

Negotiating Information

Inflation Figures

2005	RPI (Jan 1987=100)	RPI	RPIX	CPI
Jan	188.9	3.2	2.1	1.6
Feb	189.6	3.2	2.1	1.6
Mar	190.5	3.2	2.4	1.9
April	191.6	3.2	2.3	1.9
May	192.0	2.9	2.1	1.9
Jun	192.0	2.9	2.2	2.0
Jul	192.2	2.9	2.4	2.3
Aug	192.6	2.8	2.3	2.4

2004	RPI (Jan 1987=100)	RPI	RPIX	CPI
Jan	183.1	2.6	2.4	1.4
Feb	183.8	2.5	2.3	1.3
Mar	184.6	2.6	2.1	1.1
April	185.7	2.5	2.0	1.2
May	186.5	2.8	2.3	1.5
June	186.8	3.0	2.3	1.6
July	186.8	3.0	2.2	1.4
Aug	187.4	3.2	2.2	1.3
Sept	188.1	3.1	1.9	1.1
Oct	188.6	3.3	2.1	1.2
Nov	189.0	3.4	2.2	1.5
Dec	189.9	3.5	2.5	1.6
Avg	186.7	3.0	2.2	1.3

2003	RPI (Jan 1987=100)	RPI	RPIX	CPI
Mar	179.9	3.1	3.0	1.6
April	181.2	3.1	3.0	1.5
May	181.5	3.0	2.9	1.2
June	181.3	2.9	2.8	1.1
July	181.3	3.1	2.9	1.3
Aug	181.6	2.9	2.9	1.4
Sept	182.5	2.8	2.8	1.4
Oct	182.6	2.6	2.7	1.4
Nov	182.7	2.5	2.5	1.3
Dec	183.5	2.8	2.6	1.3
Avg	181.3	2.9	2.8	1.4

Understanding inflation

The inflation rate is calculated from the prices of a range of different goods and services selected to represent average spending patterns in the UK. The Office for National Statistics monitors changes in these prices each month, and uses this to work out an average increase for the year. The different items in the 'basket' of goods and services are given different weights, so that things we spend more on, such as housing, motoring and food, are given more importance.

Base Lending Rate for September 2005 is 4.5%

Average Earnings (excluding bonuses) 2005

2005	Whole Economy			Manufacturing			Public Sector		
	Average Earnings Index	Single Month	3 Month Average	Average Earnings Index	Single Month	3 Month Average	Average Earnings Index	Single Month	3 Month Average
Jan	123.1	4.2	4.4	117.4	3.0	3.2	122.7	4.7	4.6
Feb	120.7	5.7	4.7	117.8	3.0	3.2	123.2	4.6	4.6
Mar	121.1	4.0	4.6	121.7	3.4	3.4	123.3	4.2	4.5
April	121.7	4.2	4.1	120.0	3.7	3.5	124.6	4.9	4.7
May	120.7	4.2	4.1	118.1	1.9	2.9	127.7	7.6	5.6
Jun	122.1	4.0	4.0	120.5	3.3	3.3	125.4	4.5	4.8
Jul	122.6	4.0	3.9	121.0	3.3	3.2	125.3	4.2	4.6

2004

2004	Whole Economy			Manufacturing			Public Sector		
	Average Earnings Index	Single Month	3 Month Average	Average Earnings Index	Single Month	3 Month Average	Average Earnings Index	Single Month	3 Month Average
Nov	109.8	4.1	3.8	109.4	4.1	3.8	109.4	4.1	3.8
Oct	117.8	4.2	4.1	116.6	3.4	3.3	121.7	4.8	4.6
Sept	117.2	3.9	3.8	116.1	3.2	3.4	121.2	4.4	4.2
Aug	108.6	3.6	3.7	108.8	3.8	3.7	109.1	2.9	3.4
July	116.2	3.3	3.8	116.2	3.9	4.1	119.7	3.6	4.2
June	116.5	4.3	4.4	116.0	4.1	4.4	119.8	4.5	4.4
May	116.0	4.2	4.4	115.9	4.4	4.1	119.0	4.6	4.3
April	115.8	4.6	4.3	115.5	4.8	3.9	118.6	4.1	4.3
Mar	115.7	4.3	5.2	116.1	3.2	3.5	118.2	4.3	4.3
Feb	114.3	3.9	4.9	114.7	3.6	3.5	117.8	4.4	4.3

The three-month average figures are the changes in the average seasonally adjusted index values for the last 3 months compared with the same period a year ago.

Full-time average weekly earnings by occupation

	£ pw		£ pw
All workers	528.60	Admin & Secretarial	363.50
All male	583.00	Skilled/craft	445.10
All female	439.90	Services	303.20
Managers	791.70	Sales	305.10
Professionals	703.40	Operatives	399.70
Associate Professionals	563.80	Other manual jobs	321.80

³⁰ The table above gives estimates of full-time average weekly earnings by occupation. It is based the figures from ASHE 2004, uprated by AEI.

The National Minimum Wage

The National Minimum Wage Regulations 1999 (Amendment) (No 2) Regulations 2004 was introduced on 1 October 2004.

- The minimum wage for 16-17 year olds is £3 per hour
- The adult worker's rate rises by 7.8% from £4.50 per hour to £4.85 per hour
- The youth rate, for 18 to 21 year olds, rises by 7.9% from £3.80 per hour to £4.10 per hour

The changes, which take effect on 1st October 2005, are:

- For adult workers, from £4.85 to £5.05ph
- For younger workers (18-21), from £4.10 to £4.25

The regulations can be viewed on the HMSO website www.hmso.gov.uk

For more information on inflation go to www.statistics.gov.uk or www.incomesdata.co.uk