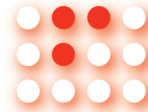
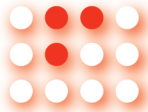


FACT

S E R V I C E



141 PwC pay and profits
Women are hitting a concrete ceiling

142 UK workers put in a long working week
Pensions on a gold plate for the board

143 Index of production
Strategy for manufacturing

144 Campaign to stem tidal wave of violence
Delay on maternity and paternity benefits

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PwC pay and profits

The credit crunch has failed to dent the pay packet of Kieran Poynter, the former chair of financial services group PricewaterhouseCooper. Poynter, who stepped down as chair at the end of the June 2008 financial year, saw his pay rise to £3.0 million from £2.8 million the year before. It's comforting to know that accountants can be so precise with such figures.

Average profits for PwC's 840 partners were £797,000 compared with £778,000 the previous year – a 2.4% rise.

Turnover rose by 7% to £2.24 billion, while underlying profits increased by a similar percentage to £664 million.

www.pwc.co.uk/annualreport08/AR_2008.pdf

Women are hitting a concrete ceiling

Sex and Power, the annual survey of women in top positions of power and influence across the public and private sectors, suggests a worrying trend of reversal or stalled progress – with only a few significant increases.

The fifth annual survey, the first produced by the new equality watchdog the Equality and Human Rights Commission (EHRC), found that in 12 out of 25 job categories fewer women held top posts in 2007-08 than in the previous year's survey. In another five categories the proportion remained unchanged on the 2006 figures.

Women now make up just under a fifth of MPs (19.3% against 19.5% the year before), and at the current rate it would take 200 years for women to achieve equality in Parliament. There are also fewer female Cabinet members (down to 26.1% from 34.8%), judges, senior police officers, and local authority and health service chief executives.

Women general secretaries of trade unions have dipped in numbers and account for 20.7% of those holding the post in TUC-affiliated unions against 23.0% previously.

The proportion of women who are senior media bosses, in the senior ranks of the armed forces, directors of galleries and museums or chairs of national arts companies remains unchanged.

On a more positive note, in eight areas the proportion of women increased slightly, including FTSE 100 company directors where the percentage rose from 10.4% to 11%. Although a rider should be added here that most of these women come from abroad, particularly North America.

LABOUR RESEARCH DEPARTMENT

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There were also more female university vice-chancellors and council leaders and there are more women in the House of Lords.

Nicola Brewer, chief executive of the EHRC, said that "we always speak of 'a glass ceiling', but the latest figures reveal that in some cases it appears to be made of reinforced concrete".

"Workplaces forged in an era of 'stay at home mums' and 'breadwinner dads' are putting too many barriers in the way – resulting in an avoidable loss of talent at the top," she said.

Scotland To highlight the scale of the challenge in Scotland, the EHRC has calculated the women "missing" from senior positions. Among the "missing" women are:

- 130 missing from public appointments;
- 85 missing head teachers in secondary schools;
- 21 missing members of Parliament;
- 13 missing judges from the Court of Session;
- 11 missing senior police officers; and
- 12 missing local authority chief executives.

www.equalityhumanrights.com/Documents/EHRC/SexandPower/Sex_and_Power_2008.pdf
www.equalityhumanrights.com/Documents/EHRC/SexandPower/Sex_and_Power_2008_Scotland.pdf

UK workers put in a long working week

Full-time workers in the UK are among the hardest working people in Europe, with only Romanians and Bulgarians putting in longer hours, according to research from the European Foundation for the Improvement of Living and Working Conditions.

UK workers in full-time jobs put in an average of 41.4 hours every week, while those in Bulgaria and Romania work an average of 41.7 hours.

The latest figures show that the average UK worker works longer than the overall average for the former EU15 member states, which stood at 39.5 hours in 2007 and longer than the average for the 12 new member states, which was 40.6 hours last year.

Ten of the 12 new Member States report actual working hours above the EU 27 average, compared with only three of the former EU15. Along with the UK, the other two former EU15 states are Germany and Austria each with a 41.1-hour working week.

The lowest actual weekly hours worked are in

France – 37.7 hours, Italy – 38.4 hours and Denmark – 38.6 hours.

The average "collectively agreed normal working weekly hours" in 2007 for all 27 EU states stood at 38.6 hours – down from 38.7 hours the year before as hours fell slightly in Spain and Germany.

www.eurofound.europa.eu/docs/eiro/tn0804029s/tn0804029s.pdf

Pensions on a gold plate for the board

Directors of the UK's top companies can retire on pensions of over £200,000 a year, according to a TUC annual survey.

Its sixth *Pensions Watch* report, which analyses the pension arrangements of 346 directors from 102 of the UK's top companies, shows that top bosses have amassed pension pots that average around £3 million each, providing an annual pension of £201,700 a year – 25 times the average workplace pension that ordinary workers receive.

Directors with the greatest entitlements at each company have average pension pots of £5.2million and can expect a pension of £333,400 a year.

And bosses have bucked the trend towards riskier and less generous pensions for ordinary workers, with three-quarters of the directors surveyed on the safer final salary or defined benefit (DB) schemes.

The survey found that directors in defined contribution (DC) or money purchase schemes received an average employer contribution of £91,700. The average employer contribution rate was around 21%, three times the average rate for ordinary workers in this type of scheme (around 6.5%). The top directors with the highest pension payments at each company received an average employer contribution of £149,600.

While many employers across the public and private sectors are increasing the length of time people have to work by raising retirement ages to 65, the majority of directors in the TUC study are still able to retire at 60. Of the 40 companies that provided information about the normal retirement age (NRA) for directors, two-thirds or 26 companies still had a NRA of 60.

TUC general secretary Brendan Barber said that while ordinary workers have their pensions

schemes closed and are expected to work for longer, "the UK's top bosses are avoiding this collective belt tightening and retaining their gold-plated pensions".

"Top bosses justify their lavish pay and pension arrangements on the risks they take and the rewards they deserve for success," he said. "But these credit crunch-busting retirement plans seem to exist in a different world from the economic squeeze that is affecting everyone else's pensions."

www.tuc.org.uk/extras/PensionsWatch2008.pdf

Index of production

The slowdown in the economy is making itself more evident in official figures. Manufacturing output in the three months to July fell by 1.1% on the previous three-month period, according to the Office for National Statistics.

There were widespread decreases in output, with significant falls of 2.4% in the food, drink and tobacco industries, 2.9% in the electrical and optical industries and 4.2% in the "other manufacturing industries not elsewhere specified".

Manufacturing output in the latest three months was 1.3% lower than the same period a year ago.

Output of the production industries, which includes oil and energy, also fell by 1.1% in the latest three months compared with the previous three months.

Production output was 1.7% lower than the same period a year ago.

www.statistics.gov.uk/pdfdir/iop0908.pdf

Strategy for manufacturing

The government appears to have discovered a new form of economic life outside of the City of London's financial markets and McJobs. The move has been welcomed by unions.

New Challenges, New Opportunities is the government's new strategy for the manufacturing sector to help UK firms take advantage of changing global trends in manufacturing.

The strategy brings together almost £150 million of medium-term support for UK manufacturing, and sets out government's view of what the sector needs for success in the long term – including seizing the opportunities of the low carbon economy, supporting skills, realising overseas opportunities, and improving the perceptions and understanding of manufacturing.

The government recognises these are demanding times and is committed to doing all it can to help manufacturers to get through them. But despite the current challenging global economic climate, and recent downturns in the sector, there is reason to be confident, it says. And it is right to have a medium term framework to help businesses emerge from these challenging conditions and remain competitive in an increasingly globalised sector.

It vaunts the open and flexible markets that will allow British business to react to changing and challenging circumstances and manufacturing is still very much a UK success story and the unsung hero of the UK's economy.

The UK is the world's sixth largest manufacturer – the industry accounts for over half our exports, contributes £150 billion to the economy and around three million jobs.

Business secretary John Hutton said: "Manufacturing is central to the success of the UK economy and it is vital the sector has the right foundations to endure the current economic slowdown and emerge stronger and fitter than ever."

Strands of the new strategy include:

Supporting skills There will be a new focus on apprenticeships. This will see 1,500 new manufacturing apprenticeships, in addition to the 9,000 places announced earlier this year which will increase the total number of manufacturing apprenticeships by over 10%. They are to expand the new places by inviting bids from larger manufacturers to train additional apprentices, including trainees in their supply chains.

Public procurement Each government department will produce an Innovation Procurement Plan, linked to its commercial strategy, setting out how it will drive innovation through procurement, where the government is the UK's biggest customer, spending £150 billion per year.

Low carbon economy The government believes that the nuclear supply chain and renewables alone could create up to 260,000 jobs over the next 10 years. Next year, a low carbon industrial strategy will address the challenges facing manufacturers as they try to reduce their carbon footprint and

the huge opportunities from investment in energy and a shift to a low carbon economy. The Office of Nuclear Development will work with industry partners to develop the nuclear supply chain and maximise high value-added work captured by UK manufacturers from an estimated £20 billion capital expenditure in nuclear. And a new Office for Renewable Energy Deployment will be established to address barriers to renewables deployment including helping to develop the UK supply chain.

TUC general secretary Brendan Barber welcomed the "refreshed manufacturing strategy", in particular the plans on apprenticeships and the government recognition that "public procurement can play in promoting a healthy manufacturing sector".

"Successful manufacturing creates well paid, quality jobs. This is why we will continue to campaign for manufacturing policies that will create manufacturing jobs, especially in the sectors where the UK can become and will remain competitive in the new, global economy such as the 'green' economy," he said.

www.berr.gov.uk/files/file47660.pdf
www.tuc.org.uk/economy/tuc-15322-f0.cfm

Campaign to stem tidal wave of violence

Urgent action to stem a "tidal wave" of violence has been demanded by transport union RMT as it launched a campaign to establish a code of protection for workers in the rail, bus and ferry sectors.

Cross-company zero-tolerance campaigns, an end to unnecessary lone-working, more uniformed staff and better legal protection for transport workers are at the heart of the campaign.

After surveying its own front-line members, RMT says that official assault figures represent only the tip of the iceberg, that police fail to attend as many as 40% of reported incidents, and that more than a third of incidents go unreported.

There were 4,865 reported assaults against rail workers in 2007 – that's 13 a day, and is also aside from the 2,064 assaults against staff reported on London Underground in 2006-07.

But data collected from RMT members suggests that most front-line transport workers can expect to be threatened, abused or physically assaulted at work.

RMT's charter calls for a unified zero-tolerance approach among all transport employers, with all incidents investigated and appropriate action taken, along with proper risk-assessment, effective training and encouragement to report all incidents.

The main aim should be to prevent assaults, but there should also be adequate care to ensure that victims of assaults are given all the support and assistance they need.

RMT has welcomed changes to guidelines that will result in tougher sentences for those who assault public service workers, but the union will continue campaigning for the law to treat assaults on transport workers with the same severity as assaults on emergency workers.

"The level of violence our members face at work is already unacceptable, yet year on year the problem gets worse, and it is time to put staff safety ahead of profits," said general secretary Bob Crow.

"And it is cost-cutting by private operators across the transport [sectors] that has reduced staffing to the bone and has made transport workers more vulnerable."

www.rmt.org.uk/Templates/Internal.asp?NodeID=111402&int1stParentNodeID=89732

Delay on maternity and paternity benefits

The government has delayed plans to extend maternity and paternity pay and leave. The changes were initially expected to come in from April 2008 and then put off until April 2009. But HM Revenue and Customs has said in a statement that it will now prepare for those babies born after April 2010.

The government has said the increased entitlements would come in before the end of its current term – a general election has to be called by April 2010.

Under the changes, maternity and adoption pay will go up from 39 weeks to 52. Additional paternity leave and pay will be introduced so that fathers would get the right to take up to 26 weeks' paid time off to care for a child if the mother returns to work and has not used her full entitlement to paid maternity leave.

www.hmrc.gov.uk/employers/thorn-baker-update061107.htm