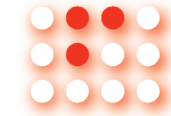


# FACT

S E R V I C E



145 Employers must tell staff of email checks  
Retail price inflation rises ever higher

146 Earnings – living standards take big hit

147 Unemployment falls to 1.46 million ...

148 ... unemployment continued

Annual Subscription £90.05 (£76.00 for LRD affiliates)

Volume 79, Issue 37, 14 September 2017

## Employers must tell staff of email checks

Organisations must tell employees in advance if their work email accounts are being monitored, without unduly infringing their privacy, the European Court of Human Rights (ECHR) said in a recent ruling, defining the scope of corporate email snooping.

In a judgment in the case of a man fired 10 years ago for using a work messaging account to communicate with his family, the ECHR judges found that Romanian courts failed to protect Bogdan Barbulescu's private correspondence because his employer had not given him prior notice it was monitoring his communications.

The ECHR ruled by an 11-6 majority that Romanian judges, in backing the employer, had failed to protect Barbulescu's right to private life and correspondence.

The court concluded that Barbulescu had not been informed in advance of the extent and nature of his employer's monitoring or the possibility that it might gain access to the contents of his messages. The company was not named in the ruling.

The ECHR also said there had not been a sufficient assessment of whether there were legitimate reasons to monitor Barbulescu's communications.

There was no suggestion he had exposed the company to risks such as damage to its IT systems or liability in the case of illegal activities online.

"This set of requirements will restrict to an important extent the employers' possibilities to monitor the workers' electronic communications," said Esther Lynch, confederal secretary of the European Trade Union Confederation.

<https://uk.reuters.com/article/uk-privacy-emails-echr/european-court-rules-companies-must-tell-employees-of-email-checks-idUKKCN1BG0YC>

## Retail price inflation rises ever higher

Retail price inflation continued on its upwards trajectory to hit a five-and-a-half year high.

In August, the Retail Prices Index (RPI) stood at 274.7 and the annual rate of inflation in the measure favoured by union negotiators rose to 3.9% from 3.6% the previous month.

"Clothing prices rising faster than last year, along with a hike in the cost of petrol, helped nudge inflation upwards," said Mike Prestwood of the Office for National Statistics.

"Conversely, these effects were partially offset by airfares, which rose more slowly than during last year's summer holidays."

**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)

Inflation under the Consumer Prices Index Housing (CPIH) – now the government's preferred measure – edged higher to 2.7% from 2.6%.

	Price inflation			
	RPI <sup>1</sup>	% increase on a year earlier		
	RPI	RPIX <sup>2</sup>	CPIH	
July 2016	263.4	1.9	1.9	0.9
August	264.4	1.8	1.9	1.0
September	264.9	2.0	2.2	1.3
October	264.8	2.0	2.2	1.3
November	265.5	2.2	2.5	1.5
December	267.1	2.5	2.7	1.8
January 2017	265.5	2.6	2.9	1.9
February	268.4	3.2	3.5	2.3
March	269.3	3.1	3.4	2.3
April	270.6	3.5	3.8	2.6
May	271.7	3.7	3.9	2.7
June	272.3	3.5	3.8	2.6
July	272.9	3.6	3.9	2.6
August	274.7	3.9	4.1	2.7

<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 3.9% in August.

The 10.7% rise in the clothing and footwear group included a rise of 15.2% in women's clothing.

The household goods group posted a rise of 6.7%, but that included an 9.7% rise in the cost of furniture – the highest rise for over 10 years.

The motoring group's rise of 6.1% included rises of 5.7% in petrol and oil and 19.3% for vehicle tax and insurance.

A 13.1% increase in bus and coach fares contributed to the overall rise of 5.5% in the fares and other travel costs group.

The food group's increase of 2.1% included a 4.2% rise in bread and an 11.2% rise in butter. Fish prices were up by 8.8% and lamb by 6.1%.

The fuel and light group recorded an increase of 5.7%. There was a rise of 9.0% in electricity prices and a 16.9% increase in domestic oil prices.

The housing group's overall increase was 2.3%, but included a 2.6% decrease in mortgage interest payments.

More than 3.9%	%	Less than 3.9%	%
Clothing & footwear	10.7	Leisure services	3.4
Household goods	6.7	Household services	3.3
Motoring expenditure	6.1	Alcoholic drink	3.2
Fuel & light	5.7	Catering	2.8
Fares etc	5.5	Housing	2.3
Tobacco	4.9	Food	2.1
Leisure goods	4.2	Personal goods & services	2.0

[www.ons.gov.uk/economy/inflationandpriceindices/bulletins/consumerpriceinflation/aug2017](http://www.ons.gov.uk/economy/inflationandpriceindices/bulletins/consumerpriceinflation/aug2017)

## Earnings – living standards take big hit

In July, average weekly earnings growth slumped as retail inflation continued on its upward trend, meaning living standards were hit even harder than in June.

Growth in average weekly earnings in the whole economy was provisionally estimated to be just 1.4% against the revised rise for June of 2.8%.

With retail price inflation rising by 3.6% in July and 3.5% in June, there was a real-terms decrease in earnings of 2.2 percentage points in July against decrease of 0.7 percentage points in June.

TUC general secretary Frances O'Grady said: "The squeeze on living standards is not letting up. "Ministers need to stop twiddling their thumbs and get wages rising across the economy. Just one in nine UK workers had a real-terms pay rise last year."

The sectoral figures published by the Office for National Statistics (ONS) show manufacturing earnings growth was up to 1.8% in July from 1.1% the previous month. Meanwhile, services saw a slump to 1.4% growth from 3.2% in June. In the private sector as a whole, growth also slumped to 1.4% from 3.2%.

In the public sector, excluding financial services, growth was up 1.7% in July against 0.9% the previous month despite the continuing pay cap.

Headline earnings growth (the rolling three-month average) for the whole economy was steady at 2.1% in July.

In manufacturing, growth was unchanged at 1.2%, while in services it was unchanged at 2.3%.

There was also no change in the private sector as a whole, with earnings growth at 2.2%.

In the public sector, excluding financial services, growth was up to 1.6% from 1.3%.

£ a week	Average weekly earnings <sup>1</sup>				
	Whole economy	Manuf acturing	Services	Private sector	Public sector <sup>2</sup>
May 2016 (r)	494	579	478	492	498
June (r)	491	579	474	490	500
July (r)	498	578	483	496	498
August	496	579	480	494	504
September	497	580	481	495	500
October	498	578	483	497	501
November	500	579	484	498	503
December	499	579	483	496	502
Jan 2017	499	581	484	497	503
February	499	582	484	498	504
March	502	581	488	501	505
April	504	585	488	502	505
May (r)	504	584	489	502	508
June (r)	505	585	490	505	505
July (p)	505	588	490	503	507
<b>% annual change</b>					
Single month	1.4	1.8	1.4	1.4	1.7
3-month average <sup>3</sup>	2.1	1.2	2.3	2.2	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 ONS also produces regular pay figures which strip out bonuses. For the whole economy, growth was unchanged at 2.0%.

The increases in the year to July for various sectors, along with the previous month's rises in brackets, were: manufacturing 0.6% (1.3%); services 2.1% (2.1%); private sector 2.1% (2.3%); and public sector, excluding financial services, 1.7% (1.2%).

The average rise for regular pay in the whole economy for the three-month period ending July was unchanged on June at 2.1%.

The three-month sectoral increases were: manufacturing 1.0% (1.2%); services 2.3% (2.1%); private sector 2.3% (2.3%); and public sector, excluding financial services, 1.7% (1.4%).

The following table is based on the median average earnings figures for April 2016 published in the

Annual Survey of Hours and Earnings. The original median figures have been updated by the 1.6% increase in average weekly earnings, including bonuses, for the whole economy between April 2016 and July 2017 to give a rough estimate of earnings now in the various occupational groups.

Full-time average weekly earnings by occupation	
	£ a week
All employees	547.30
All male	587.00
All female	488.20
Managers	810.40
Professionals	737.40
Associate professionals	603.20
Admin & secretarial	430.10
Skilled/craft	506.00
Services	358.50
Sales	360.60
Operatives	475.00
Other manual jobs	362.10

[www.ons.gov.uk/employmentandlabourmarket/peopleinwork/employmentandemployeetypes/bulletins/uklabourmarket/september2017](http://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/employmentandemployeetypes/bulletins/uklabourmarket/september2017)

[www.tuc.org.uk/news/ministers-must-stop-twiddling-thumbs-living-standards-squeeze-continues-says-tuc](http://www.tuc.org.uk/news/ministers-must-stop-twiddling-thumbs-living-standards-squeeze-continues-says-tuc)

## UK unemployment falls to 1.46 million

UK unemployment was at its lowest level for 12 years as it continues on its downward path, official figures show.

The number of unemployed people fell by 75,000 to 1.46 million in the three-month period ending July 2017, according to Labour Force Survey data. The number was last lower in three-month period ending September 2005.

The total unemployment rate was down to 4.3% in the period ending July from 4.6% in the three-month period ending April.

The number of unemployed men fell by 52,000 to 788,000 and their unemployment rate was cut to 4.4% from 4.7%. Their numbers were last lower in November 1979 and the male rate below 4.4% in September 1975.

The number of unemployed women was down by 23,000 to 667,000 and their unemployment rate fell to 4.2% from 4.4% in the previous period. The rate was last as low as 4.2% in August 2005.

There was also a fall in on the other main unemployment measure – the claimant count – which only includes claimants receiving Jobseeker's Allowance and those on the means-tested Universal Credit.

In August 2017, unemployment under this count fell by 2,800 to 806,300 from the revised figure for July of 809,100.

The fall in numbers was, however, not enough to affect the joblessness rate which remained at 2.3%.

Male claimants were down in number by 2,000 to 504,200, but their joblessness rate was unchanged at 2.7%.

The number of female claimants was down by 800, cutting their total to 302,900 but their joblessness rate was unchanged at 1.8%.

Unemployment seasonally adjusted				
	Claimants <sup>1</sup>		LFS <sup>3</sup>	
	(000s)	% <sup>2</sup>	(000s)	%
June 2016	779	2.2	1,640	4.9
July	774	2.2	1,630	4.9
August	777	2.2	1,658	5.0
September	780	2.2	1,606	4.8
October	784	2.2	1,612	4.8
November	791	2.2	1,600	4.8
December	787	2.2	1,594	4.8
January 2017	768	2.2	1,580	4.7
February	766	2.2	1,559	4.7
March	789	2.2	1,541	4.6
April	801	2.3	1,530	4.6
May	809	2.3	1,495	4.5
June	812	2.3	1,484	4.4
July (r)	809	2.3	1455	4.3
August (p)	806	2.3		

<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** In the three months to July 2017, unemployment was down on the previous three-month period in 10 of the UK's 12 regions/countries.

The largest falls were 36,000 in London and 13,000 in the South East.

The two regions to post an increase in numbers were the North East with an 8,000 increase and the South West with a 9,000 increase

The unemployment rate was above the UK average of 4.3% in five of the 12 regions/countries. The highest rates were 6.0% in North East and 5.7% in the West Midlands.

In August, the claimant count fell in the nine regions/countries, was unchanged in two – the South East and South West – and increased in one – the North East.

The claimant count rate was above the UK average of 2.3% in seven regions/countries. The highest rates were 4.4% in the North East, 3.3% in Northern Ireland and 3.0% in the North West.

Region	August claimants		LFS May – July	
	Number	%	Number	%
North East	54,200	4.4	77,000	6.0
North West	111,300	3.0	145,000	4.0
Yorkshire & the Humber	75,800	2.7	127,000	4.7
East Midlands	46,500	2.0	91,000	3.9
West Midlands	85,100	2.9	164,000	5.7
East	49,600	1.6	121,000	3.8
London	122,800	2.1	254,000	5.2
South East	65,900	1.3	152,000	3.2
South West	45,000	1.5	106,000	3.7
Wales	38,900	2.6	65,000	4.3
Scotland	81,400	2.9	106,000	3.8
Northern Ireland	29,800	3.3	46,000	5.3

[www.ons.gov.uk/employmentandlabourmarket/peopleinwork/employmentandemployeetypes/bulletins/uklabourmarket/september2017](http://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/employmentandemployeetypes/bulletins/uklabourmarket/september2017)

## LRD'S NEW LEGAL GUIDE

# TAKING INDUSTRIAL ACTION

**£10.00 a copy**

Order online or check for bulk discounts at [www.lrd.org.uk](http://www.lrd.org.uk) or phone 0207 928 3649