

# briefingpages

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## ■ Legal

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### HOLIDAY PAY CLAIMS

A recent decision by the Court of Appeal will have an important effect on the right to paid holiday under the Working Time Regulations.

The Court of Appeal has overturned an earlier decision of the Employment Appeal Tribunal that an employee on long term sick leave is nevertheless a "worker" who is therefore entitled to paid holiday under the Regulations. However, the Court of Appeal's decision appears to apply only to employees who are absent for the whole of the holiday year. It is by no means clear whether employers are also entitled to reduce the holiday entitlement of employees who are absent for part of the year and this issue is likely to be tested in future litigation.

The Court of Appeal has also held that holiday pay under the Regulations cannot be claimed as an unlawful deduction from wages. This means that (subject to the outcome of any appeal) members will no longer be able to claim in relation to a failure to provide holiday pay, or the correct amount of holiday pay, as a series of deductions going back months or years.

**A number of important issues arise from the decision:**

1. Because the position may change again if an appeal to the House of Lords is successful, members who are on long term sick leave should continue to apply for holiday and to give the correct notice to their employers, specifying how many days' holiday they require and when they wish to take their holiday. Under the Regulations at least twice as many days' notice must be given as the number of days' holiday being requested. (Members should be alert to the company sick pay rules to ensure that a break in sick pay does not result in a minimum period

before sick pay can be resumed. If in doubt consult your full time officer.)

2. If the employer refuses to pay, or the request is not allowed, advice should be obtained from your full time official. It should be noted that if the Court of Appeal decision is not overturned by the House of Lords, any Tribunal claim is unlikely to be successful. Members must keep their Officer informed about their employer's response to requests for holiday as claims under the Working Time Regulations must be submitted to the tribunal within strict time limits. The time limit is three months (less one day) from the date on which the holiday pay should have been paid or the first day of the requested holiday which was refused.
3. It is important that requests for holiday are not left until the end of the relevant holiday year as notice must be given. The statutory entitlement to leave is four working weeks in any leave year. The leave year may be agreed between the employer and employees, failing which it is defined in the Regulations. This entitlement cannot be carried over to the following holiday year under the Regulations.
4. More generally, if an employer is refusing to provide paid holiday to any of its employees, or is calculating any member's holiday pay incorrectly, this should be referred to a full time official for legal advice. Until the Court of Appeal decision is finally decided, claims will continue to be brought as a breach of the Regulations and as an unlawful deduction, but that in both cases the claim will need to be presented within three months (less one day) of the day on which the correct amount of holiday pay should have been paid. Claims for unlawful deductions from wages enable members to claim holiday pay in respect of a series of deductions going back several years. If the House of Lords reverses the Court of Appeal's decision, the tribunal will be able to consider these unlawful deductions claims although it is likely to stay them initially.

## ■ PENSIONS

### **'SMART PENSIONS' OR SALARY SACRIFICE**

This is an increasingly popular device to reduce the cost of pensions. Essentially, it involves employees' salaries being reduced by the amount of their pension contributions and those contributions instead being paid directly by the employer. With the cost of pensions rising this device can make a small but very significant contribution to the affordability of pensions.

The reason for doing it is that the lower level of pay means National Insurance contributions are reduced both for employers and employees. The total savings amounts to about 20% of the value of the pension contribution which, if nothing different was agreed, would be divided equally between the employer and employee. This means employees take-home pay is increased as compared to the pre-sacrifice situation.

When the concept first emerged it was thought that it was tax loophole, which the Government would soon move to close. But there is no sign of this happening. This angle ignores the fact that there quite a few pension schemes that have always been non-contributory for employees and that, insofar as salaries may have been lower because of that, their members could be regarded as already in the position which salary sacrifice takes you to.

There are some particular pitfalls with salary sacrifice which mean that it is not suitable for everyone and, on a more general basis, safeguards need to be built-in if members are not to be disadvantaged by their salary being reduced.

#### **Safeguards**

Careful account needs to be taken of all pay-related benefits to ensure they are not reduced by the salary sacrifice. Items like overtime, shift etc may be calculated by reference to the basic rate. The best way of dealing with these is for it to be established that they will continue to be calculated, both immediately and in the future, by reference to what salary would have been had the salary sacrifice not taken place. In practice this is often done by using a notional reference salary for calculating the benefits.

Where members are in defined benefit pension schemes, where the amount of pension is defined by reference to final salary, then a similar safeguard needs to be introduced. Otherwise there could be a big impact both on the value of past and future service pension entitlements.

#### **What about state benefits ?**

The major potential effect here is on members entitlements to State Second Pension (S2P – the successor to SERPS). Basic State Pension would only be affected if the salary reduction dropped a members earnings below the National Insurance threshold (or LEL, which is currently £4264 p.a.) and so only need be a concern for low paid/part-time employees. The effect of salary sacrifice on S2P depends on whether the employee is contracted-in (participating) to S2P or whether they are contracted-out, with much the biggest impact where people are contracted-in.

Defined contribution (money purchase) pensions are very often contracted-in whilst defined benefit (final salary) schemes are most often contracted-out. The numbers of people who are contracted-in has been rising rapidly. If you are contracted-in then for the majority of employees S2P benefits are directly reduced by salary sacrifice. The complexity of S2P means this is not a straightforward picture but people whose gross earnings are in the range of £12000-£32000 will lose out by amounts which increase the older that they are. These losses could for some take away a substantial part of the gains from salary sacrifice.

Where salary sacrifice is proposed in a contract-in situation, employers should be asked to quantify and advise members on the impact on S2P.

Where employees are contracted-out the losses are much less and confined to the lower paid because to a large extent their scheme benefits replace S2P. But lower earners do still get a substantial top-up S2P payment which will be directly reduced as their gross salary is reduced.

#### **General considerations**

Where any proposal is introduced it would be expected that it would be accompanied by clear information as to who might stand to lose as well as who might stand to gain. While the gain from NI savings may be similar for employees and the employer employees may lose out significantly from reduced S2P benefits. This could support suggestions that part of the employers' savings might be channelled back in some sort of benefit for employees.

Salary sacrifice may also be linked-up to a 'flex', or flexible remuneration, package whereby a range of benefits may be accessed as an alternative to salary with similar savings in National Insurance coming into the picture.

## ■ HEALTH & SAFETY

### **RISKS IN LOADING/UNLOADING FREESTANDING TRAILERS**

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#### **The problem**

An HSE Inspector has encountered the practice of loading and unloading reels of paper into/from 45 foot curtain sided trailers at locations remote from the loading dock. The trailer has been parked detached from its tractor unit and supported by the trailer's landing legs. In some cases wooden A frames or trestles have been used to provide additional support for the trailer but these have been judged to be insufficient to control the risks. There are concerns about the stability of the trailer during these activities.

#### **Inherent dangers**

The activity has inherent dangers because of:

- ∑ • the weight of the papers reels (up to 2.5 ton);
- ∑ • the impreciseness of the weight (given that reel lengths are approximate);
- ∑ • their inherent instability (given that chocks move and no guarantee of exact placement of the reels);
- ∑ • the trailer landing legs are designed to balance the trailer when it is not attached to a tractor unit, not to support a load
- ∑ • the 'wooden A' frames or trestles being used to provide additional support for the trailer are not engineered to take such a weight;
- ∑ • the position of the 'A' frames/trestles varies from job to job.

It appears that the trailer landing leg is nearer to the centre on the new 45' trailers than on 40' trailers.

#### **Risk assessment**

To help companies with their risk assessment, consideration should be given to the following:-

**load distribution** – incorrect loading (in front of the legs) could result in the trailer to 'nose dive' and the legs to be pushed backwards;

**vehicle involvement** – the acceleration and braking or impact with the material, results in a forward acting force placing extra load on the loading legs;

**position of loading legs** – ensure they are level, vertical, at right angles to the trailer chassis;

**damage to loading legs** – the legs may be subject to impact forces when material is (un)loaded, check for corroded support arms, missing bolts, rips and tears in the leg support column;

**independent supports** – ensure they are designed to support the maximum load, also taking into account creep movement, condition of ground will have an affect on stability;

**manufacturer's recommendation** – check with trailer manufacturer that the equipment is suitable for (un)loading with the absence of a tractor unit

The above list is not exhaustive, but once **ALL** the implications have been considered, precautions put in place, a safe system of work has been developed and it has been established that these control all the risks, there is no reason why the loading/unloading of free standing trailers cannot continue. In addition, the Confederation of Paper Industries (CPI) has received some examples of good practice, including photographs of trailer support mechanisms, an example of an inspection checklist, an example of a safe system of work, an HSE specialist report, and some recent comments from an HSE Specialist Inspector, all of which have been sent to CPI member companies. These can all be found on our website or requested as email and hard copy. It should be noted that these problems could arise in any situation where freestanding trailers are being loaded/unloaded with any heavy load.

#### **Action by Amicus Reps**

- Σ • Amicus reps should ensure that this information is brought to the attention of their employers. If they are CPI members they should already have received this information.
- Σ • If companies are involved in the type of activity described they should be reviewing their risk assessments in line with the advice given above.
- Σ • Amicus reps should be involved in these risk assessments.
- Σ • This issue could arise in the loading/unloading of any freestanding trailer with any load, not just paper reels, and should be raised accordingly.

#### **New work at height regulations in force**

On 6 April 2005, the The Work at Height Regulations 2005 came into force, consolidating previous UK and European legislation on work at heights. The Regulations apply to any work at a height where there is a risk of a fall liable to cause injury. This includes work below ground level and at a low height. The Regulations place duties on employers, the self-employed, and any person that controls the work of others (for example facilities managers or building owners who may contract others to work at height).

#### **As part of the Regulations, duty holders must ensure:**

- Σ • all work at height is properly planned and organised;
- Σ • those involved in work at height are competent;
- Σ • the risks from work at height are assessed and appropriate work equipment is selected and used;
- Σ • the risks from fragile surfaces are properly controlled; and
- Σ • equipment for work at height is properly inspected and maintained.

#### **The HSE has determined a simple hierarchy for managing and selecting equipment for work at height. In this, duty holders must:**

- Σ • avoid work at height where they can;
- Σ • use work equipment or other measures to prevent falls where they cannot avoid working at height; and
- Σ • where they cannot eliminate the risk of a fall, use work equipment or other measures to minimise the distance and consequences of a fall should one occur.

#### **According to HSE, common factors resulting in falls from height include:**

- Σ • Failure to recognise a problem.
- Σ • Failure to provide safe systems of work.
- Σ • Failure to ensure that safe systems of work are followed.
- Σ • Inadequate information, instruction, training or supervision provided.
- Σ • Failure to use appropriate equipment;
- Σ • Failure to provide safe plant/equipment.

#### **The HSE's key messages on preventing falls from height are:**

- Σ • Follow good practice for work at height
- Σ • Follow your risk assessment; plan and organise your work properly; and make sure everyone involved is competent to their level or responsibility;
- Σ • Try to avoid the need for work at height where you can; where you can't, take steps to prevent falls; where you cannot prevent a fall then you must mitigate the risk of injury should a fall occur.
- Σ • Always select collective measures to prevent falls (such as guardrails and working platforms) before other measures which may only mitigate the distance and consequences of a fall (such as nets or airbags) or which may only provide personal protection from a fall.

For more details, see the HSE's guidance at [www.hse.gov.uk/pubns/indg401.pdf](http://www.hse.gov.uk/pubns/indg401.pdf) Falls from height are a particular problem in the construction industry, where they are the main cause of injury and death. The HSE has produced a briefing on the new regulations, specific to the construction industry. This can be downloaded at: [www.hse.gov.uk/construction/pdf/fallsqa.pdf](http://www.hse.gov.uk/construction/pdf/fallsqa.pdf) or contact us for copies of these.

#### **What about falls at 2 m or more?**

Where the fall height is 2m or more, HSE inspectors will always expect action to be taken to prevent falls. When selecting work equipment, the expectation is that guardrails and working platforms will be used. These are always the preferred measures to protect from falls unless a risk assessment clearly identifies other equipment as providing better protection given the nature and duration of the task. There will be no dilution in existing standards for work at height above 2 m.

This is the one piece of guidance from the HSE where they have taken note of the concerns and position of Amicus and other unions regarding the 2 metre rule. If any Amicus reps or members have evidence of any relaxation of existing standards above 2 metres as a result of the new Regulations please let us know.

## Working in hot temperatures

We get lots of calls every summer asking for advice on what is the maximum temperature workers can be expected to work in. Unfortunately there is no specific maximum temperature (although there are minimum temperature requirements), but this does not mean that workers can be forced to work no matter what the temperature. If your workplace is too hot for comfort (or too cold) speak to your Amicus Safety Rep for advice. If you have no safety rep, contact your regional office for advice, or if you don't know your regional office details, contact the Amicus Member Helpline on 0800 587 1222 to get them.

The HSE has produced the following guidance on the workplace temperature.

### What is the maximum/minimum temperature in the workplace?

The Workplace (Health, Safety and Welfare) Regulations 1992 lay down particular requirements for most aspects of the working environment. Regulation 7 of these Regulations deals specifically with the temperature in indoor workplaces and states that:

1. During working hours, the temperature in all workplaces inside buildings shall be reasonable. However, the application of the regulation depends on the nature of the workplace i.e. a bakery, a cold store, an office, a warehouse.

The associated ACOP (Approved Code of Practice) goes on to explain:

*'The temperature in workrooms should provide reasonable comfort without the need for special clothing. Where such a temperature is impractical because of hot or cold processes, all reasonable steps should be taken to achieve a temperature which is as close as possible to comfortable. 'Workroom' means a room where people normally work for more than short periods.*

*The temperature in workrooms should normally be at least 16 degrees Celsius unless much of the work involves severe physical effort in which case the temperature should be at least 13 degrees Celsius. These temperatures may not, however, ensure reasonable comfort, depending on other factors such as air movement and relative humidity.'*

Where the temperature in a workroom would otherwise be uncomfortably high, for example because of hot processes or the design of the building, all reasonable steps should be taken to achieve a reasonably comfortable temperature, for example by:

- insulating hot plants or pipes;
- providing air-cooling plant;
- shading windows;
- siting workstations away from places subject to radiant heat.

Where a reasonably comfortable temperature cannot be achieved throughout a workroom, local cooling should be provided. In extremely hot weather fans and increased ventilation may be used instead of local cooling. Where, despite the provision of local cooling, workers are exposed to temperatures which do not give reasonable comfort, suitable protective clothing and rest facilities should be provided. Where practical there should be systems of work (for example, task rotation) to ensure that the length of time for which individual workers are exposed to uncomfortable temperatures is limited.

## ■ ALLOWANCE FOR TOOLS AND CLOTHING

### TOOLS AND CLOTHING – FLAT RATE DEDUCTIONS

Many workers are obliged to spend small amounts each year in maintaining or renewing tools and special clothing that are necessary to carry out the duties of their employment. To deal with individual deduction calculations for each such employee would be cumbersome and time consuming for taxpayers and for the Inland Revenue. So flat rate deductions have been negotiated on a national basis with trade unions. These flat rate deductions apply to the employees in specified occupations. Flat rate deductions are only permitted where the employee necessarily incurs an expense.

The amounts reproduced below show allowances for the upkeep of tools and/or special clothing. In many cases the employer will provide all that is required and in these cases no deduction should be permitted. Furthermore, alternatively, there is nothing to prevent an employee asking for a deduction in any year for the actual expense he or she has incurred

**Table: Other expenses: flat rate expenses: table of agreed amounts for 2004/05 onwards** (From Section 367 ITEPA 2003)

The following table sets out the flat rate expenses fixed by the Treasury for 2004/05 onwards. From April 2005, details of amounts for 2003/04 and earlier years are available from the Inland Revenue.

Industry	Occupation	Deduction for 2004-05 Onwards - £
Agriculture	All workers.	70
Aluminium	a. Continual casting operators, process operators, de-dimplers, driers, drill punchers, dross unloaders, firemen, furnace operators and their helpers, leaders, mould-men, pourers, remelt department labourers and roll flatteners. b. Cable hands, case makers, labourers, mates, truck drivers and measurers and storekeepers. c. Apprentices. d. All other workers.	130 60 45 100
Banks and Building Societies	Uniformed doormen and messengers.	45
Brass and Copper	Braziers, coppersmiths, finishers, fitters, moulders, turners and all other workers.	100
Building	a. Joiners and carpenters. b. Cement works, roofing felt and asphalt labourers. c. Labourers and navvies. d. All other workers.	105 55 45 85
Building Materials	a. Stone masons. b. Tilemakers and labourers. c. All other workers.	85 45 55

Industry	Occupation	Deduction for 2004-05 Onwards - £
Clothing	a. Lacemakers, hosiery bleachers, dyers, scourers and knitters, knitwear bleachers and dyers.	45
	b. All other workers.	45
Constructional Engineering	a. Blacksmiths and their strikers, burners, caulkers, chippers, drillers, erectors, fitters, holders up, markers off, platers, riggers, riveters, rivet heaters, scaffolders, sheeters, template workers, turners and welders.	115
	b. Banksmen, labourers, shop-helpers, slewers and straighteners.	60
	c. Apprentices and storekeepers.	45
	d. All other workers.	75
Electrical and Electricity Supply	a. Those workers incurring laundry costs only.	45
	b. All other workers.	90
Trades ancillary to engineering	a. Pattern makers.	120
	b. Labourers, supervisory and unskilled workers.	60
	c. Apprentices and storekeepers.	45
	d. Motor mechanics in garage repair shop.	100
	e. All other workers.	100
Fire Service	Uniformed fire fighters and fire officers.	60
Food	All workers.	45
Forestry	All workers.	70
Glass	All workers.	60
Healthcare staff in the National Health Service, private hospitals and nursing homes	a. Ambulance staff on active service	110
	b. Nurses, midwives, chiropodists, dental nurses, occupational, speech, physiotherapists and other therapists, phlebotomists and radiographers.	70
	c. Plaster room orderlies, hospital porters, ward clerks, sterile supply workers, hospital domestics and hospital catering staff.	60
	d. Laboratory staff, pharmacists and pharmacy assistants.	45
	e. Uniformed ancillary staff: maintenance workers, grounds staff, drivers, parking attendants and security guards, receptionists, other uniformed staff.	45
Heating	a. Pipe fitters and plumbers.	100
	b. Coverers, ladders, domestic glaziers, heating engineers and all their mates.	90
	c. All gas workers and all other workers.	70
Iron Mining	a. Fillers, miners and underground workers.	100
	b. All other workers.	75
Iron and Steel	a. Day labourers, general labourers, stockmen, timekeepers, warehouse staff and weighmen.	60
	b. Apprentices.	45
	c. All other workers.	120
Leather	a. Curriers (wet workers), fellmongering workers and tanning operatives (wet).	55
	b. All other workers.	45
Particular Engineering	a. Pattern makers.	120
	b. Chainmakers; cleaners, galvanisers, tinnerns and wire drawers in the wire drawing industry and toolmakers in the lock making industry.	100
	c. Apprentices and storekeepers.	45
	d. All other workers.	60

Industry	Occupation	Deduction for 2004-05 Onwards - £
Police Force	Uniformed police officers (ranks up to and including Chief Inspector).	55
Precious Metals	All workers.	70
Printing	a. Letterpress Section-electrical engineers (rotary presses), electrotypers, ink and roller makers, machine minders (rotary), maintenance engineers (rotary presses) and stereotypers.	105
	b. Bench hands (periodical and bookbinding section), compositors (letterpress section), readers (letterpress section) telecommunications and electronic section wire room operators, warehousemen (paper box making section).	45
	c. All other workers.	70
Prisons	Uniformed prison officers.	55
Public Service	Dock and Inland Waterways.	
	a. Dockers, dredger drivers and hopper steerers.	55
	b. All other workers.	45
	Public Transport.	
a. Garage hands including cleaners.	55	
b. Conductors and drivers.	45	
Quarrying	All workers.	70
Railways	See appropriate category for craftsmen (for example engineers, vehicles, etc.)	
	All other workers.	70
Seamen	Carpenters.	
	a. Passenger liners.	165
b. Cargo vessels, tankers, coasters and ferries.	130	
Shipyards	a. Blacksmiths and their strikers, boilermakers, burners, carpenters, caulkers, drillers, furnacemen (platers) holders up, fitters, platers, plumbers, riveters, sheet iron workers, shipwrights, tubers and welders.	115
	b. Labourers.	60
	c. Apprentices and storekeepers.	45
	d. All other workers.	75
Textiles and Textile Printing	a. Carders, carding engineers, overlookers and technicians in spinning mills.	85
	b. All other workers.	60
Vehicles	a. Builders, railway vehicle repairers and railway wagon lifters.	105
	b. Railway vehicle painters, letterers, and builders' and repairers' assistants.	60
	c. All other workers.	45
Wood and Furniture	a. Carpenters, cabinetmakers, joiners, wood carvers, woodcutting machinists.	115
	b. Artificial limb makers (other than in wood), organ builders and packaging case makers.	90
	c. Coopers not providing their own tools, labourers, polishers, upholsterers.	45
	d. All other workers.	75

**In the Table:**

In the entry relating to aluminium, "firemen" means persons engaged to light and maintain furnaces; "constructional engineering" means engineering undertaken on a construction site, including buildings, shipyards, bridges, roads and other similar operations; and "particular engineering" means engineering undertaken on a commercial basis in a factory or workshop for the purposes of producing components such as wire, springs, nails and locks.

**Nurses and other health care workers**

Tax treatment of nurses and other health care workers: Special arrangements exist which are detailed on the HMRC website.

**Other Workers**

For other employees not covered by the above, the amounts set out below may be accepted as a reasonable estimate of the deductible expense.

Year	Amount
1998/99 and later years	£45

If the expense is met partly by the employer the amount of the deduction should be restricted. Deduction for a greater amount will not be permitted without adequate evidence of the expenditure actually incurred. (Above information sourced from HM Revenue & Customs)

For detailed information on all of the above visit [www.hmrc.gov.uk](http://www.hmrc.gov.uk)

## Negotiating Information

### Inflation Figures

2005	RPI (Jan 1997=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	192.2	2.9	2.2	2.0

2004	RPI (Jan 1997=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 1997=100)	RPI	RPIX	CPI
Jan	178.4	2.9	2.7	1.4
Feb	179.3	3.2	3.0	1.6
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

2002	RPI (Jan 1997=100)	RPI	RPIX	CPI
Avg	176.2	1.7	2.2	1.3

#### 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 June 2005 is 4.75%**

### 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

### 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
Dec	118.5	4.4	4.3	117.8	3.8	3.4	122.2	4.4	4.7
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
Jan	117.1	7.3	4.7	114.0	3.6	3.5	117.1	4.1	4.2

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	526.60	Admin & Secretarial	362.10
All male	580.70	Skilled/craft	443.40
All female	438.30	Services	302.10
Managers	788.70	Sales	303.90
Professionals	700.70	Operatives	398.20
Associate Professionals	561.70	Other manual jobs	320.60

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