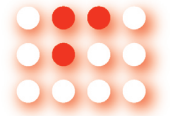
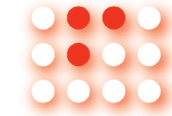


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Annual Subscription £90.05 (£76.00 for LRD affiliates)

Volume 79, Issue 7, 16 February 2017

Minimum wage cheats named and shamed

The government has named and shamed 359 businesses which have failed to pay the National Minimum Wage (NMW).

The 359 businesses had underpaid 15,513 workers a total of £994,685. Employers in the hairdressing, hospitality and retail sectors were the most prolific offenders, but some care homes were also notable in being named and shamed.

The largest sum was recovered from by high street department store Debenhams. It had to repay £134,895 to 11,858 workers.

Osteria San Lorenzo, an Italian restaurant based close to Harrods, failed to pay £53,497 to 29 workers. Its sister restaurant, based in Wimbledon, featured in the last naming and shaming list in August 2016 when it was revealed 30 San Lorenzo staff there were owed £99,542.

Other well-known names that were named this time around included: a Sheffield-based Subway sandwich store which owed £3,729 to 18 workers; a Lloyds Pharmacy in Coventry which failed pay one worker £111; and St Mirren Football Club which failed to pay one worker £1,277.

Calderdale and Huddersfield NHS Foundation Trust, based in West Yorkshire failed to pay £7,501 to a worker.

Excuses used by businesses for not paying the full basic wage included using tips to top up their pay, making reductions to pay for a Christmas party, or making staff pay for their own uniforms.

As well as recovering arrears for some of the UK's lowest paid workers, HM Revenue and Customs issued penalties worth around £800,000.

For the first time, the naming and shaming list includes employers who failed to pay eligible workers at least the National Living Wage rate, which is currently £7.20 an hour for workers aged 25 and over.

The Office for National Statistics has calculated that 362,000 jobs did not pay the NMW in April 2016. So the firms in the latest list are just the tip of the iceberg.

TUC general secretary Frances O'Grady said: "This should be a wake-up call for employers who value their reputation. If you cheat your staff out of the minimum wage you will be named and shamed."

"Minimum wage dodgers must have nowhere to hide. We need to see strong unions in every workplace to stop these abuses from happening."

www.gov.uk/government/news/record-number-of-employers-named-and-shamed-for-underpaying

LABOUR RESEARCH DEPARTMENT

Published weekly by LRD Publications Ltd, 78 Blackfriars Road, London SE1 8HF. 020 7928 3649 www.lrd.org.uk

Inflation hits three-year high

Price inflation has hit its highest level for nigh on three years.

In January, the Retail Prices Index (RPI) stood at 265.5 and the annual rate of inflation rose to 2.6% from the 2.5% at the end of 2016. RPI inflation was last higher in February 2014.

Dearer petrol and higher food prices compared with last year were the main contributors to the rise in the inflation measure favoured by union negotiators.

Inflation under the Consumer Prices Index (CPI) – the government's preferred measure – was up to 1.8% in January from 1.6% the previous month. That's the highest rate since June 2014.

Inflation under the CPIH measure, which will become the government's preferred measure from March, was up to 2.0% from 1.7%.

	Price inflation			
	RPI ¹	RPI	RPIX ²	CPI
		<u>% increase on a year earlier</u>		
Dec 2015	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
August	264.4	1.8	1.9	0.6
September	264.9	2.0	2.2	1.0
October	264.8	2.0	2.2	0.9
November	265.5	2.2	2.5	1.2
December	267.1	2.5	2.7	1.6
January 2017	265.5	2.6	2.9	1.8

¹ January 1987=100 ²RPI except mortgage interest payments

Only four of the 14 groups that make up the basket of goods used to calculate the RPI increased by the 2.6% or more in January.

The motoring group's rise of 7.2% rise included a 16.2% rise in petrol and oil and a 14.5% in vehicle tax and insurance.

For once it was only the percentage rise in women's clothing of 9.3% that was greater than the clothing and footwear group's overall rise (6.0%). The rise for men's clothing was 5.1% and for children's 5.6%.

The fares group only posted an overall rise of 1.6%, but coach and rail fares were 10.2% higher, while rail fares rose by 2.3%.

The housing group's overall increase was 2.3%. However, mortgage interest payments were down by 6.2%.

There was no overall percentage change for the fuel and light group. However, "oil and other fuels" posted a 49.4% increase, offset in part by a 5.3% decrease in gas prices.

The food basket's overall decrease of 0.4% included price cuts of 8.0% for eggs and 5.4% for milk products. However, there were increases of 2.1% for bread and 5.6% for tea.

2.6% or more	%	Less than 2.6%	%
Motoring expenditure	7.2	Catering	2.4
Clothing & footwear	6.0	Housing	2.3
Tobacco	4.7	Household goods	2.2
Household services	2.6	Leisure goods	2.2
		Leisure services	2.0
		Fares etc	1.6
		Alcoholic drink	1.6
		Personal goods & services	1.4
		Fuel & light	0.0
		Food	-0.4

www.ons.gov.uk/economy/inflationandpriceindices/bulletins/consumerpriceinflation/jan2017

UK unemployment at 11-year low

UK unemployment fell to its lowest level for almost 11 years, official figures show.

In the three month period October to December 2016, the number of unemployed people under the Labour Force Survey count fell by 7,000 to 1.6 million. The number of unemployed people under this count was last lower in February 2006.

The fall in numbers was down to fewer women being out of work. The number of unemployed women fell by 8,000 to 720,000, and their unemployment rate fell to 4.6% from the 4.7% rate for the period to September 2016.

On the other hand, the number of unemployed men rose by 1,000 to 877,000 but their unemployment rate remained at 4.9%.

The overall unemployment rate was 4.8% for third consecutive three-month period.

Unemployment seasonally adjusted				
	Claimants ¹		LFS ³	
	(000s)	% ²	(000s)	%
January 2016	742	2.1	1,691	5.1
February	736	2.1	1,700	5.1
March	754	2.2	1,692	5.1
April	763	2.2	1,671	5.0
May	776	2.2	1,646	4.9
June	779	2.2	1,641	4.9
July	778	2.2	1,632	4.9
August	788	2.3	1,656	4.9
September	793	2.3	1,604	4.8
October	807	2.3	1,616	4.8
November	808	2.3	1,604	4.8
December (r)	787	2.3	1,597	4.8
Jan 2017 (p)	745	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

There was a large monthly fall in 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 January 2017, unemployment under the claimant count fell by 42,400 to 745,000 from the revised figure for December 2016 of 787,400.

The fall in numbers impacted on the joblessness rate which fell to 2.1% in January from the 2.3% rate posted for the previous five months.

The number of male claimants fell by 30,600 to 465,700, and the fall was enough to cut their joblessness rate to 2.5% from 2.7%.

For women, there was a smaller decrease of 11,900 to 279,300, and their joblessness rate was down to 1.7% from 1.8%.

Regions In the three months to December 2016, unemployment was down in seven of the UK's 12 regions/countries and increased in the other five.

The largest falls were 14,000 in Yorkshire and the Humber and 12,000 in the South East. However, there was a 17,000 increase in the West Midlands region and an 11,000 increase in the North East.

The unemployment rate was above the UK average of 4.8% in seven of the 12 regions/countries. The highest rate was 7.0% in the North East.

In January, the claimant count fell in all 12 region/countries. The claimant count rate was above the UK average of 2.1% in seven regions/countries. The highest rate was 3.9% in the North East.

Region	Jan claimants		LFS Oct – Dec	
	Number	%	Number	%
North East	49,000	3.9	90,000	7.0
North West	99,900	2.7	180,000	5.0
Yorkshire & the Humber	71,200	2.6	137,000	5.0
East Midlands	41,700	1.8	114,000	4.7
West Midlands	80,400	2.8	168,000	5.9
East	46,000	1.5	140,000	4.4
London	113,400	2.0	260,000	5.5
South East	57,700	1.2	157,000	3.4
South West	38,900	1.3	101,000	3.6
Wales	38,700	2.6	67,000	4.4
Scotland	76,400	2.7	135,000	4.9
Northern Ireland	31,600	3.5	48,000	5.3

www.ons.gov.uk/employmentandlabourmarket/peopleinwork/employmentandemployeetypes/bulletins/uklabourmarket/feb2017

Inflation erodes growth in weekly earnings

Earnings growth slumped to below the rise in retail inflation, cutting worker's living standards.

In December 2016, growth in average weekly earnings was just 1.9% against a revised rise for November of 2.9%.

If retail price inflation is taken into account, there was a real-terms decrease of 0.6 percentage points in December against an increase of 0.4 percentage points increase the previous month.

TUC general secretary Frances O'Grady said that with prices rising faster "next month's Budget must set out a clear plan for preventing another fall in living standards. The chancellor should

tackle insecurity at work, invest in infrastructure and skills, and end the current pay restrictions on nurses, teachers and other key workers".

Manufacturing earnings growth fell sharply to 1.1% in December against the 2.0% in November, while in services, growth was down to 1.8% from the previous month's rise of 2.9%.

In the private sector as a whole, growth was down to 2.0% from 3.3%.

The public sector, excluding financial services, saw growth edge higher to 1.6% from 1.5% – well below the RPI inflation rate for the two months.

£ a week	Average weekly earnings ¹				
	Whole economy	Manufacturing	Services	Private sector	Public sector ²
Oct 2015 (r)	493	575	478	492	494
November (r)	494	575	478	493	495
December (r)	498	580	481	497	495
Jan 2016	498	578	482	497	497
February	494	575	478	492	498
March	500	581	484	500	499
April	503	583	486	503	500
May	502	586	485	502	499
June	502	586	486	503	500
July	505	587	488	506	498
August	505	588	488	504	504
September	506	588	489	506	500
October (r)	507	586	490	508	502
November (r)	509	587	492	509	503
December (p)	507	586	490	507	503
% annual change					
Single month	1.9	1.1	1.8	2.0	1.6
3-month average ³	2.6	1.7	2.4	2.8	1.5

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 dipped to 2.6% in December from 2.8% in November

Manufacturing growth was down to 1.7% from 2.2%, while services growth was down to 2.4% from 2.6%.

In the private sector as a whole, earnings growth in December was 2.8%, against 3.2% in November.

In the public sector, excluding financial services, growth was up to 1.5% from 1.3%.

The regular pay figures produced by the Office for National Statistics strip out bonuses. These showed a 2.4% rise in December against a 2.7% rise the previous month.

The increases in the year to December for various sectors, along with the previous month's rises in brackets, were: manufacturing 1.4% (1.7%); services 2.3% (2.8%); the private sector 2.6% (3.0%); and the public sector, excluding financial services, 1.4% (1.5%).

The average rise for regular pay in the whole economy for the three-month period ending December edged down to 2.6% from 2.7% for the November period.

The sectoral increases were: manufacturing 1.7% (2.1%); services 2.5% (2.6%); the private sector 2.8% (3.0%); and the public sector, excluding financial services, 1.5% (1.4%).

The table below is based on the median average earnings figures published in the Annual Survey of Hours and Earnings (ASHE) 2016.

The original median figures have been updated by the 0.8% increase in average weekly earnings, including bonuses, for the whole economy between April 2016 and December 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	543.00
All male	582.40
All female	484.30
Managers	804.00
Professionals	731.60
Associate professionals	598.40
Admin & secretarial	426.70
Skilled/craft	502.00
Services	355.70
Sales	357.70
Operatives	471.20
Other manual jobs	359.30

www.ons.gov.uk/employmentandlabourmarket/peopleinwork/employmentandemployeetypes/bulletins/uklabourmarket/feb2017