

# Unite bargaining brief



Unite the Union

March 2018

## INTRODUCTION

The recent fall in inflation has led to reports of the end of the wage squeeze. But, as the Resolution Foundation point out, real weekly earnings are still £15 below their previous peak with the gap not expected to close until well into the 2020s.<sup>1</sup>

The Chancellor's recent Spring Statement did nothing for workers hit by the fall in real wages with Unite General Secretary, Len McCluskey, condemning its "tunnel vision."<sup>2</sup>

Don't forget that Unite has a powerful online tool to generate pay claims as part of the union's growing campaign to fight for increased pay and a fair share of company profits.<sup>3</sup>

Also a reminder that 4 April 2018 is the deadline for firms to report their gender pay gap which could be a useful tool for pay negotiations going forward.

John Earls, Director of Research

## SUMMARY

- Median settlements at 3% (LRD), 2.5% (XpertHR) 2.5% (IDR)
- Inflation rises: RPI 3.6%, CPIH 2.5%, CPI 2.7% (February 2018)
- RPI forecast to remain around 3.5% throughout 2018
- **NEW** The average price of childcare rises 7%
- The single month Average Weekly Earnings are at 2.8% on last year both for total pay, including bonuses and regular pay
- **NEW** National Minimum Wage rates come into force in April with the over 25 rate (NLW) reaching £7.83
- Real Living Wage published by the Living Wage Foundation are still significantly higher at £8.75 (UK) and £10.20 (London).
- Deadline for Gender Pay Gap reporting 5 April 2018 - 77% of firms pay higher rates to their male staff but two thirds yet to publish

## PAY SETTLEMENTS

**LRD median settlements rise 3% for the three months to January 2018**

**IDR median settlements at 2.5% in the three months to January 2018**

**XpertHR median settlements rise to 2.5% in the three months to February 2018**

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

<sup>1</sup> <http://www.resolutionfoundation.org/media/blog/not-quite-pay-growth-party-time-yet/>

<sup>2</sup> <http://www.unitetheunion.org/news/spring-statement-tunnel-vision-shows-government-ignorant-to-the-struggles-of-households-across-the-uk/>

<sup>3</sup> <http://www.unitetheunion.org/news/see-where-the-money-is-and-what-your-boss-earns/>

## LRD – Median settlements rise at 3% in January

Labour Research Department reported in February’s Workplace Report that “Pay settlements started the year as they finished 2017, LRD Payline data shows. In January, the median rise on lowest basic rates for the whole economy was 3.0% — the same rise as for December 2017.

The standard increase for January — the rise received by most grades — was also 3.0%. In the 2017-18 pay round so far, the median increase for the whole economy was 2.6%.

Official earnings data showed a 2.6% rise average weekly earnings, excluding bonuses for the whole economy in December 2017.”

## 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											2018	This pay round, Aug-Dec
	Feb	Mar	Apr	May	Jun	July	Aug	Sept	Oct	Nov	Dec	Jan	
All agreements	2.0	2.1	2.4	2.4	2.4	2.4	2.2	2.0	2.2	2.6	3.0	3.0	2.6
Private sector	2.0	2.1	2.4	2.4	2.4	2.5	2.5	2.5	2.5	3.0	3.0	3.0	2.8
Public sector	2.2	2.0	2.0	2.0	2.0	1.0	1.0	1.0	1.3	1.9	3.9	3.9	2.4
Manual	2.0	2.2	2.5	2.5	2.5	2.5	2.5	2.4	2.5	2.9	3.0	3.0	3.0
Non-manual	2.0	2.0	2.3	2.2	2.1	2.1	2.0	2.0	1.9	2.5	3.0	3.0	2.5
All industries	2.0	2.2	2.4	2.4	2.4	2.5	2.5	2.5	2.5	3.0	3.0	3.0	2.9
All services	2.0	2.0	2.4	2.4	2.4	2.3	2.0	2.0	2.0	2.5	3.0	3.2	2.5

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

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

Source: LRD Workplace Report, February 2018

## XpertHR: 2018 PAY AWARDS FORECAST AT 2.5%

Employers are predicting that pay awards in 2018 will be at their highest level in almost four years, according to data from pay analysts XpertHR.

Survey results show that private-sector employers expect to give employees a 2.5% pay rise over the coming year. This compares with the 2% median increase given over the past 12 months, and is more optimistic than employers were predicting six months ago.

Key findings include the following:

- Employers in both the manufacturing and production, and services arms of the private sector foresee 2.5% as their benchmark pay award this year.
- Overall the middle half of all pay awards are expected to be worth between 2% and 3%.
- The most common pay award prediction remains 2%, with almost three in 10 (28.9%) forecasts at this level.
- At the top end of the scale, more than one pay award in 10 is forecast to be worth 4% or more.

Further evidence of an upturn in fortunes for employees is that one-third (32.5%) are expected to receive a higher pay award that they did last year – the highest proportion recorded by XpertHR since 2011.

## Latest pay award findings

Looking back, in the three months to the end of February 2018 XpertHR has recorded a 2.5% median basic pay award across the economy. Based on a sample of 169 basic pay awards effective between 1 December 2017 and 28 February 2018, they found that:

- The median pay award across the whole economy is 2%, with the middle half of pay awards (the interquartile range) worth between 2% and 3%.
- While only a quarter (26%) of pay awards were the same as the award received by the same group of employees last year, the majority (57.3%) were higher. Just 16.8% of awards were lower than the employee's previous increase.
- Within the private sector, the 2.5% figure is also recorded for pay awards in private-sector services firms, while manufacturers reported a median 2.6% increase.

Over the 12 months to the end of February 2018, the median pay award in the private sector is 2%, compared with 1% in the public sector.

Source: XpertHR Press release 22 March 2018

## IDR – Private sector median settlements at 2.5% (3 months to Jan 18)

Incomes Data Research (IDR) reported in its latest pay settlements blog (5 March 2018) *“The median pay award across the whole economy rose to 2.5% in the three months to January 2018, according to the latest monitoring figures from IDR. This is the highest we have seen since the quarter to December 2015, when many firms pushed up pay rates in advance of the introduction of the Government’s National Living Wage the following April. In the two years since, the median pay award has only risen above 2% on three occasions.”*

## Settlements three months to end of December 2017

	Whole economy	Private sector	Manufacturing & primary	Private services	Not for profit
<b>Median</b>	2.5%	2.5%	2.5%	2.6%	2.0%
<b>Average</b>	2.5%	2.6%	2.6%	2.7%	1.6%
<b>Interquartile range</b>	2.0 to 2.9 %	2.0 to 3.0%	2.0 to 3.0%	2.3 to 2.9%	1.0 to 2.5%
Based on 51 settlements covering 337,145 employees					

Source: IDR Blog, March 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
<b>Manufacturing and primary</b>	2.2%	2.2%	2.7%	2.0%
<b>Not-for-profit</b>	2.0%	2.2%	2.7%	1.5%
<b>Private services</b>	2.3%	2.4%	2.8%	2.0%
<b>Public sector</b>	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
<b>British Airways (Heathrow Customer Service)</b>	Transport	01/01/18	A 4.1% increase in pay from 1 January 2018.
<b>Kraft Heinz (Wigan)</b>	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%.
<b>NI Agricultural Wages Board</b>	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)
<b>Rolls Royce</b>	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 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.
<b>Ford – Manual grades</b>	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
<b>Facility Management UK</b>	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).
<b>Futamura</b>	Manufacturing	01/01/18	A 3.9% increase from 1 January 2018. Equating to £1000 for each worker.
<b>Hoyer Petrolog (BP Oil Drivers - Greenfleet)</b>	Chemicals	01/01/18	A 3.5% increase to all elements of pay from 1 January 2018. One extra day's holiday to be taken in January 2018.
<b>Essar Oil UK (Stanlow Refinery)</b>	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.
<b>Forth Ports (Grangemouth) – Dockgate</b>	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
<b>Legal &amp; General</b>	Finance	01/01/18	4% increase from 1 January 2018 for all staff covered by the collective bargaining unit. Management grades not covered received 3%
<b>Castle Cement (Drivers)</b>	Construction	01/01/18 01/01/19	After the threat of strike action, a two stage two year deal agreed. In the first year, from 1 January 2018, a 3.7% increase for all drivers. From 1 January 2019 an increase ranging from between 3.4% to 4.4%

Source: LRD Pay & Conditions database online, March 2018

# INFLATION AND PRICES

**RETAIL PRICE INDEX (RPI) 3.6% in the year to February 2018 (4% in January 2018)**

**CONSUMER PRICE INDEX (CPI) 2.7% in year to February 2018 (3.0% in January 2018)**

**CONSUMER PRICE INDEX- HOUSING (CPIH) 2.5% in year to February 2018 (2.7% in January 2018)**

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

The all-items Retail Prices Index (RPI) fell significantly to 3.6% in the year to February 2018. Cheaper petrol and a slower rise in food price contributed to the slowdown.

The Government's preferred index of inflation, CPIH, fell to 2.5% and CPI to 2.7%.

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
February 2017	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
February	3.6	2.5	2.7

**Source:** ONS March 2018

Pay specialists LRD commented in their Fact Service bulletin (Volume 80, Issue 7, 15 February 2018) that “Seven of the 14 groups that make up the basket of goods used to calculate the RPI increased by more than 3.6% in February.

The 10.1% increase in the clothing and footwear group included a rises of 12.3% and 11.5% in women’s clothing and children’s clothing respectively.

The overall increase fuel and light group of 6.6% included an 11.4% increase in electricity prices and a 10.5% rise in domestic oil and other fuels.

Fares and other travel costs group were up by 5.2% overall, but included a 6.8% increase in bus and coach fares, while “other travel costs” were up by 5.7%.

The overall rise in the food group was down to 2.5%, but included substantial increases of 13.7% for butter and 10.9% for milk products, while a loaf of bread was up by 5.0%.

Dearer foreign holidays, with a 6.3% increase, contributed to the leisure services group’s overall increase of 4.3%.

The housing group’s increase was only 2.5% — well below the overall 3.6% rise — but included a 3.8% increase in council tax and rates”

## RPI components rising faster than inflation (3.6%)

	% annual increase
<b>Broad Categories</b>	
Personal expenditure	5.9
Travel and leisure	4.1
Consumer durables	7.2
Fares and other travel costs	5.2
Fuel and light	6.6
Household goods	4.9
Clothing and footwear	10.1
Motoring expenditure	3.9
Leisure goods	4.3
<b>Significant rises</b>	
Bread	5.0
Biscuits and cakes	4.0
Lamb	8.0
Fish	5.1
Butter	13.7
Cheese	4.3
Milk products	10.9
Coffee and other hot drinks	3.7
Fresh Fruit	8.1
Tobacco	8.3
Council tax and Rates	3.8
Dwelling insurance and ground rent	10.5
Electricity	11.4
Oil and other fuels	10.5
Furniture	7.8
Electrical appliances	8.3
Men's outerwear	10.6
Women's outerwear	12.3
Children's outerwear	11.5
Footwear	7.1
Maintenance of motor vehicles	4.0
Vehicle tax and insurance	13.0
Bus and coach fares	6.8
Foreign holidays (Jan 1993 = 100)	6.3
Books and newspapers	8.6

Source: ONS March 2018

## Inflation forecasts

Inflation forecasts reported by City economists predict that RPI will remain around 3.5% throughout 2018 and continue above 3% in 2019.

### RPI Inflation forecasts – City economists

	CE	H	JPM	NWM	SB	Average
March 2018	4.0	3.58	3.6	3.8	3.30	3.6
April	3.9	3.37	3.7	3.6	3.39	3.6
May	3.8	3.28	3.6	3.6	3.20	3.5
June	3.9	3.24	3.9	3.6	3.26	3.6
July	3.9	3.26	3.8	3.6	3.01	3.5
August	3.9	3.08	3.6	3.6	2.80	3.4
September	3.9	3.09	3.6	3.5	2.78	3.4
October	4.0	3.15	3.7	3.5	2.74	3.4
November	3.8	3.28	3.7	3.5	2.63	3.4
December	3.7	2.95	3.5	3.4	2.54	3.2
January 2019	3.9	3.07	3.6	3.5	2.58	3.3
February	3.8	2.75	3.5	3.4	2.54	3.2
March	3.7	2.74	-	3.4	2.65	3.1
April	3.6	2.93	-	3.5	2.55	3.1
May	3.5	2.96	-	3.4	2.60	3.1
June	3.5	3.02	-	3.4	2.76	3.2
Jul	3.4	2.98	-	3.3	2.77	3.1
Aug	3.3	2.94	-	3.2	2.81	3.1
Sep	3.2	2.92	-	3.2	2.85	3.0
Oct	3.1	2.92	-	3.1	2.87	3.0
Nov	3.1	2.91	-	3.1	2.87	3.0
Dec	3.1	2.92	-	3.0	2.75	2.9

CE Capital Economics; H Heteronomics; JPM JP Morgan; SB Scotia Bank; NWM NatWest Markets

Source: IDR Pay Climate, March 2018

### 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	Mar	3.3%	3.1%
Beacon Economic Forecasting	Mar	2.7%	2.8%
CBI	Dec	3.1%	-
CEBR	Feb	3.4%	3.1%
Economic Perspectives	Mar	3.6%	4.2%
Experian Economics	Feb	2.9%	3.0%
Heteronomics	Mar	3.1%	3.2%
EY ITEM Club	Mar	2.7%	2.7%
NIESR	Feb	4.5%	3.8%
Oxford Economics	Mar	3.3%	3.0%
OBR	Mar	3.4%	2.9%

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

## NEW Childcare – prices rise by 7% in a year

The **Family and Childcare Trust** Childcare Survey<sup>4</sup> published in March reports that a seven percent price hike is hitting parents’ pockets this year – bringing the average price for a part time nursery place for a child under two to a whopping £122 per week, or over £6,300 per year – and calls into question whether the Government’s new investments will live up to parents’ expectations.”

Following the rollout of new government support schemes in 2017, most parents are now entitled to some help with childcare costs – but the confusing hotchpotch of seven different types of support means parents are at risk of missing out on the help they need. Many working parents using the new tax free childcare (3) and the 30 hours free childcare offer for three and four year olds (4) will be spending less on childcare this year, but savings could dry up quickly if prices continue to rise at the same rate.

Worryingly, families with lower incomes and younger children are the ones who are most likely to be squeezed by the price surge. The highest prices for childcare are for the youngest children between the end of paid parental leave and the child turning three – and that’s when the least financial support is available to parents. Parents with children under three on lower incomes will not be receiving additional support this year through tax free childcare and so are likely to see their childcare costs rise.

Lower income families also risk being worse off working more hours. They can get help with childcare costs through the benefits system, but the average cost of a full time nursery place significantly outstrips the maximum support available by £60 each week.

Prices also vary significantly across the country. In Inner London – the most expensive region in the UK – the price of a part time nursery place for a child under two is £184 per week, or £9,500 per year, compared to an average £102 per week in the North West, or £5,300 per year.

Even families that are eligible for the 30 hours offer for three and four year olds may struggle to get the support they were expecting: the Childcare Survey 2018 reveals that just half of local authorities in England report having enough childcare places for working parents to access their free 30 hours place.

To read the full report click here: <https://www.familyandchildcaretrust.org/childcare-survey-2018>

## Average weekly childcare costs 2018

	Nursery				Childminder				After School Care weekly	
	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	
<b>Britain</b>	£122.46	£119.47	£232.84	£229.33	£107.41	£109.44	£217.30	£216.10	£62.25	£56.38
<b>England</b>	£124.73	£120.66	£236.19	£231.75	£110.61	£109.95	£218.22	£217.06	£62.95	£56.82
<b>Scotland</b>	£109.68	£108.60	£205.18	£200.66	£114.33	£112.75	£228.00	£224.85	£61.92	£56.74
<b>Wales</b>	£116.18	£116.02	£218.73	£220.77	£100.22	£100.38	£202.61	£203.10	£54.47	£50.64
<b>Inner London</b>	£183.56	£174.47	£342.78	£323.40	£155.14	£154.11	£307.77	£305.58	£88.04	£71.75

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

Source: Family and Childcare Trust, **2018 Childcare Survey**, updated annually published March 2018

<sup>4</sup><https://www.familyandchildcaretrust.org/childcare-survey-2018>



## Housing

Average rents continue to rise with ONS showing a 1.1% rise nationwide and over 2.5% East Midlands.

### Private Housing Rental Prices

Experimental Index of Private Housing Rental Prices (ONS) - 12month price change February 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	1.4%
East Midlands	2.5%
West Midlands	1.7%
East of England	2.1%
London	0.1%
South East	1.7%
South West	2.1%
England	1.1%
England excluding London	1.7%
Wales	1.4%
Scotland	0.4%

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

- Average new rents in February were £954 pcm (Great Britain) and £1,686 pcm (Greater London)

#### Homelet (March 2018)

- Average UK rental value for new rents in February was £906 pcm, (Greater London £1,537 pcm)

### House price and percentage change by country and government region

Country/region	Price	Monthly change	Annual change
England	£242,286	-0.5%	4.6%
Northern Ireland (Quarter 4 - 2017)	£130,482	1.0%	4.3%
Scotland	£148,512	1.4%	7.3%
Wales	£153,034	-0.5%	4.5%
East Midlands	£185,568	-0.1%	7.3%
East of England	£289,729	-0.7%	5.3%
London	£485,830	1.0%	2.1%
North East	£122,870	-5.5%	0.7%
North West	£155,788	-1.5%	4.3%
South East	£323,435	0.2%	3.4%
South West	£255,307	1.4%	6.9%
West Midlands Region	£187,905	-2.0%	5.3%
Yorkshire and The Humber	£156,484	-0.7%	5.1%

Source: ONS UK House Price Index January 2017, Published March 2018

# AVERAGE EARNINGS

**Total Pay AWE: rises to 2.8% in January 2018 (3.2% December 2017)**  
**(Including bonuses, % change year on year, single month, seasonally adjusted)**  
**Regular Pay AWE: rises to 2.8% in January 2018 (2.7% December 2017)**  
**(Excluding bonuses, % change year on year, single month, seasonally adjusted)**

In January 2018, average weekly earnings growth, including bonuses, were provisionally estimated to have risen by 2.8% against the revised increase of 3.2% for December. This decline is influenced by the impact of City Xmas bonuses in the December figure.

The ONS also produces regular pay figures which strip out bonuses. In January, earnings growth for the whole economy was up to 2.8% from 2.7% in December rise.

## 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	2.8	2.8	2.6
Private sector	2.9	3.0	2.8	2.7
Public sector	2.4	2.1	2.5	2.1
Public Sector excluding financial services	2.5	2.1	2.5	2.1
Services	2.7	2.8	2.7	2.5
Finance and business services	2.8	3.2	2.1	2.3
Manufacturing	2.9	3.1	2.8	2.9
Construction	4.7	3.0	4.2	3.5
Wholesale, retailing, hotels & restaurants	1.6	2.2	1.9	2.1

Source: ONS UK Labour Market Statistical Bulletin, March 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 updated by the 2% increase in average weekly earnings, including bonuses, for the whole economy between April 2017 and January 2018 to give a rough estimate of earnings now in the various occupational groups.

	£ a week
All employees	561.40
All male	603.30
All female	503.50
Managers	840.60
Professionals	747.80
Associate professionals	617.70
Admin & secretarial	440.20
Skilled/craft	520.00
Services	368.60
Sales	377.80
Operatives	482.10
Other manual jobs	377.00

Source: LRD Fact Service, Volume 80 Issue 12, 22 March 2018

# LOW AND HIGH PAY

## NEW National Minimum Wage rates:

These are the Government's National Living Wage (NLW) and National Minimum Wage (NMW) from 1st April 2018:

Year	25 + (NLW)	21 to 24	18 to 20	Under 18	Apprentice
April 2017	£7.83	£7.38	£5.90	£4.20	£3.70

## Living Wage Foundation rates:

The current Living Wage Foundation rates for the Living Wage (announced 6<sup>th</sup> 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 pay rise 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>

# DEADLINE 4 APRIL - GENDER PAY GAP REPORTING

## Less than a third of companies have reported their gender pay gap so far 77% of those that have reported pay men on average more

With just two weeks to go until the government deadline, less than a third of the 9,000 companies required to report their gender pay gap have done so.

All companies with more than 250 employees have to report their gender pay gap, bonus pay gap and the proportion of male and female employees in each quartile of their business by 4 April. Public employers such as universities, hospital trusts, councils and government departments have until 30 March.

So far 51% of the FTSE 100 have reported which, while better than the overall figure, will cast doubt on public commitments to diversify the workforce.

As of Wednesday 21 March 2018 2,743 companies have reported their gender pay gap, with 77 per cent have a median gender pay gap in favour of men and 14.3 per cent have a gap in favour of women.

Increasing numbers of household names are now publishing and many have significant gender pay gaps, almost all in favour of men, including 33.1% at PwC, 51.7% at EasyJet, 59% at HSBC and 64% at Phase Eight. Goldman Sachs reports a 55.5% gap but a whopping mean bonus gap of 72.2%!

**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/>

## HOW IS BREXIT IMPACTING YOUR WORKPLACE?

Unite continues to monitor the industrial impact of the Brexit process. Where employers are using Brexit as smokescreen to lower pay and attack conditions Unite continues to fight back and win.

### **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](mailto:Ben.norman@unitetheunion.org)

For the latest Brexit updates visit: [www.uniteBrexitcheck.org](http://www.uniteBrexitcheck.org)

## UNITE'S ONLINE PAY CLAIM TOOL

Don't forget to look at the Work, Voice, Pay 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](mailto:james.lazou@unitetheunion.org)

## Company accounts

Requests for information relating to company accounts should be sent to:  
[ben.norman@unitetheunion.org](mailto:ben.norman@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](http://www.unitetheunion.org)