

# FACT

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## Inflation leaps to 3.2%

Retail price inflation has hit its highest level for three and a half year years.

In February, the Retail Prices Index (RPI) stood at 268.4 and the annual rate of inflation rose to 3.2% from the 2.6% the previous month. RPI inflation was last higher in August 2013.

Rising petrol and higher food prices compared with last year were the main contributors to the rise in the inflation measure favoured by union negotiators.

Inflation under the Consumer Prices Index Housing (CPIH) – now the government's preferred measure – was up to 2.3% in February from 1.9% the previous month. That's the highest rate since September 2013.

CPIH has replaced the Consumer Prices Index (CPI) in our table. In 2016, CPIH had been between 0.2 percentage points and 0.4 percentage points higher than CPI. However, since the New Year the gap has closed.

The CPIH may now be the government's preferred measure, but it has not yet regained its status as a National Statistic. A number of changes need to be made before that can happen.

Inflation under the CPI measure was also up to 2.3% in February from 1.8% the previous month.

TUC general secretary Frances O'Grady said: "Working people ... are now facing the double blow of rising prices and slower wage growth.

"If the government doesn't wake up, we risk sleepwalking into another living standards crisis."

	Price inflation			
		% increase on a year earlier		
	RPI <sup>1</sup>	RPI	RPIX <sup>2</sup>	CPIH
January 2016	258.8	1.3	1.4	0.6
February	260.0	1.3	1.4	0.6
March	261.1	1.6	1.7	0.8
April	261.4	1.3	1.4	0.7
May	262.1	1.4	1.5	0.7
June	263.1	1.6	1.7	0.8
July	263.4	1.9	1.9	0.9
August	264.4	1.8	1.9	1.0
September	264.9	2.0	2.2	1.3
October	264.8	2.0	2.2	1.3
November	265.5	2.2	2.5	1.5
December	267.1	2.5	2.7	1.8
January 2017	265.5	2.6	2.9	1.9
February	268.4	3.2	3.5	2.3

<sup>1</sup> January 1987=100 <sup>2</sup> RPI except mortgage interest payments

**LABOUR RESEARCH DEPARTMENT**

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Only five of the 14 groups that make up the basket of goods used to calculate the RPI increased by 3.2% or more in February.

The motoring group's rise of 8.7% included a 19.4% rise in petrol and oil and a 15.6% increase in vehicle tax and insurance.

A 9.9% rise in women's clothing and a 7.4% rise for men's clothing contributed to the clothing and footwear group's overall rise of 6.7%.

Fare and other travel costs saw an overall rise of 3.1%, but bus and coach fares were 15.9% higher, while rail fares rose by 2.0%.

The housing group's overall increase was 2.6%. However, mortgage interest payments were down by 6.2%.

There was only a 0.5% overall rise in the fuel and light group. However, "oil and other fuels" posted a 52.9% rise, offset in part by a 4.6% decrease in gas prices.

The food basket moved into positive territory for the first time in a while with a 0.5% increase. Some drinks posted large increases with a 5.6% rise for tea and a 6.3% rise for coffee and other hot drinks. And the sugar to go in them – if that's to your taste – rose by 5.9%.

3.2% or more	%	Less than 3.2%	%
Motoring expenditure	8.7	Fares etc	3.1
Clothing & footwear	6.7	Household services	2.9
Tobacco	5.1	Catering	2.6
Leisure goods	3.7	Housing	2.6
Household goods	3.2	Leisure services	2.2
		Alcoholic drink	1.8
		Personal goods & services	1.7
		Fuel & light	0.5
		Food	0.5

[www.ons.gov.uk/economy/inflationandpriceindices/bulletins/consumerpriceinflation/feb2017](http://www.ons.gov.uk/economy/inflationandpriceindices/bulletins/consumerpriceinflation/feb2017)

## More regulation of gig economy needed

Almost two-thirds (63%) of respondents who work in the gig economy think the government should regulate it to guarantee them basic employment rights and benefits such as holiday pay, accord-

ing to the Chartered Institute of Personnel and Development (CIPD).

The CIPD's *To gig or not to gig: stories from the modern economy* report surveyed 5,019 UK adults aged between 18 and 70, and also found half of gig economy worker respondents believe gig economy firms should have an obligation to provide an occupational pension scheme for the people they engage to provide services.

Almost three in five (57%) of gig economy worker respondents believe that gig economy firms are exploiting a lack of regulation for immediate business growth.

Peter Cheese, chief executive at the CIPD, said: "This research shows the grey area that exists over people's employment status in the gig economy."

The CIPD would like to see a full consultation on the complex issue of employment status, which explores whether it is possible to have greater clarity and consistency on this issue across employment, tax and benefits.

"We need better guidance for employers on atypical working, setting out the key principles of good work and responsible employment and the HR and people management practices that underpins this," said Cheese.

[www.cipd.co.uk/knowledge/work/trends/gig-economy-report](http://www.cipd.co.uk/knowledge/work/trends/gig-economy-report)

## Appalling risk of suicides in construction

The risk of suicide among low skilled male labourers, particularly those working on construction, was much higher than the male national average, a new analysis by the Office for National Statistics (ONS) finds.

Overall, there were 18,998 suicides in men and women aged between 20 and 64 years between 2011 and 2015, which constitutes a rate of around 12 deaths for every 100,000 people per year; for around seven in 10 (13,232) of these suicides, an occupation was provided at the time of death registration. Bear in mind that these figures only refer to England so the overall UK total will be much higher.

Males working in the lowest-skilled occupations had a 44% higher risk of suicide than the male national average; the risk among males in skilled trades was 35% higher.

The risk of suicide among low-skilled male labourers, particularly those working in construction roles, was three times higher than the male national average.

For males working in skilled trades, the highest risk was among building finishing trades; particularly, plasterers and painters and decorators had more than double the risk of suicide than the male national average.

Research has found that major factors which can put people at risk of suicide include low pay, low job security and wider socio-economic characteristics. All of which are potentially major factors in construction.

"These figures are truly disturbing and demonstrate that sadly the majority of construction employers are failing in their duty of care to their workforce," said Gail Cartmail, acting general secretary of the Unite general union. "This is the latest evidence that the industry's hire and fire culture is fundamentally unhealthy and is a major factor in these terrible and needless tragedies."

Cartmail said the industry needs to "tackle the macho culture where workers who talk about their feelings or mental health issues are too often considered to be 'weak'".

The union wants to see more awareness of the suicide risk in construction and an explanation of where workers can receive confidential support.

"We also need to be ensuring that far higher numbers of workers, including union safety reps, are trained in mental health first aid," she added.

[www.uniteunion.org/news/construction-must-radically-reform-to-reduce-high-suicide-rate/](http://www.uniteunion.org/news/construction-must-radically-reform-to-reduce-high-suicide-rate/)

[www.ons.gov.uk/peoplepopulationandcommunity/birthsdeathsandmarriages/deaths/articles/suicidebyoccupation/england2011to2015](http://www.ons.gov.uk/peoplepopulationandcommunity/birthsdeathsandmarriages/deaths/articles/suicidebyoccupation/england2011to2015)

## Fat cats – the great pay divide

Chief executives of the UK's top 100 companies now pocket an average of £5.3 million each year, or 386 times that of a worker earning the National Living Wage, according to The Equality Trust.

Over two-thirds (67%) of FTSE 100 chief executives are paid more than 100 times the average UK salary. And nine out of 10 (90%) of FTSE 100 chief executives are paid at least 100 times more than the National Living Wage, the Trust said.

The Equality Trust analysis also found that FTSE 100 chief executives are now paid:

- 165 times more than a nurse;
- 140 times more than a teacher;
- 132 times more than a police officer; and
- 312 times more than a care worker.

The findings come as recent research shows that a combination of rising inflation and pay restraint means that average real pay is now falling in the public sector, and is expected to continue falling over the next three years.

Forecasts suggest that average real pay in the public sector will fall back below 2004-05 levels by the end of the present parliament in 2020.

Dr Wanda Wyporska, executive director of The Equality Trust, said: "The people who educate our children, look after our grandparents, and keep our families safe have seen their pay frozen, while fat cat CEOs continue to gorge themselves on obscene and undeserved rewards. They're also stretching far away from their own employees."

The trust said being a top company chief executive in the UK is "like being a lottery winner – every year – guaranteed".

[www.equalitytrust.org.uk/uk%E2%80%99s-top-bosses-paid-386-times-national-living-wage](http://www.equalitytrust.org.uk/uk%E2%80%99s-top-bosses-paid-386-times-national-living-wage)

[www.equalitytrust.org.uk/sites/default/files/Pay%20Tracker%20%28March%202017%29\\_1.pdf](http://www.equalitytrust.org.uk/sites/default/files/Pay%20Tracker%20%28March%202017%29_1.pdf)

## Racist abuse after Brexit vote

Over a third (34%) of black, Asian or minority ethnic people (BAME) witnessed or experienced racial abuse in the seven months following the Brexit vote in June 2016, a TUC poll has found.

The ICM/TUC poll of over 1,000 BAME working adults also found that since the referendum:

- one in five (19%) BAME people have suffered or witnessed racial assault;
- two in five (41%) people have heard racist remarks or opinions;
- two in five (38%) people have seen racist material online; and
- one in four (27%) people have seen racist graffiti, posters or leaflets.

The poll is part of a major TUC project to combat racism in the workplace, which will document the British BAME experience of racism and harassment, and set out ways to tackle it.

The TUC has called on the Conservative government to:

- bring in rules about third-party harassment, which protect workers who deal with the public, such as shop workers, street cleaners and bus drivers, from abuse at work;
- develop a full race equality strategy, which includes tough action to crack down on harassment and discrimination at work, online and in everyday life;
- make sure the Equalities and Human Rights Commission has enough funding to take more legal cases and make sure the law reflects how contemporary racism plays out; and
- make private sector companies responsible for promoting equal treatment throughout their activities just as public sector organisations already are.

TUC general secretary Frances O'Grady said: "Brexit has given racism a new lease of life. Discrimination has never gone away, but since the referendum racism has been on the rise.

"Anyone who has been harassed or mistreated at work should talk to their union rep or join a trade union. And we all have a responsibility to call out racist harassment wherever we see it."

[www.tuc.org.uk/equality-issues/black-workers/1-3-bame-people-have-witnessed-or-experienced-racist-abuse-brexit-vote](http://www.tuc.org.uk/equality-issues/black-workers/1-3-bame-people-have-witnessed-or-experienced-racist-abuse-brexit-vote)

## Lack of diversity at the top in Wales

Wales remains a country where major decisions are being taken that are not reflective of our country's diversity, a new report published by the Equality and Human Rights Commission (EHRC) has found.

The 2017 edition of *Who runs Wales?* looks at key areas of Welsh life, including politics, local government and the private sector, to assess if those

making the major decisions that affect people are representative of the people who live there.

Key findings from the report include:

- only 6% of chief executives (or equivalent) at the top 100 businesses in Wales are women;
- only 9% of council leaders are women;
- only 12% of chief constables and deputy chief constables are women;
- only 14% of chief executives at local authorities; and
- only 26% of councillors in Wales are women.

The report shows some areas of improvement. For example, in the health sector, the percentage of chief executives who are women has leapt from 10% to 60% since the last report in 2014, and so is more representative of the NHS workforce.

For the first time, *Who runs Wales?* publishes information on the number of disabled people who hold public appointments and are in employment in Wales.

The stark findings show that disabled people (declared/known) made up only 3.7% of the public appointments (including reappointments) made in Wales in 2015-16. And in 2015, the employment rate for non-disabled people rose by 8%, but the picture for disabled people remained the same, meaning that the gap has widened.

While June Milligan, commissioner for Wales at the EHRC, was able to report some progress, overall, "women are still significantly under-represented at the most senior levels in most sectors in Wales".

And she recognised that "there is important work to be done to support access for disabled people to employment and public appointments and to tackle discrimination, wherever that exists."

[www.equalityhumanrights.com/en/publication-download/who-runs-wales-2017](http://www.equalityhumanrights.com/en/publication-download/who-runs-wales-2017)

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