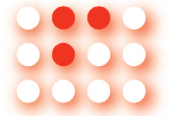
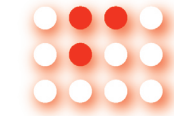


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## Manufacturing is heading for recovery

Manufacturing has recovered slightly and output has now been flat since September, according to the latest data from the Office for National Statistics (ONS), suggesting that better news is on the way.

Between October and November 2009, output increased in six of the 13 sub-sectors and also fell in six sub-sectors with one sub-sector unchanged. The largest positive contribution to overall output was an increase of 3.5% in the transport equipment industries. However, there were decreases of 3.0% in the machinery and equipment industries and 1.0% in the food, drink and tobacco industries.

Manufacturing output was down by 5.4% on the same month a year earlier.

Output of the production industries (manufacturing, energy and mining) showed a monthly rise of 0.4% from October to November but was down by 6.0% on November 2008.

**Recession over?** The respected National Institute of Economic and Social Research (NIESR) has suggested that, on their figures for the final quarter of 2009, the UK had pulled out of recession. They estimate that the economy had grown by 0.3% in the fourth

quarter of 2009 compared with the previous quarter. ONS figures are due at the end of January.

Nevertheless, the economy in the 2009 calendar year, as measured by GDP, shrank by 4.8% – the biggest contraction since 1921, said the NIESR.

“The broader picture of the depression is that output fell sharply for twelve months until March and has not changed very much since then, although evidence of a recovery is starting to emerge,” said the NIESR’s director Martin Weale.

[www.statistics.gov.uk/pdfdir/iop1209.pdf](http://www.statistics.gov.uk/pdfdir/iop1209.pdf)

[www.niesr.ac.uk/pdf/130110\\_143350.pdf](http://www.niesr.ac.uk/pdf/130110_143350.pdf)

## Being a union member has many advantages

Union members get higher wages, better sickness and pension benefits, are much more likely to be able to take advantage of flexible working and are able to take more annual leave, according to the TUC in *The Union Advantage*.

The TUC report cites official statistics showing that workers in a union earn 12.5% more an hour than employees in a non-unionised workplace, taking home average hourly earnings of £13.07 compared to £11.62.

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*The Union Advantage* is part of a set of new materials produced by the TUC to help unions attract new recruits and also to demonstrate the value of unions to employers.

Alongside a new leaflet aimed at encouraging workers who have never thought about joining a union to do so, and a guide to show union reps how to research the employers they deal with, the TUC has also released a new report looking at the positive advantages unions bring to the UK economy.

By cutting down on accidents at work, unions could be saving employers as much as £371 million a year, says the TUC. And because they feel involved and listened to, unions help workforces become more productive, benefiting the UK economy to the tune of between £3.4 billion and £10.2 billion a year.

[www.tuc.org.uk/organisation/tuc-17317-f0.cfm](http://www.tuc.org.uk/organisation/tuc-17317-f0.cfm)

[www.tuc.org.uk/extras/unionadvantage.pdf](http://www.tuc.org.uk/extras/unionadvantage.pdf)

## Executive pay remains in the stratosphere

Thirty directors, who received over £500,000 including 19 of them on £1 million a year or more, provide some strong evidence to suggest that the boardroom has not been a place of great suffering during the recession.

They are headed by the two drivers behind the Euromoney publishing business – Padraic Fallon and Richard Ensor – who between themselves picked up a combined total of over £6 million in pay and benefits. The figures in the table below exclude pension contributions and share awards.

Richard Cousins, chief executive of contract caterer Compass, takes third spot with £2.4 million, just a little more than many of the firm's workforce who are on or just above the minimum wage.

Year-on-year comparisons could be made for 25 of the top executives and 15 got a pay rise over the past two financial years.

The top spots are dominated by the owners of the *Daily Mail* newspaper – the paper that likes to attack public sector workers for having a job and having the nerve to get a pay rise.

Viscount Rothermere, who obviously raised himself from being a nobody with no silver spoon in his mouth to being chair of the *Daily Mail* and General Trust, got an 87.4% rise, while fellow boardroom

member Kevin Beatty, who heads up the A&N Media part of the group, got a 38.6% pay hike.

The pay table features those rarities women executive directors – four of them in fact. The relative newcomer is Alison Cooper of Imperial Tobacco who is set to take over as chief executive from Gareth Davis in May this year.

Her promotion may take her above the highest paid women in the table – Angela Ahrendts. She took over as chief executive of luxury goods retailer Burberry in July 2006 after joining its board in January that year. Last year she picked up £1.9 million. This was a 54.8% drop on the year before as no annual bonus was paid this time around.

Director	Company (year end)	Pay (£000)	% rise
Padraic Fallon	Euromoney (9.09)	3,427	-19.4
Richard Ensor	Euromoney (9.09)	2,698	-22.2
Richard Cousins	Compass (9.09)	2,361	1.2
Jeremy Darroch	British Sky Broadcasting (6.09)	2,320	n.a
Gareth Davis	Imperial Tobacco (9.09)	2,159	6.7
George Weston	Associated British Foods (9.09)	2,011	16.4
Angela Ahrendts	Burberry (3.09)	1,887	-54.8
Gary Green	Compass (9.09)	1,824	28.3
Philip Bowman	Smiths Group (7.09)	1,778	n.a
Paul Walsh	Diageo (6.09)	1,706	-26.4
Paul Dacre	Daily Mail (9.09)	1,635	0.9
Robert Dyrbus	Imperial Tobacco (9.09)	1,530	5.5
Martin Morgan	Daily Mail (9.09)	1,462	n.a
Andrew Martin	Compass (9.09)	1,460	-1.4
John Bason	Associated British Foods (9.09)	1,356	16.2
Viscount Rothermere	Daily Mail (9.09)	1,321	87.4
Peter Williams	Daily Mail (9.09)	1,290	22.5
Kevin Beatty	Daily Mail (9.09)	1,218	38.6
Andrew Griffith	British Sky Broadcasting (6.09)	1,048	n.a
Nick Rose	Diageo (6.09)	996	-27.5
Alison Cooper	Imperial Tobacco (9.09)	980	n.a
Keith Ludeman	Go-Ahead (6.09)	916	0.7
Graham Blashill	Imperial Tobacco (9.09)	856	5.2
Stacey Cartwright	Burberry (3.09)	682	-40.5
Ted Tuppen	Enterprise Inns (9.09)	664	4.7
Christopher Fordham	Euromoney (9.09)	646	-12.8
Giles Thorley	Punch Taverns (8.09)	618	8.6
Diane Alfano	Euromoney (9.09)	583	-1.7
Colin Jones	Euromoney (9.09)	549	-20.1
Adam Fowle	Mitchells & Butlers (9.09)	519	19.3

Source: Company remuneration reports

## Cameron threatens new union laws

Before you put your cross on your election paper, consider the following report from the Conservative party's friend in Fleet Street, the *Daily Telegraph* newspaper.

“David Cameron would be prepared to toughen trade union laws if strikes threatened any attempts to impose a pay freeze in the public sector.

"The Conservative leader said that, if he became prime minister, he would be "very happy" to strengthen laws to stop unions staging walkouts over his plan to freeze wages for at least a year as part of efforts to get to grips with the public deficit.

"He warned union leaders that they faced "a very determined, robust, sensible, reasonable group of people".

"Mr Cameron said one million of the lowest paid workers would be spared the freeze and, in a noticeable hardening of his attitude towards the unions, he made it clear that he would have no hesitation in strengthening laws.

"The trade union laws that were passed in the 1980s have withstood the test of time," he said. "If ever they needed to be strengthened I would be very happy to strengthen them. But I think there's a set of rules that work very well."

[www.telegraph.co.uk/news/newstoppers/politics/david-cameron/6953882/David-Cameron-ready-to-take-on-unions.html](http://www.telegraph.co.uk/news/newstoppers/politics/david-cameron/6953882/David-Cameron-ready-to-take-on-unions.html)

## Survey shows the bad side of shopping

Violence against retail staff continues as an unacceptable threat to the health and well-being of retail's three million employees. The latest survey from the employers' body the British Retail Consortium (BRC) recorded a doubling of violence on the year before.

At least 22,000 staff suffered physical or verbal attacks or threats over the course of the year, with a good deal of verbal abuse unreported by staff and store management. The overall level of recorded incidents is now running at 20 per each 1,000 staff.

A breakdown on the types of anti-social behaviour and violence showed verbal incidents accounted for half (50%); threats to staff accounted for a third (33%) and physical violence 17%.

All three components increased, with the number of threats made against staff increasing nine-fold. Physical violence increased by 58% and verbal abuse by over a third (37%). For some staff the experience is all the more traumatic as their attacker is someone they know from within their community.

Retailers reported that cases of verbal abuse were more likely to escalate into the issue of threats. The circumstances in which this arose varied,

from abuse when returning items that customers had subsequently regretted purchasing due to budgetary reasons, or when confronted if a crime had been perpetrated. Smash and grab raids and snatch thefts were associated with violent behaviour towards staff.

The BRC continues to support shopworkers' union Usdaw's 'Freedom from Fear' campaign which seeks to prevent violence, threats and abuse against shop-workers and to collate and disseminate best practice on reducing the incidence of violence and abuse against staff.

[www.brc.org.uk/downloads/BRCCrimeSurvey2009.pdf](http://www.brc.org.uk/downloads/BRCCrimeSurvey2009.pdf)

[www.usdaw.org.uk/campaigns/freedom\\_from\\_fear/](http://www.usdaw.org.uk/campaigns/freedom_from_fear/)

## Scottish court rejects 'cynical' challenge

Some of the largest insurers in the UK have failed in their attempt to overturn the Scottish government's law, which reinstates compensation to pleural plaques victims.

In April 2009, leading insurance companies Aviva, AXA Insurance, RSA and Zurich launched a judicial review challenging the Scottish Parliament's Damages Act, which restored compensation for pleural plaques victims in Scotland after a 2007 House of Lords ruling denied compensation to sufferers.

However, the Court of Sessions has now dismissed the challenge, saying the insurers had failed to make their arguments.

Pleural plaques are scarring of the lungs caused by heavy and prolonged exposure to asbestos. Victims develop some physical symptoms and often also develop severe mental trauma. They also have a greatly increased possibility of developing the incurable lung cancer mesothelioma.

Construction union UCATT is now calling for the government to move quickly to restore compensation to pleural plaques sufferers, after the announcement that the judicial review in Scotland had failed.

Alan Ritchie, general secretary of UCATT, said: "The decision to dismiss the judicial review is good news for pleural plaques sufferers throughout Britain. The government must now move swiftly to restore full compensation to all pleural plaques sufferers. Pleural plaques victims must not be

trapped in a postcode lottery about whether or not they receive compensation."

Although the Scottish Parliament had passed its legislation, no compensation payments were made to pleural plaques victims, while the judicial review process was ongoing. UCATT are now calling for pleural plaques victims in Scotland to receive compensation as soon as possible.

Ritchie added: "The insurance industry was using the judicial review to delay paying compensation to asbestos victims both north and south of the border. It was a very cynical manoeuvre and I am pleased it has failed."

In July 2009, the UK government launched a consultation exercise to examine whether the Law Lords ruling should be overturned. However, five months on, it has yet to give its response to the consultation.

[www.ucatt.info/content/view/812/30/2010/01/](http://www.ucatt.info/content/view/812/30/2010/01/)

## Plan for more council houses is unveiled

Housing minister John Healey has doubled the government money available to English councils for building new homes.

Healey that announced 73 councils covering every region of England will share an extra £122.6 million. Councils will match this second round government grant bringing investment in this round to £246 million, and total public investment in the programme as a whole to over £500 million to build more than 4,000 new council homes for 8,000 people.

In a clear break with council houses of the past, Healey also confirmed that many will be new family homes, while all will be highly energy efficient and add to the mixed make-up of local neighbourhoods across the country.

And for the first time, the minister has required all councils receiving government funds to offer apprenticeship and local job recruitment schemes, creating 7,500 jobs and around 100 new apprenticeship places.

Thirty-five of the 73 councils receiving funding in this second wave will extend their council house building work which is already underway after successful round one bids, while 38 councils receive this government backing for the first time. Eighty-six councils bid for the second round of house

building with projects totalling more than double the funds earmarked.

Unions welcomed the new investment. TUC general secretary Brendan Barber said: "The recession has hit the UK's construction industry hard so the news that the extra funding for council housing will create another 7,500 jobs and 100 new apprenticeships is very welcome.

'The many thousands of families currently living in cramped conditions and sub-standard accommodation will also be pleased that there will soon be another 4,000 affordable and energy efficient homes springing up across the UK.'

<http://nds.coi.gov.uk/content/detail.aspx?NewsAreaId=2&ReleaseID=410246&SubjectId=2>

[www.tuc.org.uk/economy/tuc-17412-f0.cfm](http://www.tuc.org.uk/economy/tuc-17412-f0.cfm)

## New code on time off comes into operation

Employment service Acas has now published the revised Code of Practice on time off for trade union duties and activities, which came into effect on 1 January.

The new code, which replaces an earlier one on the same subject, has been updated to reflect the changing workplace of the 21st century.

As well as dealing with all the issues covered in the previous code, the revised code provides updated guidance on:

- the provision of cover when employees take time off;
- payment for time off;
- training and the importance of e-learning;
- the responsibilities of line managers and union representatives in ensuring time off arrangements are effective; and
- access to facilities and the use of electronic communication technology.

To complement the new code, Acas has produced two new guides. The first of the guides deals with managing time off for union representatives, the second with time off for non-union representatives - they can be downloaded from the links below as can the new code.

[www.acas.org.uk/CHttpHandler.ashx?id=274](http://www.acas.org.uk/CHttpHandler.ashx?id=274)

[www.acas.org.uk/CHttpHandler.ashx?id=2307&p=0](http://www.acas.org.uk/CHttpHandler.ashx?id=2307&p=0)

[www.acas.org.uk/CHttpHandler.ashx?id=2308&p=0](http://www.acas.org.uk/CHttpHandler.ashx?id=2308&p=0)