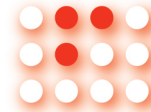
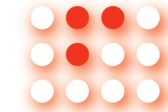


# FACT

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## Index of production

Manufacturing output in the latest quarter fell by 1.3% compared with the previous quarter.

There were widespread decreases in output. The most significant falls were 2.6% in the electrical and optical equipment industries, 2.3% in the transport equipment industries and 1.7% in the paper, printing and publishing industries.

Manufacturing output in the latest quarter was 1.9% lower than the same period a year ago.

Production, which includes energy and mining, fell by 1.8% in the latest quarter compared with the previous quarter.

Production output in the latest quarter was 2.9% lower than the same period a year ago.

[www.statistics.gov.uk/pdffdir/iop1108.pdf](http://www.statistics.gov.uk/pdffdir/iop1108.pdf)

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## Age discrimination in the civil service

Age discrimination claims over pay have been lodged by PCS public sector union against the Ministry of Justice and the Courts Service.

The 500 claims are part of the union's campaign for fair pay in civil and public services and against the government's policy of capping public sector pay, which is leading to pay cuts and freezes.

The justice ministry imposed a pay system last year, which the union maintains discriminates against younger members of the workforce as it can take over 10 years for staff members to reach the top of their pay scale. A typical example is a 29-year-old supervisor, who has worked at Wolverhampton Magistrates' Court for 12 years and is paid £17,876. The number of years it will take her to progress to the top of her pay scale and reach the rate for the job is still undefined, but is expected to take well over five years.

The union believes this amount of time breaches age discrimination law, drives down wages and lowers staff morale.

The cases in the justice ministry highlight the double disadvantage faced by public servants working for the civil service. Unlike other parts of the public sector, "progression", or moving from the bottom to the top of a pay scale is included in the government's pay cap along with cost of living increases. This means that there is less money available to fund basic pay increases and movement up pay scales.

Elsewhere in the civil service this double disadvantage has led to 40,000 long serving staff working in

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Jobcentres, benefits and pensions receiving no pay rise whatsoever because they are at the top of their pay scale; the same is happening to a third of staff working for the Identity and Passport Service.

Mark Serwotka, PCS general secretary, said the imposed pay system in the justice ministry is "not only discriminatory but illustrates the double disadvantage that those working for the civil service face. The finances of low paid civil and public servants and their families are being eroded by the government's pay cap and its refusal to treat them the same as the rest of the public sector".

[www.pcs.org.uk/en/news\\_and\\_events/news\\_centre/index.cfm/id/07D46D89-F5B8-410F-9E9E6A33C55C80C5](http://www.pcs.org.uk/en/news_and_events/news_centre/index.cfm/id/07D46D89-F5B8-410F-9E9E6A33C55C80C5)

## Unemployment

Unemployment is at an 11-year high, according to the latest official figures.

Under the Labour Force Survey (LFS) count it rose by 140,000 to 1.83 million in the third quarter of 2008 against 1.69 million in the previous quarter.

The rise pushed the unemployment rate up to equal its highest rate this century – 5.8% up from 5.4%. The LFS count includes people who are looking for work but not eligible for benefits and is the government's preferred measure.

The number of jobless men rose by 85,000 to 1.07 million and their unemployment rate was up to 6.3% from 5.8%. Unemployment among women rose by 55,000 to 750,000 and the unemployment rate went up to 5.2% from 4.9%.

Unemployment under the claimant count recorded its ninth consecutive monthly rise with a 36,500 increase to 980,900 in October. The unemployment rate under this count was up to 3.0% from 2.9%. This unemployment figure only includes those drawing Jobseeker's Allowance (JSA).

Unemployed men on benefit numbered 723,500 and the unemployment rate was up to 4.2%. The number of jobless women was up to 257,400, but their jobless rate was steady at 1.7%.

The TUC has called on the government to increase the JSA in the Pre-Budget Report. An increase in JSA of at least £15 would give real help to the newly unemployed, who face a rapid descent into poverty, and provide a fiscal stimulus the economy desperately needs, the TUC has told the government in its submission.

Other figures paint a gloomy picture. In the three months to September, 156,000 people said they had been made redundant – up 29,000 on the previous three months and 27,000 on a year earlier.

Manufacturing lost 55,000 jobs in the three months to September on a year earlier, and employment in the sector was down to 2.86 million.

Vacancies fell by 40,000 in the three months to October compared to the previous three months and were down by 83,000 on a year earlier.

### Unemployment seasonally adjusted

	Claimants (000s)	% <sup>1</sup>	LFS <sup>2</sup> (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	1,669	5.4
2007	863	2.8	1,653	5.3
<b>2007</b>				
September	835	2.6	1,643	5.3
October	826	2.6	1,626	5.3
November	814	2.5	1,633	5.3
December	807	2.5	1,602	5.2
<b>2008</b>				
January	795	2.5	1,608	5.2
February	796	2.5	1,614	5.2
March	799	2.5	1,624	5.2
April	810	2.5	1,656	5.3
May	825	2.6	1,628	5.2
June	845	2.6	1,685	5.4
July	872	2.7	1,727	5.5
August	908	2.8	1,792	5.7
September (r)	944	2.9	1,826	5.8
October (p)	981	3.0		

<sup>1</sup> Percentage of working population – the employees, unemployed, self-employed and the armed forces. <sup>2</sup> 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. (p) provisional (r) revised

**Regions** The claimant count rose in all 12 regions and the unemployment rate was above the UK average of 3.0% in seven of them. The highest rates were 4.8% in the North East, 4.1% in the West Midlands and 3.7% in both the North West and Yorkshire and the Humber.

The LFS count rose in all regions except Northern Ireland where it was down by 1,000. Wales suffered a 24,000 rise, and in Yorkshire and the Humber the count was up by 21,000.

The unemployment rate was above the UK average of 5.8% in seven regions. The highest rates were 8.0% in the North East, 7.4% in London and 6.8% in both the North West and Yorkshire and the Humber and 6.5% in the West Midlands.

Region	October claimants		LFS July – Sept	
	Number	%	Number	%
North East	58,600	4.8	100,000	8.0
North West	129,100	3.7	230,000	6.8
Yorkshire & the Humber	97,100	3.7	180,000	6.8
East Midlands	66,800	3.0	135,000	5.9
West Midlands	113,300	4.1	170,000	6.5
East	69,200	2.4	140,000	4.8
London	143,400	3.0	298,000	7.4
South East	84,800	1.9	202,000	4.6
South West	52,600	1.9	114,000	4.2
Wales	49,800	3.4	95,000	6.7
Scotland	85,400	3.1	126,000	4.7
Northern Ireland	30,300	3.5	33,000	4.1

[www.statistics.gov.uk/pdfdir/lmsuk1108.pdf](http://www.statistics.gov.uk/pdfdir/lmsuk1108.pdf)

[www.tuc.org.uk/economy/tuc-15582-f0.cfm](http://www.tuc.org.uk/economy/tuc-15582-f0.cfm)

## The economy

The Bank of England has cut interest rates from 4.5% to 3%, and they are now at their lowest level since 1955.

The size of the cut — the biggest since 1981 — highlighted the Bank's concern on the economy.

The Bank of England's Monetary Policy Committee (MPC) said the risks to inflation had shifted decisively to the downside. As a consequence, the committee revised downwards its projected outlook for inflation (as measured by the CPI consumer prices index) which, at prevailing market interest rates, contains a substantial risk of undershooting the inflation target.

The MPC judged that a significant cut in the bank rate was necessary now in order to meet the 2% target for CPI inflation in the medium term.

Later, the Bank of England said that the UK had entered a recession in the middle of 2008, which will continue well into 2009.

In its quarterly *Inflation Report*, the Bank said that the economy could shrink by 2% over the next year, compared to its estimate of "broadly flat" growth made in August.

[www.bankofengland.co.uk/publications/news/2008/076.htm](http://www.bankofengland.co.uk/publications/news/2008/076.htm)

[www.bankofengland.co.uk/publications/inflationreport/irlatest.htm](http://www.bankofengland.co.uk/publications/inflationreport/irlatest.htm)

## Average earnings

Average earnings for the whole economy rose by a provisional 3.0% in the year to September — down from the 3.2% rise for August.

Headline earnings growth (the latest rolling three-month average) was down to 3.3% in the three months to September from 3.4% in the three months to August.

Headline earnings growth for manufacturing was up to 2.9% against 2.7% for the previous three-month period.

In the service sector, growth was down to 3.5% in the three months to September, while private sector services earnings growth was down to 3.4%. Earnings growth for the private sector as a whole was down to 3.1% from 3.4%.

Public sector earnings growth was up to 3.9% in the three months to September from 3.5% in the three months to August.

Living standards fell by 40% or two percentage points in September as inflation as measured by the Retail Prices Index rose by 5.0% against the 3.0% growth in average earnings.

Average earnings indices <sup>1</sup>						
2000 =100	Whole economy		Manu- facturing	Services	Private sector	Public sector
	annual % rise					
<b>2007</b>						
August (r)	132.3	4.3	131.2	132.7	131.8	134.6
September (r)	132.9	4.3	131.4	133.5	132.6	134.9
October	132.9	3.7	131.7	133.4	132.3	135.3
November	133.5	4.2	132.7	133.9	133.0	135.9
December	133.8	3.7	133.3	134.1	133.1	136.2
<b>2008</b>						
January	134.3	3.8	133.2	134.7	133.7	136.8
February	135.1	3.7	133.2	135.4	134.3	137.4
March	135.2	4.5	134.6	135.9	134.8	137.5
April	134.9	3.8	133.9	135.6	134.3	138.1
May	135.3	3.4	134.8	135.8	134.7	137.6
June	135.8	3.4	134.4	136.3	135.2	137.9
July (r)	136.2	3.6	134.8	136.8	135.6	139.3
August (r)	136.5	3.2	135.0	137.1	135.8	139.5
September (p)	137.0	3.0	135.5	137.7	136.3	140.3
% annual rise for September			3.1	3.1	2.8	4.0
% increase in headline rate for September <sup>2</sup>			3.3	2.9	3.5	3.9

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

The table over 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 5.3% increase in the average earnings index between April 2007 and September 2008. The figures cannot be compared with the average weekly earnings figures regularly covered by *Fact Service*, which also include part-time workers.

### Full-time average weekly earnings by occupation

£ a week

All workers	578.90
All male	638.20
All female	487.30
Managers	871.30
Professionals	781.20
Associate professionals	597.30
Admin & secretarial	398.60
Skilled/craft	486.50
Services	342.30
Sales	322.70
Operatives	450.60
Other manual jobs	351.20

[www.statistics.gov.uk/pdfdir/lmsuk1108.pdf](http://www.statistics.gov.uk/pdfdir/lmsuk1108.pdf)

## Firefighter deaths

There has been a sharp increase in firefighter deaths in the last five years, according to a report from the Fire Brigades Union. Eight firefighters died on duty in 2007 alone, the worst year since 1985.

In the five years since 2003, at least 22 firefighters have died while on duty, significantly more than in the previous five years.

And firefighting has become a much more dangerous profession in recent years with more firefighters being killed while actually attending fires. At least 13 firefighters have been killed at fires, according to research carried out by the Labour Research Department for the union.

From February 1996 until October 2002 there were no recorded firefighter deaths at fires in the UK.

"The figures have shocked even me" said general secretary Matt Wrack. "I knew firefighter deaths were increasing, but I am horrified at the rate by which they are increasing. And there is no comprehensive, consistent, UK-wide system for recording firefighter deaths."

The report calls for the creation of a national fire and rescue service body – responsible for ensuring that the findings and recommendations from fatal or other serious incidents are considered and implemented across all fire authorities.

This national body should be set the task of keeping adequate records of incidents involving the deaths of and serious injuries to firefighters at national level and be responsible for developing and agreeing safety critical national guidance based on the lessons learned from deaths and from other serious incidents.

It also calls for greater investment in training. The report says there is a need for a greater emphasis on training for operational emergency responses and the technical knowledge that is required to support such responses.

[www.fbu.org.uk/newspress/pressrelease/2008/11\\_10.php](http://www.fbu.org.uk/newspress/pressrelease/2008/11_10.php)

## More testing is needed on nanomaterials

Nanomaterials, the microscopic particles used in everything from medicine to electronics, sports goods to clothing, urgently need more safety testing and tighter regulation, the Royal Commission on Environmental Pollution has said.

While the commission's investigation found no evidence of harm to either health or the environment from nanotechnology, it warned: "The pace at which new nanomaterials are being developed and marketed is beyond the capacity of existing testing regulatory arrangements to control the potential environmental impacts adequately."

The commission did not recommend a blanket ban or moratorium on nanomaterials because each material had to be assessed on its merits. But Sir John Lawton, the commission chair, said there were particular concerns about three widely used types of nanomaterial: nanosilver, carbon-60 and carbon nanofibres.

For example, carbon nanofibres may harm the lungs in the same way as asbestos. "If I had to give advice to my family, I would say, 'don't wear spun nanofibres'," he said.

Nanotechnology did not need a new regulatory regime, the commission decided. Instead, it recommended that Europe's existing regulatory system for chemicals, known as REACH, should be extended to cover nanoparticles.

Andrew Maynard, chief scientist on the Project on Emerging Nanotechnologies at the Woodrow Wilson Centre in Washington DC, said: "Despite repeated warnings, the establishment continues to lag behind emerging technologies. Addressing the royal commission's recommendations will make major strides towards closing this gap."

[www.ft.com](http://www.ft.com)

[www.rcep.org.uk/novelmaterials.htm](http://www.rcep.org.uk/novelmaterials.htm)