

## **EDITORIAL**

As we go to print, this week has seen announcements on growth and unemployment which confirm the dire state of the economy. Only the inflation figures are moving in the right direction with RPI down to 5.4% from 5.6%. It is forecast that this will continue to decline in the new year as the impact of the VAT rise drops out of the calculation. However, that will be little consolation to workers whose incomes have been cut in so many sectors through either freezes or below inflation increases during the past year.

It is therefore welcome news that Unite negotiators are pulling the stops out in pay negotiations across key industries with offers and settlements exceeding inflation in major automotive companies. Unite is continuing to push for inflation or above settlements across the country as the real impact on workers is above the average rate of inflation contained in the official statistics

**Roger Jeary**  
Director of Research

### **OCTOBER INFLATION FIGURES**

**RETAIL PRICE INDEX (RPI) – 5.4% (down from 5.6% in September)**  
**CONSUMER PRICE INDEX (CPI) –5.0% (down from 5.2% in September)**

<b>BREAKDOWN OF KEY RPI STATISTICS</b>	<b>ANNUAL RATE</b>
Housing	1.2%
Petrol & Oil	15.4%
Vehicle tax & Insurance	14.8%
Rail Fares	7.0%
Food	5.8%
Oil & other fuels	23.8%
Clothing & footwear	12.6%
Motoring costs	7.7%
Household consumable	7.2%
Source: ONS <a href="http://www.statistics.gov.uk">www.statistics.gov.uk</a>	

<b>INFLATION FORECASTS (RPI)</b>	<b>ANNUAL RATE</b>
Quarter 4 2011	5.3%
Quarter 1 2012	4.0%
Quarter 2 2012	3.8%
Quarter 3 2012	3.6%
Quarter 4 2012	3.2%
Source: IDS Pay Report October 2011	

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## LRD PAY & CONDITIONS DATABASE ONLINE – SUMMARY OF PAY ROUND

- Overall in the 2010-11 pay round, pay and earnings lagged well behind price inflation.
- The overall mid-point (median) of increases on the lowest basic<sup>1</sup> for settlements in the 2010-11 pay round was 2.75%, up from 2.0% in 2009-10 and 2.65% in 2008-09. (The adult rate of the National Minimum Wage increased by 2.24% in October 2010).
- The private sector mid-point increase on the lowest basic was 3.0%, up from 2.0% in 2009-10.
- The public sector mid-point increase on the lowest basic was 1.62%, down from 2.0% in 2009-10. Increasing numbers of public-sector agreements were subject to the two-year public sector pay freeze during the pay round.
- In the private sector the mid-point standard<sup>2</sup> pay increase was the same as the mid-point increase on the lowest basic. In the public sector the mid-point standard pay increase was only 0.10%.
- One in 10 settlements were explicitly linked to inflation, and these settlements had a mid-point rise of 5.2%.
- Almost a third of pay awards were paid under long-term agreements.
- New long-term deals that had their first stage in 2010-11 delivered bigger pay rises (mid-point 3.5%) than ordinary one-year and short-term staged deals.

### RECENT UNITE SETTLEMENTS AS REPORTED TO THE PAY & CONDITIONS DATABASE ONLINE

Settlement date	Agreement	Standard increase
01/11/11	<u>Jaguar</u>	5.70%
01/11/11	<u>Land Rover</u>	5.70%
01/08/11	<u>Bombardier NLR &amp; ELR New Cross</u>	4.00%
01/11/11	<u>Joy Mining Machinery (Pinxton, Notts)</u>	4.00%
21/10/11	<u>Cadbury (Kraft)</u>	3.50%
01/11/11	<u>Go Gateshead platform staff</u>	3.00%
01/11/11	<u>Go North East (Chester le Street)</u>	3.00%
01/10/11	<u>Walter Frank and Sons/FW Birkett</u>	3.00%
01/11/11	<u>Stagecoach (North West - Carlisle, Kendal, Barrow/West Cumbria)</u>	3.00%

## EARNINGS AND PAY

### **Full-time average weekly earnings by occupation**

(the table below shows estimates of full-time average weekly earnings by occupation. It is based on the median earnings figures published by the ONS in the Annual Survey of Hours 2010, uprated by the 3.3% increase in the average weekly earnings figures between April 2010 and September this year)

All workers	£618.00
All male	£674.90
All female	£530.00
Managers	£905.40
Professionals	£820.10
Associate professionals	£636.80
Administrative and secretarial staff	£433.20
Skilled/craft	£510.30
Services	£366.70
Sales	£341.80
Operatives	£469.30
Other manual jobs	£365.00
Source: <a href="http://www.ons.gov.uk/ons/publications/re-reference-tables.html?edition=tcm%3A77-222445">www.ons.gov.uk/ons/publications/re-reference-tables.html?edition=tcm%3A77-222445</a>	

**PERCENTAGE ANNUAL RISE IN AVERAGE WEEKLY EARNINGS  
JULY**

Whole Economy	2.8%
Private Sector	3.1%
Public Sector	1.6%
Finance & Business Services	6.3%
Manufacturing	1.7%
Services	2.6%
Source: increases in average weekly earnings across industrial sectors in Great Britain, seasonally adjusted, as monitored by National Statistics provisional	

**RPI/CPI – SIGN THE PETITION UPDATE**

We are asking again if you could publicise the petition as widely as possible, as we just might be able to get this important debate into the House of Commons. We're not far off the magic figure of 100,000 so for those who haven't yet signed it please go to the Directgov webpage : <http://epetitions.direct.gov.uk/petitions/1535>

**AGENCY WORKERS REGULATIONS**

**STOP PRESS:** New Bargaining Guide to the Agency Workers Regulations now available at

[http://www.unitetheunion.org/pdf/\(JN4160\)%20AWR%20Guide%20Brochure%20ewa's%20final.pdf](http://www.unitetheunion.org/pdf/(JN4160)%20AWR%20Guide%20Brochure%20ewa's%20final.pdf)

Hard copies will be available in the regions next week and at the National Sector Conferences on the Research Stand.

**ACCESSING DATA**

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

Unite has provided a workplace representative's guide to the web and this is available at [http://www.unitetheunion.org/pdf/Reps\\_guide\\_to\\_web.pdf](http://www.unitetheunion.org/pdf/Reps_guide_to_web.pdf)

In addition all Unite members can access the pay and conditions database maintained by LRD at [http://www.lrd.org.uk/payline/index.php?auth\\_token=6c54e1a919aba7bca4c206fd0201eb03](http://www.lrd.org.uk/payline/index.php?auth_token=6c54e1a919aba7bca4c206fd0201eb03) or through the LRD website - username: unite and password: opal961

**IMPORTANT CHANGES**

All future requests for information relating to company accounts are to be directed to : [alex.ryan@unitetheunion.org](mailto:alex.ryan@unitetheunion.org)

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