

FACT

S E R V I C E



9 Shameful map of poverty in the UK
Inflation on downward path for 2012?

10 What's in store for the economy in 2012?
Average earnings growth down again

11 Unemployment in UK rises ever higher

12 Unemployment continued

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Shameful map of child poverty in UK

New figures that provide a child poverty map of the whole of the UK have been published by the Campaign to End Child Poverty. The figures are broken down by parliamentary constituency, local authority and ward.

The poverty map puts London's Bethnal Green and Bow constituency at the top of the 20 constituencies with the highest poverty levels, with 51% of children in poverty in 2011.

Just eight cities account for the poorest 20 constituencies: Belfast; Birmingham; Glasgow; Leeds; Liverpool; London; Manchester; and Nottingham, according to End Child Poverty figures.

When the child poverty level is analysed by local authority, 10 cities account for the top 20 councils. Derry, Middlesbrough and Leicester can be added to seven of the eight cities cited by constituency (Leeds drops out).

At the sharp end, Tower Hamlets in London tops the league table with 52% of children living in poverty.

Leicester City Council comes in at number 20 with just under a third of children (32%) in poverty.

In May 2010, the coalition government took office pledging to continue the previous government's commitment to end child poverty and to implement the *Child Poverty Act 2010*.

Between 1998 and 2010, the number of children in poverty was reduced by 900,000. The task that the new government accepted is to continue this progress. If a similar reduction was made between 2010 and 2020, child poverty would be at its lowest point for 40 years.

However, the independent think tank, the Institute for Fiscal Studies, has forecast that present policies will cause a further rise in child poverty. Far from it being eradicated by 2020, on the coalition's present policies it will have returned to close to its peak in the 1990s, wiping out the progress that has been made.

<http://endchildpoverty.org.uk/files/childpovertymap2011.pdf>

Inflation on downward path for 2012?

Inflation fell on both the main measures, due to lower fuel prices and cheaper clothing.

Under the Retail Prices Index (RPI), the annual rate of inflation was down to 4.8% in December from 5.2% the previous month.

LABOUR RESEARCH DEPARTMENT

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The rate of Consumer Prices Index (CPI) inflation fell to 4.2% in December from 4.8% the month before, according to the Office for National Statistics.

This is still well above the 2.0% CPI target set by the Treasury for the Bank of England's Monetary Policy Committee in its deliberations on interest rates. However, the Bank does expect the target to be reached by the end of this year, and as a result, in its last decision on interest rates kept them at the historic low of 0.5%.

	Price inflation			
	RPI	% increase on a year earlier		
	RPI	RPIX ¹	CPI	
Jan 1987=100				
2010				
September	225.3	4.6	4.6	3.1
October	225.8	4.5	4.6	3.2
November	226.8	4.7	4.7	3.3
December	228.4	4.8	4.7	3.7
2011				
January	229.0	5.1	5.1	4.0
February	231.3	5.5	5.5	4.4
March	232.5	5.3	5.4	4.0
April	234.4	5.2	5.3	4.5
May	235.2	5.2	5.3	4.5
June	235.2	5.0	5.0	4.2
July	234.7	5.0	5.0	4.4
August	236.1	5.2	5.3	4.5
September	237.9	5.6	5.7	5.2
October	238.0	5.4	5.6	5.0
November	238.5	5.2	5.3	4.8
December	239.4	4.8	5.0	4.2

¹ RPI except mortgage interest payments

Seven of the 14 groups that make up the RPI posted an increase above the overall rate of 4.8%.

Although fuel and clothing contributed to the downward pressure on inflation, annual rises were still rising in double percentage figure terms. The fuel and light group posted the biggest rise – 15.5% – on the back of a 19.6% rise in gas prices and a 14.1% rise for electricity.

And clothing and footwear's 10.6% overall rise included rises of 13.4% and 12.9% in men's and women's outerwear respectively.

The motoring expenditure group saw a 6.8% rise, but that included an 18.6% rise in car tax and insurance. Buying a car, on the other hand, was down by 1.9%.

Food prices rose by 4.6%, but there was a 17.5% rise in lamb prices, while imported lamb was up by 22.1% and beef prices were up by 10.6%. Coffee prices were up 12.9% against a 3.8% rise for tea, while soft drinks rose by 4.5%.

Eggs and bread were down by 3.7% and 1.1% respectively.

More than 4.8%	%	Less than 4.8%	%
Fuel & light	15.5	Food	4.6
Tobacco	11.8	Catering	4.3
Clothing & footwear	10.6	Household services	4.1
Motoring expenditure	6.8	Personal goods & services	3.8
Household goods	5.8	Leisure services	3.0
Fares etc	5.7	Housing	1.3
Alcoholic drink	5.6	Leisure goods	-2.4

www.ons.gov.uk/ons/rel/cpi/consumer-price-indices/december-2011/index.html

What's in store for the economy in 2012?

The New Year sees a wide divergence of views as to where the economy is heading this year. That is, if the forecasts from the 40 or so institutions collated by the Treasury are anything to go by.

Bare growth is expected in 2012 with a median (mid-point) forecast of 0.4% growth for the economy as measured by gross domestic product (GDP). The range of recent forecasts runs from an optimistic 1.7% growth down to an overly pessimistic contraction of 1.3% in GDP.

Inflation, as measured by the Retail Prices Index (RPI), is expected to be running at 2.8% in the fourth quarter of the year, with the range of forecast running from 3.7% at the highest end, down to 0.8% at the lowest.

Earnings, on average, look set to continue to lose pace with the cost of living as the median forecast for 2012 is 2.4% growth. At the top end of the range of forecasts with a 4.1% forecast there might some real growth in earnings; the bottom of the range is for just a 0.9% rise.

www.hm-treasury.gov.uk/d/201201forcomp.pdf

Average earnings growth down again

Average earnings growth continues to bump along the bottom. Average weekly earnings, including bonuses, for the whole economy posted an annual rise of 1.8% in November against the revised figure of 2.1% for the previous month.

In the main sectors of the economy, growth was seen in manufacturing earnings – up to 1.5% from 1.0%. However, for the other sectors growth was down.

In the service sector growth was down to 2.1% from 2.4%, while in the private sector as a whole growth was down to 2.1% from 2.2%.

In the public sector, excluding the nationalised banks, earnings growth was down to 1.1% from 1.4% the previous month.

Headline earnings growth (the rolling three-month average) for the whole economy slipped to 1.9% in the three months ending November, against a revised figure of a 2.1% rise for the three-month period ending October.

Manufacturing earnings growth was up to 1.5% from 1.3%, but service sector growth slipped to 2.1% from 2.3%.

In the private sector, growth was 2.0% against the previous three-monthly figure of 2.1%, and the public sector figure was down to 1.4% from 1.7%.

£ a week	Average weekly earnings ¹				
	Whole economy	Manufacturing	Services	Private sector	Public sector ²
2010					
November (r)	456	524	442	452	462
December	458	524	441	451	461
2011					
January	456	529	441	451	462
February	457	520	442	452	462
March	461	550	447	458	463
April	460	528	446	456	464
May	462	528	448	458	465
June	462	530	449	459	465
July	463	530	450	460	467
August	463	530	450	460	468
September (r)	463	535	450	460	467
October (r)	464	530	451	461	467
November (p)	464	532	452	462	467
% annual change					
Single month	1.8	1.5	2.1	2.1	1.1
3-month average ³	1.9	1.5	2.1	2.0	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, which exclude bonuses, show a rise for the whole economy of just 1.9% in November against a 2.0% rise the previous month.

The percentage rises in November for the other sectors along with the previous month's figure in

brackets were: manufacturing 1.5% (1.5%); services 2.1% (2.2%); the private sector 2.1% (2.0%); and for the public sector, excluding the nationalised banks 1.0% (1.5%).

The three-monthly average rises, excluding bonuses, were: whole economy 1.9% (1.8%); manufacturing 1.6% (1.5%); services 2.0% (1.9%); the private sector 2.0% (1.8%); and the public sector 1.4% (1.8%).

The table below shows estimates of full-time average weekly earnings by occupation.

It is based on the mean earnings figures published by the Office for National Statistics in the Annual Survey of Hours and Earnings 2011, uprated by the 0.9% increase in the average weekly earnings figures between April and November 2011.

Full-time average weekly earnings by occupation

	£ a week
All employees	610.90
All male	665.20
All female	526.50
Managers	910.40
Professionals	810.00
Associate professionals	615.40
Admin & secretarial	425.30
Skilled/craft	501.20
Services	356.70
Sales	333.90
Operatives	458.50
Other manual jobs	356.90

www.ons.gov.uk/ons/dcp171778_250593.pdf

Unemployment in UK rises ever higher

Unemployment rose on both official counts, according to official figures.

Under the Labour Force Survey count, the number of unemployed rose by 118,000 to 2.69 million in the three months ending November 2011 compared with the previous three-month period. The total number of unemployed is at its highest level since July 1994.

The unemployment rate rose to 8.4% from 8.1% in the three months ending August 2011.

The number of unemployed men rose by 59,000 to 1.56 million and their unemployment rate was up to 9.0% from 8.5%.

There were an extra 59,000 women added to the unemployment total, taking their total to 1.13 million and their unemployment rate up to 7.7% from 7.3%.

The women's total is the highest since October 1987, when a certain Margaret Thatcher was prime minister.

Youth unemployment hit another grim record high in November as the total number of unemployed 16- to 24-year-olds in the three months ending October hit 1.123 million – over one in five (22.3%) of the age group.

Paul Kenny, general secretary of the GMB general union, said the rise in unemployment was “made in Downing Street”.

“The truth is that jobs are haemorrhaging in the public and private sectors.... There are parts of the country in such despair that more than a quarter of households with people of working age have no one in work,” he said.

“The number one political priority has to be securing a reduction in unemployment by creating jobs, by stimulating demand in the economy, not by cutting wages and shedding jobs.”

	Unemployment seasonally adjusted			
	Claimants (000s)	% ¹	LFS ² (000s)	%
2006	945	3.0	1,674	5.4
2007	865	2.7	1,654	5.3
2008	906	2.8	1,783	5.7
2009	1,528	4.7	2,394	7.7
2010	1,497	4.7	2,479	7.8
2010				
November	1,460	4.5	2,495	7.9
December	1,455	4.5	2,492	7.9
2011				
January	1,458	4.5	2,518	7.9
February	1,450	4.5	2,478	7.8
March	1,456	4.5	2,455	7.7
April	1,473	4.6	2,430	7.7
May	1,496	4.7	2,452	7.7
June	1,527	4.8	2,494	7.9
July	1,561	4.9	2,510	7.9
August	1,580	4.9	2,566	8.1
September	1,593	5.0	2,622	8.3
October	1,596	5.0	2,638	8.3
November (r)	1,596	5.0	2,685	8.4
December (p)	1,597	5.0		

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. (p) provisional (r) revised

On the other official count – the claimant count – the number claiming Jobseeker's Allowance in December rose by 1,200 to 1.6 million. The 10th consecutive monthly rise was, however, not enough to affect the claimant count rate which remained at 5.0%.

While the number of male claimants fell slightly to 1.07 million, women claimant numbers rose by over 2,000 to 531,400.

The joblessness rate remained at 6.1% for men and 3.6% for women.

Regions The LFS count rose in eight of the 12 regions/countries, and fell in four. There were large rises of 27,000 in the South East and 25,000 in the North West in the three months ending November.

There were small falls of 1,000 in London, the South West and Wales, while in Northern Ireland jobless numbers were down by 7,000.

The unemployment rate was above the UK average of 8.4% in seven regions. The rate in the North East hit 12.0%, while it hit 10.1% in Yorkshire and the Humber.

The December claimant count was up in 10 regions/countries, and down in the remaining two. The falls were in the West Midlands and Wales.

The claimant count rate was above the UK average of 5.0% in seven regions. The highest rates were 7.3% in the North East, 6.9% in Northern Ireland, and 6.2% in the West Midlands.

Region	Dec claimants		LFS Sept – Nov	
	Number	%	Number	%
North East	90,100	7.3	153,00	12.0
North West	200,300	5.8	307,000	8.9
Yorkshire & the Humber	161,700	6.2	270,000	10.1
East Midlands	108,200	4.9	190,000	8.3
West Midlands	168,600	6.2	243,000	9.2
East of England	117,300	4.0	220,000	7.2
London	238,400	4.9	424,000	9.9
South East	143,000	3.3	284,000	6.4
South West	90,500	3.4	175,000	6.5
Wales	77,300	5.5	130,000	8.9
Scotland	140,900	5.3	231,000	8.6
Northern Ireland	60,700	6.9	59,000	6.8

www.ons.gov.uk/ons/dcp171778_250593.pdf