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Unemployment

Against the downward trend, unemployment rose on the latest official counts. Under the Labour Force Survey (LFS) count it rose by 14,000 to 1.61 million in the first quarter of 2008 compared with 1.6 million the previous quarter.

The LFS count includes people not eligible for benefits. The unemployment rate was steady at 5.2%. Male unemployment was responsible for the rise with the number of jobless men up by 24,000 to 933,000, while the number of jobless women fell by 10,000 to 679,000. The unemployment rate for men was up to 5.5% from 5.4%, but the rate for women was down to 4.8% from 4.9% in the previous quarter.

Unemployment under the claimant count was also up, according to the Office for National Statistics. The count, which only includes those drawing Jobseeker's Allowance, rose by 4,800 to stand at 806,300 in April. The unemployment rate under this count was steady at 2.5%.

The number of unemployed men on benefit was up to 599,700 with the unemployment rate steady at 3.4% – and the number of unemployed women was up to 217,600 with the unemployment rate also rising to 1.5%.

Unemployment seasonally adjusted

	Claimants (000s)	% ¹	LFS ² (000s)	%
2002	947	3.1	1,529	5.2
2003	933	3.0	1,489	5.1
2004	853	2.7	1,424	4.8
2005	862	2.7	1,465	4.9
2006	945	2.9	1,671	5.4
2007	863	2.8	1,652	5.4
2007				
March	905	2.8	1,695	5.5
April	889	2.8	1,677	5.4
May	877	2.7	1,666	5.4
June	863	2.7	1,658	5.4
July	854	2.7	1,652	5.4
August	849	2.6	1,656	5.4
September	835	2.6	1,656	5.4
October	826	2.6	1,637	5.3
November	814	2.5	1,637	5.3
December	807	2.5	1,599	5.2
2008				
January	795	2.5	1,605	5.2
February	796	2.5	1,606	5.2
March (r)	799	2.5	1,612	5.2
April (p)	806	2.5		

¹ Percentage of working population – the employees, unemployed, self-employed and the armed forces. ² The Labour Force Survey definition of unemployment – the number of unemployed people who want a job and are ready to start work in two weeks, and have looked for work in the past four weeks. Each figure is the average of the past three months – a rolling average. LFS annual figures are for Spring quarter – March to May. (p) provisional (r) revised

Regions The claimant count was up in all 12 regions bar one. There was a small fall in London.

The unemployment rate was above the UK average

of 2.5% in six of the 12 regions. The highest rates were 3.9% in the North East, 3.4% in the West Midlands and 3.1% in the North West.

The LFS count rose in eight regions - with numbers up by 13,000 in the West Midlands and 12,000 in London.

On a happier note, numbers were down by 26,000 in the South East region.

The unemployment rate was above the UK average of 5.2% in six regions. The highest rates were 6.8% in London, 6.3% in the North East and 6.2% in the West Midlands.

Region	April claimants		LFS Jan-Mar	
	Number	%	Number	%
North East	48,400	3.9	78,000	6.3
North West	107,800	3.1	201,000	6.0
Yorkshire & the Humber	77,100	2.9	129,000	5.0
East Midlands	53,700	2.4	124,000	5.4
West Midlands	95,300	3.4	166,000	6.2
East	56,000	1.9	133,000	4.5
London	128,600	2.7	274,000	6.8
South East	66,000	1.5	172,000	3.8
South West	38,800	1.4	96,000	3.6
Wales	40,000	2.8	77,000	5.4
Scotland	70,100	2.5	124,000	4.7
Northern Ireland	24,500	2.8	38,000	4.6

Manufacturing lost 27,000 jobs in the first quarter of 2008 compared with a year earlier, and employment in the sector was down to 2.9 million.

In the three months to March, 111,000 people said they had been made redundant. This was unchanged on the previous three months but down 34,000 on a year ago.

www.statistics.gov.uk/pdfdir/lmsuk0508.pdf

Average earnings

Average earnings for the whole economy including bonuses rose by a provisional 4.7% in the year to March— up from 3.7% for the year to February.

However, City bonuses were responsible for the big jump as excluding bonuses the rise was only 3.7% in March – down from 4.0% for February.

The rise in private sector services' earnings including bonuses was 5.4% in March - up from just 3.7% in February. In the service sector as a whole growth was up to 4.9% in March against 3.9% the previous month.

Private sector earnings growth was up to 4.7% from 3.5% in February.

Earnings growth in the manufacturing was up to 4.5% against 3.2% the previous month.

Meanwhile, in the public sector, earnings growth was down to 3.7% from 4.2% the previous month.

Headline earnings growth (the latest three-month average) was up to 4.0% in the three months to March from 3.7% in the three months to February.

For manufacturing growth was down to 3.8% in the three months to March against a 3.7% rise in February.

In the service sector, growth was up to 4.3% in the three months to March from 3.8% the previous month. Private sector services earnings growth was up to 4.4%, while for the private sector it was up to 4.0%.

Public sector earnings growth was up to 3.8% in the three months to March from 3.7% the previous month.

Average earnings indices ¹						
2000 =100	Whole economy		Manu- facturing	Services	Private sector	Public sector
	annual rise					
2007						
February (r)	130.8	4.5	129.1	131.3	130.5	132.0
March (r)	129.7	3.5	129.3	129.9	129.2	132.7
April	129.8	3.4	130.2	130.0	128.8	133.1
May	130.5	3.6	130.7	130.6	129.9	133.3
June	131.1	3.2	131.2	131.1	130.5	133.7
July	131.5	3.8	131.1	131.8	131.0	134.0
August	132.1	4.2	130.9	132.6	131.7	134.4
September	132.7	4.2	131.1	133.2	132.2	135.0
October	132.7	3.7	131.6	133.1	132.1	135.3
November	133.2	4.2	132.6	133.6	132.8	135.8
December	133.7	3.7	133.2	133.9	133.1	136.3
2008						
January (r)	134.4	3.8	133.3	134.8	133.8	136.9
February (r)	135.6	3.7	133.2	136.3	135.1	137.5
March (p)	135.7	4.7	135.1	136.3	135.2	137.7
% annual rise for March			4.5	4.9	4.7	3.7
% increase in headline rate ² for March			4.0	3.8	4.3	3.8

¹ Average weekly earnings in Great Britain, seasonally adjusted. ² The average of the seasonally adjusted data for the latest three months compared with a year earlier. (p) provisional, (r) revised

The following table gives estimates of full-time average weekly earnings by occupation. It is based on figures from the Annual Survey of Hours and Earnings 2007, uprated by the 4.5% increase in the average earnings index between April 2007 and March 2008.

Full-time average weekly earnings by occupation

	£ a week
All workers	574.50
All male	633.40
All female	483.60
Managers	864.60
Professionals	775.30
Associate professionals ¹	592.70
Admin & secretarial	395.50
Skilled/craft	482.80
Services ²	339.70
Sales	320.30
Operatives	447.20
Other manual jobs ³	348.50

¹ Associate professionals include technicians, nurses, police, firefighters, media/PR workers, train drivers, legal and finance workers and sales reps. ² Services means personal service occupations such as care workers, travel assistants, hairdressers, caretakers. ³ Other manual jobs refers to "elementary" occupations including farm workers, labourers, dockers, postal workers, porters, waiters, cleaners.

www.statistics.gov.uk/pdfdir/lmsuk0508.pdf

Inflation

Inflation was up, driven by higher fuel and food costs. Under the Retail Prices Index (RPI), it rose to 4.2% in April from 3.8% the previous month. Another factor in the rise was dearer alcohol as the March Budget rises in duties kicked in.

Meanwhile, under the Consumer Prices Index (CPI), which excludes housing costs and is the government's preferred measure, it was up to 3.0% from the March rate of 2.5%.

	Retail Prices Index	% increase on year earlier		
		RPI	RPI except mortgage interest payments	CPI
(Jan 1987 =100)				
2003	181.3	2.9	2.8	1.4
2004	186.7	3.0	2.2	1.3
2005	192.0	2.8	2.3	2.1
2006	198.1	3.2	2.9	2.3
2007	206.6	4.3	3.2	2.3
2007				
April	205.4	4.5	3.6	2.8
May	206.2	4.3	3.3	2.5
June	207.3	4.4	3.3	2.4
July	206.1	3.8	2.7	1.9
August	207.3	4.1	2.7	1.8
September	208.0	3.9	2.8	1.8
October	208.9	4.2	3.1	2.1
November	209.7	4.3	3.2	2.1
December	210.9	4.0	3.1	2.1
2008				
January	209.8	4.1	3.4	2.2
February	211.4	4.1	3.7	2.5
March	212.1	3.8	3.5	2.5
April	214.0	4.2	4.0	3.0

Eight of the 14 groups that make up the RPI rose by more than the average 4.2%. Rising oil prices hit two groups. The 9.1% rise in the fuel and light group

included a 59.4% rise in oil and other fuels, while the 4.6% rise in motoring expenditure included an 18.0% hike in petrol and oil prices.

The 6.9% rise in food prices included substantial rises in a number of staples. These rises were: 33.3% in egg prices, 32.2% in butter, 13.5% for a daily pinta, and 13.0% in the price of a loaf of bread.

Cheaper women's clothing – down by 8.1% – contributed to the 3.3% fall in the clothing and footwear group. The 2.9% fall in leisure goods included an 18.8% cut in the cost of audio-visual equipment, such as TVs and DVD recorders.

More than 4.2%	%	Less than 4.2%	%
Fuel & light	9.1	Catering	4.1
Food	6.9	Leisure services	3.7
Housing	5.5	Personal goods & services	3.2
Motoring expenditure	4.6	Household goods	2.2
Fares etc	4.5	Leisure goods	-2.9
Tobacco	4.5	Clothing & footwear	-3.3
Household services	4.3		
Alcoholic drink	4.3		

www.statistics.gov.uk/pdfdir/cpi0508.pdf

Gangmaster licence revoked

A gangmaster has had his licence revoked after an investigation revealed shocking conditions imposed on mainly Polish migrant workers used for flower picking throughout the UK.

The Gangmaster Licensing Authority (GLA) said the vulnerable workers were threatened with huge deductions from wages and there was an even more sinister threat to involve their families in their home country if they left the employment of the gangmaster or failed to pay money to him.

Abhorrent living and transport conditions meant the workers were housed in sub-standard accommodation and transported in prohibited, uncertified vehicles.

The gangmaster Jonathan Beckson is a director of Timberland Homes Ltd, trading as Timberland Homes Recruitment, which had their licence revoked with immediate effect by the GLA in early May. The Suffolk-based firm supplied workers to Winchester Growers in Cornwall and Grampian Growers near Montrose in Scotland.

Conditions found by GLA officers included:

- a threatening letter to workers stating that they

were not free to leave before the end of the contract without paying £700, and if they did not have the money this would be recovered from the workers or their families in their home country.

- Timberland were subcontracting workers from an unlicensed Polish gangmaster;
- some workers stated that they received £24 for a nine-hour day;
- workers received 4p per bunch of flowers picked;
- the Scottish Agricultural Minimum Wage was not being paid;
- six to eight workers shared rooms in converted farm buildings that were not licensed as houses of multiple occupation;
- there were not enough beds for the 43 workers and only four toilets between them;
- kitchen facilities were poor and used bedding and laundry was kept in the cooking area thus creating a serious hygiene and fire hazard; and
- workers were charged for the protective clothing needed to carry out the job.

www.gla.gov.uk/embedded_object.asp?id=1013358

Vulnerable workers

Nearly two-thirds of the UK's two million vulnerable workforce are female, according to the TUC's Commission on Vulnerable Employment.

Its final report reveals that 1.2 million women workers are "trapped in a continual round of low-paid and insecure work where mistreatment is the norm".

The commission, set up by the TUC and involving employers and independent experts as well as trade unionists, says government, unions, employers and consumers must now all play a part in ending exploitation at work.

Commissioners said that they were shocked both by the extent of vulnerable work and that much of the poor treatment they found was perfectly legal.

The report says that "employment practices attacked as exploitative in the 19th century are still common today" and that the "poor treatment at work that we have found should not be tolerated".

TUC general secretary and chair of the commission Brendan Barber said: "Women are most likely to bear the brunt of vulnerable employment, but its impact stretches far wider. The whole family suffers if women are paid poverty wages or are

mistreated at work, and community ties are also damaged. Employers, unions, the government and civil society must now all play a role in tackling vulnerable employment."

The report says that vulnerable workers suffer because they do not know their rights, lack an escape route from vulnerable jobs, cannot get their rights enforced – and often suffer when they try to – and fall through gaps in employment law which means they do not enjoy the decent minimum standards to which the government is committed. The report reveals that the UK has less employment protection than any other advanced economy apart from the USA, according to the OECD global think tank

Just one of the testimonies from vulnerable women workers featured in the report paints a gruesome picture:

Angela has worked full-time as an office cleaner for a large cleaning contractor for almost seven years. On an average day Angela starts work at 6am and gets a forty minute unpaid break at 9am. She then works from 9:40am-1.15pm, despite her contractual hours ending at 12.45pm. There were previously two cleaners working on Angela's office but she is now the only one and has to do the work previously done by two people within the same number of hours. Her company breaches health and safety regulations by advising their workers to mix cleaning chemicals and Angela has even had to buy products with her own money.

Among the recommendations made by the report is for the extension of Gangmasters' Licensing Authority regime to other sectors where agencies use vulnerable workers as there is evidence of exploitative treatment in sectors that are not currently regulated, such as care homes or construction. Not before time given the conditions workers were subjected to as highlighted in the story above on Timberland.

Others recommendations include:

- a reform of employment status law that denies rights and any security to workers who do not count as employees as they do not have a contract of employment; and
- equal treatment for agency workers with permanent employees doing the same work.

www.tuc.org.uk/law/tuc-14696-f0.cfm, full report at www.vulnerableworkers.org.uk/cove-report/full-report/