

Unite bargaining brief



Unite the Union

February 2018

INTRODUCTION

The squeeze on pay continues with official figures showing real wages falling for the tenth month in a row.¹ But there are still examples of Unite gaining above inflation pay increases such as that recently gained at Pirelli Tyres.²

This edition of Bargaining Brief coincides with the TUC's 'Work Your Proper Hours' day (22nd February). UK workers gave their employers £31.2 billion of free labour last year, doing a grand total of two billion hours unpaid overtime. Managers and professionals do the most unpaid hours. However, the practice of doing some free hours has spread fairly wide, even creeping into hourly-paid retail work, where shop assistants are often asked to come in before the store open and to stay after it closes.³

As the 4th April deadline for organisations employing at least 250 people to publish their gender pay gap figures draws near please note that over 1120 organisations have now reported. This data is available and searchable which gives a potentially useful tool for pay bargaining in those organisations. The Unite Equality Reps Toolkit⁴ also contains a section on 'Organising for fair pay and equality audits'.

John Earls, Director of Research

SUMMARY

- **Median settlements at 2.5% (LRD), 2.5% (XpertHR) 2.5% for private sector (IDR)**
- **Inflation rises: RPI 4.0%, CPIH 2.7%, CPI 3.0% (January 2018)**
- **RPI forecast to fall to remain around 3.5% throughout 2018**
- **Average weekly earnings are at 2.8% on last year (total pay, including bonuses, single month) and 2.6% (regular pay, excluding bonuses, single month)**
- **Real Living Wage published by the Living Wage Foundation at £8.75 (UK) and £10.20 (London). This continues to be significantly higher than the over 25's rate for the National Minimum Wage (£7.50)**
- **74% of firms pay higher rates to their male staff**
- **Unite pay claim tool launched**
- **The average cost of full-time childcare (50 hours) is £222.36 per week UK wide**

¹ <https://www.theguardian.com/business/2018/feb/21/uk-unemployment-rises-at-fastest-rate-in-almost-five-years>

² <http://www.unitetheunion.org/news/workers-at-pirelli-tyres-beat-inflation-with-unite/>

³ <https://www.tuc.org.uk/blogs/work-your-proper-hours-day-%E2%80%93-tackling-culture-unpaid-overtime>

⁴ <http://www.unitetheunion.org/uploaded/documents/Equality%20Reps%20Toolkit%20booklet11-3285.pdf>

PAY SETTLEMENTS

LRD lowest grade median settlements rise 3% for the three months to December 2017 but the standard median settlement remains at 2.5%

IDR median settlements at 2.5% (private sector) in the three months to December 2017
XpertHR median settlements rise to 2.5% in the three months to the end of January 2018

Pay data analysis includes data published in Labour Research Department’s Workplace Report (January), XpertHR 2017 Pay Awards and the Incomes Data Research’s *Pay Climate* (December) and blog (February).

LRD – Median settlements rise at 3% for the lowest grade in December

Labour Research Department reported in January’s Workplace Report that “Pay settlements finished on year-high, LRD Payline data shows. In December, the median rise of 3.0% on the lowest grade in collectively agreed settlements was up from the revised figure of 2.5% for November.

The standard increase for December — the rise received by most grades — was lower at 2.5%.

Official data for average weekly earnings, excluding bonuses, for the whole economy posted a 2.4% increase in November — unchanged on October. The headline three-monthly rate was also 2.5% in November.”

Labour Research Department’s Payline Database

Percentage increases on lowest basic rates (by agreements covered) for the three months up to and including:

For the three months up to and including:	2017												This pay round, Aug-Dec
	Jan	Feb	Mar	Apr	May	Jun	July	Aug	Sept	Oct	Nov	Dec	
All agreements	2.1	2.0	2.2	2.4	2.4	2.4	2.4	2.2	2.0	2.2	2.5	3.0	2.4
Private sector	2.0	2.0	2.0	2.4	2.4	2.4	2.5	2.5	2.5	2.5	2.9	3.0	2.5
Public sector	2.2	2.2	2.2	1.3	1.3	1.3	1.0	1.0	1.0	1.5	1.9	3.9	1.3
Manual	2.2	2.2	2.2	2.5	2.5	2.5	2.5	2.5	2.5	2.5	2.9	3.0	2.5
Non-manual	2.0	2.0	2.2	2.2	2.2	2.2	2.1	2.0	2.0	1.9	2.5	2.6	2.1
All industries	2.0	2.0	2.0	2.4	2.4	2.4	2.5	2.5	2.5	2.5	3.0	3.0	2.7
All services	2.2	2.2	2.2	2.4	2.4	2.4	2.3	2.0	2.0	2.0	2.5	3.0	2.3

Percentage increases on lowest basic rates (by agreements covered) for the twelve months up to and including:

The twelve months up to and including:	Jan	Feb	Mar	Apr	May	Jun	July	Aug	Sept	Oct	Nov	Dec
By agreements	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.2	2.2	2.2	2.2	2.3
By workers covered	3.3	3.3	3.0	2.5	2.5	2.4	2.4	2.2	2.3	2.3	2.5	2.5

Source: LRD Workplace Report, January 2018

XpertHR – Median awards in 2018 rise to 2.5%

Pay deals in the three months to the end of January 2018 are worth a median 2.5%, according to data from pay analysts XpertHR. This marks an increase on the 2% median award recorded in every rolling quarter during 2017, and is the highest figure seen since the three months to the end of March 2014 (when pay awards were also at a median 2.5%). XpertHR’s headline measure of pay awards has not been higher than 2.5% since the three months to the end of December 2008.

Just over half (53.5%) of pay awards provided higher increases than the same employees received the year before, with just 16.8% receiving a lower settlement. Although the median pay award has risen, 2% remains the most common pay rise, accounting for 22.4% of awards (15.3% received 2.5%).

The current sample is exclusively made up of pay awards in the private sector – pay bargaining in the public sector will start again in April, when the majority of deals in the sector will settle.

The figures reflect the Bank of England’s assertion that wage growth will pick up during 2018. What is less clear, however, is whether pay awards will exceed inflation this year. Based on a comparison of XpertHR pay data and retail prices index (RPI) inflation, prices have been rising faster than pay since September 2016. RPI is expected to average 3.7% over the first half of this year, suggesting we will continue to see wage growth fall behind inflation over the coming months.

Source: XpertHR, February 2018

IDR – Private sector median settlements at 2.5% (3 months to Dec 17)

Incomes Data Research (IDR) reported in its latest pay settlements blog (25 January 2018) *“The last three months of 2017 produced an increase in pay rises across the economy, with the median rising to 2.3%. Awards in the private sector show a median of 2.5% for this period, which is higher than the overall median of 2.2% for this sector during 2017. The elevated median this time is the product of some higher awards, for instance at EasyJet and Ford.”*

Settlements three months to December 2017

	Whole economy	Public sector	Manufacturing & primary	Private services
Lower quartile	1.44%	2.0%	2.08%	1.53%
Median	2.3%	2.5%	2.65%	2.0%
Upper quartile	3.0%	3.25%	3.0%	3.65%
Based on 32 settlements				

Source: IDR Blog, January 2018.

2017 Pay Settlements Summary

In January 2018 Incomes Data Research produced a summary of all the 667 pay reviews for 2017 it has monitored, covering over 6,900,000 employees. They concluded: *“The median increase for the whole economy remained the same at 2% from the previous year. The private sector however has risen from 2% to 2.2% in 2017. This has been especially noticeable at the lower quartile which showed an increase of 0.5%, whereas the upper quartile fell slightly from 2.78% to 2.75%. Across the whole economy, the lower quartile increased by 0.5% and the upper quartile rose by 0.1%, suggesting modest upwards pressure on pay, which may be due to higher inflation rates across 2017.”*

Percentage increases in 2017, by sector

Sector	Median	Average	Upper quartile	Lower quartile
Manufacturing and primary	2.2%	2.2%	2.7%	2.0%
Not-for-profit	2.0%	2.2%	2.7%	1.5%
Private services	2.3%	2.4%	2.8%	2.0%
Public sector	1.0%	1.3%	1.6%	1.0%
Based on 667 pay reviews for 2017, covering over 6,900,000 employees				

Source: IDR Pay blog

Recent Unite Settlements as reported to the LRD Pay & Conditions database

Agreement	Sector	Start	Description
Kraft Heinz (Wigan)	Food Manufacturing	01/01/18 01/01/19	First year of a two stage two year agreement with a 4.15% increase from 1 January 2018. Annual bonus scheme of up to 9% linked to performance for site and individual absence rates. In the second year, from 1 January 2019, an increase based on the average RPI for September, October and November 2018, plus 0.25%.
NI Agricultural Wages Board	Agriculture	01/04/18	AWB in Northern Ireland settled at a 3.5% pay rise across Grades 2-6 and accommodation offset will go up to £37 (£3 per week rise)
Rolls Royce	Automotive	01/01/18	Year One: A pay award of a 3.5% increase to basic salary from 1 January 2018, plus an additional day of personal holiday entitlement per calendar year. Year Two: A 3.0% pay award, comprising of a 2.75% increase to basic salary from 1 January 2019, plus a one-off payment of 0.25%, payable in January 2019.
Ford – Manual grades	Automotive	01/11/17	Two Year Agreement: Guaranteed above inflation pay increases 4.5% Pay increase in Year 1 followed by RPI plus 0.5% Pay Increase in Year 2 – At least 2% guaranteed. Plus a lump Sum Payment of £750 (non-consolidated). Also additional pension changes; the introduction of payment protection for shift changes with less than 4 weeks' notice; alignment of annual holiday to calendar year; and a lump sum payment in 2019 with respect to accrued vacation for eligible employees
Facility Management UK	Services	01/01/18	Second year of a two stage two year agreement with a 4.35% increase in salaries from 1 January 2018. This increase is based on the December 2017 RPI (4.1%) plus 0.25%. This follows a 3.25% increase in the first year, from 1 January 2017, plus a one-off payment in December of £300 (to alleviate the movement of the bonus payment to March).
Futamura	Manufacturing	01/01/18	A 3.9% increase from 1 January 2018. Equating to £1000 for each worker.
Napier Turbochargers	Manufacturing	02/07/17	Two year deal 1 January 3% increase in basic pay and shift premiums followed by a further 3% rise 1 January 2019
Essar Oil UK (Stanlow Refinery)	Chemicals	01/01/18	Second year of a two stage two year agreement with a 4.2% increase from 1 January 2018. This increase is based on the October 2017 RPI (4%) plus 0.2%. This follows a 2.4% increase in the first year from 1 January 2017.
Forth Ports (Grangemouth) – Dockgate	Services	01/01/18	A 3% increase in pay from 1 January 2018. Responsibility payment also increases by 3%. Shift allowances remains at 18% of basic pay and responsibility payment
Virgin Atlantic	Transport	01/10/16 30 month	4.55% for Flight Service Manager and Cabin Service Supervisor grades and 6.65% increase in the basic for Cabin Crew grade backdated to October 2016. This is followed by a 3% or RPI + 0.5% whichever is greater uplift from 1st December 2017. The trip element of pay is also due to increase by 18%
Jaguar Land Rover (JLR)	Manufacturing	01/11/17	Second year of a two-year deal of 3.5%, plus a £750 bonus in year one; retail price index (RPI) plus 0.5% rise in year two equalling 4.4% from November 2017.

Source: LRD Pay & Conditions database online, February 2018

INFLATION AND PRICES

RETAIL PRICE INDEX (RPI) 4.0% in the year to January 2018 (4.1% in December 2017)
CONSUMER PRICE INDEX (CPI) 3.0% in year to January 2018 (3.0% in December 2017)
CONSUMER PRICE INDEX- HOUSING (CPIH) 2.7% in year to January 2018 (2.7% in December 2017)

RPI falls slightly but remains high, while CPI/CPIH remain steady

The all-items Retail Prices Index (RPI) fell to 4.0% in the year to January 2018.

The Government's preferred index of inflation, CPIH, remained at 2.7% and CPI stayed at 3.0%.

Unite argues that negotiators should use the RPI as the basis for negotiations. For a discussion of why see here: <http://touchstoneblog.org.uk/2017/03/controversies-around-inflation-measurement-annual-real-wages-fallen-2100-1200-800/>

Price inflation

	% increase on a year earlier		
	RPI	CPIH	CPI
January 2017	2.6	1.9	1.8
February	3.2	2.3	2.3
March	3.1	2.3	2.3
April	3.5	2.6	2.7
May	3.7	2.7	2.9
June	3.5	2.6	2.6
July	3.6	2.6	2.6
August	3.9	2.7	2.7
September	3.9	2.8	3.0
October	4.0	2.8	3.0
November	3.9	2.8	3.1
December	4.1	2.7	3.0
January 2018	4.0	2.7	3.0

Source: ONS February 2018

Pay specialists LRD commented in their Fact Service bulletin (Volume 80, Issue 7, 15 February 2018) that "Eight of the 14 groups that make up the basket of goods used to calculate the RPI increased by more than 4.0% in January.

The 10.2% rise in the clothing and footwear group included a rise of 12.8% and 12.5% in women's clothing and men's clothing respectively, with children's clothing up by 9.9%.

The overall increase fuel and light group was 6.5% and included a 10.5% rise in domestic oil and other fuels and an 11.4% increase in electricity prices.

The 5.7% increase in the fares and other travel costs group included a 6.8% increase in bus and coach fares, but only a 2.9% increase in rail fares.

The overall rise in the food group was 3.5%, but included substantial increases of 11.7% for coffee and other hot drinks, and a 4.5% rise in fresh milk. Bread prices were up by 5.9% and lamb by 9.9%. Prices were down for eggs, lamb and soft drinks.

Dearer foreign holidays, with a 6.0% increase, contributed to the leisure services group's overall increase of 4.4%.

The housing group's overall increase at 2.7% was well below the overall rate, but included a 3.8% increase in council tax and rates."

RPI components rising faster than inflation (4.0%)

	% annual increase
Broad Categories	
Personal expenditure	5.9
Travel and leisure	4.7
Consumer durables	6.9
Fares and other travel costs	5.7
Fuel and light	6.5
Household goods	4.7
Clothing and footwear	10.2
Motoring expenditure	4.7
Leisure goods	4.5
Significant rises	
Bread	5.9
Biscuits and cakes	4.3
Lamb	9.9
Fish	8.6
Butter	13.0
Cheese	5.3
Milk fresh	4.5
Coffee and other hot drinks	11.7
Fruit	7.0
Beer off sales	5.1
Cigarettes	8.2
Dwelling insurance and ground rent	11.2
Electricity	11.4
Oil and other fuels	10.5
Furniture	6.4
Electrical appliances	7.5
Men's outerwear	12.5
Women's outerwear	12.8
Children's outerwear	9.9
Footwear	4.7
Vehicle tax and insurance	15.7
Bus and coach fares	6.8
Gardening products	4.3
Books and newspapers	10.1
Foreign holidays (Jan 1993=100)	6.0

Source: ONS February 2018

Inflation forecasts

Inflation forecasts reported by City economists predict that RPI will fall in February with Inflation remaining around 3.5% throughout 2018.

RPI Inflation forecasts – City economists

	SB %	NWM %	JPM %	H %	CE %	GS %	MS %	Rounded average %
December	4.0	3.9	4.0	3.9	3.9	3.9	4.0	4.0
January 2018	3.9	4.0	4.1	3.8	3.9	3.9	3.9	3.9
February	3.5	3.8	3.6	3.4	3.8	3.7	3.6	3.6
March	3.3	3.9	3.6	3.5	3.7	3.7	3.7	3.6
April	3.3	3.7	3.8	3.4	3.8	3.7	3.8	3.6
May	3.1	3.7	3.8	3.3	3.6	3.6	3.7	3.5
June	3.3	3.8	4.0	3.5	3.7	3.8	3.9	3.6
July	3.0	3.7	3.7	3.4	3.8	3.7	3.8	3.6
August	2.8	3.7	3.4	3.2	3.7	3.7	3.8	3.5
September	2.8	3.6	3.7	3.1	3.8	3.5	3.6	3.5
October	2.7	3.6	3.6	3.0	3.8	3.5	3.5	3.4
November	2.6	3.6	3.6	3.1	3.8	3.5	3.3	3.4
December	2.6	3.6	3.6	3.1	3.7	3.5	3.2	3.3
January 2019	2.7	3.5	3.7	-	3.6	3.5	-	3.4
February	2.7	3.5	3.6	-	3.6	3.5	-	3.4
March	2.7	3.5	3.7	-	3.6	3.5	-	3.4
April	2.6	3.5	3.6	-	3.5	3.5	-	3.3

SB Scotia Bank; NWM NatWest Markets; JPM JP Morgan; H Heteronomics; CE Capital Economics; GS Goldman Sachs; MS Morgan Stanley

Source: IDR Pay Climate, December 2017

RPI forecasts – Independent forecasters

HM Treasury's monthly comparison of independent forecasts reports RPI forecasts as follows

	Date Published	Fourth quarter 2018	Fourth quarter 2018
Median	Jan	3.9%	3.1%
Beacon Economic Forecasting	Feb	2.9%	3.0%
CBI	Dec	3.1%	-
CEBR	Feb	3.4%	3.1%
Economic Perspectives	Feb	3.6%	4.2%
Experian Economics	Feb	2.9%	3.0%
Heteronomics	Feb	3.1%	3.3%
EY ITEM Club	Feb	2.7%	2.7%
NIESR	Feb	4.5%	3.8%
Oxford Economics	Feb	3.1%	3.3%
OBR	Nov	2.9%	2.8%

Source: HM Treasury, Forecasts for the UK Economy, February 2018

Childcare

The **Family and Childcare Trust** Childcare Survey⁵ published in March reports that “although there is some reprieve for families as nursery prices held steady and childminder prices rose just above inflation at 1.9 per cent, this will be scarce relief for families who can be spending up to 45 per cent of their disposable income on average childcare costs.”

The survey found that the average price of sending a child under two to nursery full-time (50 hours) is £222.36 per week UK wide - around £950 a month, or close to £11,400 a year. These figures are higher in London (see below).

The **British Chambers of Commerce** has estimated that once tax is factored in, the typical second-earner would need to be taking home £13,000 just to afford childcare, before other costs of returning to work are included.⁶

Average weekly childcare costs 2017

	Nursery				Childminder				After School Care	
	25 hours		50 hours		25 hours		50 hours		Child-minder	After-school Club
Child age	< 2 yrs	2 yrs +	< 2 yrs	2 yrs +	< 2 yrs	2 yrs +	< 2 yrs	2 yrs +	5 yrs - 11 yrs	
Britain	£116.25	£112.38	£222.36	£210.45	£109.84	£109.29	£212.86	£210.99	£67.11	£52.58
England	£117.43	£113.43	£225.13	£212.43	£110.68	£110.11	£214.02	£212.02	£68.12	£52.80
Scotland	£111.37	£106.16	£209.87	£199.16	£105.25	£104.53	£210.64	£209.24	£62.22	£55.71
Wales	£101.42	£102.30	£188.80	£190.55	£101.03	£101.03	£193.84	£193.84	£55.43	£43.13
Inner London	£154.08	£141.05	£290.73	£273.79	£156.67	£151.68	£290.18	£273.23	£97.12	£42.09

Northern Ireland is excluded from the analysis because childcare funding is different difficult to make comparisons

Source: Family and Childcare Trust, 2017 Childcare Survey, updated annually published March 2017

GENDER PAY GAP REPORTING

74% of firms pay higher rates to their male staff

Over 1120 organisations have now published their gender pay gaps on the Government’s official website, in advance of the deadline of 4 April 2018.

The data shows that the majority of medium and large companies pay higher wage rates to men than to women with 74% of firms paying higher rates to their male staff. Just 15% of businesses with more than 250 employees pay more to women.

As many as 11% of firms said there is no difference between the rates paid to either gender.

Increasing numbers of household names are now publishing and many have significant gender pay gaps, almost all in favour of men, including 5.4% at Weetabix, 6.3% at Rolls-Royce, to 33.1% at PwC, 51.7% at EasyJet and 64% at Phase Eight!

Click here to find out if your employer has reported yet and view all the published data:

<https://gender-pay-gap.service.gov.uk/Viewing/search-results>

Besides figures for the gender pay gap in hourly rates, at both the mean (or average) and the median, the official website shows the proportion of men and women in each quartile of each company’s pay distribution, gender pay gaps for bonus payments and the proportion of men and women who received a bonus. The Government website also links to companies’ own websites, where similar details can be found, and the name of the employee responsible – normally the most senior HR manager.

Louise Wither’s from IDR explains more of the significance here on the IDR Blog

<http://www.incomesdataresearch.co.uk/gender-pay-reporting-the-new-rules/>

⁵ <https://www.familyandchildcaretrust.org/childcare-survey-2017>

⁶ <http://www.theweek.co.uk/78675/workers-are-quitting-jobs-over-high-childcare-costs>

Housing

Average rents continue to rise with ONS showing a 1.1% rise nationwide and over 2.6% East Midlands.

Private Housing Rental Prices

Experimental Index of Private Housing Rental Prices (ONS) - 12month price change January 2018 Not seasonally adjusted	
Country/region	Percentage change on a year earlier
Great Britain	1.1%
GB excluding London	1.6%
North East	0.0%
North West	1.3%
Yorkshire and The Humber	1.3%
East Midlands	2.6%
West Midlands	1.7%
East of England	1.9%
London	0.2%
South East	1.8%
South West	2.1%
England	1.1%
England excluding London	1.7%
Wales	1.4%
Scotland	0.3%

Source: ONS Index of Private Housing Rental Prices (IPHRP), published February 2018.

Private company statistics on the private rental market

These tend to focus on new rental contracts whereas the IPHRP is a survey of all rents.

Countrywide (February 2018)

- Average new rents in January were £958 pcm (Great Britain) and £1,704 pcm (Greater London)

Homelet (February 2018)

- Average UK rental value for new rents in January was £909 pcm, (Greater London £1,532 pcm)

House price and percentage change by country and government region

Country/region	Price	Monthly change	Annual change
England	£243,582	0.4%	5.0%
Northern Ireland (Quarter 4 - 2017)	£130,482	1.0%	4.3%
Scotland	£148,783	0.2%	7.7%
Wales	£154,398	1.0%	5.4%
East Midlands	£185,694	0.6%	6.3%
East of England	£290,341	0.2%	5.2%
London	£484,173	0.8%	2.5%
North East	£130,838	2.7%	3.6%
North West	£158,370	0.2%	5.9%
South East	£322,269	-0.5%	4.2%
South West	£254,081	1.0%	7.5%
West Midlands Region	£191,050	0.1%	6.3%
Yorkshire and The Humber	£156,781	0.2%	2.8%

Source: ONS UK House Price Index December 2017, Published February 2018

AVERAGE EARNINGS

Total Pay AWE: rises to 2.8% in December 2017 (2.3% November 2017)
(Including bonuses, % change year on year, single month, seasonally adjusted)
Regular Pay AWE: rises to 2.6% in December 2017 (2.3% November 2017)
(Excluding bonuses, % change year on year, single month, seasonally adjusted)

Average weekly earnings were 2.8 per cent higher than a year ago, including bonuses, and 2.6 per cent higher excluding bonuses averaged over three months. That compares with 2.5 per cent for both during the previous three-month period.

Both the Total Pay and Regular Pay figures for a Single month rose significantly from the previous month.

Average weekly earnings broken down by sector (seasonally adjusted)

December 2017	Total Pay (including Bonuses) %		Regular Pay %	
	Single month	3 month	Single month	3 month
Whole economy	2.8	2.5	2.6	2.5
Private sector	3.0	2.7	2.8	2.6
Public sector	1.9	2.0	2.0	2.0
Public Sector excluding financial services	1.9	2.0	2.0	2.0
Services	2.9	2.6	2.5	2.4
Finance and business services	3.4	2.9	2.3	2.5
Manufacturing	2.7	2.9	3.0	2.7
Construction	2.3	1.4	4.5	2.9
Wholesale, retailing, hotels & restaurants	2.4	2.1	2.6	2.1

Source: ONS UK Labour Market Statistical Bulletin, February 2018

Full-time average weekly earnings by occupation

The table below is from LRD Fact Service. It is based on the median average earnings figures published in the Annual Survey of Hours and Earnings (ASHE) for April 2017. The original median figures have been "uprated" by the 1.6% increase in average weekly earnings, including bonuses, for the whole economy between April 2017 and December 2017 to give a rough estimate of earnings now in the various occupational groups.

	£ a week
All employees	559.20
All male	601.00
All female	501.50
Managers	837.30
Professionals	744.80
Associate professionals	615.30
Admin & secretarial	438.50
Skilled/craft	518.00
Services	367.20
Sales	376.30
Operatives	480.10
Other manual jobs	375.50

Source: LRD Fact Service, Volume 80 Issue 8, 22 February 2018

LOW AND HIGH PAY

National Minimum Wage rates:

These are the Government's National Living Wage (NLW) and National Minimum Wage (NMW) from 1st April 2017:

Year	25 + (NLW)	21 to 24	18 to 20	Under 18	Apprentice
April 2017	£7.50	£7.05	£5.60	£4.05	£3.50

Living Wage Foundation rates:

The current Living Wage Foundation rates for the Living Wage (announced 6th November 2017) are:

- **UK rate: £8.75 per hour across the UK (an increase of 3.6%)**
- **London rate: £10.20 per hour (an increase of 4.6%)**

There are over 3500 companies paying the Living Wage UK wide.

The Living Wage Foundation claims that "Over 150,000 employees have received a payrise as a result of the Living Wage campaign and we enjoy cross-party support. We have a broad range of employers accredited with the Foundation including 1/3 of the FTSE 100 and big household names including ITV, GOOGLE, IKEA, Everton FC, Chelsea FC and Oliver Bonas."

Details are on the Living Wage Foundation website: <https://www.livingwage.org.uk/what-real-living-wage>

Explaining the difference between UK wage floor rates:

	National Minimum Wage (NMW)	National Living Wage (Statutory NMW 25+)	Real Living Wage (Living Wage Foundation)
Is it the law?	Statutory	Statutory	Voluntary
What age group is covered?	There are separate rates for under 18, 18-20, 21-24 year olds and apprentices	25 and older	18 and older
How is it set?	Negotiated settlement based on recommendations from businesses and trade unions	A % of median income, currently at 55% it aims to reach 60% by 2020	Calculation made according to the cost of living, based on a basket of household goods and services
When they apply?	April	April	November

Joseph Rowntree Foundation Minimum Income Standard (MIS):

The National Living Wage still leaves workers well short of the Minimum Income Standard (MIS) as defined by the JRF report. This was updated in July 2017.

April 2017	Single Adult of working age	Two earner couple with two children	Lone parent with one child
MIS (including rent, childcare and council tax), per week	£296.82	£800.17	£555.37
Hourly wage rate (full time)	£9.17	£10.42	£18.88
Annual Earnings requirement	£17,934	£40,762	£36,915

Full details: <https://www.jrf.org.uk/report/minimum-income-standard-uk-2017>

ONE YEAR IN: HOW IS BREXIT IMPACTING YOUR WORKPLACE?

Over the past fortnight Unite has organised a series of regional Brexit conferences where reps have reported how Brexit is already having an industrial impact.

This includes from employers using Brexit as smokescreen to lower pay and attack conditions; but the message from the conferences is clear: where Unite fights back we are winning.

Tell us about what is going on in your workplace

Unite researchers are calling for volunteers who are prepared to give short phone-interviews about Brexit in the workplace. Has your employer used Brexit at the bargaining table? Is Brexit being discussed at the shop floor?

If you are willing to take part please contact **Ben Norman** at Ben.norman@unitetheunion.org

For the latest Brexit updates visit: www.uniteBrexitcheck.org

UNITE'S ONLINE PAY CLAIM TOOL

As part of the Work, Voice, Pay campaign Unite has launched a new online tool to support union reps in developing their pay claim.

The tool allows union reps to gather company information as well as from the Office for National Statistics and the union's own database containing the details of tens of thousands of pay deals.

The online tool then guides union reps through the potential workplace issues union members might want raised as part of their pay negotiations, and a pay and conditions claim including the information on the company's financial performance, ability to pay, the latest economic indicators and pay deals at comparator companies by sector and postcode.

For more information visit the Work, Voice, Pay website:

<http://www.unitetheunion.org/work-voice-pay/pay-claim-generator/>

INFORMATION AND SUPPORT

Unite pay and conditions database (members only)

All Unite members can access the pay and conditions database maintained by LRD PayLine using the link above or through the Unite website (go to 'Unite at work', then 'research and resources' and 'Unite pay and conditions database'). You shouldn't need to log-in if already logged in as a member. However, Unite members can also access the Unite pay and conditions database maintained by LRD at <http://www.lrd.org.uk/payline> or through the LRD website - **username: unite**, **password: opal961**

The database contains details of settlements, pay rates, as well as details on regional allowances, shift pay, and overtime. It is searchable and can be broken down by sector, type of worker and region. It also has information on Living Wage employers and other conditions such as working time and allowances.

Pay settlements history

User feedback said that whilst the latest pay deal is the most important pay deal to see for any agreement, it would also be useful to be able to see information about earlier pay deals. LRD have now added this functionality to the 'pay increases' (full) report.

Unite guides

There are a number of Unite guides on workplace issues available to reps and members on the Unite website including 'A Wage You Can Live On – an activist's guide to better pay for all' and 'Company accounts and how to use them'. Go to the 'Research & resources' section in the 'Unite at Work' tab and click on 'Guides', or alternatively click on the link below: <http://www.unitetheunion.org/unite-at-work/informationresources/>

There are a range of guides on organising around pay under the Work, Voice, Pay section of the Unite website: <http://www.unitetheunion.org/work-voice-pay/work-voice-pay-guide/>

Unite's Equality department provides guidance and support for reps seeking to challenge pay discrimination and bring in fair pay. This can be found here: <http://www.unitetheunion.org/unite-at-work/equalities/>

Contact details

Bargaining Brief compiler: **James Lazou**
james.lazou@unitetheunion.org

Company accounts

Requests for information relating to company accounts should be sent to:
john.neal@unitetheunion.org

ACCESSING DATA

The data contained in this brief can all be obtained by using online facilities available to Unite members and general websites.

All Unite members can access the pay and conditions database maintained by LRD at <http://www.lrd.org.uk/payline> or through the LRD website - **username: unite**, **password: opal961**



www.unitetheunion.org