4.0
Wales	43,100	2.9	65,000	4.3
Scotland	75,700	2.7	143,000	5.2
Northern Ireland	36,100	4.0	53,000	6.0

<https://www.gov.uk/government/statistics/uk-labour-market-statistics-aug-2016>

## Earnings growth static

In June, growth in average weekly earnings was unchanged on the previous month's rise. The rise in average weekly earnings for the whole economy was provisionally 2.2%.

However, in manufacturing, earnings growth slipped back to 1.7% from 3.2% in May.

In services, growth was up to 2.0% from 1.8%, while it was down to 2.1% from 2.5% in the private sector as a whole.

In the public sector, excluding financial services, saw growth up to 1.9% from 1.6% in May.

Headline earnings growth (the rolling three-month average) for the whole economy was up to 2.4% in June against 2.3% in the three-months ending May.

Manufacturing growth was up to 2.3% from 2.2%. However, for other sectors it was as you were. Growth in services was unchanged at 2.0%; in the private sector as a whole, unchanged at 2.5%; and in the public sector, excluding financial services, unchanged at 1.9%.

£ a week	Average weekly earnings <sup>1</sup>				
	Whole economy	Manufacturing	Services	Private sector	Public sector <sup>2</sup>
April 2015	490	572	475	488	490
May (r)	491	568	476	490	491
June (r)	490	575	475	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	494	574	478	491	498
March	500	581	484	500	499
April (r)	503	583	486	502	500
May (r)	502	586	485	502	499
June (p)	501	585	485	501	500
<b>% annual change</b>					
Single month	2.2	1.7	2.0	2.1	1.9
3-month average <sup>3</sup>	2.4	2.3	2.0	2.5	1.9

<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, which strip out bonuses, posted a 2.2% increase in June against a 2.0% rise the previous month.

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

brackets, were: manufacturing 2.3% (2.6%); services 1.9% (1.6%); the private sector 2.3% (2.2%); and the public sector, excluding financial services, 1.7% (1.5%).

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

The sectoral increases were: manufacturing 2.4% (2.2%); services 1.9% (1.9%); the private sector 2.4% (2.3%); and the public sector, excluding financial services, 1.7% (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 2.2% increase in average weekly earnings for the whole economy between April 2015 and June 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	641.20
All male	695.00
All female	559.10
Managers	992.80
Professionals	811.40
Associate professionals	690.20
Admin & secretarial	469.40
Skilled/craft	539.90
Services	375.60
Sales	390.50
Operatives	504.20
Other manual jobs	385.10

<https://www.gov.uk/government/statistics/uk-labour-market-statistics-aug-2016>

## Minimum wage offenders named

Nigh on 200 employers that failed to pay their workers the statutory National Minimum Wage have been publicly named and shamed.

Between them, the 197 companies named owed £465,291. There is a range of employers including football clubs, hotels, care homes and hairdressers.

All of the money owed to these workers has been paid back to them.

The largest sum owed was £99,542 to 30 workers employed by the family run, Italian restaurant San Lorenzo, based in south west London. The arrears owed equates to £3,318 a worker.

Many of the firms named and shamed are local businesses, but there are some subsidiaries of larger companies.

Regis UK, Coventry is the UK arm of the US firm Regis Corporation. The unisex hairdressing salon chain, which had a turnover of £73 million in 2015, owed £25,700 to 604 workers. One unnamed director of Regis UK had a remuneration package of £201,000 in the year to June 2015.

Cleaning group Interserve FS (UK) with a turnover of £367 million is part of Interserve plc, a London Stock Exchange quoted company. It owed £894 to four workers.

Football's Premier League may be awash with money, but further down the leagues times are harder. Nevertheless, fans of two football teams may be surprised to see their team feature. Championship side Brighton and Hove Albion owed £2,862 to one worker and League Two team Blackpool owed £518 to one worker

[www.gov.uk/government/news/largest-ever-list-of-national-minimum-wage-offenders-published](http://www.gov.uk/government/news/largest-ever-list-of-national-minimum-wage-offenders-published)

## Briefing on new housing Act

The 2016 *Housing and Planning Act* is a missed opportunity that will have a severe impact on the provision of housing in England, warns public services union UNISON.

The union's briefing on the Act says the focus on home ownership will reduce the amount of social and affordable housing available to ordinary working people, hitting general housing provision.

Many public service workers will be affected by the Act, whether they are tenants forced to pay market rents or lose their social rented home; tenants who lose secure tenancies; staff who lose their jobs or see their pay, terms and conditions eroded.

UNISON assistant policy officer Sylvia Jones said: "Rather than offering holistic solutions to improve

the housing market across all housing types, the act focuses on boosting home ownership at the expense of affordable and social housing, which the majority of people on average incomes need."

[www.unison.org.uk/content/uploads/2016/08/Housing-and-Planning-Act-2016-FINAL.pdf](http://www.unison.org.uk/content/uploads/2016/08/Housing-and-Planning-Act-2016-FINAL.pdf)

## Cost of living in the UK on the rise

Both retail price inflation and consumer price inflation posted increases in July.

The annual rate of inflation – as measured by the Retail Prices Index (RPI) which is favoured by union negotiators – was up to 1.9% in July from 1.6% the previous month. Rising prices of motor fuel and alcohol were only partially offset by cheaper holidays abroad.

The July RPI is used to set regulated railway fares in England and Wales and so they will rise by 1.9% from January next year.

Meanwhile, inflation under the Consumer Prices Index (CPI) – the government's preferred measure – edged higher to 0.6% from 0.5%.

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
June 2015	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
June	263.1	1.6	1.7	0.5
July	263.4	1.9	1.9	0.6

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

Seven of the 14 groups that make up the basket of goods used to calculate the RPI increased by more than the overall rise for July of 1.9%.

The 5.5% annual rise in clothing and footwear group included rises of 7.1% in the cost of men's clothing and a 6.3% rise for women's.

The housing group's overall increase was 3.4%. However, mortgage interest payments were down by 1.7%.

The fares and other travel costs group was up by 2.6%, but that included a 3.0% increase in other travel costs, such as air fares, and a 2.5% rise in bus and coach fares.

Two groups posted an annual decrease in June. The fuel and light group's decrease of 3.2% included a 7.8% fall in oil and other fuels and a 6.8% fall in gas prices.

The food basket's fall of 2.3% saw prices down for all items in the group. Fans of the full English breakfast will be happy as bacon was down by 7.3%, eggs by 8.5% and vegetables by 4.3%. However, there were mixed fortunes on the accompanying cup of tea as milk was unchanged, while tea was up 2.8%.

More than 1.9%	%	Less than 1.9%	%
Clothing & footwear	5.5	Motoring expenditure	1.5
Tobacco	4.9	Alcoholic drink	1.1
Household services	3.8	Personal goods & services	1.0
Housing	3.4	Leisure goods	0.5
Fares etc	2.6	Household goods	0.3
Leisure services	2.4	Food	-2.3
Catering	2.1	Fuel & light	-3.2

[www.ons.gov.uk/economy/inflationandpriceindices/bulletins/consumerpriceinflation/july2016](http://www.ons.gov.uk/economy/inflationandpriceindices/bulletins/consumerpriceinflation/july2016)

## LABOUR RESEARCH MAGAZINE

Jeremy Corbyn and Owen Smith — the two candidates for the Labour Party leadership — answer questions on issues of interest to trade unionists in September's issue.

Out on 1 September

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