

FACT

S E R V I C E

- 61 Rise in unemployment
- 62 Guide to make pensions clearer
Growth in weekly earnings nosedives
- 63 BAME workers more likely to be jobless
- 64 Trade Union Bill – more concessions

Annual Subscription £87.00 (£73.50 for LRD affiliates)

Volume 78, Issue 16, 21 April 2016

Rise in unemployment

UK unemployment has risen for the first time in almost a year, official figures show.

The number of unemployed people under the Labour Force Survey count rose by 21,000 to 1.7 million in the three months to February.

The unemployment rate was unchanged at 5.1%, according to the Office for National Statistics.

The number of unemployed males increased by 9,000 to 929,000, but their unemployment rate was steady at 5.2%.

The number of unemployed women was up by 12,000 to 767,000, increasing their unemployment rate to 5.0% from 4.9%.

In March, unemployment under the claimant count also increased. The count rose by 6,700 to 732,100 from the revised figure for February of 725,400.

The claimant count only includes claimants of Jobseeker's Allowance and those on the means-tested Universal Credit.

The increase in numbers was, however, not enough to impact on the joblessness rate which remained at 2.1%.

Male claimant numbers rose by 5,100 to 462,600, but their joblessness rate remained at 2.5%.

The number of women claimants rose by 1,500 to 269,400 and their joblessness rate was unchanged at 1.7%.

Unemployment seasonally adjusted

	Claimants ¹		LFS ³	
	(000s)	% ²	(000s)	%
March 2015	804	2.3	1,827	5.5
April	795	2.3	1,813	5.5
May	794	2.3	1,853	5.6
June	793	2.3	1,852	5.6
July	785	2.3	1,823	5.5
August	786	2.3	1,774	5.4
September	784	2.3	1,749	5.3
October	783	2.3	1,713	5.2
November	780	2.3	1,675	5.1
December	763	2.2	1,690	5.1
January 2016	735	2.1	1,685	5.1
February (r)	725	2.1	1,696	5.1
March (p)	732	2.1		

¹ Jobseeker's Allowance and Universal Credit claimants ² Percentage of working population – the employees, unemployed, self-employed and the armed forces.

³ 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

LABOUR RESEARCH DEPARTMENT

Published weekly by LRD Publications Ltd, 78 Blackfriars Road, London SE1 8HF. 020 7928 3649 www.lrd.org.uk

Regions The LFS unemployment count increased in seven of the 12 regions/countries in the three-months to February 2016. The largest increase of 20,000 was in Scotland, while it was up by 8,000 in the South East.

The largest fall in the five regions was in the East of England, where it was down by 9,000.

The unemployment rate was above the UK average of 5.1% in half out of the 12 regions/countries. The highest rates were 8.0% in the North East and 6.3% in Yorkshire and the Humber, London and Northern Ireland.

In March, the claimant count rose in all but one of the 12 region/countries, the exception being London.

The claimant count rate was above the UK average of 2.1% in seven regions/countries. The highest rates were 4.3% in Northern Ireland and 4.0% in the North East.

Region	March claimants		LFS Dec — Feb	
	Number	%	Number	%
North East	48,300	4.0	104,000	8.0
North West	103,700	2.8	178,000	5.0
Yorkshire & the Humber	70,900	2.7	169,000	6.3
East Midlands	42,900	1.9	106,000	4.5
West Midlands	75,200	2.6	152,000	5.5
East of England	43,700	1.4	110,000	3.5
London	104,700	1.8	291,000	6.3
South East	55,200	1.2	178,000	3.8
South West	36,100	1.2	105,000	3.8
Wales	41,400	2.8	76,000	5.0
Scotland	71,400	2.5	171,000	6.2
Northern Ireland	38,600	4.3	56,000	6.3

<http://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/employmentandemployeetypes/bulletins/uklabourmarket/april2016>

Guide to make pensions clearer

Trade body, the Association of British Insurers, is preparing a new guide to pensions language that could see the end of terms such as "uncrystallised pension funds lump sum" and "flexi-access draw-down" which have been used since the pension freedoms.

This guide aims to standardise the language used to describe options so customers can understand and compare products more easily without having to decipher technical terms.

The ABI has formed a Pensions Language Steering Group, involving industry, government, regulators and consumer groups, to develop simple and consistent language. For the guide and the language to be consistently applied across the sector, the ABI is consulting more widely to gather views, including from media and consumer organisations, until 19 June 2016.

The *Making Retirement Choices Clear* guide proposes the new retirement options be explained as:

- You can keep your pension savings where they are.
- You can take your whole pension pot in one go.
- You can take your pension pot as a number of lump sums.
- You can get a flexible retirement income.
- You can get a guaranteed income for life.
- You can choose more than one option and you can mix them.

www.abi.org.uk/News/News-releases/2016/04/Long-term-savings-industry-acts-to-take-the-jargon-out-of-pensions

Growth in weekly earnings nosedives

Growth in average weekly earnings plummeted in February.

The rise in average weekly earnings for the whole economy was provisionally down to just 1.1% in February against the revised figure of 2.6% for January.

In manufacturing, earnings growth was down to 1.6% from 2.0% in January, while in services, growth was right down to 0.6% from 2.3% the previous month.

In the private sector as a whole, growth was down to 0.9% from 3.0%.

In February, for the public sector, excluding financial services, growth dipped to 1.5% from 1.7% the previous month.

Headline earnings growth (the rolling three-month average) for the whole economy was down to 1.8% in the three-month period ending February from 2.1% in the January period.

Manufacturing growth was steady at 1.6%, but service sector growth edged down to 1.5% from 1.9%. For the private sector as a whole, growth was down to 1.9% from 2.4%.

For the public sector, excluding financial services, growth was steady at 1.4%.

£ a week	Average weekly earnings ¹				
	Whole economy	Manufacturing	Services	Private sector	Public sector ²
Dec 2014 (r)	488	571	472	485	489
January 2015 (r)	484	566	469	480	489
February (r)	485	565	473	485	490
March	493	572	478	492	490
April	492	572	476	489	490
May	492	569	477	490	491
June	489	576	474	491	491
July	495	574	479	494	492
August	494	573	478	494	493
September	492	573	477	491	495
October	494	574	478	493	494
November	495	575	479	494	495
December (r)	496	578	479	494	494
January 2016 (r)	496	577	480	495	497
February (p)	491	574	476	489	498
% annual change					
Single month	1.1	1.6	0.6	0.9	1.5
3-month average ³	1.8	1.6	1.5	1.9	1.4

¹ Average weekly earnings in Great Britain, seasonally adjusted, including bonuses, but excluding arrears. ² Excludes financial services. ³ Average of the seasonally adjusted data for the latest three months compared with three months a year earlier. (p) provisional (r) revised

The regular pay figures strip out bonuses. In February, growth for the whole economy was unchanged at 2.3%.

The percentage rises in the year to February for various sectors, along with the previous month's rises in brackets, were: manufacturing 1.4% (2.3%); services 2.2% (1.9%); the private sector 2.6% (2.5%); and the public sector, excluding financial services, 1.6% (1.6%).

The average rise for regular pay in the whole economy for the three-month period ending February was unchanged at 2.2%.

The sectoral increases were: manufacturing 2.0% (2.1%); services 2.0% (1.9%); the private sector 2.5% (2.4%); and the public sector, excluding financial services, 1.5% (1.5%).

The TUC described the growth as "anaemic".

The table below is based on the mean average earnings figures published in the Annual Survey of Hours and Earnings (ASHE) 2015. The original figures have been "uprated" by the 0.2% decrease in average weekly earnings for the whole economy between April 2015 and February 2016 to give a rough estimate of earnings now.

Full-time average weekly earnings by occupation	
	£ a week
All employees	626.10
All male	678.60
All female	546.00
Managers	969.50
Professionals	792.30
Associate professionals	673.90
Admin & secretarial	458.40
Skilled/craft	527.20
Services	366.80
Sales	381.30
Operatives	492.30
Other manual jobs	376.00

<http://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/employmentandemployeetypes/bulletins/uklabourmarket/april2016>

BAME workers more likely to be jobless

Black, Asian and minority ethnic (BAME) workers with degrees are two and half times more likely to be unemployed than white graduates, according to new analysis published by the TUC.

The analysis of official statistics shows that the unemployment rate for white workers with degrees is 2.3%. However, for BAME graduates this rises to 5.9%.

There is a gap between the jobless rates of BAME workers and white workers at every level of educational achievement.

BAME workers with A-level equivalents, including trade apprenticeships and vocational qualifications, are 3.1 times more likely to be unemployed than their white counterparts with BAME workers having an unemployment rate of 14.0%, while for white workers it's only 4.5%.

And BAME workers with GCSE equivalents and basic level qualifications are 2.4 times as likely to be out of work, with a BAME unemployment rate of 17.3% against 7.1% for white workers.

At diploma and high-level vocational level, the multiple is 2.3, with 6.8% of BAME workers unemployed against 3.0% of their white counterparts.

Even comparing workers with basic skills, BAME workers are 2.1 times more likely to be jobless than white workers. And the unemployment rate for such BAME workers is the highest – at 19.8% – against 9.3% for white workers.

TUC general secretary Frances O'Grady said: "Whether they have PhDs or GCSEs, BAME workers have a much tougher time in the jobs market.

"Not only is this wrong, but it is a huge waste of talent. Companies that only recruit from a narrow base are missing out on the wide range of experiences on offer from Britain's many different communities."

www.tuc.org.uk/equality-issues/black-workers/labour-market/bame-workers-degrees-two-and-half-times-more-likely-be

Trade Union Bill – more concessions

The government has been forced to make further concessions in its vindictive *Trade Union Bill*.

In the Lords, during the Report stage, Conservative peers Lords Balfe and Cormack and crossbencher Lord Kerslake were due to bring an amendment, completely overturning the Bill's ban on check-off.

The Cabinet Office minister Lord Bridges admitted the government had failed to convince Tory peers to vote for its proposal. This has now been dropped.

Bridges said the government would instead bring an amendment at the Third Reading that would allow the check-off system, whereby members have their subscription deducted from their salaries, to continue where there was agreement with the employer and the union met the cost.

John Wood of the TUC, writing on the Touchstone blog, said: "It would have cost unions dearly in adjustment costs and could have seen many people fall through the gaps in the move to the

new system – something Lord Balfe correctly identified in saying it was a measure that would hit low income workers in unions like UNISON the hardest, cutting them off from the services and protection of a union."

Also in the Lords, minister Baroness Neville-Rolfe conceded further safeguards on the appointment and activities of the union regulatory body, the Certification Officer (CO).

Appointments will be free from ministerial direction and appointed by the Office of the Commissioner for Public Appointments, And the levy on unions will only pay for part of the costs of the CO and exclude the more expensive costs of any external investigators.

John Wood has set out the coming timetable on the Bill. On Monday 25 April, peers will debate the Third Reading of the Bill which takes into account the changes made at Report Stage and gives the government a chance to come back with further changes to deal with concerns raised throughout the Lords' stages.

On Wednesday 27 April, MPs will convene for the "ping-pong" stages, where the government defeats from the Lords are looked at again and the government decides whether to accept the Lords' changes or push on and force the original proposals through.

If they reject the Lords' changes, the Lords have another chance to vote and urge the government to think again.

At this stage timing is critical – the government has to get the Bill passed before the Queen's Speech on 18 May or it will fall in its entirety.

Len McCluskey, the leader of the Unite, general union, said the remaining Bill would continue to undermine workers' rights.

"We would urge the government not to stop here but to think again on the entire Trade Union Bill for it will set back industrial relations in this country by decades," he said.

www.theguardian.com/politics/2016/apr/19/government-scrap-proposed-changes-trade-union-funding

<http://touchstoneblog.org.uk/2016/04/trade-union-bill-takes-a-battering-in-the-lords-whats-next-in-tubill-campaign/>