

Employment Gazette

March 1982 Volume 90 No 3
Department of Employment

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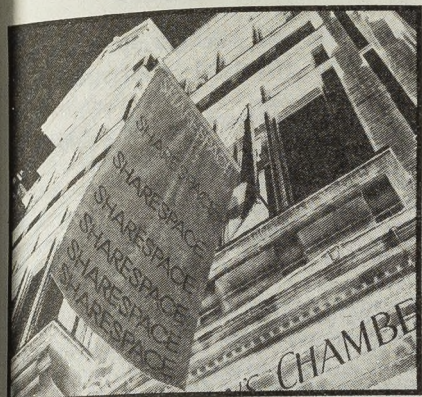
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Cover picture
 Sharespace, in Nottingham, owned by Grand Metropolitan Hotels Pension Fund, offers workspace and facilities to small firms and sole traders, mainly involved in design. (See "Business is getting back to its grass roots" p. 92).

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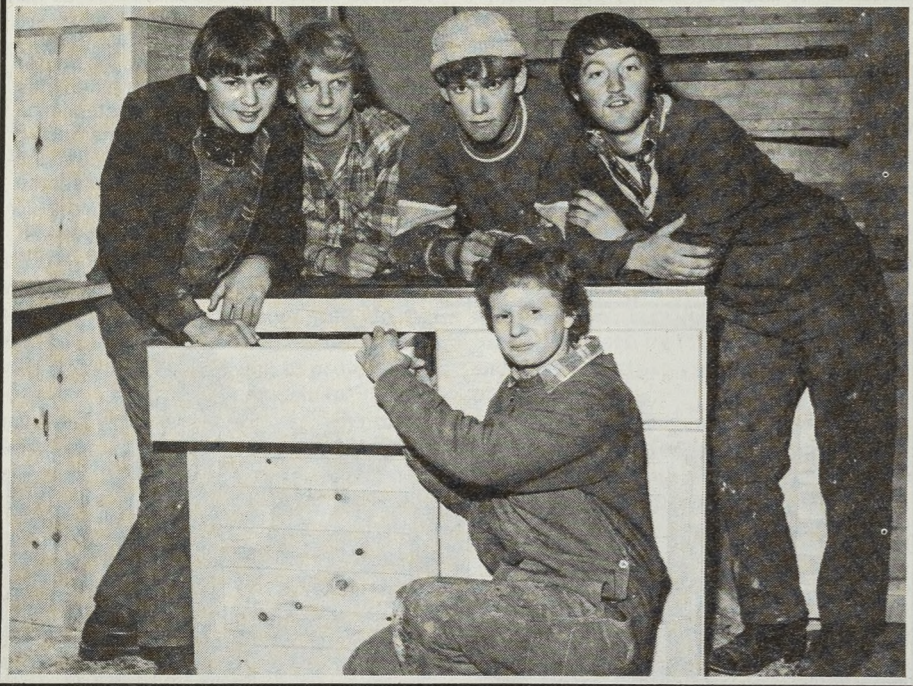
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BACKFILE VOLUMES

Complete volumes of *Ministry of Labour Gazette* 1924-1968, *Employment and Productivity Gazette* 1968-1979 and *Employment Gazette* 1971 onwards are now available in microfilm form from University Micro International, 18 Bedford Row, London WC1R 4EJ.

Pining for a job

Not Ms Linda Walls, currently working at HB Pine Products, one of the MSC's most successful training workshops. "I think it's really good," commented Ms Walls. "I've never liked the idea of a job in a shop or office and hope to get a permanent job through the training in receiving here".



Exports create jobs or keep them

Since 1977 about 45,000 jobs have been safeguarded or created in Britain as a result of export opportunities arising from Government overseas aid. According to Minister for Trade Mr Peter Rees, the broad estimate is that each £17,000 worth

of export business can save or create one job in the short term.

Mr Rees was addressing a one-day conference organised recently in Hamilton by the Scottish Council (Development and Industry) and Strathclyde Regional Council. He said that Aid and Trade Provision (ATP) totalling £174 million had been committed since 1977, and had helped British firms win orders of about £760 million. Although publicity had only been given to some of the major orders, many of the projects supported had been on a relatively small scale, giving small firms the opportunity to participate and benefit.

Mr Rees added that Britain remained fifth in the league of OECD aid donors: this year's gross spending target exceeds £1 billion aimed at some 130 countries, India being the biggest recipient but with African countries like Zimbabwe and Sudan receiving increasing proportions.

"The Government's aid policy is based on ensuring that what we finance is clear cut and of continuing benefit to the recipients," said Mr Rees, stressing that the major motive for overseas aid must be pure humanitarianism in the face of poverty in the developing world.

But he said, another reason is enlightened self interest and political, industrial and commercial considerations must also be taken into account.

Mr Rees also referred to the importance of Britain's multilateral aid contributions made through the European Community and the World Bank Group—lending from the World Bank Group alone amounted to over 13 billion us dollars last year. "Our contributions to all these institutions entitle British firms to compete for this very substantial business on a world-wide scale", he concluded.

crepancies between those who are in work and those who are out of work can be justified." They call for revenue gained from the taxation of benefit and saved from the payment of earnings related supplement to be used to boost unemployment and short-term supplementary benefit.

Information on the income of the unemployed compared with what they used to earn or would earn in employment has been published in the *Employment Gazette* in "The Disadvantages of the Unemployed" (August 1980, pp 830-832) and "The Flexibility of the Unemployed" (January 1981, pp 29-33). Both articles, by Ms Sue Moylan and Mr Bob Davies of the DHSS (Department of Health and Social Security), were based on data from the DHSS Cohort Study on the unemployed.

Major new scheme launched nationally to train young people

The Manpower Services Commission and the Ford Motor Company have launched a major national training scheme for young people on the Youth Opportunities Programme.

Ford has opened three training workshops at its manufacturing plants at Dagenham (50 places), Liverpool (50 places), and Swansea (60 places).

The workshops are designed to take 16- to 18-year-olds and will provide basic training and work experience in a productive environment under experienced supervision. They will train young people in a range of adaptable skills and the 12-month courses—there are still some places available at Dagenham—have been organised to fit in with the requirements of the local job market in each of the three areas.

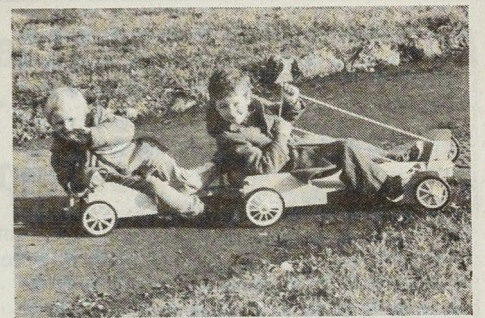
Participants at the workshops receive the YOP training allowance of £25 per week.

Mr Ken Evans, a senior Ford manager and YOP co-ordinator said today: "Working in a productive environment and being involved regularly at each stage of the

manufacturing process will enable these youngsters to get to grips with the kind of work routine they are likely to encounter in everyday life.

"In many cases the adjustment from school to work is the biggest hurdle they have to overcome. Our schemes will include opportunities for all trainees to receive induction training, planned work experience, life and social skills training and opportunities of relevant further education, as well as personal guidance and support."

Mr Roger Dawe, msc's Director of Special Programmes, said: "I congratulate Ford for taking this initiative. The workshops are a fine example of how a major company can, through the Youth Opportunities Programme, help school-leavers stand a better chance of getting a job.



Two representatives of the much younger generation test drive Ford's latest model from the new training workshops, where it is handbuilt by school leavers. The go-karts will be sold in Ford's main dealers for promotional and charity work nationwide.

"The training these workshops are providing is in line with msc's aim to offer 100,000 good quality training places in YOP 1982/83. These good quality places will provide the nucleus of the new training scheme—as proposed in the Government's recent White Paper on training—to be introduced in September 1983."

End inequality part-timers

The principle of non-discrimination against part-time workers—who often suffer in comparison with their full-time colleagues in pay, legal status, social benefits and general rights—will be established in EC countries if an outline directive recently submitted to the EC's Council of Ministers by the European Commission comes into operation at the beginning of 1984.

This would affect the nine per cent of the Community workforce currently in part-time jobs; 90 per cent of these are women. The Commission found that while the flexibility of part-time work is often of benefit to both employer and employee, it can also be associated with insecure forms of employment, restrictions on access to pension schemes, poor prospects for promotion and training, and inadequate cover against unemployment. Discrimination is also often shown in the rate for the job and in the payment of fringe benefits or premiums.

The Commission's main proposals for part-time workers deal with: equal rights and opportunities to participate in union and other activities; the calculation of all payments on a pro rata basis; written conditions of employment agreements; and easier transfer to full-time posts, should they occur.

Mr Ivor Richard, the Commissioner responsible for employment and social affairs, stressed that this draft directive is not meant to introduce drastic changes in industrial relations, but to forward trends already endorsed by earlier Community laws.

Successful scheme draws many thousands of young – and its future?

The msc Director for Special Programmes, Mr Roger Dawe, has announced that over half a million young people have entered the



At work on the scheme

Youth Opportunities Programme since last April.

Launching the YOP training workshop programme at the Ford Motor Company at Dagenham, Mr Dawe said: "This figure is quite staggering and compares with a figure of 360,000 entrants for the whole of the previous year. It shows the increasing importance of YOP and of the contribution it is making for young people who cannot find jobs.

"It is also a measure of how serious the

position would be for young people at the start of their working lives in the absence of the programme which for them is the only alternative to unemployment. By the end of March we expect 550,000 young people to have entered the programme in the current financial year.

"In the coming year from April we shall have to operate an even larger programme with 630,000 entrants. And it is our firm objective that the programme will not just be bigger but better. We shall be introducing 100,000 high-quality 12-month training places for unemployed young people within the programme and will be seeking to improve the value of the training and work experience offered to young people throughout the programme. This is an essential step towards a new training programme for young people in 1983.

"The training workshops sponsored by the Ford Motor Company indicate very well the direction in which we shall be developing YOP over the next year.

"First, we want to see far more major companies with good training facilities acting as sponsors in the programme. Second, we want to see more opportunities for unemployed young people in manufacturing industry. Third, we want to see more sponsors from the private sector operating training workshops.

"And finally, and very important, we want to see many more 12-month high quality training places of the kind which will be provided in the Ford training workshops."

Fewer people better off on dole than in work

The number of people who would be better off on the dole has shrunk, according to research by Mr John Kay and Mr Nick Morris of the Institute of Fiscal Studies.

In 1978, eight per cent of those in work would have been better off on the dole. But by the time the taxation of unemployment benefit is introduced (July 5 this year) only two per cent will be better off on the dole, extrapolating from November 1981 figures for income from benefit.

The number of those on the dole whose income is slashed in two by becoming unemployed will multiply six times, from six per cent in 1978 to 36 per cent in July this year says the report.

Where in 1978 the average employee would have got around 75 per cent of his earnings from work if he went on the dole, by this July the figure, it is estimated, will be on 59 per cent.

Among the factors producing these changes are the abolition of the earnings-related supplement, which will be phased out by the time the second major factor, taxation of benefit, is introduced.

The position of the long-term unemployed has also deteriorated as a result of the faster rise in wages than inflation; so index-linked benefits have fallen behind pay. But Mr John Kay and Mr Nick Morris point out that benefits "have not in fact been index-linked. There was an explicit five per cent cut in benefit levels in 1980 and a further two per cent last year".

In 1978, the researchers found that a low-paid family would have been almost as well off in short-term unemployment as in work. But by November 1982, they will be getting only 80 per cent of what they would have earned if they are on the dole.

Concluding their findings, written up in *New Society* February 18 issue, Mr John Kay and Mr Nick Morris say: "Our calculations show that almost half the population would lose more than half their income if they were to be unemployed for any substantial period. This may be acceptable if unemployment is mostly transitional and at low levels. But with substantial numbers of people who are unemployed on a long-term basis, we do not believe such marked dis-

Armed forces offer new adventure training scheme to all fit 16 to 18 year-old young people

The armed forces are to start adventure training schemes for young people after Easter, Defence Minister John Nott announced recently.

The scheme was thought up as a way to offer young people the benefit of the training capacity and facilities that are currently spare, since the recession means that many soldiers stay on in the army when their initial term is up and so recruitment is down.

The schemes are not going to create jobs, nor will they promote jobs in either the regular armed forces or the reserve forces, such as the recently-announced Home Service Force. An army spokesman explained that this was not a covert recruitment drive and the courses will have no direct link with jobs in the services.

Discipline

All the services will be taking part but young people will not be subject to service-style discipline, explained the spokesman, though they would be expected to do as they were asked on the course. But they could leave the course at any time.

There will be no uniform, though some outer garments, such as waterproofs, will be drawn from service stocks.

The course will cost nothing to attend and will be open to all people between the ages of 16 and 18, as long as they are reasonably fit. But there will be no other test or restriction applied. Young people who are claiming benefit can continue to do so while they are on the course; people at school, on holiday from work or between secondary and tertiary education will all be eligible.

Switch to salary costs employees more

Workers who switch from weekly to monthly pay packets may lose out financially, according to a report by Incomes Data Services.

The fact that employees have to wait until the third or fourth week of the month for their pay benefits their employers' cash flow but at a cost to the workers. Some employers, such as IPC, the publishing company, pay monthly in advance to overcome this problem.

At JCB, manufacturers of building equipment, employees were persuaded to switch to monthly pay but changed back to being paid weekly, says the report.

Girls, too are eligible, but there are no special plans to attract them onto the courses. If demand warrants it, some courses may be run for girls only, though there are no definite plans to segregate the sexes.

The courses will vary in content. Some will be outward bound in style, covering canoeing, climbing, camping and orienteering, for instance. Others will offer sports coaching.

The aim is to enable young people, particularly those who might not otherwise have the opportunity, to test themselves in new circumstances. Information on how to apply is appearing in the press from the end of this month, but within hours of the announcement, people were ringing forces' recruitment centres and the Ministry of Defence to enquire about going on the courses. It seems likely that the take-up of the 6,000-7,000 places available between April and October this year will be high.

Support jobless after YOP

Youth Opportunities Programme trainees who fail to find a job after leaving the programme should be given professional guidance and support, says a recently published MSC sponsored report.

The report, *The Benefit of Experience*, is the result of a one year study of 24 YOP schemes by the National Institute for Careers, Education and Counselling into the nature and adequacy of help given to young people on YOP—currently one in two school leavers.

The researchers found that many YOP staff, while skilled and experienced in their own trades, felt that their guidance and support role had noticeably altered their style of working—the role they were required to explore was new in many respects. The report therefore suggests more widely available training in these new skills for YOP staff who could also be helped by others such as careers officers with professional skills in working with young people. Evidence was also found that schemes tend to pay little attention to educational guidance in terms of helping trainees to develop a coherent learning programme.

MSC man at the top



The Manpower Services Commission has appointed a new Northern Region director based in Newcastle. He is 51-year-old Mr Colin Knight who moves into the MSC's top job in the North, following the retirement of Mr Leslie Whitaker.

For the past year Mr Knight has been the Department of Employment's benefit manager for the South West. He was previously the MSC's employment service area manager for the South East for over three years.

In his new post as regional manpower services director, Mr Knight will be particularly concerned with the operation of MSC's special programmes for the unemployed including the Youth Opportunities Programme, and development of the MSC's "New Training Initiative" in Northumberland, Tyne and Wear, County Durham and Cleveland. He is also principal representative of the Secretary of State for Employment, Mr Norman Tebbit, in the Northern Region.

Mr Knight, who is married with six children, takes over from Mr Leslie Whitaker, who has been the MSC's North Region director since November 1980. Mr Whitaker joined the public employment service as a clerical officer in East Gate, Leeds, and retires after 40 years in the department as an assistant secretary.

During his career he managed Wakefield employment exchange, before joining the industrial branch of the ministry in 1965. He has been ACAS director for both the North West and Scotland.

Copies of *The Benefit of Experience* by E G Knasel, A F Watts and Jennifer Kidd, are available from; Mr Gerald Tuton, Manpower Services Commission, London WC1 6PF (tel. 01-836 1213 ext. 201).

Community projects proposal follows Budget

The Secretary of State for Employment asked the Manpower Services Commission to consider a new scheme for providing work on local community projects primarily for people who have been registered unemployed for some time following the Chancellor's budget speech on March 9. They would be paid an allowance broadly equivalent to their benefit entitlement plus an addition mainly intended to cover expenses.

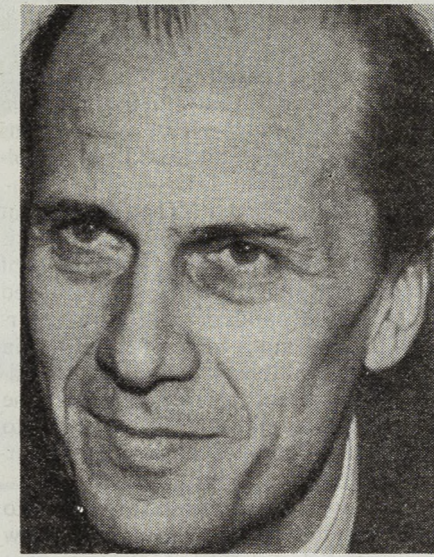
The MSC has been asked to work out the details of the scheme along the following lines with a view to introducing it this summer.

The scheme will be based upon projects for community work put forward by local sponsors, such as local authorities, voluntary organisations and the churches.

It will be entirely voluntary and those taking part will receive a sum broadly equivalent to their benefit entitlement plus an addition mainly intended to cover expenses.

The scheme will be particularly aimed at those who have been unemployed for some time and will be nationwide.

The number of places depends on the response but, as an illustration, the additional cost of 100,000 places would be around £150 million including the costs of some overheads and national insurance



Tebbit: 100,000 places.

contributions. The Government has made it clear that it is ready to finance 100,000 places and even more if the demand is there.

European action programme on women

The European Commission has drawn up a new equal opportunities Action Programme outlining 16 Actions to be taken by

member countries, starting this year and running until 1985, the end of the United Nations' Decade for Women.

The programme also established a new permanent European Advisory Committee on Equal Opportunities for Men and Women, which will be made up of the national bodies, such as the UK Equal Opportunities Commission (EOC).

The programme is divided into two parts. The first is aimed at strengthening legislation and legal redress while the second proposes positive action programmes. In the United States and Scandinavia positive, or affirmative, action programmes have been practised for some time, and the Commission will analyse how these work and whether or not they can be adapted for EC states.

Unions will have to be told of company changes

Recognised trade unions now have to be informed and consulted where a business changes hands.

This is the effect of one of the main provisions of the *Transfer of Undertakings Regulations 1981* and applies to transfers that take place on or after February 1, 1982. However, most transfers of businesses come about through share transfers and are not covered by the regulations.

Private agencies take Jobcentre space

Licensed private employment agencies and employment businesses will be able to display details of their services in Jobcentres from April 5 this year. In return, they will provide reciprocal facilities for publicising MSC services.

This is the result of an agreement between the Manpower Services Commission and the Federation of Personnel Services. It will apply to agencies (which fill vacancies) and the employment businesses (which hire out staff on a temporary basis) licensed under the Employment Agencies Act 1973 or under legislation covering nursing agencies.

Jobcentres will display the addresses and business hours of the private agencies and businesses, a description of their operations and the occupations dealt with. Similar information about Jobcentres will be displayed in private establishments participating in the scheme.

This is being done to help jobseekers in making use of all possible sources of help in finding jobs.

Any private agency or employment business wishing to take part in the scheme should contact their local Jobcentre or Employment Office manager.

● A new fee of £114 for employment agencies and businesses (staff contactors) will come into force on April 1.

Under the Employment Agencies Act the costs of licensing and enforcement are met from licence fees which are reviewed periodically.

The present fee of £108 has been unchanged since August 1, 1979 and will not cover the Department's costs during the 1982/83 financial year.

The Employment Agencies and Employment Businesses Licence Fee Regulations 1982 (SI 1982 No 142). HMSO price 30p.

Improved competition astonishing says Jenkin

"Management in Britain faces some crucial years ahead. While the recession has certainly taken its toll in unemployment, redundancies, bankruptcies and closures, there is ample evidence that it has put managers on their mettle in ways we have not seen for many years.

This was the central message given by the Secretary of State for Industry, Mr Patrick Jenkin, in a speech in London.

"The recession has forced managements drastically to cut costs, reduce over-manning, get rid of restrictive practices, and adopt new designs, new products, new processes and above all new attitudes. As a result we are now beginning to recover some of the competitiveness which we had lost.

"Eighteen months ago our unit labour costs—wage and salary costs per unit of output—were growing at the horrifying rate of 25 per cent a year. The latest figures suggest that the annual rate may have fallen to 2 per cent. By any standards that is a dramatic change and augurs very well for the future.

"When account is also taken of the fall in the exchange rate over the last 12 months, the improvement in competitiveness during 1981 comes out at around 10 per cent—an astonishing turn around.

School leaver's unemployment to go says Morrison

"By the autumn of 1983, there will be no need for any 16 year old school leaver to remain unemployed," said Mr Peter Morrison, an Employment Minister, recently.

"If he or she does not have a job, or is not in further education there will be the guarantee of a place on the Youth Training Scheme. And unemployment among this age group should have become a thing of the past.

"We are rapidly developing our existing programmes to provide a year's foundation training for all unemployed 16 year olds under our New Training Initiative which was announced last year.

"YOP has been providing excellent work experience for young school leavers and the training element in it has been improved and extended.

"But YOP is not a full training scheme. That is what we need to have. So over the coming year we are providing 100,000 extra places over the country as a whole with a view to replacing YOP by our new Youth Training Scheme, which will give unemployed school leavers 12 months training in the basic skills that employers will need in the future.

"We have not forgotten training for young people in jobs," he said, "so we are also proposing an expansion of grants to

years ahead. While the recession has certainly taken its toll in unemployment, redundancies, bankruptcies and closures, there is ample evidence that it has put managers on their mettle in ways we have not seen for many years.

One of the interesting factors at work during the current recession has been the willingness of managements to involve their work people and consult with the unions on the changes which have to be made if firms are to become more efficient. This is absolutely right.

Mr Jenkin continued: "The Government can certainly help. Over the years there is no doubt that the law tipped the balance of power in favour of trade unions and helped to play into the hands of those whose interest lies not so much in co-operation as in disruption. We are now taking steps to redress that imbalance, partly to safeguard the liberty of the individual and partly to improve the operation of the labour market.

"We are sometimes pressed to legislate to make consultation compulsory. In my view this would be wrong. I take the view that employee involvement should be voluntary and should be tailored to meet the circumstances of each individual company. The best way is to make progress by persuasion not by compulsion."

employers who provide integrated training for young employees so that 50,000 will benefit by 1984-85.

"Our New Training Initiative," Mr Morrison continued, "is not all about young people. It is also concerned with the skills and future training needs of adults.

"We are setting a target date of 1985 for recognised standards for all the main craft, technical and professional skills to replace outdated time serving and age restricted apprenticeships.

"We are supporting one in three of all apprenticeship places.

"We are spending £250 million a year on the Training Opportunities Programme, increasingly directed towards the new skills that industry needs in this technological age.

"And technical training will become universally available through the "Open Tech" programmes on TV, either in colleges or at home.

"More work-related courses will be available for those staying on in full-time education as well as in school.

"In all, it is one of the most ambitious training programmes ever put forward. For we are providing resources totalling nearly £4 billion over the next three years to bring our training arrangements up to date."

Medal brings a job in the swim



A bronze life-saving medal has brought Mrs Rosemary Smith a job after months of searching, a task not made easier by the fact that she is partially deaf. Her interviewer at Guisborough Jobcentre remembered a conversation about the medal when a vacancy occurred for a swimming pool attendant at Loftus in Cleveland.

After an interview, Mrs Smith was appointed and is pictured here with the other attendants.

A management spokesman at Loftus Baths said: "The job being of a visual nature, Rosemary's partial disability in no way inhibits her competence at life-saving."

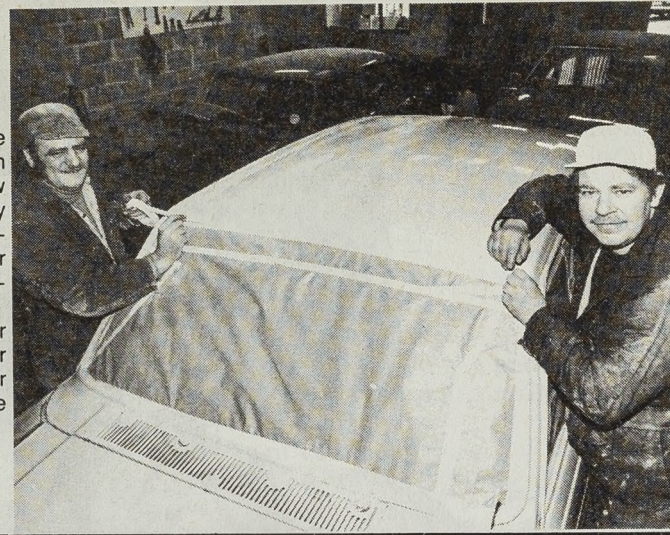
Pollution Grumbles down

Industrial air pollution is causing fewer complaints than in recent years, says the Alkali and Clean Air Inspectorate in its annual report* for 1980. But while the protection of public health remains its paramount aim, competing priorities and economic stringency in a climate of recession is making judgement on amenity matters more difficult; and as the Chief Inspector states in his foreword to the report, "No joy can be derived from the disappearance of some pollution problems due to shut-down of certain plants for other reasons and with consequent loss of jobs".

There is also the need, says the report, for inspectors to keep a careful watch on industrial plants of increasing age.

*Industrial Air Pollution 1980, Health and Safety Executive, HMSO or from booksellers, price £3.75, plus postage. ISBN 0 11 883623 4.

Taking the wraps off a new career



"It's the best thing we ever did," said Mr Jim Yorston whose son is now on the same TOPs body repair course that Mr Yorston and his partner Mr Jim Olson have just completed.

They have started their own business and after only three weeks their order books are full for the foreseeable future.

Executive self-help group formed after MSC course

A new self-help group for unemployed executives has started in the Portsmouth area.

Executive Self Help began last October after a Manpower Services Commission-funded career development conference in Portsmouth at which six unemployed executives met. They decided to meet on a regular basis and on January 4 this year, Executive Self Help was officially launched with Brodie McNeill as the first Chairman—a post which, he points out ironically, he does not intend to occupy for long.

Currently the group is composed of more than two dozen members, though their number is constantly changing as individuals find jobs. The group meets every Tuesday but its office is manned every week day between 10 am and 4pm.

Threefold aim

The group, says Brodie McNeill, acts much more effectively than an individual can. Its threefold aim is job creation, job search and industrial regeneration. It pursues them through diverse means: it markets members' skills in a commercial way, but it also offers an "industrial overload" service to companies that need temporary advisors and it also runs a consultancy service and is investigating business opportunities. By pooling its members' experience and expertise, it can maintain contacts and negotiate at a high level in local companies.

The majority of the groups members offer more than 20 years managerial experience, and on average they have been out of work for more than a year. Although

the groups officers are unpaid, members pay £5 on joining the group to cover postage and telephone costs.

Executive Self Help has also produced a two-part document of the same name. The first part outlines the problem, while the second part is a plan of action.

Address

Anyone communicating with Executive Self Help is asked to enclose a stamped addressed envelope. The address is: Room 431, Portsmouth Management Centre, High Street, Old Portsmouth, PO1 2HY (0705 812611)

Budget technology

As a contribution to Information Technology Year 82, the Chancellor of the Exchequer announced in his Budget speech that the Government will provide £20 million more this year for projects in information technology and electronics applications, improved production techniques and space technology. Next year there will be a further £35 million and the following year an increased £45 million will be available.

Brussels publishes poverty levels

The latest estimate of poverty in the European Community reveals that around 30 million people are living on incomes "sufficiently below average national earnings to bring them within a relative poverty line." Such is the view of the European Commission's final report to the Council of Ministers on the *First Programme of Pilot Schemes and Studies to Combat Poverty*.*

Poverty is defined by the European Council as a relative state, where "individuals or families are excluded by their small resources from the minimum acceptable way of life in the country in which they live".

Though poverty in cash terms differs from country to country, there are certain factors that predispose people to be poor common to all EC countries. Among these are being an immigrant, being in a household headed by a woman, being in a large family or in a one parent family, being handicapped, a nomad or gypsy.

European Commission research shows that economic growth does not eliminate poverty, even when it means more spending on welfare services. It also indicates that the causes of poverty are various and that the poverty trap is hard to escape.

15 million people are estimated to do at least two evenings a week (or the equivalent) voluntary work helping tens of millions of people, but even so voluntary organisations can make inroads only into the margins of the poverty problem.

While no member state provides social services that adequately deal with poverty, the British National Insurance Scheme seems to provide one of the best safeguards against poverty among the old. Poverty in families is best dealt with in France, which uses a family allowance system and a minimum wage.

The report suggests that the commission should launch a second anti-poverty campaign. The first two year social action programme was established in 1976 and was extended by a further three years in 1975.

The programme covered 25 projects chosen by member countries and the commission paid half the cost. But all community funding was cut in 1980, when the Council of Ministers decided to wait for the final Commission report before deciding whether or not to continue the anti-poverty programme.

* COM (81) 769 of December 15 1981. Further details from 20 Kensington Palace Gardens, London W8 4QQ (01-727 8090).

Business is getting back to its grass roots



Roger Nation, seconded from Placon to coordinate Project Trident: "The experience gave me a sense of achievement and demonstrated the practical contribution business can make to careers and life education"

Long-term unemployment, the need to encourage the growth of small firms, the pressing problem of youth unemployment and the decaying urban environment, are not just being regarded as national economic abstracts. Local businessmen are increasingly seeing that they have a responsibility to their local communities which goes beyond simple commercial equations. The new private sector initiative *Business in the Community* has been set up to rationalise these local undercurrents and translate them into practical action. **Steve Reardon** looks at the thinking behind its executive unit and talks to one of its members.

One of the obvious by-products of a recession is that it throws into sharp relief the shortcomings that exist in the structure of the economy and the structure of society. The pressure to tackle those shortcomings in a fundamental way also becomes more acute and often individuals and organisations outside government come to realise that they must take an active part in tackling the problems if the position is to improve.

In the last few years many interests—employers, voluntary bodies and other organisations—have been getting involved, for instance, in the problem of youth unemployment and sponsoring places and projects under the Youth Opportunities Programme. In this case, as in many others, the push for action has come from the Government and its agencies and the financial backing has originated largely

from the centre too. But involvement of this kind has probably served to create the awareness of the need to be involved in sorting out the country's problems irrespective of a central government lead. It is this kind of thinking that has given rise to the organisation of *Business in the Community*.

The *Business in the Community* Council and its small executive unit has been formed largely on the initiative of the private sector, to act as a catalyst to bring about the involvement and active support of businesses, both socially and economically, in the problems and needs of the communities in which they are operating. Although a great deal is already going on at local level throughout the country the new organisation takes the view that "information does not flow very far or very fast. It thinks the process of creating

initiatives and speeding up action can be made very much more efficient if *Business in the Community* takes a hand in bringing together the right skills and resources and helps industry and local organisations to learn from experiences of others elsewhere. As Angus Monro, one of the members of the executive unit, puts it "our job is to act as a visiting third force to try and stimulate business and local authorities in a locality to take on their own self-sustaining initiative."

The origin of the organisation

A good deal of the impetus which led to the setting up of *Business in the Community* came from a seminar held at Sunningdale about two years ago, hosted by Sir Alastair Pilkington and Mr Tom King, the minister for local government. Attended by leaders of the British business community and their counterparts from the US, together with representatives of community and voluntary organisations, it soon became clear that Britain was lagging behind the States in responding to problems in the community. America had already had the experience of community violence in the sixties, whereas Britain's eruptions were still only embryonic. In the States there was a much clearer recognition, says Angus Monro, that central and local government would not do everything; the private sector is used to playing a much bigger role and was able to recognise that business and the community had grown apart, and to set about tackling the problem.

Nevertheless, says Monro, the time has never been better for firms in this country to be doing something, despite the fact that the recession has meant that many businesses are fully committed simply to surviving. But *Business in the Community's* executive unit is composed largely of people seconded from companies who are only too well aware that their prime responsibilities are to staff and shareholders. "At the same time," says Angus Monro, himself, a seconded senior food buyer from Marks and Spencer, "we think there is room within that to do something more in terms of community activity."

Programme for positive action

After Sunningdale it was decided to take some positive action rather than, say, simply issuing a report of the seminar's deliberations. So the executive unit was set up with four full-time members, all permanent secondees, under a part-time director, who between them cover England, Wales and Northern Ireland. A separate *Business in the Community (Scotland)* has also been created with a full-time executive member.

Angus Monro readily accepts that the organisation is "fairly light on the ground", but its aim is not to set up permanent offices in different parts of the country, creating a costly infrastructure. The operation is being funded and supported by 22 sponsoring companies and also has the backing of 13 other organisations including the TUC and the CBI. But it is not looking for cash from the local businesses with whom it comes into contact, nor is it offering any. The unit's budget is aimed purely at financing its own work of promoting the involvement of businesses in their own communities, and getting them to take on their own self-sustaining action.

One of the main thrusts of that promotion is getting local

enterprise agencies off the ground. Many such enterprise agencies—local authorities and businesses collaborating to identify and tackle problems such as unemployment and stimulating the growth of small firms—already exist. *Business in the Community* is able to identify the good models and introduce their methods and approach in areas where there is already interest in developing a similar type of initiative.

Very recently the unit was instrumental in bringing together local business interests and the District Council in Blackburn following a chance meeting with Angus Monro and the local authority's chief executive. A steering group has now been formed to identify specific problems in the area and recommend and implement action. According to Angus Monro, Blackburn is a good example of an area where there was an underlying wish to do something: "they needed an external agency to show them what that something could be and the range of options that exist," and he fully expects an enterprise agency to be flourishing in Blackburn inside six months.

Secondment to enterprise agency

Business in the Community sets great store by the principle of seconding people and skills for a period into a community-based project like an enterprise agency. Monro says that ideally the director of an enterprise agency should be someone in the mid-term of their management career. They should be properly briefed before taking on the job and they should be properly communicated with during their two years' or 18 months' secondment. Monro is convinced that the experience, involving as it does identifying one's own role, writing one's own job description and successfully carrying it out, means "they probably receive the most intense management development of their career."

Business organisations have to be prepared to commit skills and resources from within themselves as well, which means formulating a policy of co-operation at a very high level—chairman or managing director level. Leeds now has an enterprise agency with which *Business in the Community* has been closely involved, and burgeoning small firms as its clients can call upon the services of a branch manager of one of the high street banks to handle problems relating to things like cash flow, as well as the local arm of a national firm of accountants for financial advice.

Monro does not accept that the private sector can afford to remain isolated from the community in the hope that by concentrating on putting their own businesses on a sound economic footing, that will in itself do all that is necessary to create a healthy spin-off for the locality in which they operate.

Business plays its part

Clearly they can create employment and prosperity for their own employees, he says, "but it cannot be assumed that the community's needs can be met solely from central or local government or just by creating employment in a healthy business sector. Businesses are realising that they cannot leave it all to the public sector. As well as discharging their duties to shareholders, employees, customers and suppliers, they are now recognising there is a

fifth dimension, the community at large with which it works."

Recognising this is easier for a retailer with high street stores and a finger on the pulse of the local community, because of his direct interface with it. It is more difficult for a local manufacturer, who may be exporting a large part of his product outside the locality or outside the country.

But *Business in the Community* is coming into contact with many leaders in local business communities who recognise that they have flourished successfully because of the support and traditional loyalty they have received from the surrounding community. They now feel that it is time to be putting something back into that community that cannot be met from local rates and taxes alone. Many of them mention over and over again, when talking to Angus Monro, the problem of long-term unemployment, the difficult environment for the growth of small businesses and the spectre of youth unemployment.

Advantages to altruism

On a superficial level it is easy to be cynical about the motives of the larger commercial fish in the local business pond. Angus Monro, himself a product of a large fish in the retailing pond, accepts that there has to be a business payoff in community action, however intangible. But he stresses that for many firms, supporting small firms as neighbours is not contrary to the trading policies that many of the giants like Marks and Spencer have already developed with their own suppliers.

Using local suppliers, buying from small firms, and most important paying them on time, is one of the "ideas for action" highlighted in the *Business in the Community* handbook. It refers to the Institute of Purchasing and Supply code of practice on buying from small firms and places great emphasis on payment at the agreed time. The London Enterprise Agency (LENTA), too, have organised meetings between buyers from large firms and small firms to achieve a better understanding of how to work together. The handbook cites one firm at least—Control Data—whose London office makes a point of buying from small entrepreneurial suppliers in nearby Covent Garden.

Setting the ball rolling

The attention to this kind of trading detail that *Business in the Community* is paying, serves to illustrate that it does not regard itself as totally concerned with organised community involvement à la enterprise agencies. It recognises that in a locality, businesses will be able to commit themselves to a greater or lesser degree depending on their own circumstances. It recognises, too, that there is scope for the individual entrepreneur taking the bull by the horns.

For Angus Monro one of the most exciting projects he has come across has not been enterprise agency-based at all; it has come about through the initiative of a single entrepreneur, who about six months ago recognised that there was a shortage of small firms workshops in the Kingswood area of Bristol. At some cost to himself he set about establishing a single shell unit for about 60 workshops with shared facilities and with profits being ploughed back into the enterprise. Already the accommodation is half full and in another six months it will probably be

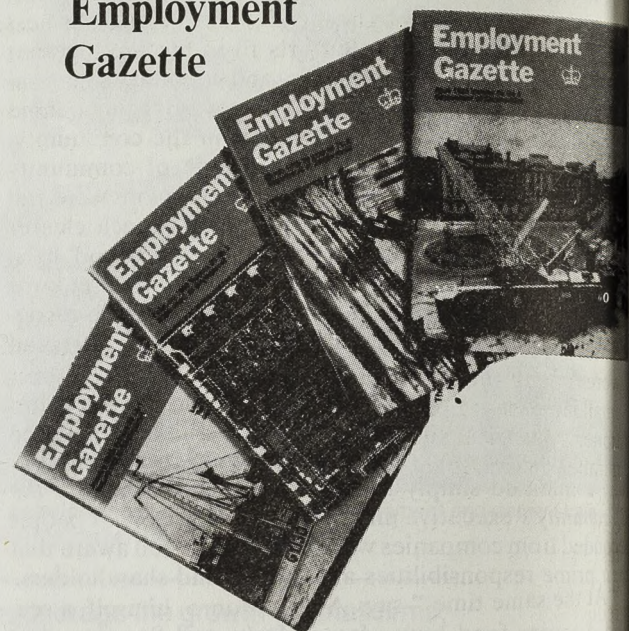
completely occupied.

Angus Monro says, "I met businessmen there who would not otherwise have been in business. A single entrepreneur had facilitated the development of all these small firms."

Perhaps this says it all about *Business in the Community* that they know a good idea when they see one and are potentially dynamic enough to set the ball rolling.

Business in the Community is based in London at 91 Waterloo Road, London SE1. Telephone 01-928 6423.

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SPECIAL FEATURE

Retail prices in 1981

This article details the movements in last year's RPI and explains the factors behind them. It covers not just costs but spending too, and it compares what happened in 1981 with the previous year's figures so that a picture of current trends in prices and consumer spending emerges.



The slower rate of increase in retail prices which developed in the second half of 1980 continued during last year. The 12-month increase in prices from January 1981 to January 1982 of 12.0 per cent, compared with 13.0 per cent in 1980, 18.4 per cent in 1979 and 9.3 per cent in 1978.

Price changes for individual items during 1981 ranged from decreases for some goods to substantial increases for others. Price of tea, coffee, rail fares and some items of clothing and footwear were among those that went down. Others showed only small increases (5 per cent or less): fish, margarine, confectionery, electrical and other durable goods, bus fares and a number of miscellaneous categories. Particularly large price increases were recorded for seasonal food (27 per cent, largely owing to the bad weather this winter); cigarettes (32 per cent); rent (37 per cent); rates (26 per cent); gas prices (26 per cent) and petrol prices (24 per cent), despite reductions late in the year.

Compared with the average for all OECD (Organisation for Economic Cooperation and Development) countries, the increase on a year earlier in the RPI (Retail Prices Index) at the start of 1981, at 13 per cent, was 1½ per cent higher. The differential was much the same at the end of the year, at two per cent, though by then the UK rate was lower than those in France, Italy, Spain, Canada, Ireland and others. Detailed figures for 1981 and earlier years appear in table 6.8 of the statistical section in this issue of *Employment Gazette*.

General influences on prices in 1981

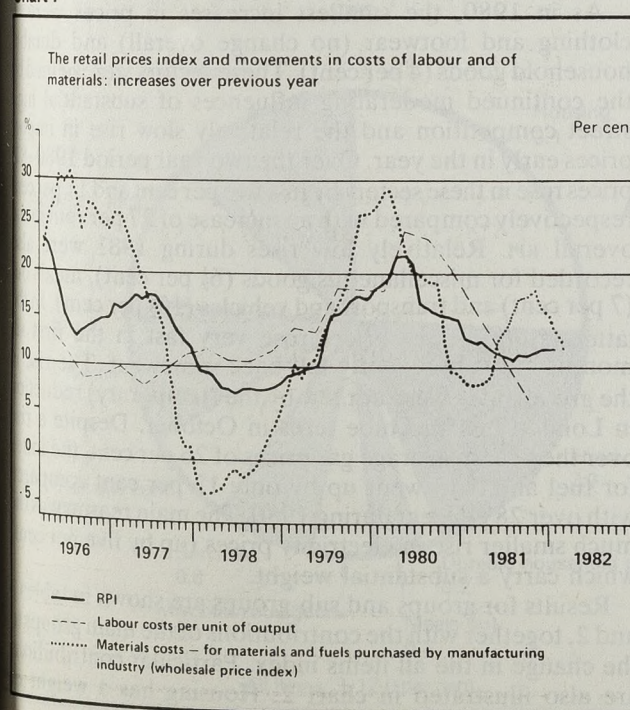
The main influence on retail prices during 1981 included:

- greatly reduced growth in unit labour costs, arising from a lower rate of increase in earnings than in 1980 coupled with rises in productivity
- an appreciable rise in materials prices, reflecting a sharp fall in the sterling exchange rate, especially against the dollar
- reduced profit margins in the face of flat domestic demand and intense foreign competition
- sustained high interest rates.

Foremost amongst several moderating factors at work on prices during 1981 was the effect upon unit labour costs of a reduced rate of increase in earnings and of increased productivity during the year. The underlying increase in average earnings for the whole economy was about 11 per cent during 1981, compared with 19 per cent in 1980, while output per person employed rose by about three per cent in the economy as a whole and considerably more than this, about 11 per cent, in manufacturing industry alone. Consequently wages and salaries per unit of output in manufacturing remained broadly stable throughout the year, rising by just under four per cent, the smallest annual increase for many years.

The annual rate of increase of manufacturers' input prices for materials and fuels rose from 8½ per cent at the start of 1981 to 18¼ per cent by October. Higher dollar prices for crude oil accounted for over half this increase. At the beginning of 1981, the rise in retail prices had been moderated by the slow rate of increase in import prices, partly owing to the substantial appreciation of sterling over the previous two years. However, from a level of \$2.40 in

Chart 1



January, sterling fell to below \$2 by June and to a low of \$1.82 in September. The effective exchange rate (measured against a basket of currencies) also fell from 102.0 (taking the average for 1975 = 100) to 88.0 over the same period, but it was the fall against the dollar that had the largest effect on industries. In the final quarter of the year, sterling strengthened a little with some beneficial effect upon input costs to industry but these none the less rose over the year to January 1982 by 13.8 per cent. The relative movements of the RPI, the Wholesale Prices Index (WPI) and unit wage costs are shown in chart 1. The prices of foods covered by the Common Agricultural Policy are affected not by the Sterling exchange rate but by the Green Pound exchange rate which remained unchanged throughout the year.

The reduction in profit margins that began in early 1980 continued into the second half of 1981. Gross trading profits of non North Sea companies, net of stock appreciation, fell in real terms to 2½ per cent in the first half of 1981, despite recovering a little during 1981 at current prices. Consumer demand showed no increase in the year, despite prolonged periods of sale prices for many manufactured goods, and, with interest rates remaining high and heavy destocking continuing, business optimism was fairly low. The volume of retail spending of food fell by 1½ per cent, comparing the 1981 average with the previous year's while for other retailers, spending grew by a slightly larger amount. Overall consumers' expenditure remained constant, in real terms, for the second successive year despite quite sharp falls in expenditure on alcoholic drink and tobacco.

Interest rates exerted a net upward influence on prices

Table 1 Changes between Jan 1981 and Jan 1982

Expenditure group	Percentage increase in group index	Weight of group in RPI	Contribution of increase in group index to percentage increase in "All items" index
Food	11.0	207	2.3
Alcoholic drink	15.9	79	1.2
Tobacco	32.2	36	1.2
Housing	22.8	135	3.1
Fuel and light	13.0	62	0.8
Durable household goods	3.7	65	0.2
Clothing and footwear	-0.2	81	-0.0
Transport and vehicles	10.4	152	1.6
Miscellaneous goods	6.5	75	0.5
Services	12.6	66	0.8
Meals bought and consumed outside the home	7.2	42	0.3
All items	12.0	1,000	12.0
Nationalised industries' output	10.9	101	1.1
All items excluding food, housing and the nationalised industries' output	10.0	562	5.6

during 1981, although rates in both America and Britain fell a little from the historically high levels of 1980, but still they remained high. The clearing banks' base rate began the year at 14 per cent, dipped to 12 per cent between March and August, but ended 1981 at 14½ per cent. These movements were directly reflected in the RPI through the fall and subsequent rise of the mortgage interest rate—from 14 to 13 per cent in April and then back up to 15 per cent from November. The money supply (£M3) continued to rise, by some 15 per cent at an annual rate over the current target period up to December. This compares with the target range of 6-10 per cent.

A continuation of the Government's policy towards economic pricing for nationalised industries led to some large price increases in these sectors. These were generally well below the equivalent rises in 1980 so the 12-monthly rate fell sharply (from 27 per cent to 11 per cent). This was despite increased fuel costs but included the helpful temporary influences of winter electricity discounts and reduced public transport fares in London. In December and January the effect of the adverse weather on the quality and distribution of fresh food, particularly vegetables, caused an unusually high rise in seasonal food prices. Reduced government grants to local authorities exceeding expenditure guidelines resulted in higher than average increases for rents and rates.

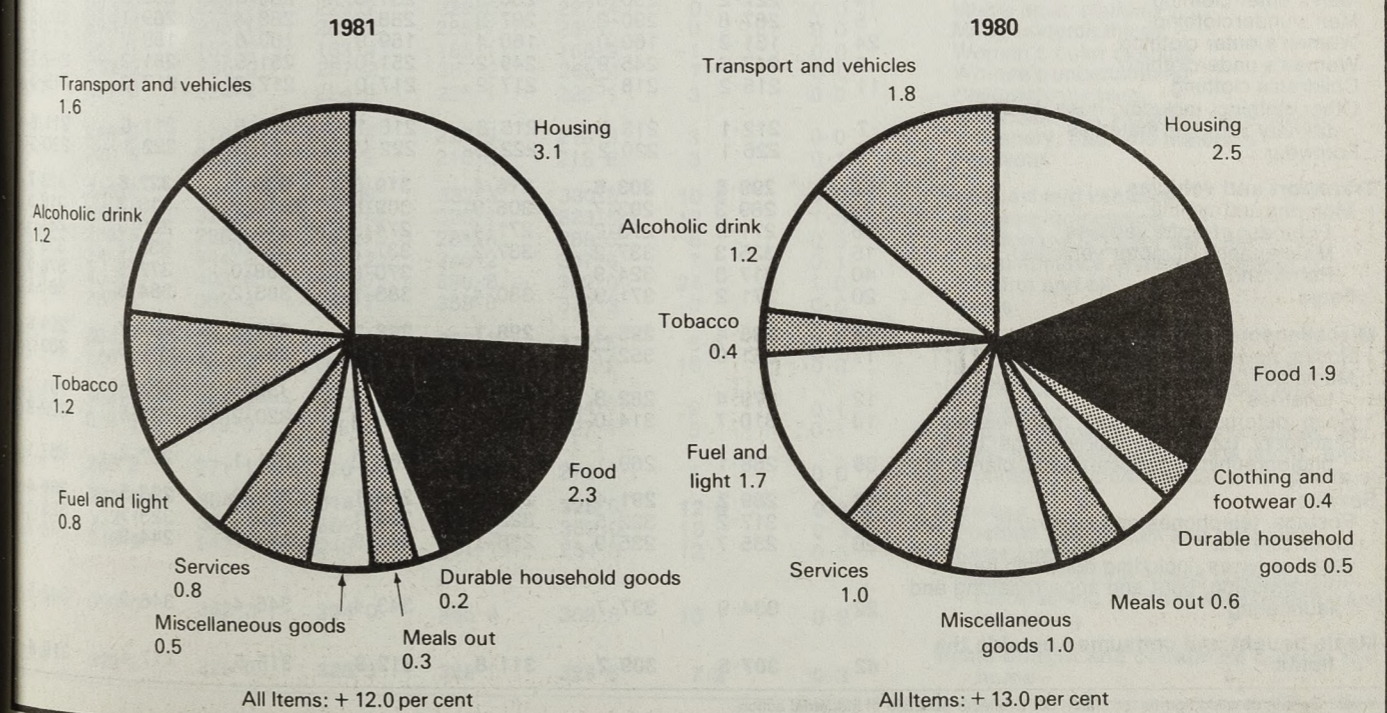
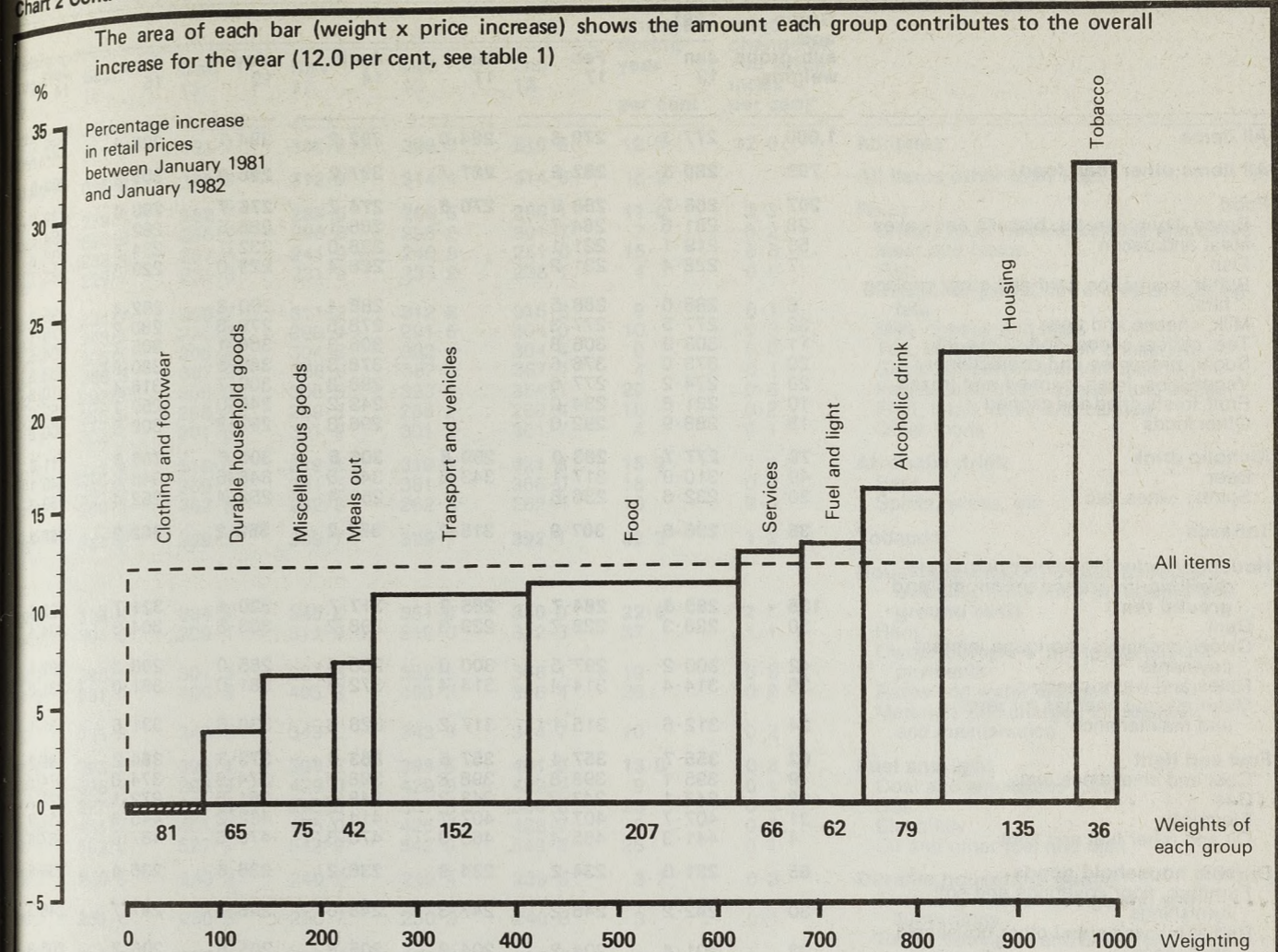
Changes in broad sectors

Among the 11 main component groups of goods and services in the RPI, the highest increase over the year (January to January) was for cigarettes and tobacco (32 per cent, of which almost three-quarters arose from higher duty). There was also a large rise in housing costs (23 per cent) resulting principally from rises in refits (37 per cent) and rates and water charges (26 per cent). Although food prices overall rose by only 11 per cent, those for seasonal products went up by over 27 per cent, partly as a result of the effect of the bad weather at the end of the year but also in part as a recovery from low rates of increase in the previous year.

As in 1980, the smallest increases in prices were in clothing and footwear (no change overall) and durable household goods (4 per cent). These sectors were helped by the continued moderating influences of substantial high street competition and the relatively slow rise in import prices early in the year. Over the two year period 1980-81, prices rose in these sectors by just five per cent and 11 per cent respectively compared with an increase of 27 per cent in the overall RPI. Relatively low rises during 1981 were also recorded for miscellaneous goods (6½ per cent), meals out (7 per cent) and transport and vehicles (10½ per cent). In the latter group, petrol prices rose very fast in the first six months but subsequently fell back somewhat. The rise in the group index was kept low by the (temporary) reduction in London bus and tube fares in October. Despite a rise over the year in average gas prices of 26 per cent, the index for fuel and light went up by only 13 per cent compared with over 28 per cent during 1980. The main reason was the much smaller rise in electricity prices (up by five per cent) which carry a substantial weight.

Results for groups and sub-groups are shown in tables 1 and 2, together with the contributions of the main groups to the change in the all items index. Particular contributions are also illustrated in chart 2. Housing has a weight of

Chart 2 Contributions of the main groups of goods and services to the increase in the "all items" index



one-seventh in the index, but with an above-average increase over the year, contributed one-quarter (three percentage points) to the overall rise in the RPI. The contribution from prices of nationalised industries fell substantially from its 1980 level of 2½ points out of 13 (nearly one-fifth) to just over one percentage point out of 12 in 1981. The contribution from the food price increases was a little over two percentage points and for other (predominantly private sector) goods and services, excluding housing and the nationalised industries, the contribution was about 5½ out of 12, including a little under two percentage points for the increase in indirect taxes in the Budget. In revenue terms, the increase in specific duties in March 1981 were broadly equivalent to double-revalorisation (that is, increasing the revenue share by about twice the rise in prices through the previous calendar year).

The contributions from the main components during 1981 are also shown in chart 2. Some monthly increases tend to be uneven, particularly in the case of housing where the increases in local authority rates and rents are concentrated on April, and, changes in the rate of mortgage interest can have a substantial impact. Increases in the charges for the output of the nationalised industries also tend to be uneven, occurring only once or twice a year (but there is some smoothing of the increases in, for example, gas and electricity prices which affect consumers progressively over a three-month period). The direct effects of Budgets (through indirect tax charges) are concentrated mainly on what is broadly the private sector: that is on goods and services excluding food, housing and the output of nationalised industries.

Month-by-month changes

The principal factors contributing to the monthly increases in the RPI during the year were:

January-February (0.9 per cent) Almost a quarter of the increase during the month resulted from higher motoring costs, especially for petrol and oil. Increased prices for food, alcoholic drink and tobacco accounted for most of the remainder although there were significant rises in the prices of furniture and household appliances. Footwear prices showed a large fall.

February-March (1.5 per cent) Prices were collected on 17 March, one week after the Budget. It was estimated that of the 1.5 per cent increase in the month, about 1.1 per cent was attributable to the Budget increases in duty on petrol, alcoholic drinks, tobacco and motor vehicle licences. It was estimated that about half of the overall effect of the Budget was reflected in the March index. Food prices generally rose but were responsible for only a small part of the monthly increase in the overall index.

March-April (2.9 per cent) The month's increase in the index was considerably greater than in any other month of 1981. However it was, as is commonly the case, below that in April 1980. About half of the increase arose from substantial rises in local authority rents, rates and water charges. The remaining effects of the Budget on prices of cigarettes, alcoholic drinks and petrol were also reflected in the April index. Food prices continued to rise. The increases were offset to some degree by the fall in mortgage interest rates from 14 to 13 per cent.

April-May (0.7 per cent) Almost one-third of the increase in the month resulted from increased average charges for electricity and gas. The fall in the rate of mortgage interest, announced by the building societies in March, continued to affect the index. Reduced prices were recorded for coal, petrol and oil. The prices of food and most other items showed small increase during the month.

May-June (0.6 per cent) Increased average charges for electricity and gas again influenced the movement of the index although higher prices for food accounted for almost half of the monthly rise. There were also significant rises in the cost of petrol and motor vehicles. Summer sales and special offers became widespread during the month and there were reductions in prices of many goods especially clothing and footwear.

June-July (0.4 per cent) The rise in the month was the smallest of the year. Lower seasonal prices, particularly for fresh vegetables and lamb, caused the food index to fall slightly. However this was not sufficient to counteract the higher prices for alcoholic drinks, increases in the cost of motoring and in charges for gas and electricity.

July-August (0.7 per cent) The food index fell by nearly 1 per cent, a much larger drop than in the previous month. However by far the greatest effect on the index were increases in the prices for petrol, oil and cigarettes. Smaller increases were recorded for coal and outer clothing. In July the Chancellor of the Exchequer announced increases in indirect taxation to recoup the loss of revenue resulting from the halving of the 20p increase in derv duty proposed in the Budget. One measure was three pence on a packet of 20 cigarettes but the rise was not passed on immediately and the full effect was not reflected in shop prices by the August index date.

August-September (0.6 per cent) Seasonal food prices rose sharply and there were price increases on a wide range of goods, particularly cigarettes, beer and newspapers. Motoring costs fell and there were some slight reductions in bus fares.

September-October (0.9 per cent) The effect of local authority supplementary rate demands accounted for about a quarter of the increase in the month. However about half of this increase was offset by cheaper bus and tube fares following the introduction of higher subsidies. There were price increases on most foodstuffs, particularly fresh vegetables, and on many other items.

October-November (1.1 per cent) A rise in the rate of mortgage interest from 13 to 15 per cent accounted for about one-third of the increase in the index. Higher telephone charges, food prices and average charges for gas also contributed to the increase. Electricity consumed between October 1981 and March 1982 was subject to rebate and this partially offset the full effect of the price rises of other items.

November-December (0.6 per cent) Higher seasonal food prices caused the food index to rise which, together with the increased interest being paid on mortgages, accounted for almost three-quarters of the overall rise in the index this

month. There were increases in television licences, rail fares and gas charges but some petrol prices were lower. Electricity charges continued to be rebated.

December-January (0.6 per cent) The heavy snowfalls and subsequent flooding during the month were responsible for a sharp rise in the price of fresh vegetables. This, coupled with higher food prices in general and the price of milk in particular, accounted for over three-quarters of the overall rise in the index. However the withdrawal of some supplementary rate demands following the Law Lords ruling on London fares and falls in the prices of many items of clothing partially offset the increases.

Movement of prices within the major group

Group I—Food (Weight 207) In the year to January 1982, food prices rose by 11 per cent. Important contributory factors to this were: the increase in the cost of agricultural raw materials, reflecting both the EC farm price settlement (about nine per cent) and, for non-CAP products, the weakening of sterling during the year; and the increase in the cost of labour. Smaller contributions came from increases in other costs such as fuel and packaging. There was a rise of only about 8½ per cent for food items other than those which showed significant seasonal variations. Seasonal foods rose in price by about 27¼ per cent over the same period.

There were variable movements in the food sections. Tea, coffee and petfoods fell in price but potatoes were over 40 per cent higher in January than a year previously.

The price for all meat and bacon was about 14½ per cent over the year. Prices for lamb rose by 20 per cent by June but fell to 7½ per cent by August. Prices then started to rise again reaching nearly 24 per cent by January. Prices for beef and pork rose steadily during the year and beef prices finished the year higher by nearly 19 per cent, pork by about 11 per cent.

Vegetables other than potatoes showed an increase over the year of 22 per cent. Between January and June there was a rise of nearly 19 per cent but prices then fell sharply until by August they were nearly two per cent lower than in January. Thereafter the gradual increase was broken by a sharp rise of over ten per cent between December and January. Most fruit rose gradually in price over the year although pears showed a seasonal fall in prices of over 15 per cent between June and August; prices began rising again in September. The rise for all fruit was about 16 per cent over the year.

The prices of butter and cheese rose gradually to about 12 per cent higher over the year. The price of milk remained unchanged until November when prices in Scotland increased but the eight per cent rise in the index between December and January was attributable to the rise in prices in England and Wales. Bread showed only modest increases, at around six per cent, over the year. The prices of sweets and chocolates remained relatively stable throughout the year, finishing nearly three per cent higher than a year previously.

Group II—Alcoholic drink (Weight 79) During 1981 there was an overall rise in the price of alcoholic drink of about 16 per cent, slightly more than in 1980. Beer prices

rose by nearly 18 per cent, almost two per cent more than the previous year, but the rise of nearly 13 per cent for wines and spirits was slightly lower. The largest monthly increase (5.9 per cent) was in March following the increase in duty announced in the budget which put 60p on a bottle of spirits, 12p on a bottle of wine and 4p on a pint of beer.

Group III—Tobacco (Weight 36) There was a rise of nearly 15 per cent in the prices of cigarettes and tobacco between March and April. This formed part of the rise over the year, of a little over 32 per cent (compared with 10 per cent in 1980). There was very little effect on prices immediately following the budget, even though the measures were equivalent to 14p on a packet of 20 cigarettes, but by April they were being reflected in prices in the shops. Prices were then fairly steady until August when they again rose. One reason for this was the further increase in duty of 3p on a packet of 20 cigarettes imposed to cover the loss of revenue when the duty on derv was halved.

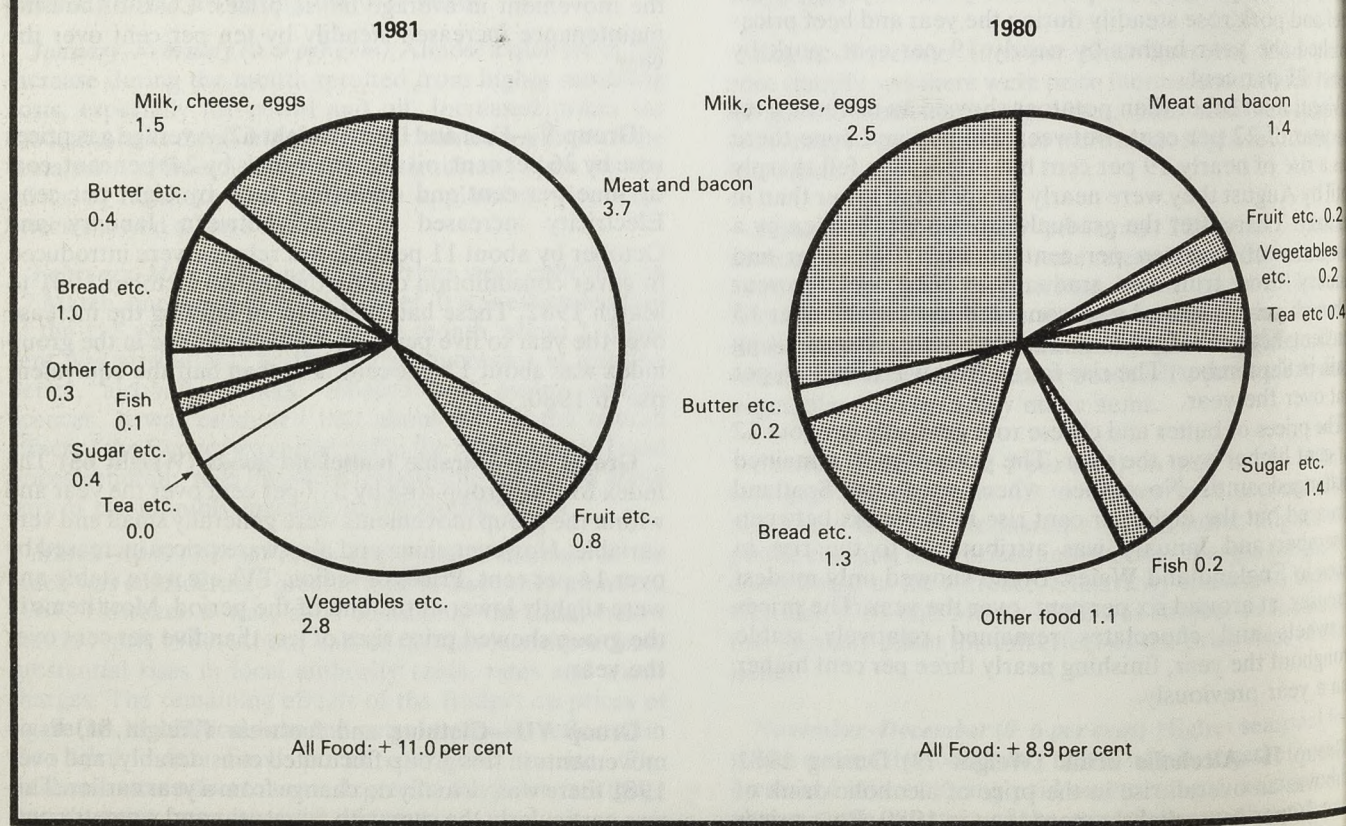
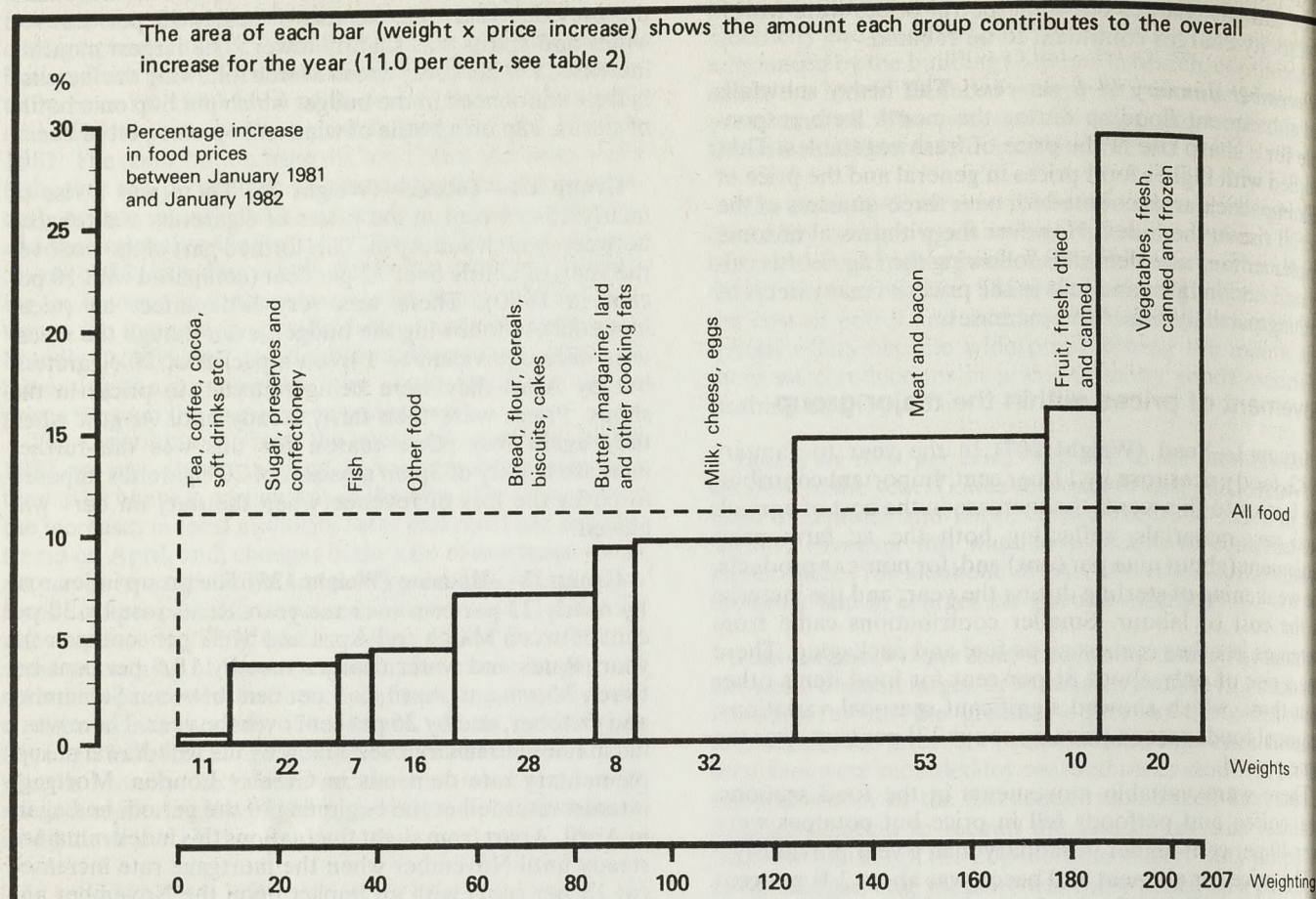
Group IV—Housing (Weight 135) The group index rose by nearly 23 per cent over the year. Rents rose by 30 per cent between March and April and by 37 per cent over the year. Rates and water charges rose by 18.5 per cent between March and April, 6.5 per cent between September and October, and by 26 per cent over the year. There was a fall in rates in January 1982 following the withdrawal of supplementary rate demands in Greater London. Mortgage interest rates fell at the beginning of the period, and again in April. Apart from slight fluctuations this index remained steady until November when the mortgage rate increased (to 15 per cent) with an impact upon the November and December indices. Over the year there was a rise of rather less than 19 per cent in this component which also reflects the movement in average house prices. Costs of housing maintenance increased steadily by ten per cent over the year.

Group V—Fuel and light (Weight 62) Average gas prices rose by 26 per cent, oil and other fuels by 24½ per cent, coal by nine per cent and smokeless fuels by eight per cent. Electricity increased in price between January and October by about 11 per cent but rebates were introduced to cover consumption during the period October 1981 to March 1982. These had the effect of limiting the increase over the year to five per cent. The overall rise in the group index was about 13 per cent, less than half the equivalent rise in 1980.

Group VI—Durable household goods (Weight 65) The index for this group rose by 3.7 per cent over the year and within the group movements were generally small and very variable. However china and glassware prices increased by over 14 per cent. Prices of radios, TVs etc were stable and were slightly lower at the end of the period. Most items in the group showed price rises of less than five per cent over the year.

Group VII—Clothing and footwear (Weight 81) Price movements in this group fluctuated considerably, and over 1981 there was virtually no change from a year earlier. This was particularly the case with menswear and women's out-

Chart 3 Contributions of food sub-groups to the increase in the food index in 1981



er clothing whereas women's underclothing, haberdashery and clothing materials showed increases of about seven per cent over the year and children's outer clothing about five per cent. Footwear prices fell by about three per cent and a similar fall was recorded for children's underclothing.

Group VII—Transport and vehicles (Weight 152) Interest in this group centred very much on the price of petrol and oil where the market became increasingly competitive. The first major increase was recorded in April when prices stood about 17 per cent higher than in January. Most of this rise resulted from the increase in duty of 20p per gallon announced in the Budget. Prices then remained steady until August when they increased by about seven per cent. This rise was not sustained and prices then fell by about three per cent. At the end of the year they stood nearly 24 per cent higher than a year previously.

Group IX—Miscellaneous goods (Weight 75) Although the group index moved upward during 1981 by about 6½ per cent, this was made up of a number of widely differing components. There were price increases of 14 per cent on books, 15½ per cent on newspapers and 21 per cent on periodicals during the year. At the other end of the scale, photographic and optical goods fell in price by about seven per cent. Other increases over the year were medicines and similar goods (11 per cent); stationery (9½ per cent); toilet requisites (8 per cent); soap and detergents (2½ per cent); polishes and similar items (7½ per cent); jewellery, leather, travel and sports goods (1½ per cent) and toys (6 per cent).

Group X—Services (Weight 66) There were increases during the year in postage (15.2 per cent) and telephone charges (16.5 per cent). An increase of 34 per cent in the fee for a television licence became effective in December but TV set rentals showed little price change. Admission prices to cinemas, bingo halls and swimming pools rose by 15 per cent but for spectator sports they rose by 17 per cent. Overall entertainment costs (other than TV) were up 12½ per cent over a year earlier. Other services showed rises over the year such as domestic help (10½ per cent), hair-dressing (10 per cent), shoe repairs (11 per cent) and laundry charges (12 per cent). The group index for services was about 12½ per cent higher than at the beginning of the year.

Group XI—Meals bought and consumed outside the home (Weight 42) This group comprises prices charged for state school meals, canteen meals, restaurant meals, sandwiches and snacks. The rise in the group index of 7.2 per cent over the year reflects the general movement of all these categories.

Pensioner indices

In the year up to the fourth quarter of 1981 the published indices for one and two person pensioner households rose by 10.7 and 11.5 per cent respectively, compared with a rise of 10.6 per cent in the corresponding index for households in general. The indices relate to pensioner households of limited means* and do not cover housing costs.

Retail prices, excluding housing: percentage increase over a year earlier

Pensioners of limited means*			
	General index	One person households	Two person households
(Fourth quarter)			
1977	13.6	13.4	13.0
1978	7.6	6.6	7.1
1979	16.8	15.8	15.8
1980	13.3	14.7	14.0
1981	10.6	10.7	11.5
Average annual increase, 1971 Q4 to 1981 Q4	13.8	14.2	14.2

* Defined as those who derive at least three-quarters of their income from national insurance retirement and similar pensions and/or from supplementary benefits.

The difference in experience of the two types of pensioner households lies in the make-up of their respective 'shopping baskets'. There were disproportionately high rises in prices of alcoholic drink, tobacco and motoring costs (including petrol), each of which form a larger part of the budget of typical two person pensioner households than their one person counterparts; there were also lower than average increases in 1981 in electricity prices and in those for some services which form a smaller part of those budgets. As might be expected, pensioners spend a greater proportion on food, fuel and light—and much less on transport and vehicles, durable goods and meals out—than do households in general, so the movement in the prices of the former items have a greater impact upon pensioner price indices.

The differential between these pensioner indices and the index for all households has fluctuated over the years, but is never very large. On average over the past ten years, the pensioner indices have been increasing slightly faster, by about half a per cent per annum or less, than the general index. In the longer run it is likely that if housing costs could have been included, the differential would have been smaller. This is because the effect of the rent and rates rebates, which help to cushion rises in housing costs for low income households, is proportionately greater for households covered by the pensioner indices.

Retail Prices Indices—annual revision of the weights

Every year, the various components of the Retail Prices Index (RPI) are adjusted to take account of the latest Family Expenditure Survey. This article discusses this year's changes to the RPI.



The Retail Prices Index (RPI) measures the change in the cost of a representative basket of goods and services. The composition of this basket—that is the relative importance, or "weight", attached to the various goods and services it contains—is revised each year using the latest available results of the Family Expenditure Survey (FES).

Data for the year ending June 1981 have now been used as a basis for calculating the weights of the RPI applicable for 1982. The weights for the General Index of Retail Prices are given below but those for the special "pensioner" indices will be published in the April issue of *Employment Gazette*.

An account of the construction of the RPI was given in "The unstatistical reader's guide to the Retail Prices Index" which appeared in *Employment Gazette* for October 1975, and a fuller account of the FES was given in the article "Family expenditure: a plain man's guide to the family expenditure survey", in the February 1978 issue of *Employment Gazette*.

General index

The main RPI has as its full title the General Index of Retail Prices, and covers all households except (a) "pensioner" households as described below and (b) households in which the head has an income above a certain limit which in the second half of 1980 was £245 per week, and in the first half of 1981 was £265 per week. This income limit is set so as to exclude some four per cent of households. This group and the "pensioner" households are excluded because their patterns of expenditure differ markedly from that of the great majority of households as the chart on page 106 indicates.

With these households excluded, the general index covers the expenditure of virtually all households headed by manual workers and most of those headed by non-manual workers.

"Pensioner" households

The "pensioner" households covered by the special price indices are those of limited means. A "pensioner" household is defined as one in which at least three-quarters of its total income is derived from national insurance retirement and similar pensions, including benefits paid in supplement to or instead of such pensions. "Pensioner" households comprise about 11½ per cent of all households.

This definition excludes most households in which there

is a retired person in receipt of a sizeable occupational pension in addition to NI retirement or similar pensions; also any household in which there is significant earned income. In fact, the number of retired persons (men 65 and over, women 60 and over, not working) in the survey was 2,828, of whom just under two-fifths (1,074) were located in "pensioner" households as defined for the retail prices index. Most of the remainder were part of general index households. Of the 813 "pensioner" households in the survey, 532 consisted of one person, and 272 of two persons, leaving nine larger "pensioner" households. Although the patterns of expenditure of the "pensioner" households differ appreciably from those of the general index households, "pensioner" price indices have moved fairly closely in line with the general index for several years.

Weights for retail prices indices

The weights for the general index are very largely based on the pattern of expenditure shown in the Family Expenditure Survey over the year to the previous June. Table 1 shows average weekly household expenditure for four types of household for the year ending June 1981. The figures correspond to those that are published in standard analyses of the Family Expenditure Survey such as the Annual Report on the 1980 survey*. However, in using FES data in the retail prices index a number of adjustments are made.

* Available from HMSO bookshops April 8, price £13.00. (See also order form on p. 107).

Table 1 Average weekly household expenditure (£) grouped by type of household in the year ending June 1981

Commodity or service	One-person "pensioner" households	Two-person "pensioner" households	"General index" households	"High income" households	All households in survey	Standard error as percentage of the estimated all households mean
Housing*	9.2	9.8	18.5	36.1	18.2	1.1
Fuel, light and power	4.5	6.4	7.2	11.0	7.1	1.0
Food	9.6	17.4	27.4	41.7	26.3	0.7
Alcoholic drink	0.6	2.0	6.1	10.6	5.7	1.8
Tobacco	0.6	2.2	3.7	3.2	3.4	1.6
Clothing and footwear	1.6	3.3	9.6	18.0	9.2	1.8
Durable household goods	1.0	1.6	8.7	22.2	8.4	3.5
Other goods	2.3	4.0	9.5	21.4	9.3	1.5
Transport and vehicles	0.7	3.6	18.7	36.9	17.6	1.9
Services	3.3	4.9	13.4	38.4	13.4	2.7
Miscellaneous	0.1	0.2	0.6	1.3	0.6	6.4
All above expenditure	33.4	55.3	123.2	240.9	119.2	0.8

* Includes imputed rent for owner-occupied and rent-free dwellings.

Table 2 General Index of Retail Prices: annual revision of weights

Weights to be used in 1982 (all items weight = 1,000)		Weights to be used in 1982 (all items weight = 1,000)		Weights to be used in 1982 (all items weight = 1,000)	
FOOD	206	HOUSING	144	TRANSPORT AND VEHICLES	154
Bread	11	Rent	36	Purchase of motor vehicles	58
Flour	3	Owner-occupiers mortgage interest payments	41	Maintenance of motor vehicles	16
Other cereals	6	Owner-occupiers' dwelling insurance premiums and ground rent	3	Petrol and oil	46
Biscuits	6	Rates and water charges	41	Motor licences	7
Cakes, buns, pastries, etc	16	Charges for repairs, maintenance, etc	8	Motor insurance	9
Beef	6	Materials for home repairs, decorations, etc	15	Cycles and other vehicles	2
Lamb	6			Rail transport	6
Pork	7			Road transport	10
Bacon	2	FUEL AND LIGHT	62	MISCELLANEOUS GOODS	72
Ham (cooked)	17	Coal	8	Books	4
Other meat and meat products	7	Smokeless fuels	20	Newspapers and periodicals	13
Fish	4	Gas	28	Writing paper and other stationers' goods	5
Butter	2	Electricity	5	Medicine, surgical, etc goods	5
Margarine	1	Oil and other fuel and light	5	Toiletries	8
Lard and other cooking fats	6			Soap and detergents	4
Cheese	5	DURABLE HOUSEHOLD GOODS	64	Soda and polishes	3
Eggs	18	Furniture	14	Other household goods	2
Milk, fresh	3	Radio, television, etc	10	Travel and sports goods, leather goods, jewellery, etc	14
Milk, canned, dried, etc	3	Other household appliances	17	Photographic and optical goods	5
Tea	3	Floor coverings	6	Toys	5
Coffee, cocoa, proprietary drinks	4	Soft furnishings	6	Plants, flowers, horticultural goods etc	4
Soft drinks	3	Chinaware, glassware, etc	2	SERVICES	65
Sugar	1	Hardware, ironmongery, etc	9	Postage	2
Jam, marmalade and syrup	9			Telephones and telegrams	16
Potatoes	14	CLOTHING AND FOOTWEAR	77	Television licences and set rentals	13
Other vegetables, fresh, canned and frozen	11	Men's outer clothing	12	Other entertainment	13
Fruit, fresh, dried and canned	14	Men's underclothing	4	Domestic help	3
Sweets and chocolates	2	Women's outer clothing	22	Hairdressing	7
Ice cream	10	Women's underclothing	9	Boot and shoe repairing	1
Other foods	5	Children's outer clothing	4	Laundering	1
Food for animals	5	Children's underclothing	3	Miscellaneous services	9
ALCOHOLIC DRINK	77	Hose	4	MEALS BOUGHT AND CONSUMED OUTSIDE THE HOME	38
Beer	47	Gloves, haberdashery, hats, etc	4		
Spirits, wines, etc	30	Clothing materials	1	TOTAL, ALL ITEMS	1,000
TOBACCO	41	Men's footwear	5		
Cigarettes	37	Women's footwear	6		
Tobacco	4	Children's footwear	4		

Note: Index households are all households other than (a) those the head of which had a recorded gross income of at least £245 a week in the second half of 1980, £265 a week in the first half of 1981 and (b) those in which at least three-quarters of the total income was derived from national insurance retirement or similar pensions and/or benefits paid in supplement to or instead of such pensions.

For some items of expenditure (furniture, floor coverings, and the repair and maintenance of dwellings), weights based on expenditure in a single year would be subject to excessive sampling variation, and in these cases weights are based on the average of three years' expenditure.

A few categories of expenditure included in table 1 are excluded from the calculation of weights for the retail prices indices. Some, such as life assurance premiums and payments into pension funds, are regarded as savings or deferred expenditure. Others are excluded largely because of the variable and non-measurable nature of the services acquired in return for the payments made, and because of the difficulty or impossibility of identifying a "unit" to be priced from month to month. Examples are medical fees, educational fees and expenditure at hotels, and so on.

Expenditure on sweets and chocolates is under-recorded in the FES because, for example, expenditure by children under 16 is not allocated to separate items, but included under miscellaneous household expenditure. For alcoholic drink, tobacco and cigarettes, grossed-up FES results fall short of the estimated aggregate consumers' expenditure on these groups. In such cases, information from the FES is replaced by data from alternative sources which are known to be more reliable, such as that used in the National Accounts, HM Customs and Excise, or sales information from manufacturers. An adjustment is also made to the housing expenditure figures presented in FES analyses whereby, for owner-occupiers, mortgage interest net of tax relief is introduced in place of the rental equivalent.

A further adjustment to the expenditure figures is necessary before the weights can be calculated. The expenditure recorded in the FES was spread over the complete 12 months ending in June 1981 and is, therefore, at the prices

prevailing at the various times of recording. These figures have to be re-valued to a common time-point if they are to be put on to a comparable basis. The time chosen is January 1982 as the Retail Prices Index each year measures the change in prices since January, with the results for successive years being "chained" together using the values of the RPI in January. The adjusted expenditure data are re-valued quarter by quarter to January prices in considerable detail using the component series of the RPI. The re-valued and

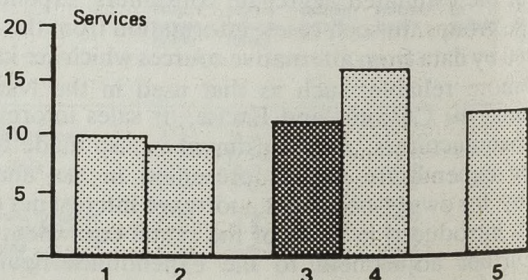
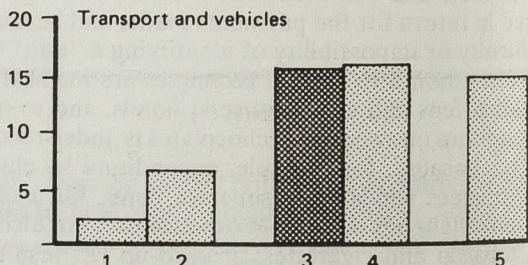
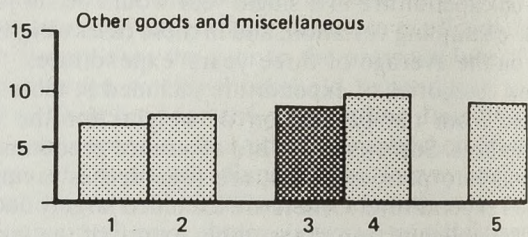
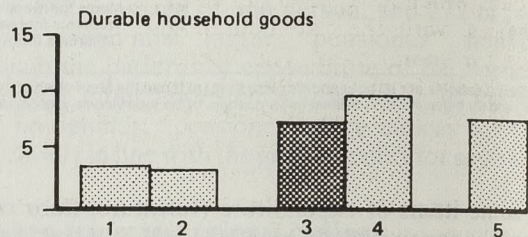
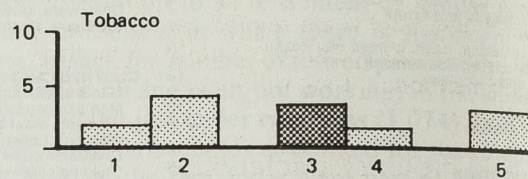
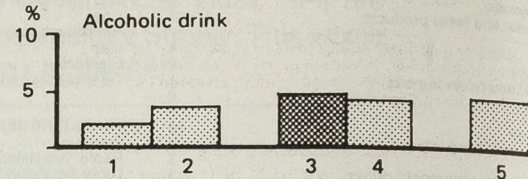
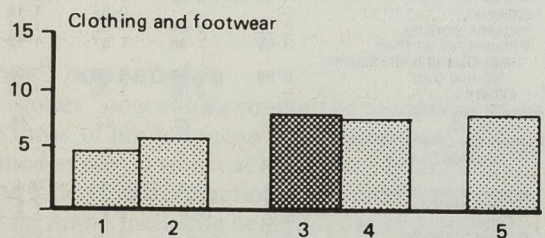
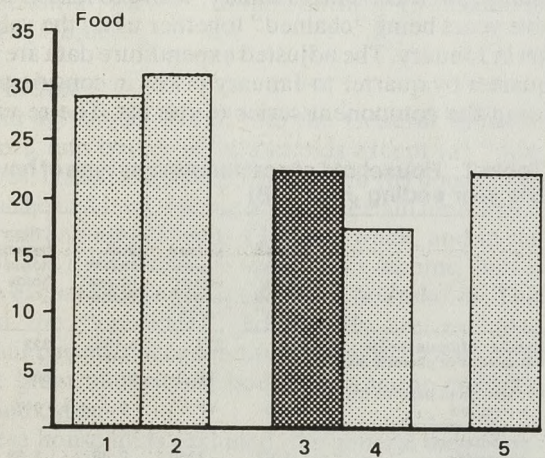
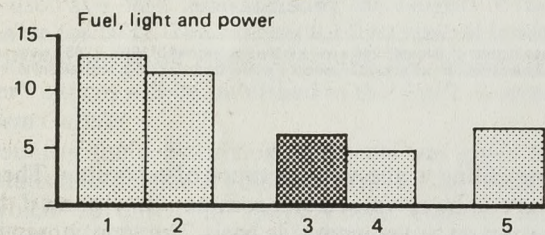
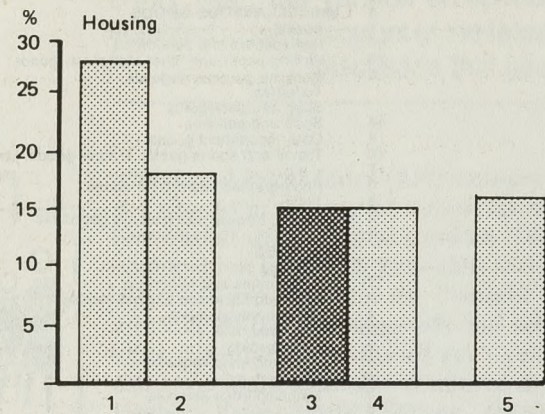
Table 3 Household characteristics by type of household in the year ending June 1981

	One-person "pensioner" households	Two-person "pensioner" households	"General index" households	"High income" households	All households in survey
Number of households	532	272	6,133	323	7,269
Percentage of persons that are adults	100.0	100.0	69.5	65.1	70.9
Percentage of persons that are retired	98.5	97.1	9.7	2.7	14.2
Average number of persons per household	1.00	2.00	2.89	3.39	2.74
All persons	0.16	0.96	1.41	1.77	1.32
Males	0.84	1.04	1.47	1.62	1.42
Females	1.00	2.00	2.00	2.21	1.94
Children	—	—	0.88	1.18	0.80
Persons working	0.02	0.04	1.52	1.81	1.36
Persons not working	0.99	1.96	1.37	1.59	1.37
Men 65 and over, women 60 and over	0.99	1.94	0.28	0.09	0.39
Others	—	0.02	1.09	1.49	0.98
Average age of head of household	74	73	47	46	50
Percentage distribution of households by type of tenure					
Rented unfurnished	82.3	72.4	37.8	3.4	40.9
Local authority	67.8	57.3	32.3	2.8	34.6
Other	14.5	15.1	5.5	0.6	6.3
Rented furnished	1.5	—	3.0	0.9	2.7
Rent-free	1.0	1.5	2.2	1.3	2.0
Owner occupied	15.2	26.1	57.0	94.4	54.4
In process of purchase	0.2	1.1	34.7	77.4	32.8
Owned outright	15.0	25.0	22.3	17.0	21.6

Spending patterns of General Index, pensioner and high income households

Average weekly household expenditure (From the Family Expenditure Survey for the year ending June 1981)

1 One person pensioner households	£33.4	4 High income households	£240.9
2 Two person pensioner households	£55.3	5 All households	£119.2
3 General index households	£123.2		



Note: Percentages are expenditure on commodity or service as a percentage of total household expenditure.

Table 4 General Index of Retail Prices: group weights: 1950-1982

Items	1950	1955	1960	1965	1967 [†]	1968 [‡]	1970	1975	1980	1981	1982
All items	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Food	348	399	350	311	293	263	255	232	214	207	206
Alcoholic drink	217	78	71	65	67	63	66	82	82	79	77
Tobacco	88	90	80	76	72	66	64	46	40	36	41
Housing	65	72	87	109	118	121	119	108	124	135	144
Fuel and light	71	66	55	65	62	62	61	53	59	62	64
Durable household goods	97	62	66	59	59	59	60	70	69	69	77
Clothing and footwear	79	98	106	92	92	89	86	89	84	84	81
Transport and vehicles	79	91	68	105	118	120	126	149	151	152	154
Services	35	44	58	55	58	56	55	52	62	66	65
Miscellaneous goods			59	63	61	60	65	71	74	75	72
Meals bought and consumed outside the home							41	43	48	41	42
Rest and rates only until 1956; mortgage interest payments included from 1975.											
Expenditure on transport and vehicles was not distinguished from that on services prior to 1956.											
There is a discontinuity in the commodity group weights between 1967 and 1968 as prior to 1968 half the expenditure on meals bought and consumed outside the home was included with food, and half spread over all groups including food.											

adjusted expenditures corresponding to the general index are expressed as proportions of 1,000 as set out in table 2.

Weights for the indices for one-person and two-person pensioner households are revised each January but are based on three-year expenditure patterns from the survey. As already mentioned, they will be published in *Employment Gazette* next month.

Household group characteristics

Table 3 shows some of the characteristics of the household groups which have been discussed in relation to the price indices, with the "all households" figures shown alongside for comparison. The "pensioner" households differ markedly from the others in consisting wholly of adults, whereas in other households about one-third of the members are children. About 84 per cent of the one-person pensioner households are female.

Among households as a whole the proportion who are owner-occupiers is just over 54 per cent, but for two-person pensioner households the proportion who are owner-occupiers is 26 per cent and for high income households it is just over 94 per cent.

Trends in RPI group weights since 1950

Expenditure weights for the General Index of Retail Prices have been revised annually since 1962 using data from the FES. Before that year the weights remained unchanged for longer periods in the absence of a continu-

ous household expenditure enquiry in the UK. Table 4 shows how the weights for the main component groups have changed over the last 30 years or so. In the 1950s the representative shopping basket of goods and services purchased by households contained relatively more food, clothing, alcoholic drink and tobacco than today, but as living standards have risen the proportion of household expenditure devoted, for instance, to services and personal transport has gone up. Even in the last few years the relative weights for some groups have altered significantly.

It must be remembered that the weights will vary over time for either of two reasons. If the relative prices of two items remain stable but as a result of other factors the amounts people buy change at different rates, then the relative expenditures for those items will reflect the change. Equally the weights will alter if the quantities purchased remain the same but the respective prices move at dissimilar rates. The extent to which each of these reasons has contributed to changes in expenditure for the groups of items shown in the table is not obvious, unless those changes are studied in conjunction with data on the movement of average prices. However it is clear, for instance, that cigarette and tobacco sales have fallen since the 1950s, while the sharp increase in the weight for transport and vehicles between 1960 and 1965 owed much to the increased incidence of car ownership, since the price index for motoring and cycling moved broadly in line with the general index between those years.

The Family Expenditure Survey

The Family Expenditure Survey provides a wealth of information about private households and how they spend their money. The survey, which is based on a representative sample of private households in the United Kingdom, has been in continuous operation since 1957, and represents a unique and reliable source of household data, providing a perspective of the changes and developments in household circumstances and characteristics over the past two decades. The survey provides an invaluable supply of economic and social data of interest not only to central government but to local authorities, employers, trade unions and research workers in universities and independent research workers. The Report for 1980 covers the traditional areas of income and expenditure, the size and composition of households. In addition, two new factors which are assuming increasing importance in contemporary society are also discussed - namely, the expenditure patterns of households with married women working and 'unemployed' households.

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Table 6 Annual analysis of long-term work permit issues by occupational group and country issuing passport, Jan-Dec 1980

CODOT major groups	I					III			IV	
	Managerial occupations (general management)					Professional and related occupations in education, welfare and health			Literary, artistic and sports occupations	
Minor groups	00	03	04	05	Others	09	11	Others	17	Others
Country issuing passport	Directors and general managers etc	Company secretaries, accountants etc	Personnel and management specialists etc	Marketing and public relations specialists etc	Legal, buying and PA occupations etc	Teachers and instructors	Health diagnosing and treating occupations	Welfare occupations etc	Performers etc	Sportsmen etc
Australia	14	72	32	8	4	20	56	5	4	6
Canada	19	38	11	12	2	10	17	2	3	2
Hong Kong (Commonwealth)	3	6	3	0	2	3	37	0	0	0
India	9	12	14	5	8	14	14	2	5	2
Japan	112	153	14	48	22	17	1	0	3	6
Malaysia	0	18	12	1	0	0	4	1	1	6
New Zealand	4	27	11	5	3	2	19	1	0	6
Sri Lanka	0	1	3	0	1	4	68	1	0	6
Sweden	19	18	14	28	8	4	7	0	2	0
USA	256	276	196	178	76	157	21	17	14	2
Others	100	189	101	93	49	73	410	14	57	56
All	536	810	411	378	175	308	965	43	89	106

Table 7 Annual analysis of short-term work permit issues by occupational group and country issuing passport, Jan-Dec 1980

CODOT major groups	I					III			IV	
	Managerial occupations (general management)					Professional and related occupations in education, welfare and health			Literary, artistic and sports occupations	
Minor groups	00	03	04	05	Others	09	11	Others	17	Others
Country issuing passports	Directors and general managers etc	Company secretaries, accountants etc	Personnel and management specialists etc	Marketing and public relations specialists etc	Legal, buying and PA occupations etc	Teachers and instructors	Health diagnosing and treating occupations	Welfare occupations etc	Performers etc	Sportsmen etc
Australia	0	3	2	0	0	6	2	2	116	14
Canada	0	0	2	0	0	3	2	0	251	4
Hong Kong (Commonwealth)	0	0	1	0	0	0	0	0	2	0
India	0	0	3	1	0	5	2	0	209	23
Japan	0	0	1	1	0	1	0	1	92	1
Malaysia	0	3	0	0	0	1	25	0	0	1
New Zealand	0	1	1	0	0	1	3	0	5	4
Sri Lanka	0	0	0	0	0	2	1	0	0	5
Sweden	0	0	0	0	0	3	0	1	232	5
USA	6	22	18	3	6	46	11	2	3,612	116
Others	4	9	3	0	2	25	21	2	2,945	110
All	10	37	33	5	8	93	67	8	7,464	286

Although the largest number of long-term permit issues continued to be for work in health diagnosing and treating occupations, as an occupational group it is declining in both absolute and proportionate terms to 965 (15 per cent of all long-term issues) in 1980 from 1,444 (17 per cent) in 1979 and 2,207 (23 per cent) in 1978. In comparison, the next largest occupational groups have been growing in importance: 810 long-term issues were for company secretaries, accountants, etc in 1980 (13 per cent), compared with 902 in 1979 (11 per cent) and 821 in 1978 (8 per cent), while 716 long-term issues in 1980 were for engineering researchers, designers and consultants (11 per cent) compared with 1,011 in 1979 (12 per cent) and 884 in 1978 (nine per cent).

Entertainers

Permits are issued for performers in the entertainments industry and for certain categories of sportsmen and women coming here for short periods. Almost 95 per cent of all short-term issues during 1980 were for work in these categories, and showed a slight (one per cent) increase over 1979 issues. As a proportion of total issues, short-term

issues continues to grow—to 56 per cent in 1980, compared with 51 per cent in 1979 and 38 per cent in 1976.

Japanese increase in banking and distribution

Industries attracting the largest number of long-term permits were insurance, banking and finance (20 per cent of all long-term issues in 1980, as compared with 16 per cent in 1979) medical and dental services (16 per cent, as compared with 18 per cent) metal manufacture, engineering and vehicle manufacture (13 per cent in both years) educational services (11 per cent, as compared with ten per cent) and distribution (11 per cent, as compared with eight per cent). While the largest number of permits was again issued to people holding United States passports (31 per cent of all long-term and 48 per cent of all short-term issues) Japanese passport holders provided an increasing proportion of long-term issues (12 per cent in 1980, as compared with eight per cent in 1979) and almost three-quarters of these were for work in distribution or insurance, banking and finance. The ten countries whose passport holders received the largest number of long-term permits took over 70 per cent of all long-term issues (and 65 per cent of all issues).

Table 6 (cont) Annual analysis of long-term work permit issues by occupational group and country issuing passport, Jan-Dec 1980

Professional and related occupations in science, engineering technology and similar fields	VI		VII	X	VIII, IX and XI to XVIII	All occupations	CODOT major groups
	Managerial occupations (excluding general management)		Clerical and related occupations	Catering, cleaning, hairdressing and other personal service occupations	All other occupations		
Minor groups	22	25	Others	27	28	43	Others
Country issuing passport	Engineering researchers designers consultants etc	Professional occupations (including Architects etc)	Aircraft and ships officers technologists etc	Managers (industrial)	Managers (services) (eg retail) catering office etc)	Cooks, waiters etc	Minor groups
Australia	105	11	7	3	9	5	0
Canada	23	15	3	4	14	0	4
Hong Kong (Commonwealth)	3	3	1	3	2	6	9
India	9	3	1	3	2	53	8
Japan	6	6	4	5	10	3	180
Malaysia	41	32	0	24	99	11	222
New Zealand	30	1	4	5	10	4	71
Sri Lanka	4	1	0	1	3	1	420
Sweden	28	7	4	1	2	0	116
USA	12	5	3	0	5	1	129
Others	26	5	3	9	1	2	142
All	289	82	12	89	61	11	1,996
	132	39	21	41	103	47	1,852
	716	206	58	180	316	89	6,423

Table 7 (cont) Annual analysis of short-term work permit issues by occupational group and country issuing passport, Jan-Dec 1980

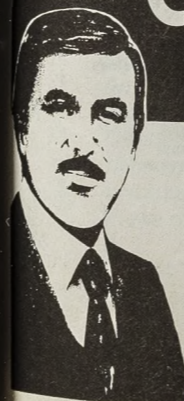
Professional and related occupations in science, engineering technology and similar fields	VI		VII	X	VIII, IX and XI to XVIII	All occupations	CODOT major groups
	Managerial occupations (excluding general management)		Clerical and related occupations	Catering, cleaning, hairdressing and other personal service occupations	All other occupations		
Minor groups	22	25	Others	27	28	43	Others
Country issuing passport	Engineering researchers designers consultants etc	Professional occupations (including Architects etc)	Aircraft and ships officers technologists etc	Managers (industrial)	Managers (services) (eg retail) catering office etc)	Cooks, waiters etc	Minor groups
Australia	0	1	0	1	0	0	1
Canada	1	0	0	0	0	0	153
Hong Kong (Commonwealth)	0	0	0	0	1	0	265
India	2	1	0	0	1	0	8
Japan	0	0	0	2	1	0	257
Malaysia	0	2	0	1	0	0	107
New Zealand	1	0	0	0	1	3	38
Sri Lanka	0	0	1	0	0	0	17
Sweden	2	0	1	0	2	0	22
USA	1	3	0	1	0	1	251
Others	21	9	1	9	4	1	3,918
All	10	5	4	1	2	4	3,202

Students

Overseas students who were given permission to work here during their vacations or to take up other spare-time employment worked predominantly in the hotel and cater-

ing industry (37 per cent of all approvals), while the other main industries for which student employment was approved were insurance, banking and finance (17 per cent) and distribution (16 per cent). Permission is seldom given on a long-term basis.

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Table 8 Northern Ireland: annual analysis of work permit issues by industrial group, Jan-Dec 1980

SIC Order	III-XIX XXIII		XXIV	XXV		XXVI		I, II, XX-XXII, XXVII		All industries
	Manu- factur- ing	Distri- bution	Insur- ance, bank- ing and fin- ance	Profes- sional and scien- tific services	Edu- cation- al ser- vices	Other profes- sional and scien- tific ser- vices	Hotel and cater- ing	Other misc- ellan- eous ser- vices	All other indus- tries	
All issues	51	0	0	25	2	4	25	8	115	

Table 9 Annual analysis of work permit issues for student vocational and spare-time employment by industrial group and country issuing passport, Jan-Dec 1980

SIC Order	III-XIX XXIII		XXIV	XXV		XXVI		I, II, XX-XXII, XXVII		All industries
	Country issuing passport	Manu- factur- ing	Distri- bution	Insur- ance, bank- ing and fin- ance	Profes- sional and scien- tific services	Edu- cation- al ser- vices	Other profes- sional and scien- tific ser- vices	Hotel and cater- ing	Other misc- ellan- eous ser- vices	
Hong Kong (Commonwealth)	8	35	0	19	9	123	14	4	212	
Iran	1	13	3	5	41	73	8	4	148	
Malaysia	12	104	15	36	38	222	22	11	460	
Nigeria	12	9	186	2	4	39	31	3	286	
Sri Lanka	0	33	48	2	5	23	32	2	145	
USA	7	33	31	15	4	30	9	4	133	
Others	26	77	49	102	49	196	26	12	537	
All	66	304	332	181	150	706	142	40	1,921	

Notes: (1) Overseas nationals studying full-time in the United Kingdom may be given permission to take employment during their vacations or spare time provided this does not interfere with their studies.
(2) The main criteria which must be satisfied before permission can be given is that no suitable resident labour is available for the job concerned.
(3) Approval for such employment ceases at the end of a student's studies and does not count towards the four-year period in approved employment after which an overseas national's restrictions may be lifted.

Training and Work Experience Scheme established

From January 1, 1980 the Training and Work Experience Scheme replaced the Student Employment and Commonwealth Training Schemes making common provision for the issue of work permits to both foreign and Commonwealth trainees for on-the-job training or limited periods of supernumary employment. 4,152 such permits

Table 10 European Community nationals: annual analysis of residence permits by industrial group and country issuing passport, Jan-Dec 1980

SIC order	II	IV-V		VI-XII	III, XIII XIX	XXII	XXIII	XXIV	XXV	XXVI			I, XX, XXI XXVII		All industries
	Country issuing passport	Mining and oil	Coal and chemical products	Metal engin- eering and vehicles	Other manu- facturing industries	Trans- port and commu- nication	Distri- bution	Insurance banking and finance	Profes- sional and scien- tific services	Miscellaneous services	Educat- ional services	Medical and dental services	Other profes- sional and scien- tific services	Enter- tain- ment		Hotel and cater- ing	Other misc- ellan- eous ser- vices
Belgium	5	12	24	12	10	23	18	9	9	6	1	30	0	8	167
Denmark	10	2	17	20	17	33	25	11	46	13	5	32	9	17	257
France	32	49	105	157	71	116	99	67	45	49	19	408	23	41	1,281
W. Germany	17	45	110	61	44	105	85	54	44	43	23	106	32	53	822
Italy	19	28	125	109	28	111	61	41	69	33	26	679	38	72	1,439
Luxembourg	0	0	0	0	0	0	0	0	0	1	0	0	0	0	1
Netherlands	77	49	51	38	25	49	51	28	40	28	10	27	12	39	524
All	160	185	432	397	195	437	339	210	253	173	84	1,282	114	230	4,491

Notes: (1) There are some minor discrepancies between these figures and those published by the Home Office.
(2) Citizens of the Irish Republic do not require residence permits.

Notes for the tables

- Permits are issued for overseas workers resident abroad. Permissions are given for those already in this country. The permission figures do not include applications for permission to change employment for those who have previously been given permission under the Scheme. Permits and permissions are referred to collectively as "work permit issues".
- "Long-term" permits or permissions are those issued for employment lasting 11 months or more. "Short-term" permits or permissions are those issued for shorter periods.
- Trainees admitted under the Training and Work Experience scheme are included in tables 2 and 3 but are excluded from all other tables.
- Table 1 includes overseas nationals studying in this country who have been given permission to take employment during their vacations or free time for the years 1976-79; the 1980 figures in table 1 and tables 2-8 exclude these students, while table 9 provides an analysis of students by industry.
- Tables 3-7, with analyses by country issuing passport, provide separate analyses of only the ten countries for which the largest number of long-term permits were issued; all other foreign and Commonwealth countries are included in the "other" analyses. Table 9 analyses separately only the five countries for which the greatest number of student permissions were given.

were issued in 1980, compared with 4,010 in 1979 under the two previous Schemes.

Free movement of labour

Nationals of European Community member states may come here to work without permits, but if they stay for more than six months they need residence permits which are issued by the Home Office. The number of residence permits issued in 1980 fell by one per cent to 4,491 from 4,529 in 1979 and the principal industries for which they were issued were hotel and catering (29 per cent), distribution and metal manufacture, engineering and vehicle manufacture (both ten per cent).

Work Permit Scheme

Identical work permit arrangements apply throughout the United Kingdom, although the Scheme is administered by the Department of Employment in Great Britain and the Department of Manpower Services in Northern Ireland. Very few permits were issued for work in Northern Ireland.

LABOUR MARKET DATA

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Trends in labour statistics

Summary

Indicators now available for the fourth quarter of 1981 show a clear picture of recovery from the low point in the economy in the second quarter. On the demand side all components improved in the fourth quarter and output rose by nearly $\frac{1}{2}$ per cent.

Industrial production during the winter months was depressed by bad weather and strikes, and it will be difficult to establish the underlying trend until the spring.

The latest economic forecast issued with the Budget predicts growth in the economy of $1\frac{1}{2}$ per cent in 1982 compared with 1981. This is much in line with independent forecasters.

In the labour market, the improvements made last year in employment, short-time and overtime are being sustained although the rate of fall in manufacturing employment remains substantial. The underlying rate of increase in unemployment is continuing to moderate and the number of vacancies is increasing. Productivity has improved substantially, as output has recovered and employment has continued to fall.

The increase in average earnings in the year to January was a little under 11 per cent. Lower settlements in the current pay round are being broadly offset by increases in hours worked. During 1981 labour costs per unit of output rose very much more

slowly, reflecting lower pay settlements and improved productivity.

The increase in the Retail Prices Index in the year to February was 11.0 per cent. Retail price inflation is forecast to fall to 9 per cent by the end of the year.

Economic background

The Budget on March 9 announced measures described in the Budget statement as aimed at continuing the Government's policy of maintaining monetary conditions that will bring about a further reduction in inflation. The Budget statement said that sustained economic recovery lies in moderating the growth of costs and increasing the returns on investment. By controlling the financial framework, faster growth can be achieved without creating excessive inflation, thus improving the longer term prospects for growth and employment.

The economic forecast issued with the Budget predicts growth of $1\frac{1}{2}$ per cent in GDP between 1981 and 1982. This is fairly well in line with forecasts from independent bodies. Within this, growth of 3 per cent in domestic demand is predicted, mainly in fixed investment and restocking. The statement indicated that prospects for output depend also on import penetration and export performance. Assuming the effective exchange rate remains roughly

stable, the expected continuing fall in unit labour costs will create some further reversal in the earlier loss of competitiveness. The balance of payments on the current account is forecast to be in surplus by £4 billion in 1982.

Output has been growing since last spring and all major components of demand were positive in the last quarter of 1981—consumers expenditure was up, destocking virtually came to a halt and investment also rose.

The *cso's composite index of coincident indicators* after rising steadily between April and October last year, has since been broadly flat. The longer leading index increased between October and February following its sharp decline from May. The lagging index has been broadly unchanged since mid 1981; this is consistent with earlier movements in the coincident index.

The latest *cbi quarterly industrial trends survey* for January, noted in last month's *Gazette*, reveals an improvement in business confidence and anticipates less destocking and redundancies.

GDP (output) rose by nearly $\frac{1}{2}$ per cent in the fourth quarter of 1981, according to the preliminary estimate. If oil and gas extraction is excluded, GDP (output) is broadly unchanged between the third and fourth quarters. The level of output in 1981 as a whole is esti-

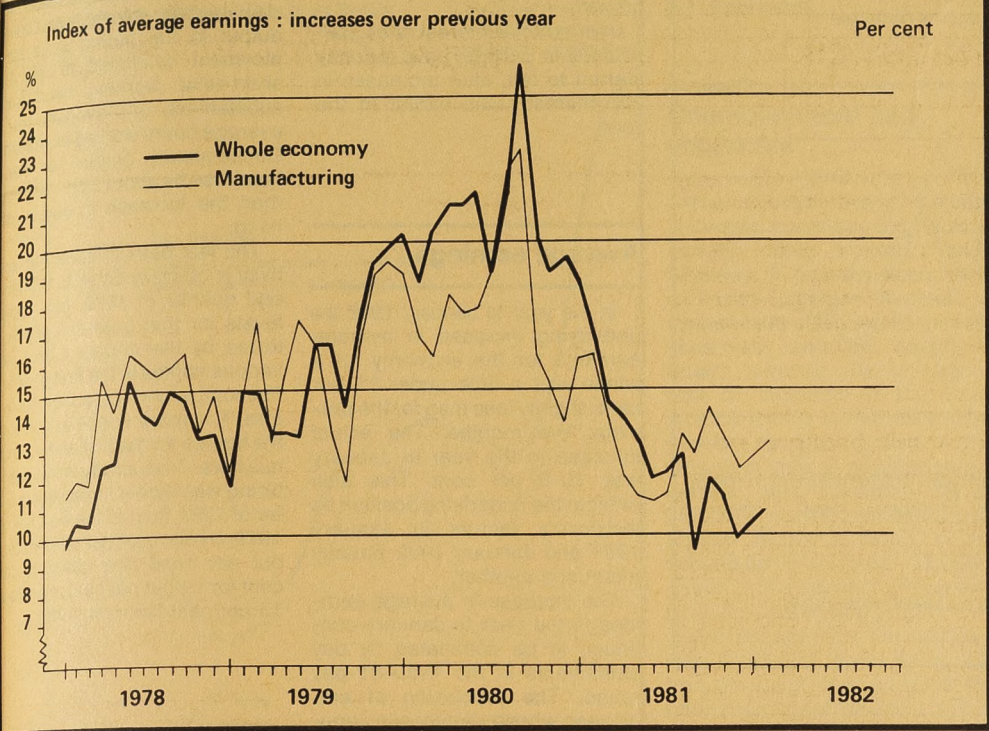
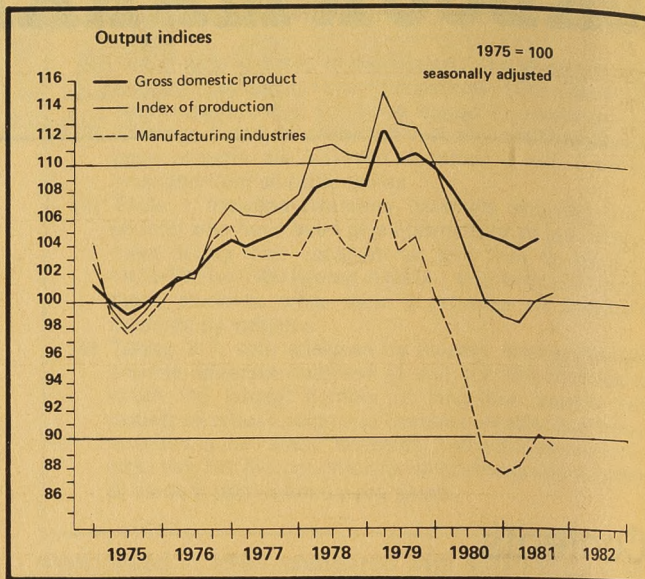
mated to have been nearly 3 per cent lower than in 1980.

Industrial production in the fourth quarter of 1981 was nearly $\frac{1}{2}$ per cent higher than in the previous quarter. When oil and gas extraction is excluded it was unchanged between the third and fourth quarters. North sea oil and gas extraction was at a record level in the fourth quarter, 7 per cent higher than in the previous quarter. Because of increased demand due to abnormally cold weather, gas and electricity output rose by 5 per cent between the third and fourth quarters.

Manufacturing output for the fourth quarter was much the same as in the previous quarter, although different industries had widely different experiences; while metal manufacture was $6\frac{1}{2}$ per cent higher, engineering and allied industries output was down by $\frac{1}{2}$ per cent; textiles, leather and clothing down 1 per cent, and chemicals, coal and petroleum products down $2\frac{1}{2}$ per cent.

The figures for November, December and January (when industrial production fell again) were depressed by erratic factors: there were disputes in the motor vehicle industry in November and very severe weather conditions in December and January. It will be difficult to gauge the underlying trend in industrial production until the spring.

Commentary



The level of stocks held by manufacturers and distributors is provisionally estimated to have fallen by £20 million (in 1975 prices) in the fourth quarter. This is the smallest quarterly fall in the last two years of continuous destocking. An increase in retail stocks was not quite sufficient to offset falls in manufacturers' and wholesalers' stocks. The reduction in stocks in 1981 amounted to around £1,060 million compared with a reduction of £1,880 million in 1980. The rate of destocking slowed down considerably in the second half of 1981, with a fall of about £100 million compared with £960 million in the first half of the year. Manufacturers' stocks fell by an estimated £125 million (in 1975 prices) in the fourth quarter, marginally more than in the previous quarter. In both quarters

stocks of materials and fuel and of finished goods fell while work in progress increased.

Capital expenditure by manufacturing, distributive and service industries excluding shipping in the fourth quarter of 1981 is provisionally estimated to be $\frac{1}{2}$ per cent higher than in the previous quarter. Manufacturing investment, including assets leased from the service industries, is estimated to have risen by 1 per cent compared with the previous quarter. This is the first increase following falls in seven successive quarters. In 1981 as a whole capital expenditure by industry was 4 per cent below the total for the previous year, and manufacturing investment, including assets leased from the service sector, was 13 per cent below the total for the previous year. Leas-

ing continued to provide an increasingly important source of new capital for manufacturing industry. In 1981 leased assets represented 18 per cent of manufacturing capital expenditure.

Housing starts rose by 2 per cent in the three months to January and were 14 per cent higher than a year earlier. On the same comparisons, private starts fell by 5 per cent but were 12 per cent higher than a year earlier; public starts rose by 23 per cent and were 18 per cent higher than a year earlier.

Consumers' expenditure rose by $1\frac{1}{2}$ per cent in the fourth quarter, according to preliminary estimates after a fall of $\frac{1}{2}$ per cent in the previous quarter. Retail

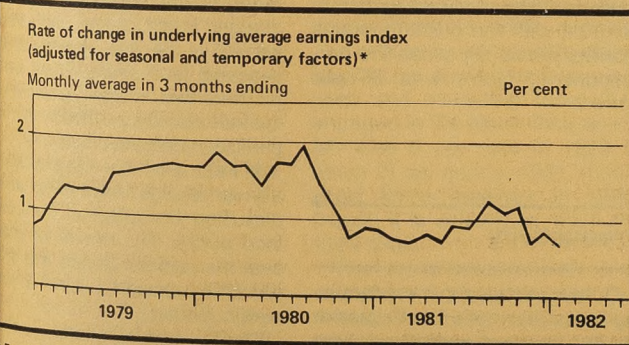
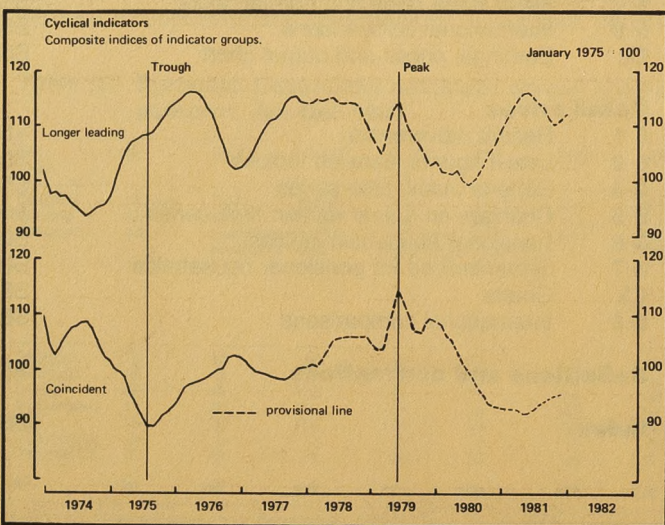
sales fell in February after a sharp rise in January. The volume of trade in the 3 months to February was virtually unchanged, at the same level as a year earlier.

The money supply, £M3, fell very slightly in the banking month to mid-February. The annual rate of growth of £M3 since the start of the current target period in mid-February 1981, has been $14\frac{1}{2}$ per cent, although part of this is accounted for by outstanding tax, delayed by last year's civil service dispute. £M3 has also been affected by the entry of the clearing banks into the mortgage market. The narrow definition of money, M1, has risen at an annual rate of 9 per cent since last February, while the widest aggregate, PSL2, which includes building society deposits, and is less affected by changes in the pattern of mortgages, has been growing at 12 per cent. The new target growth rate for M1, £M3 and PSL2 for the financial year 1982-83 is 8-12 per cent.

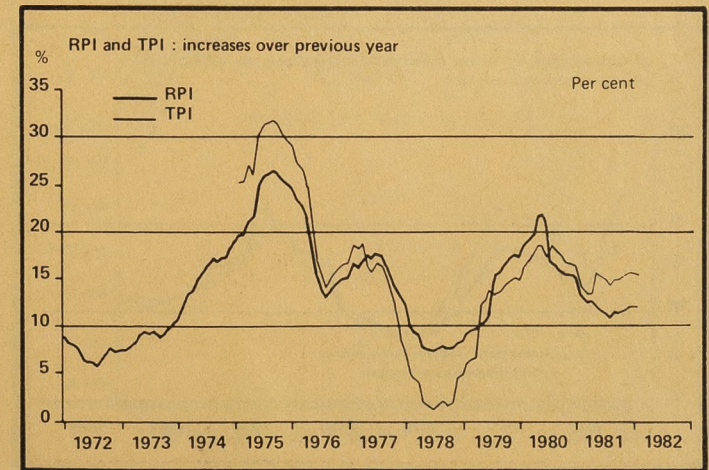
The Public Sector Borrowing Requirement for the first three quarters of 1981/82 was £9.7 billion, well in line with the £10.5 billion target for the financial year as a whole. The PSBR was £0.2 billion in the three months to December, compared with £3.1 billion in the previous three months.

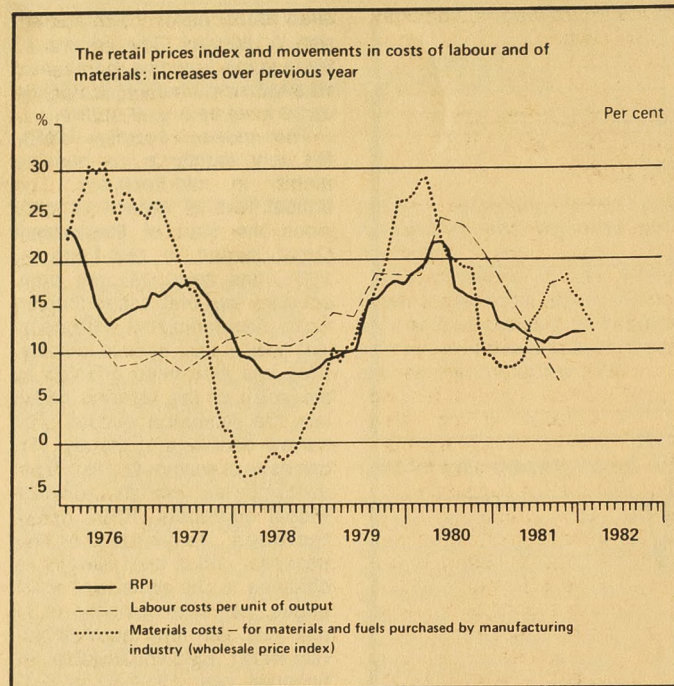
Bank base rates fell back by $\frac{1}{2}$ per cent on February 24 and a further $\frac{1}{2}$ per cent on 11 March to 13 per cent, and have now fallen by 3 per cent from their peak in October 1981.

The current account of the balance of payments was in surplus to the order of £8 billion in 1981, compared with just over £3 billion in 1980. In the last quarter there was a surplus of £1.5 billion and an estimated £3 billion surplus in the first quarter of the year. The visible trade surplus has fallen



*For description see *Employment Gazette*, April 1981, pages 193-6.





from an average of £500 million a month in the first two months of 1981 to an average of only £200 million from September to December. This was largely due to a reduction in the surplus on semi-manufactured goods and an increase in the deficit on trade in food, beverages and tobacco and in basic materials. The volume of exports in the last quarter of 1981 was 5 per cent higher than a year earlier while the volume of imports increased by 14 per cent.

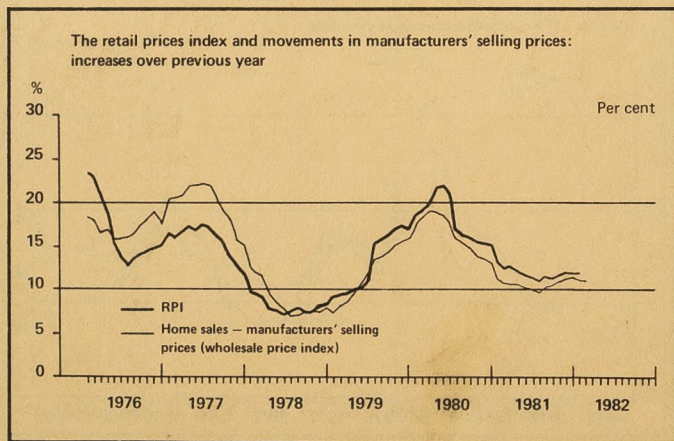
Sterling's effective exchange rate fell slightly between the end of January and the end of February, from 91.7 to 91.1 (1975 = 100). This fall was a reflection of the appreciation of the American dollar against all the major currencies. The £ rate fell from \$1.88 to \$1.82, while the rates against other major currencies were virtually unchanged. The effective

rate at the end of February was 7½ per cent lower than a year earlier.

World prospects

The recovery in world output following the recession has been rather slower than forecasters were expecting in the middle of 1981, but GNP in the major OECD industrial countries is expected to be around 1 per cent higher in 1982 than it was in 1981.

The main focus of attention in the industrial countries in recent weeks has been on record levels of unemployment and persistent high interest rates. Unemployment is expected to rise further in all the major countries except Japan. Nevertheless, most governments are maintaining their policies of controlling public



expenditure and monetary growth.

International interest rates, particularly in Europe, have recently started to fall, after increases in US interest rates earlier in the year.

Average earnings

In the year to January 1982 the underlying increase in average earnings for the economy as a whole was a little under 11 per cent, slightly less than for the previous five months. The actual increase in the year to January was 10.8 per cent. This also reflects the underlying position as temporary factors in January 1981 and January 1982 broadly offset one another.

The increase in average earnings in the year to January continues to be dominated by pay settlements in the 1980-81 pay round. The proportion of employees whose earnings in January 1982 reflected settlements in the 1981-82 pay round is estimated to have been about a fifth. Although such settlements were generally at lower levels than a year earlier their effect in reducing the percentage increase of average earnings on a year earlier was partly offset by the increase in hours worked (more overtime and less short-time) compared to a year earlier.

The underlying monthly increase in average earnings during the three months to January was a little under ¾ per cent and was not much affected by changes in hours worked.

The rise in average earnings in the year to January in manufacturing industries (13.2 per cent) was greater than for the economy as a whole, as the increase in hours worked was proportionately greater. However, there has been a significant increase in output per head in manufacturing during the past year or so, and wages and salaries per unit of output in the three months to January were 3 per cent above a year earlier, in contrast with the position twelve months previously when the corresponding figure was 23 per cent.

Productivity

Output per head in manufacturing industries in the fourth quarter of 1981 was just over 10 per cent higher than a year earlier. The

improvement broadly reflects the stabilisation of manufacturing output in the period while employment continued to fall. As short-time working decreased substantially and overtime rose, average hours worked increased. Consequently output per man-hour rose by about 2 per cent less than the increase in output per head.

The last peak in economic activity is officially dated in the second quarter of 1979, but output levels for that quarter were distorted by the recovery from the various strikes in the first quarter. For comparative purposes, therefore, it is more useful to average the figures for the first and second quarters. Productivity in manufacturing was higher in the last quarter of 1981 than in the first half of 1979, by about 3½ per cent for output per head and about 6½ per cent for output per hour, despite a 15 per cent fall in output.

Retail prices

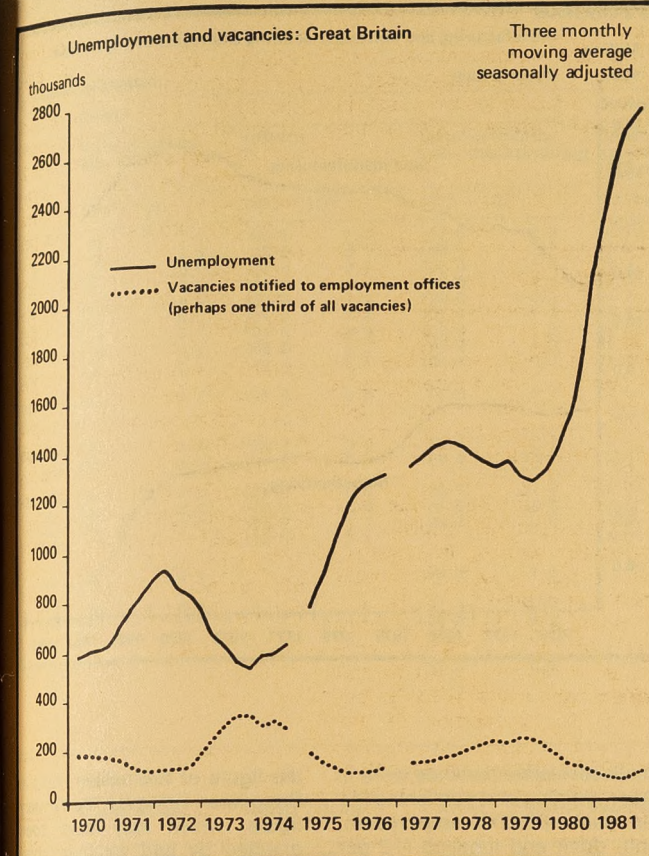
The rate of inflation, as measured by the twelve monthly change in the *Retail Prices Index*, fell to 11.0 per cent in February compared with the rates of 12 per cent for November, December and January.

The Budget measures announced on March 9 are expected to add about ½ per cent to the RPI. They will be reflected first in the March index, but the full effect on prices will not be felt until April, or possibly later. April will also see the first phase of the effect of the reduction in mortgage interest rates, from 15 to 13½ per cent; it is also the month in which local authorities set fresh levels for rents and rates.

Between January and February there was virtually no change in the overall RPI. This reflects a substantial reduction in petrol prices, a further fall in rates (as many local authorities, chiefly in London but also in the West Midlands, withdrew more of the supplementary rate charged from October) and a slackening in the rate of increase of seasonal food prices. There were modest rises in many sections of the index during the month, with no particularly large contributions.

In February there was also virtually no change in the index after excluding the effect of seasonal food prices. The rate of increase over the past six months was 3.2 per cent, compared with 4.2 per cent in January.

The *Tax and Price index* rose by 14.4 per cent in the year to Febru-



ary, 3.4 per cent more than the corresponding increase in the RPI, to stand at 162.4 (January 1978 = 100).

Input prices, that is the prices of materials and fuels purchased by manufacturing industry, continue to show relatively small monthly movements, and over the last six months have changed very little. In February there was an increase of ½ per cent, most of which resulted from higher prices for materials purchased by the food manufacturing industries. The change over a year fell back further, to 12 per cent from 13½ per cent, in February. Further reductions may be expected on account of the recent cut in the dollar price of North Sea Oil.

Manufacturers' selling prices as measured by the *Wholesale Price Index* for home sales) increased by ½ per cent in February. This was less than the corresponding rise (of 1 per cent) in February 1981 and the twelve monthly rate of change fell slightly, to 10½ per cent, from the January figure of 10.9 per cent.

In the Financial Statement and Budget Report, published on March 9 the Treasury forecast that by the fourth quarter of 1982, the RPI would be 9 per cent higher than a year earlier, and by mid-1983 7½ per cent. Over the next

year or so the moderation in unit labour costs should continue to exert a downward influence on the rate of inflation, and so too should weak commodity prices. Competitive pressures on firms to limit price rises, though not as intense as in late 1980 and early 1981 (when the exchange rate was higher and the level of demand lower), are likely to remain strong. These factors, in addition to specific influences on the RPI from a slower rate of increase in housing costs and the reduced effect of Budget measures in 1982 compared with 1981, should result in a further substantial fall in the rate of inflation.

This fall, the Treasury statement says, should be compatible, given the trends in costs and the Budget measures, with a further improvement in profit margins. The rate of return on companies' assets (at current replacement cost, and excluding companies engaged in the North Sea) which fell from 5 per cent in 1979 to about 2½ per cent in 1981 should show some recovery in 1982, though it is unlikely to reach the 1979 level.

The rate of inflation in the UK is now about 1½ per cent higher than the average for all OECD countries (9.5 per cent in January) and is ½ per cent lower than the average

for the European Community (11.5 per cent).

Unemployment and vacancies

The underlying trend in unemployment continues to show a slowing down in the rate of increase. A precise assessment is made difficult because of unevenness and distortions in the seasonally adjusted figures in recent months, the underlying rate of increase in the three months ending in February, after allowing for those opting for the long-term rate of supplementary benefit, was probably 30 to 35,000 a month, compared with around 40,000 a month in the second half of last year, 57,000 a month in the second quarter and 81,000 a month in the first.

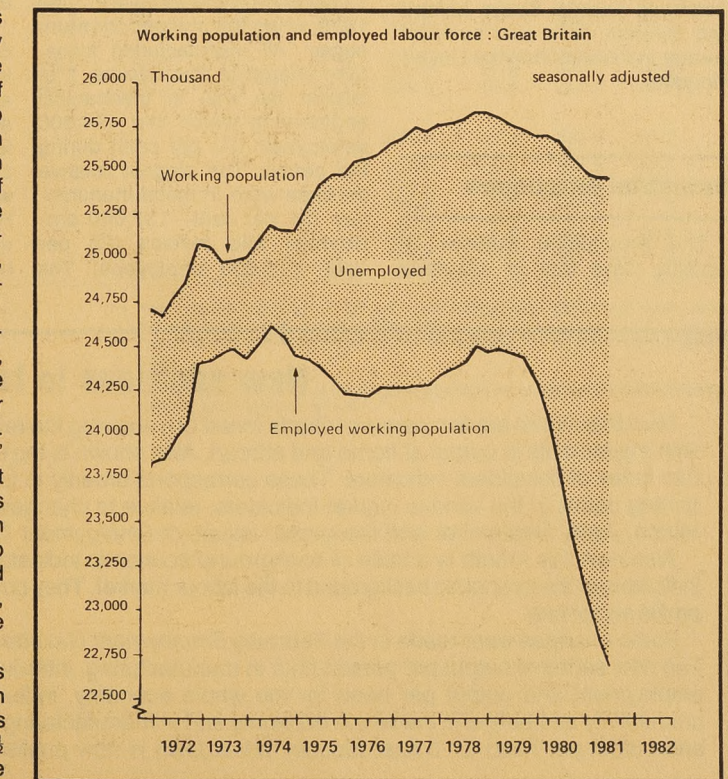
The recorded total for February was 3,045,000, down by 26,000 from January. This reflected the normal seasonal fall and a further reduction in school leavers; the underlying trend continued upward. The number of men opting for the long term rate of supplementary allowance between January and February, which involves their removal from the unemployment register, is believed to have been less than 5,000.

The February total included 134,000 school leavers regis-

tered as unemployed, compared with 90,000 in February 1981. This year there was a decrease of 16,000 since January, compared with a decrease of 12,000 in the corresponding period last year.

The total number of people covered by the *special employment measures* was 558,000 in January, an increase of 7,000 since December. The increase was accounted for by greater numbers on the Youth Opportunity Programme (up 10,000), the Job Release Scheme (up 3,000) and the Young Workers Scheme (a new scheme under which an estimated 16,000 workers are supported), offset by a further decrease in the numbers covered by the Temporary Short-Time Working Compensation Scheme (down 23,000). The effect on the unemployment register, which for a number of reasons is much less than the total number supported by the Schemes, was estimated at 325,000.

The inflow of vacancies (at employment offices) advanced further in November-January, to 164,000 a month seasonally adjusted, compared with 156,000 in the previous three months and 142,000 in the second quarter, near the low point last year. The stock of vacancies (held at employment offices) fell slightly between January and February but in the three months December to February they averaged 112,000, well up on the average of 100,000



in the previous three months and the low point of some 90,000 in the second quarter last year. A year ago, in the three months ending February, the stock averaged 100,000.

Male unemployment continues to rise faster than for females. In December to February, the increase on the previous three months in the male unemployment rate was 0.5 percentage points (0.7 percentage points with those taking the long term rate of supplementary benefit added back) compared with 0.2 percentage points for females.

The regional pattern in the latest three months shows above average increases in unemployment rates for Wales and Northern Ireland (0.5 percentage points), West Midlands (0.5) and East Anglia (0.6), as against the national average (up 0.4). Compared with a year earlier, most regions experienced similar increases, though the rise for the West Midlands (up 3.1) was above average compared with the national increase of 2.2.

International comparisons of unemployment show that all major western countries, with the exception of Japan, have experienced significant increases over the past year. The recent increases (latest three months compared with previous three months) have been more marked than in the United Kingdom (up 0.4 percentage points) in Germany (up 1.2), the Netherlands (up 0.9), the United States (up 0.7) and Canada (up 0.6). Denmark, Austria, Spain, Ireland and Sweden have also suffered greater increases than the United Kingdom.

Industrial stoppages

The provisional number of working days lost in industrial

stoppages in February was 546,000, somewhat above the revised figure of 484,000 for January and rather higher than the low average of 350,000 per month during 1981.

A strike in the motor vehicle industry and the train drivers dispute together accounted for over 60 per cent of the days lost in February.

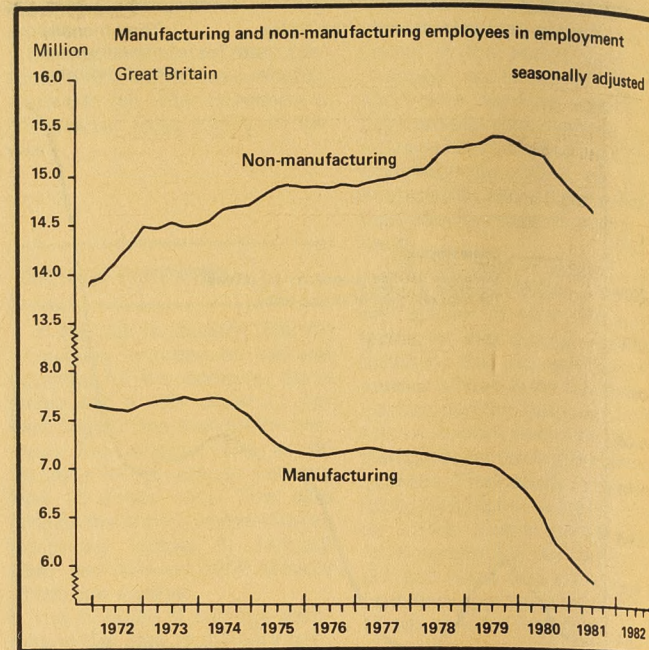
The provisional number of recorded stoppages, a less reliable indicator than the number of working days lost, remained very low in February at 112 beginning in the month, the same as the corresponding figure last year.

Employment

January figures for employment, overtime and short-time working in manufacturing industries show that the better position achieved in the second half of last year has been maintained but without further improvement. The rate of fall in manufacturing employment remains substantial.

Employment in manufacturing industries fell by 31,000 (seasonally adjusted) in January, very similar to the average monthly falls in each of the previous two quarters. These declines were well down on the falls of 51,000 a month in the first half of 1981 and of 74,000 a month in the second half of 1980.

Manufacturing employment in January was 1.3 million (nearly 19 per cent) below its level in June 1979, when the present downturn began. All manufacturing industries shared in this decline. The largest fall was in mechanical engineering which lost 194,000 employees (21½ per cent) during the period. The biggest relative declines were in metal manufacture (31 per cent—137,000 employees) and textiles (25 per cent—113,000 employees). The



smallest relative declines were in paper, printing and publishing (11 per cent—60,000 employees), food, drink and tobacco (12 per cent—82,000 employees) and chemicals and allied industries (13 per cent—58,000 employees). Among other production industries, employment in construction fell by 19 per cent (241,000 employees) but there were only relatively small falls in mining and quarrying and gas, electricity and water.

Overtime working among operatives in manufacturing industries was 10.1 million hours a week in January (seasonally adjusted), very similar to the levels recorded in the last quarter of 1981 but over a million hours a week more than a year earlier. Hours lost through short-time working in January, at 1.9 million hours a week, were slightly above

the figure of 1.7 million hours in December. However, the January figure, which may have been affected by bad weather, compares very favourably with 8.5 million hours a week lost in January 1981.

First indications are that total employment fell by more than 200 thousand (seasonally adjusted) in the last quarter of 1981. This is somewhat more than the 160 thousand fall in the third quarter but less than the falls of 300 thousand in each of the previous two quarters. This implies that total employment declined by about 2 million during the two years to the end of 1981.

It now looks as though there was a further substantial decline in the working population in the fourth quarter, after appearing to be levelling out in the third quarter.

Seasonally adjusted

	Output		Demand												
	Index of production—OECD	GDP(O) ¹	Index of production—manufacturing	Consumers' expenditure 1975 prices	Retail sales volume	Real personal disposable income	Fixed investment ²	Stock building ³							
	1975 = 100	1975 = 100	1975 = 100	£ billion	1978 = 100	1975 = 100	£ billion	£ billion							
1971	92	1.1	94.9	1.5	97.5	-0.6	59.7	-3.3	90.7	—	87.6	1.5	8.1	—	—
1972	98	6.5	97.8	-3.1	100.1	2.7	63.3	5.9	95.2	5.0	95.2	8.7	9.6	1.4	-0.1
1973	108	10.2	103.5	5.8	108.4	8.3	66.3	4.8	99.4	4.5	101.9	7.0	8.9	-2.1	2.2
1974	109	0.9	101.9	-1.5	106.6	-1.7	65.1	-1.8	98.3	-1.2	100.5	-1.4	7.3	-2.1	1.4
1975	100	-8.3	100.0	-1.9	100.0	-6.2	64.7	-0.6	96.6	-1.8	100.0	-0.5	7.4	1.2	-1.5
1976	109	9.0	101.9	1.9	101.4	1.4	64.8	0.1	96.4	-0.1	99.3	-0.7	7.3	-1.3	0.7
1977	113	3.6	104.6	2.6	102.9	1.5	64.6	-0.4	94.8	-1.7	94.8	-1.7	7.9	9.1	1.1
1978	118	4.4	108.0	3.3	103.9	1.0	68.2	5.6	100.0	5.6	106.2	8.5	8.8	10.7	0.6
1979	124	5.1	110.3	2.1	104.4	0.5	71.4	4.7	104.2	4.6	113.3	6.7	9.9	12.0	0.7
1980	123	-0.2	107.2	-2.8	95.3	-8.7	71.5	0.1	104.3	0.6	114.9	1.4	10.0	1.9	-1.9
1981	120	-3.2	106.3	-3.4	93.7	-9.2	17.8	0.4	104.3	2.2	115.7	3.1	2.5	0.9	-0.4
1980 Q3	123	-1.6	104.7	-5.3	90.0	-13.7	17.9	-0.4	104.2	-0.1	115.9	-0.9	2.5	—	-0.8
1981 Q1	124	1.6	104.2	-5.0	88.7	-11.4	18.0	-0.8	106.6	2.3	114.7	0.4	2.4	-5.3	-0.4
Q2	124	0.8	103.8	-3.9	88.9	-8.6	17.9	1.0	104.7	1.9	112.2	-1.6	2.4	-3.6	-0.6
Q3	124	3.3	104.5	-1.7	89.7	-3.9	17.8	0.0	105.5	1.4	112.2	-3.0	2.4	-2.3	-0.1
Q4	124	3.3	104.8	0.1	—	—	18.0	0.5	105.4	1.2	—	—	2.3	-2.1	1.1
Sep	124	0.4	—	—	90.3	-1.6	—	—	105.9	1.9	—	—	—	—	—
Oct	124	2.1	—	—	91.4	0.5	—	—	106.2	2.1	—	—	—	—	—
Nov	124	1.1	—	—	89.8	0.2	—	—	105.6	1.6	—	—	—	—	—
Dec	124	—	—	—	88.7	-0.4	—	—	104.6	0.6	—	—	—	—	—
1982 Jan	—	—	—	—	87.5	-0.9	—	—	107.0	-1.1	—	—	—	—	—
Feb	—	—	—	—	—	—	—	—	106.0	-0.1	—	—	—	—	—

	Visible trade		Balance of payments		Competitiveness		Profits		Prices						
	Export volume	Import volume	Current balance ⁴	Effective exchange rate ⁵	Relative unit labour costs ⁶	Gross trading profits of companies ⁷	Wholesale prices index ⁷ Materials and fuels	Home sales	1975 = 100	1975 = 100					
	1975 = 100	1975 = 100	£ billion	1975 = 100	1975 = 100	£ billion	1975 = 100	1975 = 100	1975 = 100	1975 = 100					
1971	85.9	5.9	85.5	4.5	1.1	127.9	-0.2	101.9	4.1	6.6	16.0	42.5	—	59.0	—
1972	85.6	-0.3	95.2	11.3	0.2	123.3	-3.6	100.2	-1.7	7.7	16.6	44.4	4.5	62.1	5.3
1973	97.2	13.6	108.4	13.9	-1.0	111.8	-9.3	89.0	-11.2	8.8	15.2	58.8	32.4	66.7	7.4
1974	104.2	14.6	109.5	1.0	-3.3	108.3	-3.1	94.5	6.2	8.3	5.7	86.8	47.6	81.8	22.6
1975	100.0	-4.0	100.0	-8.7	-1.5	100.0	-7.7	100.0	5.8	9.5	14.3	100.0	15.2	100.0	22.2
1976	109.9	9.9	105.8	5.8	-0.9	85.7	-14.3	93.9	-6.1	11.8	23.9	127.0	27.0	117.3	17.3
1977	118.4	7.7	107.7	1.8	—	81.2	5.3	89.9	-4.3	15.7	33.0	145.6	14.6	140.5	19.8
1978	121.5	2.6	112.8	4.7	0.9	81.5	0.4	96.0	6.8	18.3	16.4	144.6	-0.7	153.3	9.1
1979	125.6	3.4	125.6	11.3	-0.9	87.3	7.1	111.4	16.0	17.7	-3.2	167.6	15.9	172.0	12.2
1980	127.9	1.8	119.1	-5.2	3.1	96.1	10.1	137.0	23.0	16.1	-9.1	200.9	19.9	200.0	16.3
1981	124.8	-2.5	115.6	-10.4	0.9	96.7	5.9	140.8	20.7	3.8	-20.0	201.9	18.8	203.6	15.4
1980 Q3	126.8	-2.5	110.3	-14.4	2.1	100.2	13.2	147.0	25.1	4.0	-14.9	203.3	10.5	206.1	13.4
1981 Q1	n.a.	n.a.	103.8	-16.6	..	101.4	9.0	153.7	21.9	3.7	-19.6	213.8	8.4	212.3	10.9
Q2	n.a.	n.a.	n.a.	n.a.	..	97.8	3.5	147.4	9.9	3.8	-11.6	225.8	12.2	219.4	10.3
Q3	n.a.	n.a.	n.a.	n.a.	..	90.6	-6.3	138.1	-1.9	4.3	13.2	235.9	16.8	224.1	10.1
Q4	133.7	—	125.6	—	..	89.7	-10.5	—	—	—	—	—	—	—	—
Sep	128.8	3.9	129.9	17.5	0.1	88.0	-9.8	—	—	—	—	237.9	17.7	225.9	10.4
Oct	132.6	5.7	120.2	12.3	0.5	88.2	-11.1	—	—	—	—	238.2	18.3	227.8	10.9
Nov	136.7	6.3	134.7	20.9	0.2	90.1	-10.9	—	—	—	—	236.9	16.4	229.1	11.1
Dec	131.9	3.8	122.0	8.5	—	90.7	-9.5	—	—	—	—	236.8	15.5	230.0	11.3
1982 Jan	—	—	—	—	—	91.1	-10.7	—	—	—	—	238.7	13.8	232.7	10.9
Feb	—	—	—	—	—	91.6	-10.7	—	—	—	—	239.6	12.0	234.4	10.6

Notes: * For each indicator two series are given, representing the series itself in the units stated and the percentage change in the series on the same period a year earlier.
 † Not seasonally adjusted.
 (1) At constant factor cost.
 (2) Manufacturing, distributive and service industries (excluding shipping).
 (3) Manufacturing and distributions.
 (4) Averages of daily rates.

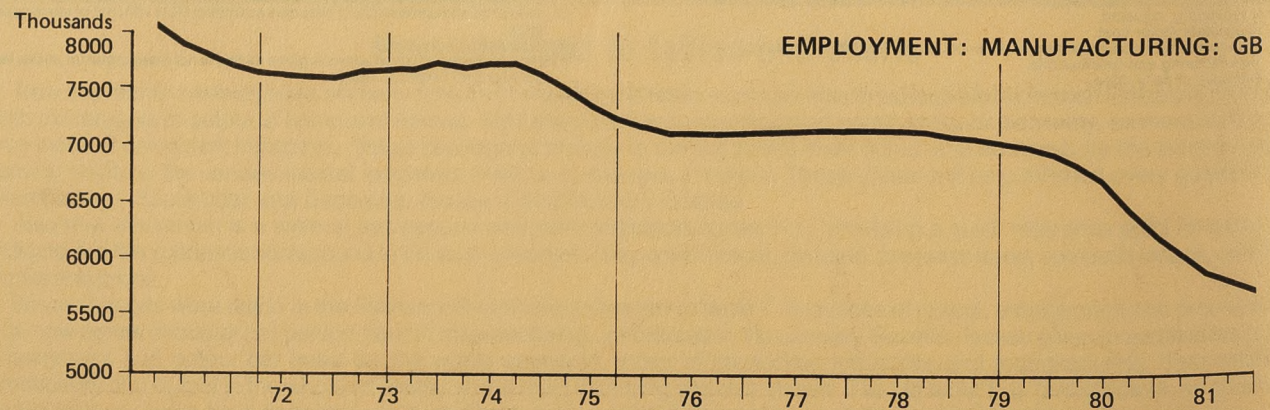
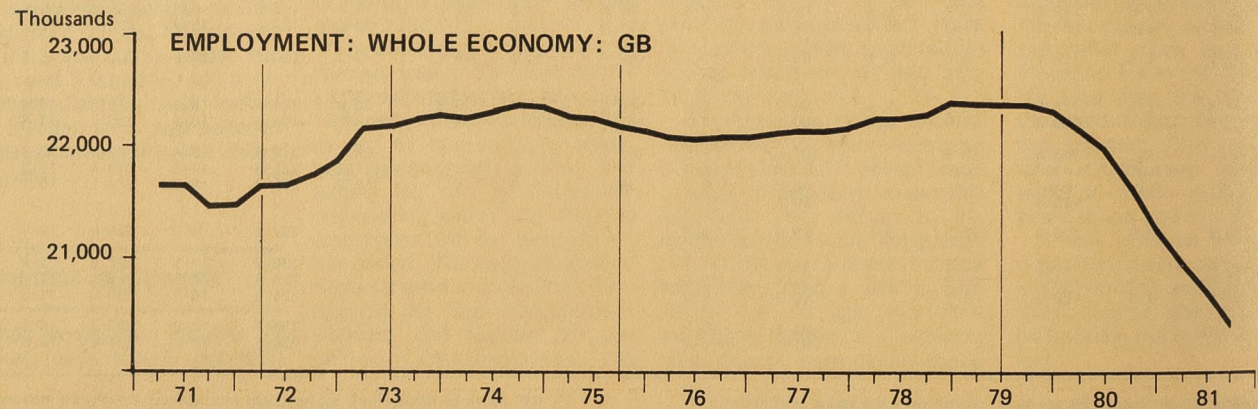
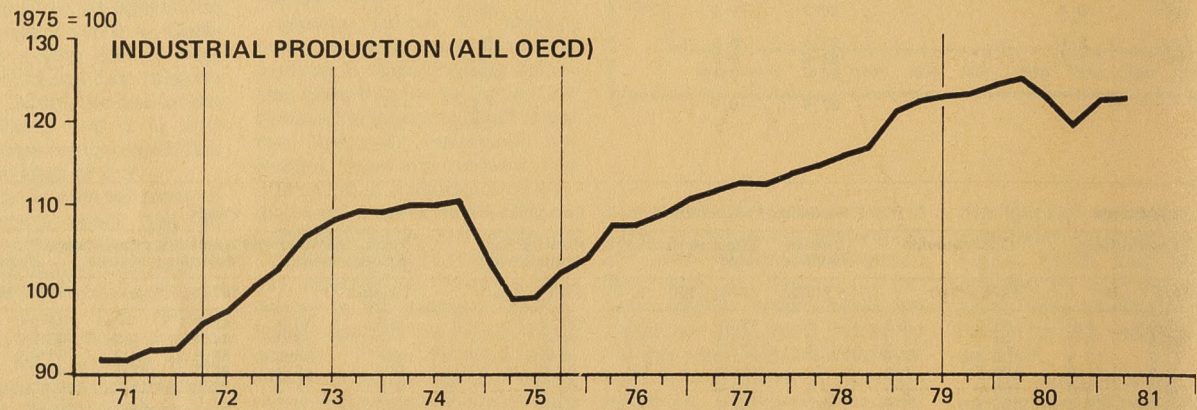
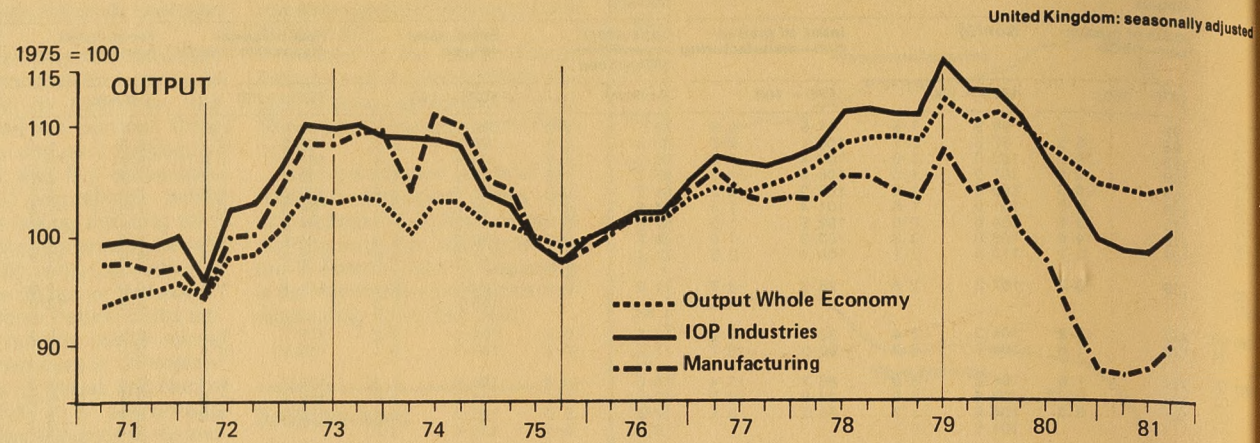
(5) IMF index of relative unit labour costs (normalised). Downward movements indicate an increase in competitiveness.
 (6) Industrial and commercial companies excluding MLH 104, net of stock appreciation.
 (7) Manufacturing industry.
 (8) No percentage change series is given as this is not meaningful for series taking positive and negative values.

New additions to tables and charts

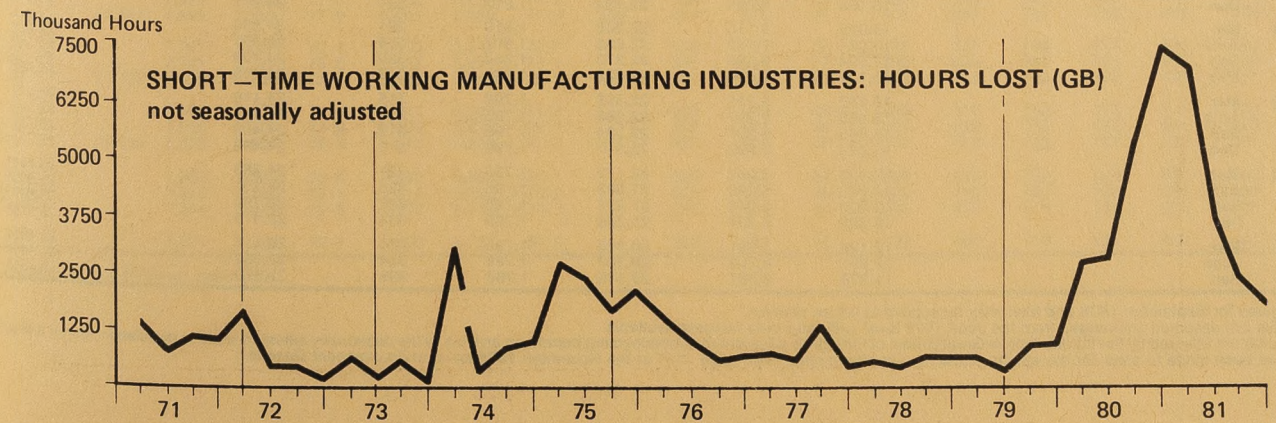
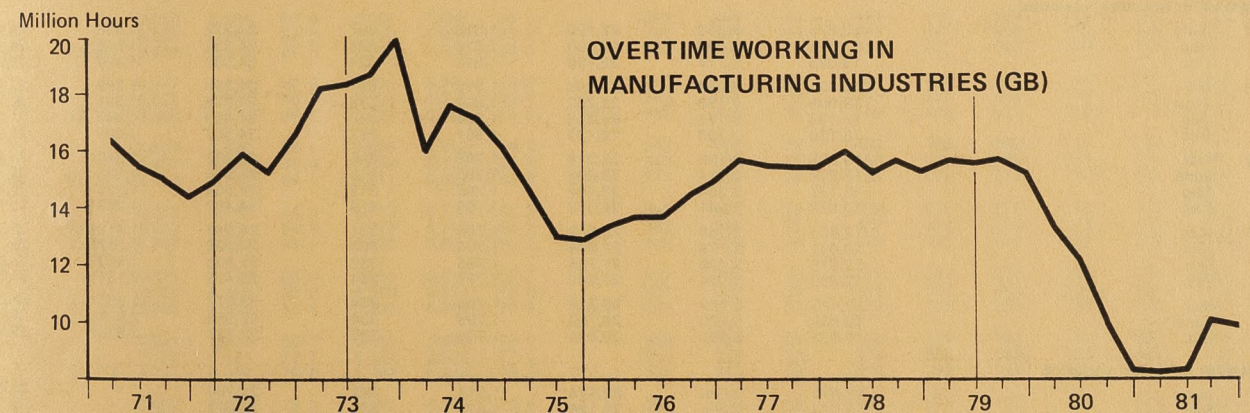
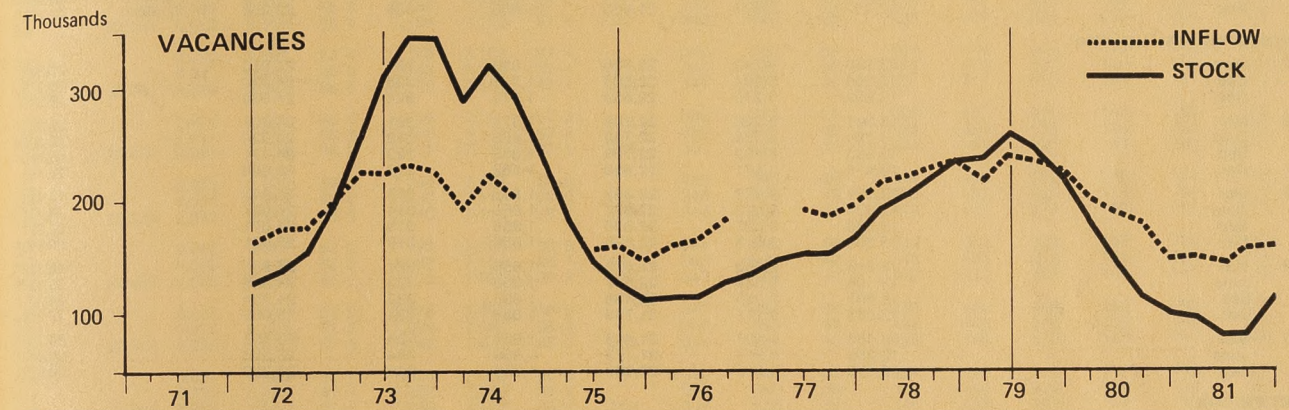
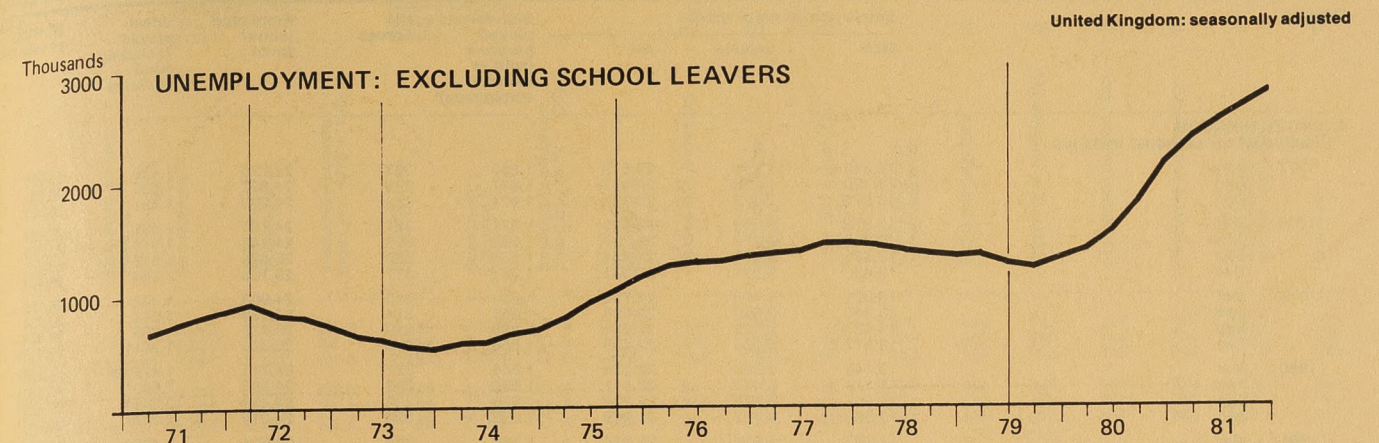
New this month are two pages of charts (chart CO) showing the relative movements in various labour market indicators compared with movements in output at home and abroad. Also shown is the timing of turning points in the UK economy, as measured by the CSO index of coincident indicators. These correspond broadly to turning points in UK output and demonstrate the leads or lags of turning points in the various market indicators, relative to changes in output. These charts will be published every quarter in the March, June, September and December issues of *Employment Gazette*.

Also new this month is a table of background economic indicators (table 0.1), providing a quick reference point for some key indicators in the economic background to the labour market. They cover output, demand, overseas trade, competitiveness, company profits and prices.

Some changes were made in the February *Employment Gazette* to table 1.8 (indices of output, employment and productivity). The new series of output per person hour in manufacturing, introduced in the January *Gazette*, is now given in addition to output, employment and output per head for the whole economy, index of production industries and manufacturing. Two charts of productivity and output in the whole economy and in manufacturing are also shown. The old table 1.8, giving output, employment and output per head for a finer industry breakdown is now published quarterly, starting in this *Gazette*.



The vertical lines indicate peaks and troughs in the economy as given by the CSO index of coincident indicators



The vertical lines indicate peaks and troughs in the economy as given by the CSO Index of coincident indicators.

1.7 EMPLOYMENT Manpower in the local authorities

Service	June 14, 1980			Sep 13, 1980			[Dec 13, 1980]		
	Full-time	Part-time	FT (c) equivalent	Full-time	Part-time	FT (c) equivalent	Full-time	Part-time	FT (c) equivalent
Education—Lecturers and teachers	506,871	141,095	536,022	497,240	102,344	522,171	497,911	143,071	526,501
—Others	189,605	456,815	387,053	185,577	448,139	379,305	182,269	451,706	377,742
Construction	119,544	525	119,772	119,934	525	120,161	118,061	479	118,269
Transport	20,475	359	20,630	20,308	367	20,467	19,724	354	19,879
Social Services	128,556	159,605	195,732	129,459	159,725	196,687	129,474	161,478	197,467
Public libraries and museums	23,131	15,431	30,715	23,357	15,740	31,102	23,182	15,482	30,799
Recreation, parks and baths	66,387	19,744	74,864	65,774	19,237	74,034	61,968	17,743	69,619
Environmental health	20,153	1,744	20,898	20,154	1,684	20,874	19,797	1,634	20,497
Refuse collection and disposal	47,221	321	47,357	47,086	310	47,218	46,465	321	46,803
Housing	43,319	12,308	48,721	43,819	12,314	49,227	44,062	12,464	49,532
Town and country planning	20,106	630	20,428	20,158	619	20,475	19,981	581	20,277
Fire Service—Regular	33,858	9	33,863	33,867	8	33,871	33,771	9	33,776
—Others (a)	4,071	1,885	4,878	4,074	1,898	4,886	4,073	1,902	4,887
Miscellaneous services	223,704	44,532	243,153	224,798	44,338	244,155	221,895	43,436	240,853
All above	1,447,001	855,003	1,784,086	1,435,605	807,248	1,764,633	1,422,633	850,660	1,756,701
Police service—Police (all ranks)	108,803	—	108,803	109,353	—	109,353	110,694	—	110,694
—Others (b)	37,649	6,620	40,473	38,254	6,703	41,147	39,353	6,730	42,226
Probation, magistrates' courts and agency staff	15,620	4,205	17,646	16,284	4,304	18,366	16,231	4,284	18,309
All (excluding special employment and training measures)	1,609,073	865,828	1,951,008	1,599,496	818,255	1,933,499	1,588,911	861,674	1,927,930

Service	June 14, 1980			Sep 13, 1980			[Dec 13, 1980]		
	Full-time	Part-time	FT (c) equivalent	Full-time	Part-time	FT (c) equivalent	Full-time	Part-time	FT (c) equivalent
Education—Lecturers and teachers	33,901	4,608	34,698	33,360	3,285	34,026	33,211	4,760	34,040
—Others	11,410	27,424	22,983	10,955	27,163	22,394	10,879	27,635	22,595
Construction	10,688	42	10,705	10,545	41	10,562	10,411	46	10,430
Transport	1,926	33	1,940	1,910	35	1,925	1,940	32	1,953
Social Services	8,009	9,197	11,841	8,155	8,895	11,859	8,288	8,976	12,011
Public libraries and museums	1,215	734	1,575	1,225	756	1,594	1,206	729	1,563
Recreation, parks and baths	4,731	1,501	5,365	4,508	1,558	5,167	4,128	1,438	4,736
Environmental health	1,182	238	1,281	1,201	224	1,294	1,168	231	1,264
Refuse collection and disposal	2,270	2	2,271	2,274	4	2,276	2,153	3	2,154
Housing	1,783	447	1,989	1,795	468	2,010	1,783	455	1,992
Town and country planning	1,478	26	1,491	1,472	26	1,485	1,464	25	1,477
Fire Service—Regular	1,812	—	1,812	1,785	—	1,785	1,782	—	1,782
—Others (a)	315	129	368	308	129	361	309	132	364
Miscellaneous services	18,491	3,484	19,956	18,660	3,527	20,143	18,297	3,483	19,762
All above	99,211	47,865	118,275	98,153	46,111	116,881	97,019	47,945	116,123
Police service—Police (all ranks)	6,349	—	6,349	6,322	—	6,322	6,363	—	6,363
—Others (b)	1,711	332	1,887	1,702	334	1,879	1,729	333	1,905
Probation, magistrates' courts and agency staff	960	200	1,053	958	201	1,051	973	202	1,068
All (excluding special employment and training measures)	108,231	48,397	127,564	107,135	46,646	126,133	106,084	48,480	125,459

Notes: (a) Includes administrative, clerical and cleaning staff. (b) Includes civilian employees of police forces, traffic wardens and police cadets. (c) Based on the following factors to convert part-time employees to approximate full-time equivalent: Teachers and lecturers in further education, 0.11; Teachers in primary and secondary education and all other non-manual employees, 0.53; Manual employees, 0.41.

EMPLOYMENT 1.7 Manpower in the local authorities

Service	[Mar 14, 1981]			[June 13, 1981]			[Sep 12, 1981]		
	Full-time	Part-time	FT (c) equivalent	Full-time	Part-time	FT (c) equivalent	Full-time	Part-time	FT (c) equivalent
Education—Lecturers and teachers	498,095	140,663	526,926	496,567	130,207	525,118	488,091	86,707	510,987
—Others	180,855	448,947	375,215	177,344	446,382	370,752	176,049	435,790	364,718
Construction	115,459	496	115,674	111,732	454	111,929	110,765	452	110,963
Transport	19,343	349	19,495	19,764	360	19,921	19,520	360	19,677
Social Services	130,093	161,466	198,083	130,188	160,235	197,689	130,427	160,379	197,971
Public libraries and museums	23,023	15,636	30,729	22,914	15,516	30,555	22,992	15,715	30,729
Recreation, parks and baths	61,414	17,970	69,149	65,091	19,442	73,463	64,891	19,356	73,236
Environmental health	19,718	1,566	20,390	19,792	1,629	20,489	19,546	1,663	20,257
Refuse collection and disposal	45,996	293	46,121	45,365	330	45,505	45,266	322	45,403
Housing	44,355	12,542	49,862	44,275	12,417	49,738	44,592	12,589	50,127
Town and country planning	19,896	598	20,201	19,739	586	20,039	19,533	583	19,831
Fire Service—Regular	33,613	12	33,619	33,537	9	33,542	33,524	3	33,526
—Others (a)	4,046	1,899	4,859	4,028	1,904	4,844	4,006	1,917	4,827
Miscellaneous services	220,184	42,737	238,825	219,057	43,274	237,947	217,915	42,916	236,662
All above	1,416,090	845,174	1,749,148	1,409,393	832,745	1,741,531	1,397,117	778,752	1,718,914
Police service—Police (all ranks)	111,475	—	111,475	112,184	—	112,184	112,473	—	112,473
—Others (b)	39,210	6,726	42,080	38,755	6,716	41,654	38,614	6,642	41,481
Probation, magistrates' courts and agency staff	16,245	4,465	18,405	16,377	4,614	18,621	16,472	4,703	18,762
All (excluding special employment and training measures)	1,583,020	856,365	1,921,108	1,576,709	844,075	1,913,990	1,564,676	790,097	1,891,630

Service	[Mar 14, 1981]			[June 13, 1981]			[Sep 12, 1981]		
	Full-time	Part-time	FT (c) equivalent	Full-time	Part-time	FT (c) equivalent	Full-time	Part-time	FT (c) equivalent
Education—Lecturers and teachers	33,179	4,520	34,006	32,972	4,009	33,743	32,425	2,689	33,027
—Others	10,812	27,636	22,508	10,615	26,936	22,004	10,406	26,719	21,686
Construction	10,280	47	10,299	10,092	48	10,112	9,957	43	9,975
Transport	1,906	35	1,921	1,892	32	1,905	1,884	33	1,898
Social Services	8,346	9,187	12,159	7,919	9,333	11,803	8,217	8,788	11,879
Public libraries and museums	1,179	762	1,551	1,170	757	1,542	1,171	773	1,549
Recreation, parks and baths	4,081	1,477	4,706	4,498	1,657	5,199	4,396	1,654	5,096
Environmental health	1,161	222	1,253	1,173	237	1,271	1,179	232	1,275
Refuse collection and disposal	2,149	2	2,150	2,084	5	2,086	2,092	5	2,094
Housing	1,786	460	1,997	1,784	494	2,009	1,800	487	2,023
Town and country planning	1,454	26	1,467	1,443	29	1,458	1,439	31	1,454
Fire Service—Regular	1,761	—	1,761	1,749	—	1,749	1,739	—	1,739
—Others (a)	307	129	361	299	128	352	298	129	351
Miscellaneous services	18,158	3,484	19,623	18,113	3,478	19,576	18,057	3,448	19,510
All above	96,559	47,987	115,762	95,803	47,143	114,809	95,060	45,031	113,556
Police service—Police (all ranks)	6,370	—	6,370	6,366	—	6,366	6,347	—	6,347
—Others (b)	1,723	334	1,900	1,719	340	1,899	1,713	334	1,890
Probation, magistrates' courts and agency staff	970	205	1,066	981	208	1,079	992	224	1,098
All (excluding special employment and training measures)	105,622	48,526	125,098	104,869	47,691	124,153	104,112	45,589	122,891

1.8 EMPLOYMENT Indices † of output, employment and productivity

seasonally adjusted (1975 = 100)

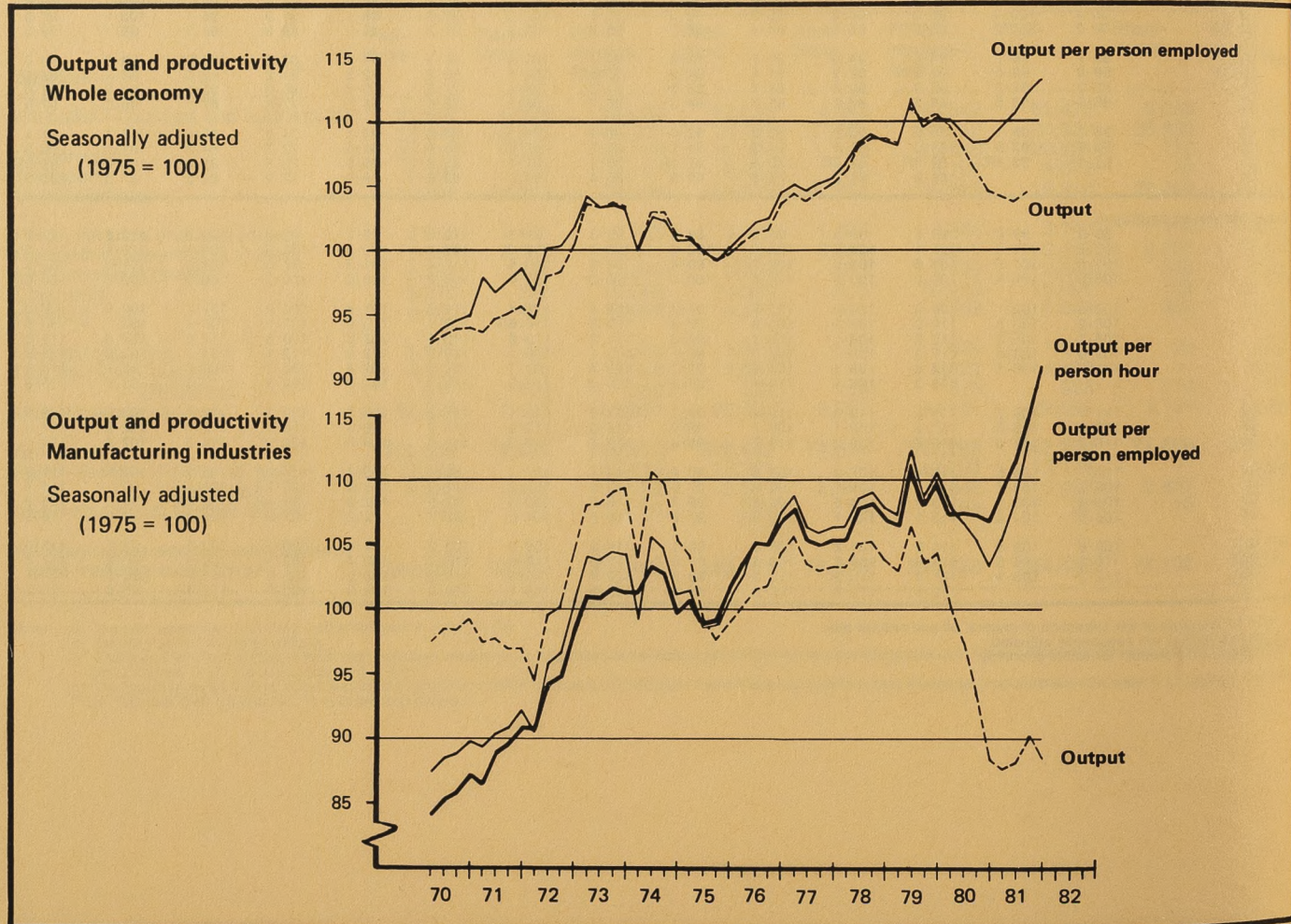
EMPLOYMENT 1.10 Administrative, technical, clerical and operative: manufacturing industries: September 1981

UNITED KINGDOM	Whole economy						Index of production industries						Manufacturing industries			
	including MLH 104†			excluding MLH 104†			including MLH 104†			excluding MLH 104†			Output per person employed	Output per person hour	Output per person employed	Output per person hour
	Output‡	Employed labour force	Output per person employed	Output‡	Employed labour force	Output per person employed	Output‡	Employed labour force	Output per person employed	Output‡	Employed labour force	Output per person employed					Output‡	Employed labour force	Output per person employed	Output per person hour
1972	97.8	97.9	99.9	97.7	97.9	99.8	101.6	103.0	98.7	101.4	103.0	98.5	99.7	103.9	95.9	94.5
1973	103.5	100.0	103.6	103.5	100.0	103.5	109.7	104.4	105.1	109.5	104.5	104.9	108.8	104.4	104.2	101.2
1974	101.9	100.4	101.5	101.9	100.4	101.5	105.7	104.1	101.6	105.7	104.1	101.6	107.5	104.7	102.7	101.8
1975	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
1976	101.9	99.3	102.6	101.3	99.3	102.1	102.4	97.3	105.3	101.1	97.2	104.0	102.0	96.9	105.3	105.1
1977	104.6	99.4	105.2	102.9	99.4	103.6	106.5	96.9	110.0	102.5	96.8	105.9	103.9	97.2	106.9	105.9
1978	108.0	99.9	108.1	105.6	99.9	105.8	110.2	96.8	113.9	104.4	96.7	108.1	104.4	96.6	108.0	107.1
1979	110.3	100.3	109.9	106.9	100.3	106.6	112.8	96.2	117.3	104.4	96.1	108.7	104.6	95.3	109.8	108.9
1980	107.2	98.3	109.1	103.7	98.3	105.5	105.1	91.7	114.6	96.5	91.6	105.4	95.0	89.7	105.8	107.3
1981	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
1979 Q2	112.1	100.4	111.7	108.7	100.3	108.3	115.2	96.4	119.5	106.7	96.3	110.8	107.4	95.6	112.4	111.2
Q3	110.0	100.4	109.5	106.4	100.4	106.0	112.8	96.3	117.2	104.0	96.2	108.1	103.6	95.3	108.7	108.1
Q4	110.6	100.2	110.3	107.2	100.2	107.0	112.6	95.6	117.8	104.3	95.5	109.2	104.5	94.4	110.7	109.9
1980 Q1	109.7	99.7	110.1	106.2	99.7	106.5	109.9	94.4	116.4	101.2	94.3	107.4	100.3	93.1	107.8	107.4
Q2	108.1	99.0	109.2	104.7	99.0	105.7	107.0	93.0	115.0	98.5	92.9	106.1	97.6	91.4	106.8	107.5
Q3	106.3	98.0	108.4	102.9	97.9	105.1	103.5	90.9	113.8	95.3	90.8	104.9	93.6	88.7	105.5	107.4
Q4	104.7	96.5	108.5	101.1	96.5	104.8	99.9	88.3	113.1	91.0	88.2	103.1	88.5	85.7	103.3	106.9
1981 Q1	104.2	95.1	109.6	100.4	95.1	105.6	98.7	85.9	114.9	89.4	85.8	104.2	87.6	83.3	105.2	109.3
Q2	103.8	93.9	110.6	100.1	93.9	106.6	98.4	84.0	117.2	89.2	83.9	106.3	88.1	81.3	108.4	111.2
Q3	104.5	93.1	112.2	100.7	93.1	108.1	100.0	82.4	121.4	90.7	82.3	110.2	90.1	79.8	112.9	114.6
Q4	—	—	—	—	—	—	—	—	100.5	81.3	123.6	90.6	81.2	111.6	89.7	78.8

† MLH 104 consists of the extraction of mineral oil and natural gas.
‡ Gross domestic product for whole economy.

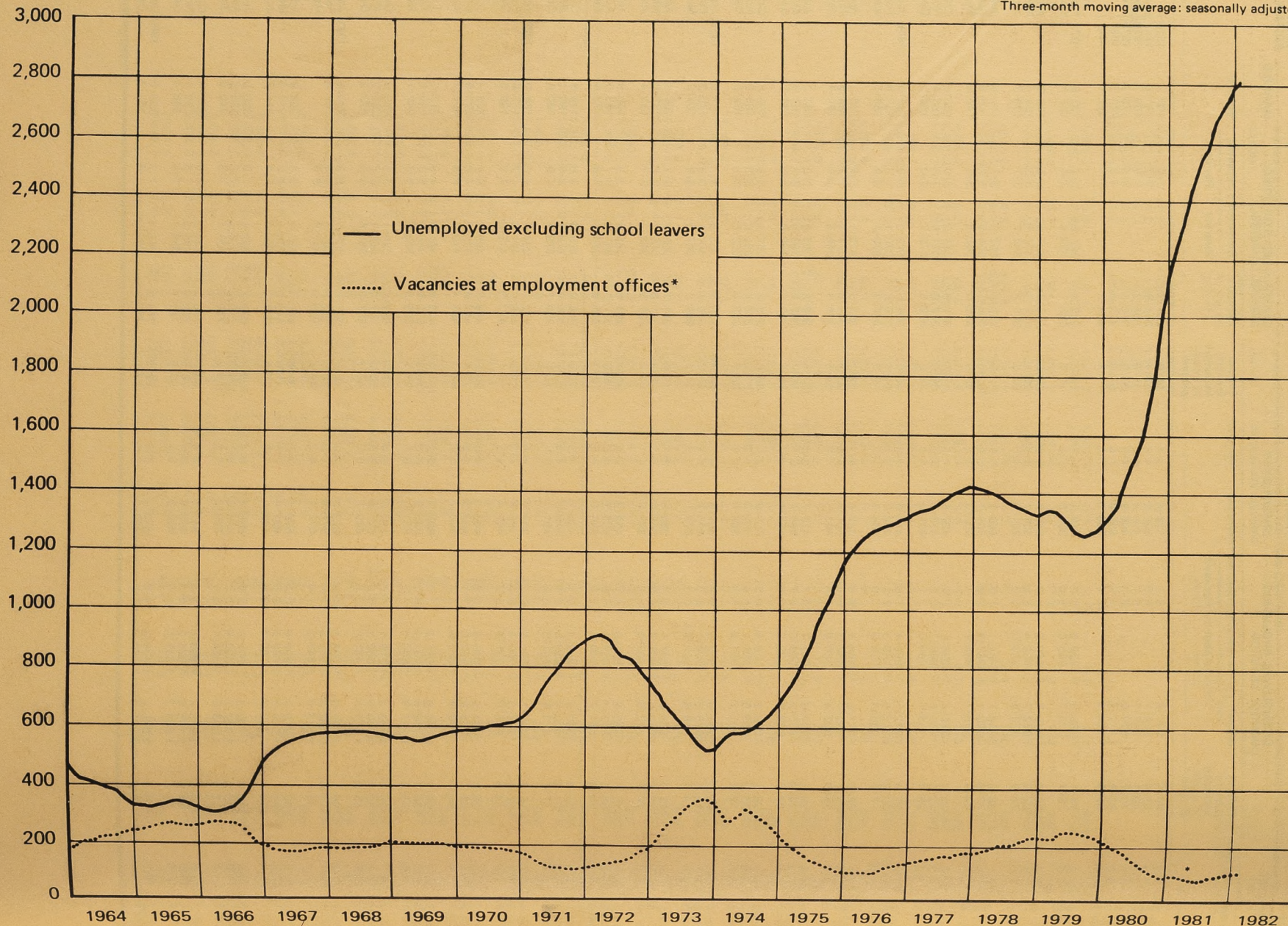
GREAT BRITAIN	SIC 1968	Employees in employment (Thou)									Administrative, technical and clerical staff as a percentage of all employees (per cent)		
		Operatives			Administrative, technical and clerical			All employees			Male	Female	All
		Male	Female	All	Male	Female	All	Male	Female	All			
III	283.8	186.1	469.9	88.3	55.8	144.0	372.0	241.8	613.9	23.7	23.1	23.5	
IV	23.4	1.5	24.9	8.9	2.6	11.5	32.3	4.1	36.4	27.6	62.7	31.6	
V	178.8	59.7	238.6	103.8	49.6	153.4	282.7	109.3	392.0	36.7	45.4	39.1	
VI	218.9	15.5	234.4	64.4	19.0	83.4	283.3	34.6	317.8	22.7	55.0	26.2	
VII	429.7	40.0	469.7	196.4	68.8	265.2	626.1	108.8	734.9	31.4	63.2	36.1	
VIII	46.2	26.3	72.5	34.9	15.5	50.5	81.1	41.8	122.9	43.1	37.1	41.1	
IX	235.7	146.7	382.4	191.2	65.8	257.0	426.8	212.5	639.3	44.8	31.0	40.2	
X	100.0	4.7	104.7	29.9	6.0	35.9	129.9	10.7	140.6	23.0	55.7	25.5	
XI	389.0	33.3	422.3	150.7	36.6	187.3	539.7	69.9	609.6	27.9	52.3	30.7	
XII	244.9	69.7	314.7	72.5	37.4	109.9	317.4	107.1	424.6	22.8	34.9	25.9	
XIII	144.3	131.7	276.0	40.5	25.7	66.2	184.9	157.3	342.2	21.9	16.3	19.3	
XIV	14.5	12.0	26.5	3.0	2.0	5.0	17.5	14.0	31.5	17.0	14.4	15.9	
XV	53.1	200.3	253.4	20.0	21.3	41.3	73.1	221.6	294.7	27.4	9.6	14.0	
XVI	132.7	26.9	159.7	33.9	14.9	48.8	186.6	41.9	208.5	20.3	35.7	23.4	
XVII	144.1	23.2	167.3	34.9	19.7	54.7	179.1	42.9	222.0	19.5	46.0	24.6	
XVIII	240.3	83.9	324.2	94.1	65.7	159.8	334.4	149.6	484.1	28.1	43.9	33.0	
XIX	128.2	67.0	195.2	41.1	20.6	61.7	169.3	87.6	256.9	24.3	23.5	24.0	
All manufacturing industries	3,007.7	1,128.6	4,136.3	1,208.6	526.9	1,735.5	4,216.2	1,655.5	5,871.7	28.7	31.8	29.6	

Note: Administrative, technical and clerical employees cover such groups as directors (except those paid by fee only); managers, superintendents and works or general foremen (i.e. foremen with other foremen under their control); professional, scientific, technical and design staff, draughtsmen and tracers; sales representatives and salesmen; and office (including works office) staff. All other employees are regarded as operatives.



THOUSAND

Three-month moving average: seasonally adjusted



* Vacancies at employment offices are only about a third of total vacancies

2.17 UNEMPLOYMENT

Minority group workers: regions: February 11, 1982

	South East *	East Anglia	South West	West Midlands	East Midlands	Yorks and Humber-side	North West *	North	Wales	Scotland	Great Britain *
All listed countries	52,052	768	1,616	30,036	9,691	10,674	12,193	743	575	938	119,286
Total expressed as percentage of all persons unemployed	7.4	1.0	0.9	8.6	5.4	3.8	2.9	0.3	0.3	0.3	4.1
Persons born in, or whose parent(s) were born in, the areas below											
<i>East Africa</i>											
Male	3,868	80	54	953	1,637	198	504	19	31	16	7,360
Female	2,704	41	34	614	1,104	94	280	10	7	12	4,900
<i>Other Africa</i>											
Male	2,303	6	35	239	222	88	259	20	26	21	3,219
Female	866	1	16	87	114	55	107	11	9	14	1,280
<i>West Indies</i>											
Male	14,931	143	785	6,430	1,308	1,042	1,322	29	80	6	26,076
Female	5,062	34	186	2,452	457	461	446	8	4	4	9,114
<i>India</i>											
Male	7,426	88	179	7,670	2,281	1,487	2,673	108	81	203	22,196
Female	5,129	38	85	3,406	1,276	722	876	50	15	80	11,677
<i>Pakistan</i>											
Male	3,603	263	142	5,881	780	5,306	4,075	338	180	333	20,901
Female	952	28	17	571	161	517	616	63	25	97	3,047
<i>Bangladesh</i>											
Male	2,107	17	8	1,102	103	380	546	26	62	9	4,360
Female	123	—	1	54	9	30	45	4	9	8	283
<i>Other Commonwealth territories</i>											
Male	2,218	23	47	448	178	233	333	46	36	106	3,668
Female	760	6	27	129	61	61	111	11	10	29	1,205
<i>Persons born in UK of parents from listed countries (included in figures above)</i>											
Male	5,949	70	287	3,717	773	681	908	89	42	122	12,638
Female	2,838	25	117	1,890	383	462	448	56	13	65	6,297
All listed countries											
Nov 12, 1981	53,461	693	1,595	30,229	9,636	10,829	12,218	763	540	799	120,763
Aug 13, 1981	51,664	784	1,564	30,740	9,674	10,784	12,534	780	520	814	119,858
May 14, 1981	43,372	641	1,408	26,135	7,858	9,224	11,069	441 e	510	641	101,299 e
Feb 12, 1981	40,518	680	1,394	23,948	7,935	8,677	10,446	780	488	703	95,569
Nov 13, 1980	35,167	600	1,233	20,949	6,239	7,767	9,008	580	427	571	82,541

Region	Age										All ages
	16-17		18		19-24		25-44		45 + over		
	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	
South East*	2,120	1,316	1,920	1,165	8,857	4,806	14,315	5,841	9,244	2,468	52,052
East Anglia	42	30	31	8	137	39	237	51	173	20	768
South West	86	53	81	44	316	105	473	100	294	64	1,616
West Midlands	1,389	725	1,082	706	5,355	2,381	7,965	2,468	6,932	1,033	30,036
East Midlands	300	161	317	216	1,497	1,066	2,682	1,362	1,713	377	9,691
Yorkshire and Humberside	389	220	320	208	1,798	659	3,445	613	2,782	240	10,674
North West*	348	231	245	165	2,017	961	4,386	861	2,716	263	12,193
North	40	27	25	19	123	54	225	40	173	17	743
Wales	15	9	11	1	100	29	205	31	165	9	575
Scotland	32	9	27	24	194	98	289	95	152	18	938
Great Britain*	4,761	2,781	4,059	2,556	20,394	10,198	34,222	11,462	24,344	4,509	119,286
Persons born in, or whose parent(s) were born in, the areas below											
East Africa	181	154	256	222	1,965	1,754	3,221	2,250	1,737	520	12,260
Other Africa	97	53	104	69	727	430	1,642	598	649	130	4,499
West Indies	2,810	1,632	2,262	1,329	7,676	2,853	7,437	1,791	5,891	1,509	35,190
India	745	492	760	564	4,457	3,474	9,538	5,331	6,696	1,816	33,873
Pakistan	687	342	493	279	4,364	1,215	9,101	934	6,256	277	23,948
Bangladesh	66	29	78	22	502	91	1,541	89	2,173	52	4,643
Other Commonwealth territories	175	79	106	71	703	381	1,742	469	942	205	4,873

* Excluding figures for unemployed young persons in Liverpool and three other areas.

2.18 UNEMPLOYMENT

Selected countries: national definitions

THOUSAND

	United Kingdom* †	Australia †	Austria*	Belgium ‡	Canada †	Denmark ‡	France*	Germany (FR)*	Greece*	Irish Republic*	Italy †	Japan †	Netherlands*	Norway*	Spain*	Sweden †	Switzerland*	United States †	
	Incl. school leavers	Excl. school leavers																	
NUMBERS UNEMPLOYED																			
Annual averages																			
1977	1,484	1,378	358	51	264	850	164	1,073	1,030	28	106	1,382	1,100	204	16.1	540	75	12.0	6,856
1978	1,475	1,376	402	59	282	911	190	1,167	993	31	99	1,529	1,240	206	20.0	817	94	10.5	6,047
1979	1,390	1,307	405 **	57	294	838	159	1,350	876	32	90	1,653	1,170	210	24.1	1,037	88	10.3	5,963
1980	1,795	1,668	406	53	322	867	180	1,451	900	37	101	1,778	1,140	248	22.3	1,277	86 **	6.2	7,449
1981	2,734	2,566	390	69	392	898		1,773	1,296	41	128	1,979		385	28.4		108	5.9	8,080
Quarterly averages																			
1980 Q4	2,157	2,039	388	66	364	785	217	1,610	991	44	116	1,821	1,170	299	25.7	1,393	91	5.5	7,400
1981 Q1	2,456	2,366	421	91	377	952	266	1,668	1,273	67	126	1,940	1,330	344	31.9	1,499	101	6.9	8,352
Q2	2,588	2,458	367	48	378	865	226	1,634	1,127	31	124	1,892	1,320	343	24.3	1,515	85	4.7	7,740
Q3	2,930	2,653	381	43	398	839	214	1,780	1,264	23	127	1,951	1,190	405	27.1	1,555	116	4.6	7,793
Q4	2,961	2,787	392	95	414	935		2,011	1,520	45	134	2,194		448	30.1		129	7.3	8,434
Monthly																			
July	2,852	2,567	375	41	397	835	199	1,681	1,246	25	126	1,923	1,210	396	24.9	1,525	104	4.3	7,934
Aug	2,940	2,663	377	41	396	790	217	1,746	1,289	23	128	1,914	1,150	407	30.8	1,547	116	4.6	7,758
Sep	2,999	2,729	391	48	401	891	227	1,912	1,256	22	127	2,016	1,200	413	25.6	1,594	127	4.9	7,687
Oct	2,989	2,773	370	71	407	891	242	2,002	1,366	26	129	2,119	1,220	427	26.2	1,649	133	5.7	8,024
Nov	2,953	2,789	372	94	413	928	257	2,016	1,490	46	133	2,137	1,190	443	28.4	1,695	128	7.1	8,470
Dec	2,941	2,798	433	120	424	987		2,014	1,704	61	141	2,146		474	35.6		125	9.1	8,807
1982 Jan	3,071	2,292	437 p	156	439	1,096		2,031	1,950		147	2,194 p					153		10,183
Feb	3,045	2,911						2,008 p	1,935										
Percentage rate latest month																			
	12.6		6.4 p	5.4	16.0	9.5	9.8	10.7	8.1	3.9	12.0	9.9	2.1	11.1	1.9	12.9	3.6	0.3	9.4
NUMBERS UNEMPLOYED, SEASONALLY ADJUSTED																			
Quarterly averages																			
1980 Q4		2,020		58	351	860	211	1,515 R	1,003	40	116		1,230	290	24.7	1,399 e	94		7,904
1981 Q1		2,304		62	365	856	231	1,629 R	1,107	49	122		1,220	323	26.7	1,486 e	97		7,788
Q2		2,506		62	392	846	231	1,739 R	1,199	43	126		1,330	364	28.0	1,521 e	92		7,900
Q3		2,627		72	412	889	230	1,832 R	1,346	36	130		1,230	395	30.0	1,579 e	111		7,708
Q4		2,758		86	401	998		1,891 R	1,533	41	135			436	29.1		131		8,995
Monthly																			
1981 July		2,582		69	408	850	222	1,810 R	1,314	38	128		1,250	387	29.9	1,550 e	105		7,502
Aug		2,626		71	411	836	230	1,833 R	1,354	36	129		1,160	393	31.8	1,567 e	106		7,657
Sep		2,673		75	416	980	239	1,852 R	1,371	35	132		1,280	404	28.2	1,621 e	121		7,966
Oct		2,729		77	408	989	246	1,877 R	1,438	35	133		1,270	423	27.9	1,667 e	131		8,520
Nov		2,764		82	393 e	979	253	1,896 R	1,518 R	40	134		1,250	435	28.4	1,696 e	132		9,004
Dec		2,782		98 e	402 e	1,026		1,902	1,641 R	47 e	138			450	30.9		130		9,462
1982 Jan		2,829		112 e	418 e	983		1,922 R	1,721 e		141						134		9,298
Feb		2,836						1,959 p	1,744 e										
Percentage rate latest month																			
	11.7			4.0 e	15.2 e	8.3	9.6	10.4	7.6 e	3.0 e	11.6		2.2	10.6	1.7	12.9 e	3.2		8.5

Notes: (1) It is stressed that the figures are not directly comparable owing to national differences in coverage, concepts of unemployment and methods of compilation (described in an article on pages 833-840 of the August 1980 issue of *Employment Gazette*). There are two main methods of collecting unemployment statistics:

(i) by counting registrations for employment at local offices;
 (ii) by conducting a labour force survey from a sample number of households.
 (2) Source: SOEC Statistical telegram for Italy, OECD Main Economic Indicators for remainder, except United Kingdom, supplemented by labour attaché reports. In some instances estimates of seasonally adjusted levels have been made from the latest unadjusted data.
 * Numbers registered at employment offices. Rates are calculated as percentages of total employees. Irish rate published by SOEC, calculated as a percentage of the civilian labour force.

† Fortnightly payment of benefit: from October 1979 seasonally adjusted figures have been adjusted by deducting the estimated increase arising from the introduction of fortnightly payment; see page 1151 of the November 1979 issue of *Employment Gazette*.

‡ Insured unemployed. Rates are calculated as percentages of total insured population.

§ Labour force sample survey. Rates are calculated as percentages of total labour force.

** Average of 11 months.

†† Registered unemployed published by SOEC. The rates are calculated as percentages of the civilian labour force.

‡‡ Numbers registered at employment offices. From 1977 includes unemployed insured for loss of part-time work. From January 1979 includes an allowance for persons partially unemployed during the reference period. Rates are calculated as percentages of the total labour force.

4.1 INDUSTRIAL DISPUTES

Stoppages of work*

Stoppages: February 1982

United Kingdom	Number of stoppages	Workers involved	Working days lost
Stoppages: in progress in month of which:	159	87,900	546,000
beginning in month continuing from earlier months	112	41,300	137,000
	47	46,500†	409,000

† includes 600 involved for the first time in the month.

The monthly figures are provisional and subject to revision, normally upwards, to take account of additional or revised information received after going to press.

Stoppages: cause

United Kingdom	Beginning in February 1982		Beginning in the first two months of 1982	
	Stoppages	Workers directly involved	Stoppages	Workers directly involved
Pay—wage-rates and earnings levels	60	15,800	130	67,400
—extra-wage and fringe benefits	2	2,300	7	2,500
Duration and pattern of hours worked	3	1,700	11	4,600
Redundancy questions	10	4,200	20	19,000
Trade union matters	12	4,800	27	7,600
Working conditions and supervision	10	3,700	29	6,700
Manning and work allocation	10	1,800	20	5,600
Dismissal and other disciplinary measures	10	1,800	20	5,600
All causes	112	34,700	252	115,300

Stoppages: industry

United Kingdom	Jan to Feb 1982			Jan to Feb 1981		
	Stoppages beginning in period	Stoppages in progress	Working days lost	Stoppages beginning in period	Stoppages in progress	Working days lost
SIC 1968						
Agriculture, forestry, fishing	—	—	—	—	—	—
Coal mining	47	12,900	31,000	37	45,200	135,000
All other mining and quarrying	—	—	—	—	—	—
Food, drink and tobacco	11	4,700	34,000	7	4,300	29,000
Coal and petroleum products	—	—	—	—	—	—
Chemicals and allied industries	5	600	9,000	10	2,800	42,000
Metal manufacture	7	1,300	11,000	2	100	1,000
Engineering	42	18,200	76,000	29	6,200	47,000
Shipbuilding and marine engineering	6	4,300	29,000	4	500	2,000
Motor vehicles	17	36,000	337,000	16	34,500	174,000
Aerospace equipment	2	1,600	3,000	4	900	4,000
All other vehicles	—	—	—	—	—	—
Metal goods not elsewhere specified	9	1,700	9,000	12	1,800	17,000
Textiles	10	2,100	6,000	4	200	1,000
Clothing and footwear	2	100	1,000	6	800	5,000
Bricks, pottery, glass, cement, etc	10	2,400	13,000	6	1,100	5,000
Timber, furniture, etc	3	600	2,000	2	—	—
Paper, printing and publishing	8	1,700	15,000	4	400	4,000
All other manufacturing industries	9	2,800	33,000	8	4,700	13,000
Construction	6	700	4,000	22	7,500	40,000
Gas, electricity and water	1	1,200	8,000	5	1,000	3,000
Port and inland water transport	8	1,200	25,000	10	2,900	7,000
Other transport and communication	20	63,700	341,000	25	40,600	136,000
Distributive trades	8	1,500	13,000	5	600	15,000
Administrative, financial and professional services	14	10,600	26,000	15	3,400	5,000
Miscellaneous services	7	300	4,000	5	1,300	5,000
All industries	252	170,300	1,031,000	238	160,800	690,000

4.2 Stoppages of work: summary

United Kingdom	Number of stoppages		Workers involved in stoppages (Thou)		Working days lost in all stoppages in progress in period (Thou)						
	Beginning in period	In progress in period	Beginning in period†	In progress in period	All industries and services	Mining and quarrying	Metals, engineering, shipbuilding and vehicles	Textiles, clothing and footwear	Construction	Transport and communication	All other industries and services
1976	2,016	2,034	666	668	3,284	78	1,977	65	570	132	461
1977	2,703	2,737	1,155	1,166	10,142	97	6,133	264	297	301	3,050
1978	2,471	2,498	1,001	1,041	9,405	201	5,985	179	416	360	2,264
1979	2,080	2,125	4,583	4,608	29,474	128	20,390	109	834	1,419	6,594
1980	1,330	1,348	830	834	11,964	166	10,155	44	281	253	1,065
1981	1,280	1,286	1,437	1,438	4,196	234	1,641	39	83	358	1,842
1980 Feb	118	161	44	195	3,254	8	3,099	2	30	42	73
Mar	150	185	79	228	3,262	27	3,024	6	32	57	117
Apr	158	205	148	311	977	8	703	12	18	22	213
May	134	189	61	102	463	8	136	7	31	17	265
June	138	188	44	68	304	24	133	—	31	24	91
July	70	111	36	47	170	8	63	1	20	4	76
Aug	67	96	17	23	119	7	42	3	7	6	54
Sep	107	132	31	37	207	9	89	1	52	14	35
Oct	108	138	35	50	198	13	125	1	14	10	43
Nov	84	115	86	92	179	16	81	6	16	16	43
Dec	37	59	20	23	56	5	37	1	2	6	4
1981 Jan	126	132	77	78	244	1	68	2	25	102	45
Feb	112	141	83	104	446	134	176	4	15	41	77
Mar	158	198	474	482	630	20	94	8	17	43	449
Apr	130	176	328	445	584	25	92	11	6	31	420
May	93	134	62	83	375	2	208	3	5	13	144
June	108	142	50	86	353	11	106	1	4	17	215
July	74	110	38	66	300	8	50	1	3	19	218
Aug	69	94	21	28	107	2	37	1	3	10	54
Sep	116	138	80	84	161	9	79	4	1	13	46
Oct	127	162	46	94	330	10	240	3	4	27	74
Nov	113	140	134	144	493	6	393	1	—	18	46
Dec	54	84	43	82	172	7	98	—	—	25	43
1982 Jan	140	150	127	128	484	21	203	4	3	205	49
Feb	112	159	42	88	546	9	263	3	1	162	108

* See page of "Definitions and Conventions" for notes on coverage. Figures from 1981 are provisional.

† Workers involved in stoppages beginning in one month and continuing into later months are counted in the month in which they first participated.

EARNINGS 5.1

JAN 1976 = 100

Average earnings index: all employees: main industrial sectors

GREAT BRITAIN	Whole economy		Index of production industries		Manufacturing industries		Change over previous 12 months		
	Actual	Seasonally adjusted	Actual	Seasonally adjusted	Actual	Seasonally adjusted	Whole economy	IOP industries	Manufacturing
SIC 1968									
1976	106.0	111.7	106.2	111.4	106.2	111.3	...	...	...
1977	115.6	111.0	117.2	111.7	117.1	111.3	...	...	...
1978	130.6	111.8	134.3	113.1	134.0	113.3	10.9	12.2	12.4
1979	150.9	112.1	154.9	112.7	154.9	113.3	10.3	11.9	11.8
1980	182.1	113.3	183.9	114.7	182.5	114.2	10.8	11.8	11.4
1981	205.5	113.1	208.5	114.3	206.5	114.3	9.4	11.2	11.1
1976 Dec	111.3	111.0	111.7	111.4	111.7	111.3	...	...	...
1977 Jan	110.9	111.8	112.2	113.1	112.4	112.7	10.9	12.2	12.4
Feb	111.0	112.1	112.7	113.7	112.7	113.3	10.3	11.9	11.8
Mar	113.3	113.3	115.3	114.7	114.6	114.2	10.8	11.8	11.4
Apr	113.1	113.2	114.6	114.3	114.5	114.1	9.4	11.2	11.1
May	114.9	114.0	116.8	115.2	116.9	115.1	8.9	10.3	10.0
June	115.4	114.4	116.6	115.4	116.2	115.1	8.1	9.2	8.7
July	117.0	115.7	117.5	116.5	117.3	116.6	8.5	8.8	8.9
Aug	115.7	116.1	115.8	117.6	115.6	117.5	7.3	8.2	8.1
Sep	116.6	117.0	117.8	117.3	117.3	118.9	7.7	8.9	8.8
Oct	117.9	118.5	119.9	120.6	119.6	120.7	8.7	9.6	9.4
Nov	120.1	120.0	123.4	123.8	123.0	123.8	8.5	10.8	11.2
Dec	121.7	121.4	123.9	123.5	123.7	123.7	9.4	10.9	11.1
1978 Jan	121.5	122.6	124.2	125.4	125.6	125.6	9.6	10.9	11.4
Feb	122.7	123.9	125.8	127.0	126.2	127.0	10.5	11.7	12.1
Mar	125.0	125.0	128.1	127.4	128.2	127.8	10.4	11.1	11.9
Apr	127.2	127.3	131.7	131.5	132.2	131.9	12.4	15.0	15.6
May	129.4	128.4	134.2	132.5	133.6	131.5	12.6	15.0	14.2
June	133.1	132.0	136.1	134.6	135.1	133.7	15.4	16.7	16.1
July	133.6	132.1	136.6	135.4	135.9	135.1	14.2	16.2	15.8
Aug	131.7	132.2	134.4	136.5	135.5	135.7	13.9	16.0	15.5
Sep	134.2	134.6	137.1	138.4	135.9	137.8	15.0	16.4	15.9
Oct	135.2	135.9	139.7	140.6	139.1	140.5	14.7	16.6	16.4
Nov	136.1	136.0	141.1	140.3	140.6	139.7	13.3	14.4	13.6
Dec	138.0	137.6	142.8	142.2	142.8	142.0	13.4	15.1	14.8
1979 Jan	135.7	136.9	139.8	141.2	140.3	140.9	11.7	12.6	12.2
Feb	141.1	142.5	143.7	145.1	144.6	145.6	15.0	14.3	14.6
Mar	143.7	143.7	149.9	149.1	150.2	149.8	14.9	17.0	17.2
Apr	144.3	144.4	149.5	149.2	149.7	149.3	13.4	13.4	13.2
May	146.9	145.7	153.0	151.1	154.3	151.9	13.5	14.0	15.5
June	150.9	149.6	157.9	156.1	158.6	156.8	13.3	16.0	17.3
July	155.6	153.9	158.2	156.7	158.2	157.2	16.5	15.8	16.4
Aug*	153.3	153.9	153.5	155.9	151.5	154.0	16.4	14.3	13.5
Sep*	153.6	153.9	153.7	155.1	151.9	153.9	14.3	12.1	11.7
Oct	158.1	158.8	162.6	163.6	161.8	163.5	16.8	16.4	16.4
Nov	162.1	162.0	167.2	166.3	167.1	166.0	19.1	18.5	18.8
Dec	165.1	164.5	170.2	169.2	170.3	169.1	19.6	19.0	1

5.3 EARNINGS

Average earnings index: all employees: by industry

EARNINGS 5.3

Average earnings index: all employees: by industry

(not seasonally adjusted)

GREAT BRITAIN	Agriculture*	Mining and quarrying	Food, drink and tobacco	Coal and petroleum	Chemicals and allied industries	Metal manufacture	Mechanical engineering	Instrument engineering	Electrical engineering	Ship-building and marine engineering	Vehicles	Metal goods not elsewhere specified	Textiles	Leather, leather goods and fur	Clothing and footwear	Bricks, pottery, glass, cement etc	Timber, furniture etc	Paper, printing and publishing	Other manufacturing industries	Construction	Gas, electricity and water	Transport and communication †	Distributive trades	Insurance, banking and finance	Professional and scientific services ‡	Miscellaneous services §	Public administration	Whole economy	GREAT BRITAIN	
SIC 1968																													JAN 1976 = 100	
1976	111.5	105.9	106.6	105.7	105.7	108.3	105.7	105.9	106.7	105.9	105.7	106.6	106.1	101.6	105.1	105.0	104.3	106.9	106.7	106.5	107.4	103.4	107.6	101.1	108.3	105.6	103.8	106.0	1976	
1977	120.7	114.5	117.5	114.8	116.2	119.2	117.6	118.0	116.4	114.6	113.9	116.9	119.1	114.4	118.3	114.3	118.2	116.7	118.3	115.6	111.5	119.4	110.2	115.3	116.9	110.7	115.6	1977		
1978	135.6	141.0	134.4	133.6	132.3	136.5	135.3	137.6	132.9	133.9	129.7	135.8	132.9	128.2	133.9	131.6	130.2	136.9	132.0	132.1	135.2	126.1	134.7	125.1	131.6	123.0	130.6	1978		
1979	153.2	165.7	157.3	155.5	156.3	160.1	155.0	160.1	152.1	147.9	148.4	156.5	151.2	147.0	154.5	154.6	150.7	162.5	153.8	151.2	154.4	151.2	157.3	147.0	141.6	155.8	143.7	150.9	1979	
1980	189.9	201.5	187.5	184.5	187.4	206.3	183.7	189.4	183.7	175.1	176.0	182.9	173.6	170.9	182.5	180.5	173.9	194.1	180.8	180.7	196.9	180.7	184.3	181.7	182.6	183.8	181.9	182.1	1980	
1981	212.6	225.7	213.8	221.5	212.7	206.3	200.6	218.8	207.4	199.1	194.6	205.0	195.2	192.5	206.7	201.7	191.7	225.4	203.1	204.1	226.6	201.7	208.2	207.7	208.1	203.3	206.7	205.5	1981	
1976 Dec	112.9	110.3	113.3	110.9	111.7	113.3	111.7	111.4	112.2	111.4	109.8	113.0	111.5	108.5	112.4	111.3	110.9	111.0	111.7	113.5	109.8	106.4	117.1	106.0	112.4	114.0	106.0	111.3	1976 Dec	
1977 Jan	109.3	111.0	111.5	110.5	110.4	115.3	111.9	112.8	111.7	113.7	111.0	113.6	113.1	112.6	112.8	108.7	110.5	112.7	113.5	111.2	111.8	108.8	114.5	105.5	110.8	111.0	106.5	110.9	1977 Jan	
1977 Feb	114.3	110.8	111.1	110.4	110.9	117.2	112.8	113.8	112.3	112.8	108.2	114.3	113.7	109.8	115.3	109.9	111.8	112.5	115.5	112.8	113.1	106.9	113.5	106.8	110.6	111.6	107.0	111.0	1977 Feb	
1977 Mar	118.1	118.4	120.0	113.4	111.7	116.6	114.1	117.1	114.9	110.9	109.7	116.3	114.4	111.5	115.3	111.3	112.5	115.1	115.5	117.4	114.8	108.2	117.9	113.7	110.9	114.7	106.5	113.3	1977 Mar	
1977 April	120.6	113.4	113.2	112.7	111.9	116.0	115.2	114.4	114.8	113.2	111.3	116.2	114.8	112.5	115.8	113.1	110.7	117.2	115.5	114.8	114.1	109.1	115.1	107.4	112.8	114.7	109.6	113.1	1977 April	
1977 May	118.7	111.9	117.5	115.5	114.0	119.7	117.5	116.6	116.5	114.5	114.6	116.9	116.4	112.2	116.2	111.9	111.3	118.9	115.3	118.6	116.9	110.7	118.1	108.5	114.2	114.5	110.3	114.9	1977 May	
1977 June	119.6	112.7	115.9	115.8	115.8	117.6	116.6	116.5	114.5	115.5	114.6	116.9	116.4	112.2	116.3	116.9	110.8	118.9	115.3	118.6	116.9	110.7	118.1	108.2	117.4	117.0	110.8	115.4	1977 June	
1977 July	124.3	114.2	116.1	118.0	114.6	126.0	117.9	116.9	115.1	115.4	114.1	119.7	116.8	114.4	116.9	114.0	113.6	118.4	116.6	118.9	117.0	112.6	120.3	107.8	121.0	117.3	114.5	117.0	1977 July	
1977 Aug	123.9	114.1	114.2	115.9	113.5	116.9	116.4	117.3	116.0	112.9	113.5	117.2	116.2	113.6	116.1	113.2	114.0	116.7	116.6	117.0	115.4	112.2	119.3	107.5	119.2	117.5	112.3	117.7	1977 Aug	
1977 Sep	134.2	115.0	117.4	114.1	115.5	119.9	118.0	117.6	116.1	114.6	111.4	121.3	117.4	114.4	120.1	115.7	116.1	119.1	117.8	121.4	115.2	113.3	120.2	108.8	116.8	118.7	112.2	116.6	1977 Sep	
1977 Oct	126.6	116.4	120.5	114.1	118.9	121.5	120.7	121.4	117.9	112.9	114.3	123.5	119.4	119.4	123.5	118.3	118.6	121.5	117.9	122.2	117.5	117.1	116.7	118.2	118.8	116.0	120.0	120.0	1977 Oct	
1977 Nov	119.4	116.8	126.9	117.1	128.2	120.4	123.9	124.5	125.6	120.9	119.9	126.2	121.1	120.0	126.2	120.4	120.5	119.9	122.2	123.5	119.4	115.4	115.4	118.2	118.8	117.4	126.5	115.5	121.7	1977 Nov
1977 Dec	119.6	118.8	125.5	120.6	129.2	123.6	126.1	127.8	122.5	116.2	122.7	126.8	122.7	119.6	125.3	123.8	120.7	122.6	120.3	124.3	117.1	116.7	130.0	118.2	117.4	126.5	115.5	121.7	1977 Dec	
1978 Jan	116.6	118.7	125.2	124.1	125.1	124.2	126.1	127.8	124.1	120.9	123.1	128.4	124.5	124.6	128.4	123.6	122.4	124.4	123.2	123.2	117.4	116.6	128.1	117.2	117.7	124.6	115.8	121.5	1978 Jan	
1978 Feb	125.4	129.5	125.5	125.7	124.9	126.6	127.4	128.9	128.9	124.6	124.6	128.8	125.8	122.3	128.4	123.5	126.1	127.2	127.0	123.3	118.7	117.2	127.7	117.5	118.8	123.9	118.1	122.7	1978 Feb	
1978 Mar	133.2	142.8	128.6	132.9	127.3	133.1	129.0	130.3	128.3	125.6	123.9	129.8	124.7	122.9	129.4	124.0	124.8	129.7	126.7	125.0	118.0	120.4	131.9	123.5	119.7	128.0	117.0	125.0	1978 Mar	
1978 April	134.6	140.4	131.2	135.3	126.5	141.2	132.9	136.0	130.7	141.5	128.1	134.0	128.5	124.4	129.0	129.2	134.3	129.8	130.2	132.5	124.8	120.8	130.7	124.1	120.6	128.5	119.3	127.2	1978 April	
1978 May	132.8	137.8	133.9	130.4	128.4	140.1	133.9	137.8	133.1	131.7	130.8	134.7	132.1	124.3	131.8	129.2	128.8	139.2	130.5	130.2	133.8	123.6	133.5	119.5	125.7	129.0	119.8	129.4	1978 May	
1978 June	136.5	142.0	135.1	130.6	134.7	138.7	135.1	136.6	135.3	129.2	132.2	136.1	135.3	125.9	132.4	132.7	130.3	138.6	133.2	132.5	155.7	130.4	134.3	125.1	134.1	131.0	126.8	133.1	1978 June	
1978 July	133.0	143.8	135.4	137.2	133.8	145.2	136.7	142.1	134.2	130.9	131.3	137.4	135.2	131.1	134.4	131.7	133.9	139.4	131.7	135.3	140.4	133.5	135.5	123.2	136.1	131.5	122.5	133.6	1978 July	
1978 Aug	141.4	142.3	134.4	135.3	132.7	130.1	136.5	137.8	132.4	125.8	129.0	135.0	135.1	130.7	133.2	131.6	131.3	138.0	131.8	133.8	138.3	127.7	134.6	127.4	131.8	132.1	124.2	131.7	1978 Aug	
1978 Sep	148.2	144.6	136.0	135.4	136.2	138.1	137.2	139.0	134.1	134.8	128.8	137.7	136.0	133.3	135.1	133.4	135.1	141.7	133.9	138.3	139.0	130.9	135.6	132.8	131.4	134.7	129.1	134.2	1978 Sep	
1978 Oct	151.9	148.3	137.1	135.8	135.0	139.8	139.6	141.4	138.4	169.8	132.6	140.4	137.8	133.4	137.2	136.8	136.4	143.6	136.0	138.9	138.6	128.9	136.7	129.1	130.9	134.7	127.8	135.2	1978 Oct	
1978 Nov	139.3	148.8	142.8	138.2	138.7	138.4	143.7	145.2	139.9	146.9	132.4	143.9	139.5	133.0	140.5	138.7	137.6	143.2	140.3	140.2	139.3	132.5	140.2	130.9	128.2	130.9	135.2	127.4	136.1	1978 Nov
1978 Dec	134.8	153.4	146.5	142.5	144.5	142.0	145.7	147.7	140.1	131.2	139.1	143.1	139.8	132.5	143.9	144.7	139.2	143.9	139.7	140.7	137.0	130.1	147.4	131.1	129.0	145.8	128.5	138.0	1978 Dec	
1979 Jan	132.5	152.1	140.6	143.0	136.5	134.4	143.3	146.4	139.9	136.3	138.1	142.2	138.8	136.3	144.0	137.4	138.7	142.6	137.8	133.1	138.0	145.7	134.2	141.8	126.9	142.9	127.5	135.7	1979 Jan	
1979 Feb	139.7	153.8	145.0	150.4	139.4	143.9	145.7	152.3	142.6	137.6	145.4	146.3	140.1	141.3	145.9	140.8	142.7	147.6	142.3	135.6	140.7	160.7	146.0	143.1	126.7	146.6	129.8	141.1	1979 Feb	
1979 Mar	148.8	166.3	150.3	147.9	149.4	147.4	150.1	155.9	149.6	156.9	148.9	152.3	147.2	141.1	147.6	143.8	145.5	154.4	146.5	144.9	142.3	141.7	152.4	141.8	129.1	149.8	130.9	143.7	1979 Mar	
1979 April	148.8	166.5	148.6	149.7	146.6	154.6	151.4	155.5	147.1	144.7	144.9	152.3	144.7	147.4	151.1	149.1	145.6	154.4	147.6	144.4	142.1	137.5	152.4	141.6	1					

5.4 EARNINGS AND HOURS

Average earnings and hours: manual workers: by industry

UNITED KINGDOM	Food, drink and tobacco	Coal and petroleum products	Chemicals and allied industries	Metal manufacture	Mechanical engineering	Instrument engineering	Electrical engineering	Shipbuilding and marine engineering	Vehicles	Metal goods	Textiles	Leather, leather goods and fur
October												
MALE												
Weekly earnings												
Full-time men (21 years and over)												
1978	83.91	95.65	90.78	91.93	83.39	76.41	80.35	88.64	84.88	81.69	75.96	71.20
1979	99.79	116.51	107.95	103.58	96.39	90.34	92.34	95.46	98.01	93.92	87.35	80.82
Full-time males on adult rates*												
1980	115.61	136.07	123.36	118.20	109.34	101.95	107.41	109.63	109.41	103.05	97.90	92.74
1981	126.36	151.26	138.48	132.96	119.51	114.17	118.31	127.04	119.08	114.64	106.60	105.39
Hours worked												
Full-time men (21 years and over)												
1978	46.2	43.0	44.6	43.7	43.0	42.5	42.9	43.8	41.4	43.1	43.6	43.4
1979	46.3	44.4	44.5	43.0	42.5	42.3	42.3	43.7	41.5	42.7	43.1	43.0
Full-time males on adult rates*												
1980	45.5	44.2	42.9	41.6	41.5	41.9	41.6	41.8	40.1	41.1	42.2	42.5
1981	44.8	42.4	43.1	42.3	41.5	41.6	41.6	43.2	39.9	41.8	42.4	43.3
Hourly earnings												
Full-time men (21 years and over)												
1978	181.6	222.4	203.5	210.4	193.9	179.8	187.3	202.4	205.0	189.5	174.2	164.1
1979	215.5	262.6	242.6	240.6	226.8	213.6	218.3	218.4	236.2	220.0	202.7	188.0
Full-time males on adult rates*												
1980	254.1	307.9	287.6	284.1	263.5	243.3	258.2	262.3	272.8	250.7	232.0	218.2
1981	282.1	356.7	321.3	314.3	288.0	274.4	284.4	294.1	298.4	274.3	251.4	243.4
FEMALE												
Weekly earnings												
Full-time women (18 years and over)												
1978	53.85	59.54	54.85	54.33	56.79	52.06	53.96	56.59	60.50	52.04	46.02	42.03
1979	62.86	68.37	64.44	63.27	64.02	62.12	62.55	61.00	69.52	60.12	52.44	49.62
Full-time females on adult rates*												
1980	74.60	86.29	77.68	73.64	75.29	72.41	73.98	71.57	80.71	69.61	61.06	61.02
1981	83.06	94.69	87.62	79.07	82.67	81.21	81.18	85.06	89.97	77.34	65.96	67.16
Hours worked												
Full-time women (18 years and over)												
1978	37.9	38.7	38.2	37.8	37.9	38.3	37.9	37.9	37.4	37.2	36.7	36.7
1979	38.1	38.7	38.5	38.0	37.6	38.7	37.6	39.5	37.6	37.2	36.4	36.7
Full-time females on adult rates*												
1980	37.9	38.4	38.9	38.0	37.8	38.3	37.7	35.6	37.7	36.9	37.1	37.4
1981	38.1	39.3	39.1	37.1	38.5	38.7	38.1	38.0	37.6	37.8	37.1	37.7
Hourly earnings												
Full-time women (18 years and over)												
1978	142.1	153.9	143.6	143.7	149.8	135.9	142.4	149.3	161.8	139.9	125.4	114.5
1979	165.0	176.7	167.4	166.5	170.3	160.5	166.4	154.4	184.9	161.6	144.1	135.2
Full-time females on adult rates*												
1980	196.8	224.7	199.7	193.8	199.2	189.1	196.2	201.0	214.1	188.6	164.6	163.2
1981	218.0	240.9	224.1	213.1	214.7	209.8	213.1	223.8	239.3	204.6	177.8	178.1

* An article on page 103 of the *Employment Gazette* for March 1981 comments on the effects of the change of definitions.
 † An article on page 121 of *Employment Gazette* comments on the effects of the change of industrial coverage.

5.5 Average earnings by level of skill: adult male manual workers: selected industries

GREAT BRITAIN	ENGINEERING INDUSTRIES*									SHIPBUILDING AND			
	Skilled workers			Semi-skilled workers			Labourers			All workers	Skilled workers		
June	Time workers	PBR workers	All	Time workers	PBR workers	All	Time workers	PBR workers	All	All workers	Time workers	PBR workers	All
ADULT MALES													
Weekly earnings (including overtime)													
1975	57.48	57.78	57.60	53.61	50.92	52.44	43.63	45.21	43.97	54.33	55.50	67.98	64.71
1976	66.22	66.37	66.28	64.24	59.34	62.10	52.17	52.42	52.23	63.55	68.43	77.19	75.38
1977	72.78	73.78	73.17	68.71	66.25	67.71	57.11	57.38	57.17	69.67	75.81	79.14	77.81
1978	82.77	83.51	83.06	76.73	74.42	75.76	64.56	66.26	65.00	78.63	85.14	88.41	86.77
1979	96.91	97.28	97.05	88.58	85.27	87.20	75.09	76.55	75.45	91.29	100.37	100.71	100.53
1980	113.50	113.25	113.41	98.20	97.78	98.03	85.73	88.25	86.29	104.85	111.71	112.71	112.24
per cent													
Increase 1978-9	17.1	16.5	16.8	15.4	14.6	15.1	16.3	15.5	16.1	16.1	17.9	13.9	15.9
Increase 1979-80	17.1	16.4	16.9	10.9	14.7	12.4	14.2	15.3	14.4	14.9	11.3	11.9	11.6
Hourly earnings (excluding overtime)													
1975	129.7	135.8	132.1	122.8	122.3	122.6	98.4	103.1	99.4	125.6	121.9	146.1	139.8
1976	148.5	157.4	152.1	142.0	141.8	141.9	115.7	120.2	116.8	145.3	147.5	164.3	160.8
1977	159.8	171.2	164.1	151.5	154.8	152.8	124.7	128.7	125.6	156.5	162.2	172.3	168.3
1978	183.8	195.5	188.2	171.6	176.7	173.7	142.2	147.4	143.5	178.8	182.0	190.6	186.3
1979	213.4	226.8	218.3	195.1	200.5	197.3	164.3	172.5	166.3	205.6	213.9	225.1	219.0
1980	254.8	268.0	259.6	229.0	236.9	232.2	195.6	202.3	197.1	243.6	246.6	247.5	247.1
per cent													
Increase 1978-9	16.1	16.0	16.0	13.7	13.5	13.6	15.5	17.0	15.9	15.0	17.5	18.1	17.6
Increase 1979-80	19.4	18.2	18.9	17.4	18.2	17.7	19.1	17.3	18.5	18.5	15.3	10.0	12.8

The industries covered comprise the following Minimum List Headings of the Standard Industrial Classification 1968:
 * 331-349; 361; 363-369; 370-2; 380-385; 390-391; 393; 399.

EARNINGS AND HOURS 5.4

Average earnings and hours: manual workers by industry

Clothing and footwear	Bricks, pottery, glass, cement etc.	Timber, furniture etc.	Paper, printing and publishing	Other manufacturing industries	All manufacturing industries	Mining and quarrying (except coal mining)	Construction	Gas, electricity and water	Transport and communication †	Certain miscellaneous services **	Public administration	All industries covered
67.50	87.48	77.85	96.79	83.51	84.77	84.52	81.77	87.78	88.03	72.39	67.15	83.50
80.37	102.32	91.05	114.88	96.89	98.28	99.82	94.06	104.30	103.30	83.52	76.92	96.94
90.62	114.47	101.16	137.73	108.09	111.64	116.58	113.36	126.12	123.77	103.88	96.60	113.06
98.67	127.96	111.31	154.22	113.15	123.23	126.08	121.55	142.28	138.19	..†	..†	125.58†
41.3	45.4	43.0	44.6	43.3	43.5	47.2	44.9	42.8	48.8	43.5	43.2	44.2
41.0	45.0	43.2	43.8	43.4	43.2	46.8	44.9	43.4	48.6	43.1	43.1	44.0
40.1	43.2	41.7	42.5	41.7	41.9	47.9	44.0	42.2	47.1	42.1	42.7	43.0
41.1	43.6	42.2	41.9	41.8	42.0	46.0	43.8	40.1	46.9	..†	..†	43.0†
63.4	192.7	181.0	217.0	192.9	194.9	179.1	182.1	205.1	180.4	166.4	155.4	188.9
96.0	227.4	210.8	262.3	223.2	227.5	213.3	209.5	240.3	212.6	193.8	178.5	220.3
228.0	265.0	242.6	324.1	259.2	266.4	243.4	257.6	298.9	262.8	246.7	226.2	262.9
240.1	293.5	263.8	368.1	270.7	293.4	274.1	277.5	354.8	294.6	..†	..†	292.0†
41.94	52.12	53.62	55.33	49.15	50.08	—	42.97	58.10	63.79	40.11	52.98	50.03
50.43	60.06	61.84	67.15	56.08	58.44	—	48.23	70.29	72.38	46.40	57.04	58.24
53.62	71.01	74.01	82.15	64.95	68.40	—	61.45	81.75	92.14	56.76	76.18	68.73
64.02	79.13	81.55	92.83	70.58	75.71	—	66.49	99.07	105.76	..†	..†	76.44†
38.1	36.7	37.5	38.1	37.0	37.2	—	38.5	36.8	43.5	38.4	40.3	37.4
36.0	36.8	36.7	38.3	37.4	37.2	—	37.2	37.6	43.3	38.3	40.5	37.4
36.4	37.3	36.8	38.2	37.3	37.3	—	38.5	37.0	42.3	38.4	39.8	37.5
36.5	37.5	37.6	37.4	37.5	37.5	—	39.1	36.3	42.8	..†	..†	37.7†
116.2	142.0	143.0	145.2	132.8	134.6	—	111.6	157.9	146.6	104.5	131.5	133.8
140.1	163.2	168.5	175.3	149.9	157.1	—	129.7	186.9	167.2	121.1	140.8	155.7
161.0	190.4	201.1	215.1	174.1	183.4	—	159.6	220.9	217.8	147.8	191.4	183.3
175.4	211.0	216.9	248.2	188.2	201.9	—	170.1	272.9	247.1	..†	..†	202.8†

† Except sea transport
 ** Consisting of laundries and dry cleaning, motor repairers and garages and repair of boots and shoes

Average earnings by level of skill: adult male manual workers: selected industries 5.5

SHIP REPAIRING †	CHEMICAL MANUFACTURE ‡												
	Semi-skilled workers			Labourers			All workers	Craftsmen			General workers			All workers
Time workers	PBR workers	All	Time workers	PBR workers	All	All workers	Time workers	PBR workers	All	Time workers	PBR workers	All	All workers
49.73	58.42	55.53	52.10	57.33	55.84	61.44	58.75	60.10	58.96	55.66	53.81	55.35	56.26
63.07	68.39	66.85	63.76	63.01	63.23	72.02	76.10	74.53	75.98	70.28	70.27	70.28	71.74
68.60	70.96	69.71	62.67	66.54	65.30	74.38	81.58	82.33	81.63	76.16	74.44	75.95	77.32
76.66	75.95	76.33	78.73	80.00	79.35	83.03	92.09	93.50	92.21	85.39	83.46	85.13	86.88
89.91	87.40	88.81	95.27	93.12	94.19	96.48	104.43	110.28	105.07	96.12	1		

5.6 EARNINGS AND HOURS

Average weekly and hourly earnings and hours: manual and non-manual employees

GREAT BRITAIN	MANUFACTURING INDUSTRIES					ALL INDUSTRIES AND SERVICES				
	Weekly earnings (£)		Hours	Hourly earnings (pence)		Weekly earnings (£)		Hours	Hourly earnings (pence)	
	including those whose pay was affected by absence	excluding those whose pay was affected by absence	excluding those whose pay was affected by absence	excluding those whose pay was affected by absence		including those whose pay was affected by absence	excluding those whose pay was affected by absence	including those whose pay was affected by absence	excluding those whose pay was affected by absence	
				including overtime pay and overtime hours	excluding overtime pay and overtime hours				including overtime pay and overtime hours	excluding overtime pay and overtime hours
April of each year										
FULL-TIME MEN, 21 years and over										
Manual occupations										
1974	43.6	45.1	46.2	97.4	95.2	42.3	43.6	46.5	93.5	91.1
1975	54.5	56.6	45.0	125.8	123.1	54.0	55.7	45.5	122.2	119.2
1976	65.1	67.4	45.1	149.2	146.3	63.3	65.1	45.3	143.7	141.0
1977	71.8	74.2	45.6	162.6	160.0	69.5	71.5	45.7	156.5	154.3
1978	81.8	84.7	45.8	184.8	181.8	78.4	80.7	46.0	175.5	172.8
1979	94.5	97.9	46.0	212.8	208.7	90.1	93.0	46.2	201.2	197.5
1980	111.2	115.2	45.0	255.5	250.0	108.6	111.7	45.4	245.8	240.5
1981	119.3	124.7	43.5	286.0	279.8	118.4	121.9	44.2	275.3	269.1
Non-manual occupations										
1974	54.1	54.5	39.1	137.7	137.8	54.1	54.4	38.8	137.9	138.1
1975	68.2	68.7	39.2	173.2	173.3	67.9	68.4	38.7	174.3	174.6
1976	80.2	80.9	39.1	204.3	204.4	81.0	81.6	38.5	210.3	210.6
1977	88.2	88.9	39.2	223.4	223.8	88.4	88.9	38.7	227.2	227.9
1978	102.4	103.0	39.4	258.1	258.9	99.9	100.7	38.7	257.1	257.9
1979	116.8	117.7	39.6	293.8	294.7	112.1	113.0	38.8	288.6	289.5
1980	143.6	144.8	39.4	362.3	362.0	140.4	141.3	38.7	360.8	361.3
1981	159.6	161.8	38.8	411.9	411.5	161.2	163.1	38.4	419.1	419.7
All occupations										
1974	46.3	47.7	44.3	106.9	106.1	46.5	47.7	43.7	107.6	107.2
1975	58.1	60.2	43.4	137.7	136.5	59.2	60.8	43.0	139.9	139.3
1976	69.2	71.4	43.4	163.2	162.0	70.0	71.8	42.7	166.8	166.6
1977	76.1	78.5	43.8	177.7	177.1	76.8	78.6	43.0	181.1	181.5
1978	87.3	90.0	44.0	202.9	202.2	86.9	89.1	43.1	204.3	204.9
1979	100.5	103.7	44.2	233.1	231.8	98.8	101.4	43.2	232.2	232.4
1980	120.3	124.3	43.4	284.1	281.8	121.5	124.5	42.7	288.2	287.6
1981	131.3	137.1	42.0	323.5	320.8	136.5	140.5	41.7	332.0	331.2
FULL-TIME WOMEN, 18 years and over										
Manual occupations										
1974	23.1	24.1	39.9	60.6	60.1	22.8	23.6	39.8	59.3	58.7
1975	30.9	32.4	39.5	81.8	81.4	30.9	32.1	39.4	81.6	81.1
1976	38.5	40.3	39.6	102.0	101.5	38.1	39.4	39.3	100.7	100.2
1977	43.0	45.0	39.8	113.4	112.7	42.2	43.7	39.4	111.2	110.7
1978	49.3	51.2	39.9	128.5	127.5	48.0	49.4	39.6	125.3	124.4
1979	55.4	57.9	39.9	145.4	144.2	53.4	55.2	39.6	139.9	138.7
1980	66.4	69.5	39.8	174.5	172.8	65.9	68.0	39.6	172.1	170.4
1981	72.5	76.3	39.6	192.8	191.4	72.1	74.5	39.4	189.8	188.2
Non-manual occupations										
1974	25.6	25.8	37.3	69.0	68.8	28.3	28.6	36.8	76.9	76.7
1975	35.2	35.4	37.1	95.2	95.0	39.3	39.6	36.6	106.1	105.9
1976	42.8	43.1	37.1	115.9	115.6	48.5	48.8	36.5	132.0	131.8
1977	48.1	48.4	37.1	130.1	129.8	53.4	53.8	36.7	143.8	143.7
1978	54.9	55.2	37.2	148.0	147.5	58.5	59.1	36.7	158.1	157.9
1979	62.3	62.8	37.2	168.5	168.0	65.3	66.0	36.7	176.8	176.6
1980	76.7	77.1	37.3	205.8	204.9	82.0	82.7	36.7	221.2	220.7
1981	86.4	87.3	37.1	234.2	233.4	95.6	96.7	36.5	259.7	259.2
All occupations										
1974	23.9	24.8	38.9	63.8	63.4	26.3	26.9	37.8	70.8	70.6
1975	32.4	33.6	38.5	87.2	86.9	36.6	37.4	37.4	98.5	98.3
1976	40.1	41.5	38.5	107.6	107.2	45.3	46.2	37.3	122.6	122.4
1977	44.9	46.4	38.7	120.0	119.6	50.0	51.0	37.5	134.0	133.9
1978	51.3	52.8	38.8	136.1	135.4	55.4	56.4	37.5	148.2	148.0
1979	57.9	60.0	38.8	154.6	153.7	61.8	63.0	37.5	166.0	165.7
1980	70.3	72.8	38.7	187.3	186.1	77.3	78.8	37.5	207.0	206.4
1981	78.1	81.5	38.4	211.6	210.6	89.3	91.4	37.2	241.8	241.2
FULL-TIME ADULTS										
(a) MEN, 21 years and over										
WOMEN, 18 years and over										
All occupations										
1974	40.8	42.3	43.0	97.6	96.1	40.6	41.7	42.0	97.8	96.8
1975	52.1	54.2	42.3	127.2	125.4	52.7	54.0	41.3	128.9	127.7
1976	62.5	64.7	42.3	151.8	150.0	62.7	64.2	41.1	154.7	153.8
1977	68.9	71.3	42.7	165.8	164.3	68.7	70.2	41.3	168.0	167.5
1978	78.8	81.5	42.8	188.7	187.0	77.3	79.1	41.4	188.6	187.9
1979	90.4	93.7	43.0	216.7	214.2	87.4	89.6	41.5	213.6	212.4
1980	108.4	112.4	42.3	263.3	259.8	107.7	110.2	41.1	264.8	262.8
1981	118.6	124.3	41.2	299.0	295.6	121.6	124.9	40.3	305.1	303.2
(b) MALES AND FEMALES, 18 years and over										
All occupations										
1974	40.3	41.8	43.0	96.4	95.0	40.1	41.1	42.0	96.6	95.5
1975	51.5	53.6	42.3	125.8	124.1	52.0	53.4	41.4	127.3	126.0
1976	61.8	64.0	42.5	150.1	148.3	61.8	63.4	41.1	152.6	151.6
1977	68.0	70.4	42.7	163.8	162.3	67.8	69.3	41.3	165.7	165.1
1978	77.8	80.5	42.8	186.5	184.7	76.3	78.1	41.4	186.1	185.3
1979	89.1	92.5	43.0	213.9	211.3	86.2	88.4	41.5	210.7	209.3
1980	106.9	110.9	42.3	259.8	256.2	106.3	108.7	41.1	261.1	259.0
1981	116.8	122.5	41.2	294.7	291.2	119.8	123.1	40.3	300.4	298.4

Note: New Earnings Survey estimates. Age is measured in complete years on 1 January.

LABOUR COSTS 5.7

All employees: main industrial sectors and selected industries

Labour costs (1)	1968	Manu-	Mining and	Construction	Gas, electricity and water	Index of production industries	Whole economy
		facturing	quarrying				
							Pence per hour
	1968	58.25	73.80	60.72	66.55	59.58	..
	1973	106.90	143.45	107.32	129.61	109.37	..
	1975	161.68	249.36	156.95	217.22	106.76	..
	1978	244.54	365.12	222.46	324.00	249.14	..
	1979	290.05	427.21	257.66	383.44	294.17	..
	1980	349.43	522.88	316.88	483.39	356.45	..
							Per cent
Percentage shares of labour costs *	1968	91.3	82.8	87.7	87.1	90.2	..
Wages and salaries †	1973	89.9	82.5	91.1	84.7	89.3	..
	1978	84.3	76.2	86.8	78.2	83.9	..
	1980	82.0	75.9	85.6	77.3	81.9	..
of which Holiday, sickness, injury and maternity pay	1968	7.4	8.6	5.2	3.8	7.3	..
	1973	6.4	12.0	6.4	9.8	9.2	..
	1978	9.2	9.3	6.8	11.2	9.0	..
	1980	9.0	9.3	6.7	11.1	8.8	..
Statutory national insurance contributions	1968	4.4	3.8	4.2	3.8	4.3	..
	1973	4.9	4.3	4.9	4.5	4.9	..
	1978	8.5	6.7	9.1	6.9	8.4	..
	1980	9.1	7.4	9.9	7.5	9.0	..
Private social welfare payments	1968	3.2	5.7	1.4	6.3	3.2	..
	1973	3.5	5.9	1.6	8.0	3.7	..
	1978	4.8	9.4	2.3	12.2	5.1	..
	1980	5.3	9.6	2.6	12.6	5.5	..
Payments in kind, subsidised services, training (excluding wages and salaries element) and other labour costs ‡	1968	1.1	7.7	6.7	2.7	2.3	..
	1973	1.6	7.3	2.4	2.9	2.2	..
	1978	2.3	7.7	1.9	2.6	2.6	..
	1980	3.5	13.0	1.9	2.6	3.6	..
Labour costs per unit of output §			% change over a year earlier				1975=100 % change over a year earlier
	1976	112.7	12.7	87.0	111.6	105.9	111.0
	1977	125.1	11.0	65.1	119.4	109.6	119.3
	1978	141.1	12.8	62.6	132.6	127.6	132.3
	1979	163.1	15.6	58.0	161.4	150.0	157.0
	1980	200.9	23.2	69.7	198.2	196.9	183.8
	1981 Q1	..	..	..	..	..	209.4
	Q2	..	..	..	..	..	210.6
	Q3	..	..	..	..	..	213.8
Wages and salaries per unit of output §	1976	110.6	10.6	85.7	110.6	104.2	109.2
	1977	120.1	8.6	63.7	116.9	106.5	115.6
	1978	136.1	13.3	62.1	127.8	120.6	118.0
	1979	154.8	13.7	57.8	154.1	140.3	130.3
	1980	189.3	22.3	69.3	188.8	183.7	142.8
	1981	205.8	8.7	..	..	..	153.4
	Q1	205.2	18.2	..	..</

5.8 WAGE RATES AND HOURS

Indices of basic national wage-rates and normal weekly hours: manual workers: by industry

UNITED KINGDOM	Agriculture, forestry and fishing	Mining and quarrying	Food, drink and tobacco	Chemicals and allied industries	All metals combined	Textiles	Leather, leather goods and fur	Clothing and footwear	Bricks, pottery, glass, cement, etc	Timber, furniture, etc	SIC 1968	
	I	II	III	IV and V	VI-XII	XIII	XIV	XV	XVI	XVII		
Basic weekly wage rates												
Weights												
	210	305	454	294	2,953	366	29	217	236	186	JULY 1972 = 100	
1977	247	225	228	218	218	232	220	232	218	213	Annual averages	
1978	273	247	250	240	271	254	243	255	242	248		
1979	310	276	285	265	314	288	280	300	276	279		
1980	371	334	325	324	369	330	318	355	321	335		
1981	410	372	360	367	400	359	349	395	347	363		
1980	Jan 367	301	319	279	361	306	304	339	297	334	Jan	
	Feb 370	326	319	283	361	306	304	339	297	334		Feb
	Mar 370	326	319	283	361	307	304	345	307	334		Mar
	Apr 370	337	320	283	363	308	304	354	321	336		Apr
	May 370	337	320	323	366	338	304	354	324	336		May
	Jun 373	337	320*	351	366	341	304	354	324	336		Jun
	Jul 373	337	321*	351	366	341	331	359	324	336		Jul
	Aug 373	337	326*	348	366	341	331	359	324	336		Aug
	Sep 373	337	326*	348	366	344	331	364	328	336		Sep
	Oct 373	337	326*	348	367	344	331	364	328	336		Oct
	Nov 373	337	345*	348	393	344	331	364	338	336		Nov
	Dec 373	366	345*	348	393	345	331	364	338	336		Dec
1981	Jan 404	366	352*	350	394	348	342	392	338	362	Jan	
	Feb 411	366	352*	350	394	348	342	392	338	362		Feb
	Mar 411	366	352*	350	394	348	342	395	338	363		Mar
	Apr 411	367	353*	350	397	349	342	395	343	363		Apr
	May 411	367	353*	360	397	363	342	395	351	363		May
	Jun 411	367	362*	377	399	364	342	395	351	363		Jun
	Jul 411	367	362*	377	399	364	356	395	351	363		Jul
	Aug 411	367	366*	377	399	364	356	395	351	363		Aug
	Sep 411	367	366*	377	400	365	356	399	351	363		Sep
	Oct 411	367	366*	377	400	365	356	399	351	363		Oct
	Nov 411	397	368*	377	415	365	356	399	351	363		Nov
	Dec 411	397	368*	377	415	365	356	399	351	363		Dec
1982	Jan 445	397	371*	379	417	369	363	415	351	381	Jan	
	Feb 451	399	371*	379	417	369	363	415	354	381		Feb
Normal weekly hours												
Hours												
1977	40.2	36.0	39.9	40.0	40.0	40.0	40.0	40.0	40.1	40.0	Annual averages	
1978	40.2	36.0	39.9	40.0	40.0	40.0	40.0	40.0	40.1	40.0		
1979	40.2	36.0	39.9	40.0	40.0	40.0	40.0	40.0	40.1	40.0		
1980	40.2	36.0	39.9	40.0	40.0	40.0	40.0	40.0	40.1	39.5		
1981	40.2	36.0	39.9	40.0	39.9	40.0	40.0	40.0	40.0	39.1		
1982	Feb 40.2	36.0	39.9	39.9	39.2	40.0	40.0	40.0	39.7	39.1	Feb	
Basic wage rates adjusted for changes in normal weekly hours												
JULY 1972 = 100												
1977	259	225	229	218	218	232	220	232	218	213	Annual averages	
1978	286	247	251	240	271	254	243	255	243	248		
1979	326	276	286	265	314	288	280	300	276	279		
1980	390	334	327	324	369	330	318	355	321	340		
1981	431	372	361	367	402	359	349	395	348	372		
1980	Jan 386	301	320	279	361	306	304	339	298	338	Jan	
	Feb 389	326	320	283	361	306	304	339	298	338		Feb
	Mar 389	326	320	283	361	307	304	345	308	339		Mar
	Apr 389	337	321	283	363	308	304	354	322	340		Apr
	May 389	337	321	323	366	338	304	354	324	340		May
	Jun 391	337	321*	351	366	341	304	354	324	340		Jun
	Jul 391	337	322*	351	366	341	331	359	324	340		Jul
	Aug 391	337	327*	348	366	341	331	359	324	340		Aug
	Sep 391	337	327*	348	366	344	331	364	328	340		Sep
	Oct 391	337	327*	348	367	344	331	364	328	340		Oct
	Nov 391	337	346*	348	393	344	331	364	339	340		Nov
	Dec 391	366	346*	348	393	345	331	364	339	340		Dec
1981	Jan 425	366	353*	350	394	348	342	392	339	371	Jan	
	Feb 432	366	353*	350	394	348	342	392	339	371		Feb
	Mar 432	366	353*	350	394	348	342	395	339	371		Mar
	Apr 432	367	354*	350	397	349	342	395	344	372		Apr
	May 432	367	354*	360	397	363	342	395	352	372		May
	Jun 432	367	363*	377	399	364	342	395	352	372		Jun
	Jul 432	367	364*	377	399	364	356	395	352	372		Jul
	Aug 432	367	367*	377	400	364	356	395	353	372		Aug
	Sep 432	367	367*	377	400	365	356	399	353	372		Sep
	Oct 432	367	367*	377	400	365	356	399	353	372		Oct
	Nov 432	397	369*	378	424	365	356	399	353	372		Nov
	Dec 432	397	369*	378	424	365	356	399	353	372		Dec
1982	Jan 467	397	372*	380	425	369	363	415	355	390	Jan	
	Feb 474	399	372*	380	425	369	363	415	358	390		Feb

* The indices will reflect delays in making new national agreements or the situation where a national agreement is initially in abeyance. Industry groups which are significantly affected by agreements remaining outstanding more than 6 months after their normal settlement date are indicated from the earliest month affected.

WAGE RATES AND HOURS 5.8

Indices of basic national wage rates and normal weekly hours: manual workers: by industry

Paper, printing and publishing	Construction	Gas, electricity and water	Transport and communication	Distributive trades	Professional services and public administration XXV and XXVII	Miscellaneous services	Manufacturing industries	All industries and services	UNITED KINGDOM	
XXVIII	XX	XXI	XXII	XXIII	XXV and XXVII	XXVI	III-XIX		SIC 1968	
Basic weekly wage rates										
Weights										
403	970	209	1,034	802	756	576	5,138	10,000	JULY 1972 = 100	
209	268	214	213	243	230	233	218.9	227.3	Annual averages	
232	290	261	232	272	252	253	258.8	259.3		
270	321	301	266	320	281	319	297.5	298.1		
310	374	384	318	380	329	386	348.5	351.8		
350	417	458	351	423	361	419	381.1	387.4		
286	336	348	294	353	314	370	335.5	332.9	Jan	
297	336	348	294	356	314	377	336.6	335.0		Feb
297	336	379	303	356	314	377	337.4	336.9		Mar
310*	336	379	312	374	326	377	340.6	342.2		Apr
310*	336	379	322	385	326	377	346.7	347.3		May
312*	399	379	322	390	326	388	348.6	355.5		Jun
313*	399	380	328	390	332	388	349.1	356.8		Jul
319*	399	380	328	390	332	388	350.0	357.3		Aug
319*	403	381	328	390	332	388	350.7	358.1		Sep
319*	403	417	328	390	332	399	351.0	359.5		Oct
319*	403	417	328	394	342	399	367.8	368.9		Nov
319*	403	420	328	394	356	399	367.9	371.4		Dec
321*	403	436	336	395	358	410*	372.2	376.1	Jan	
326*	404	436	336	396	358	416*	372.6	377.0		Feb
326*	404	461	339	397	358	416*	372.8	378.0		Mar
356	404	461	351	427	358	416*	376.7	383.8		Apr
357	404	461	351	432	358	416*	379.1	385.4		May
357	404	461	352	432	358	420*	382.0	387.2		Jun
358	430	462	356	432	361	420*	382.3	390.7		Jul
361	431	462	357	432	361	420*	383.1	391.1		Aug
361	431	463	357	432	361	420*	383.4	391.6		Sep
361	431	463	358	432	371	425*	383.4	391.6		Oct
361	431	466	358	432	371	425*	392.6	398.2		Nov
361	431	466	360	432	371	450	392.6	398.2		Dec
361	431	466	360	432	371	444	395.3	401.6	Jan	
361	431	466	360	432	371	450	395.4	402.2		Feb
Normal weekly hours										
Hours										
39.6	39.9	39.0	40.6	40.0	40.0	40.0	39.9	40.0	Annual averages	
39.6	39.9	39.0	40.6	40.0	40.0	40.0	39.9	40.0		
39.6	39.9	39.0	40.4	40.0	40.0	40.0	39.9	39.9		
39.6	39.9	39.0	40.4	40.0	40.0	40.0	39.9	39.8		
39.2	39.7	38.5	40.4	39.7	40.0					

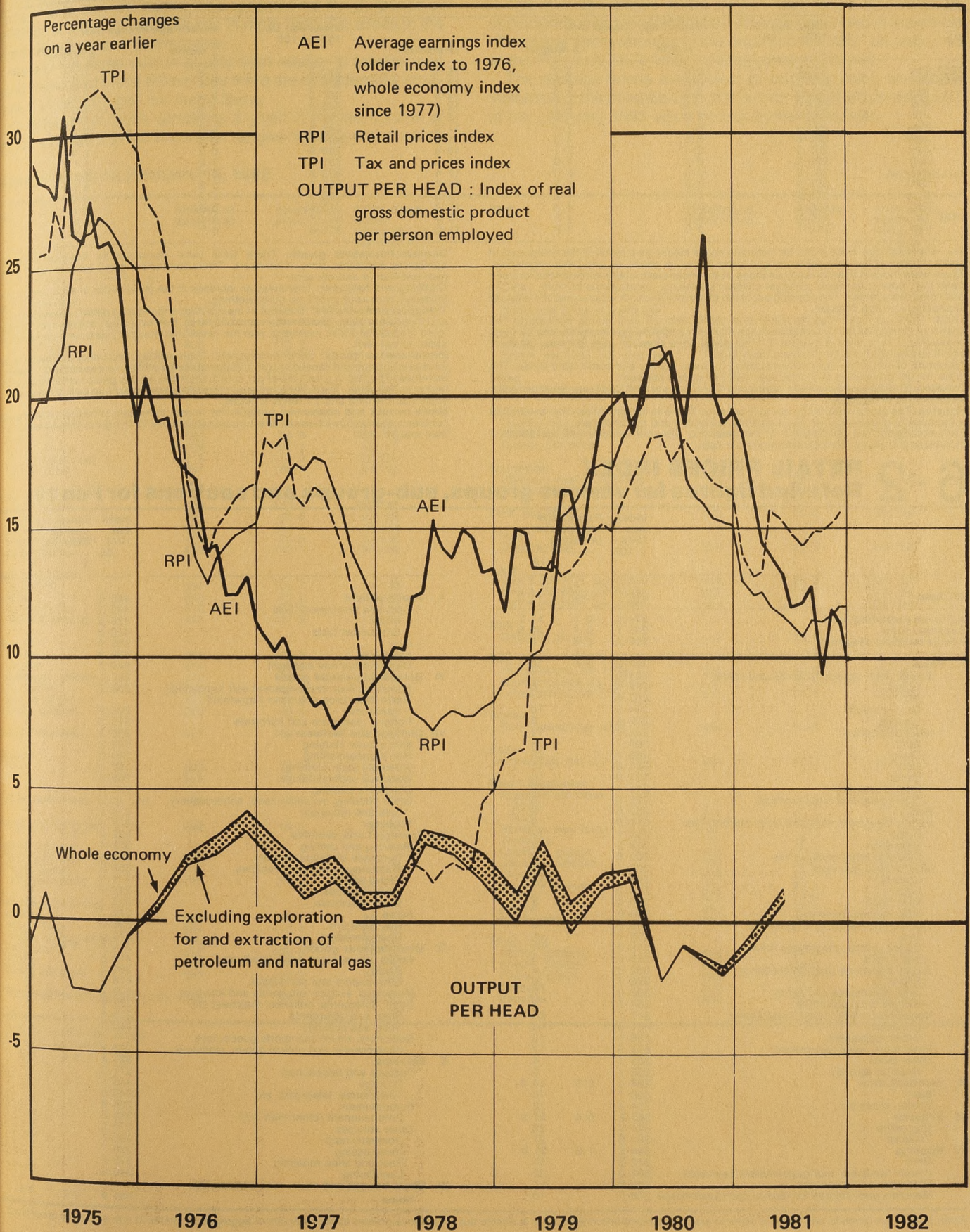
Selected countries: wages per head: manufacturing (manual workers)

	Great Britain	Australia	Austria	Belgium	Canada	Denmark	France	Germany (FR)	Greece	Irish Republic	Italy	Japan	Netherlands	Norway	Spain	Sweden	Switzerland	United States	
	(1) (2)	(3) (4)	(2) (5) (6)	(7) (8)	(2) (8)	(6) (8)	(4)	(8)	(8)	(8)	(4)	(2) (5)	(4)	(3) (8)	(2) (8) (9)	(6) (8)	(5)	(8) (10)	
Annual averages																			Indices 1975 = 100
1971	53.1	53.2	60.6	52	65	51.7	56.0	69	50	47	47.0	49.8	58	59	44.4	63.0	..	74	74
1972	60.0	58.3	67.6	59	70	58.2	62.4	76	55	54	51.9	57.6	66	64	52.0	72.3	..	79	79
1973	67.7	65.8	76.2	69	76	69.1	71.5	84	64	65	64.5	71.1	74	71	61.8	78.4	81.8	85	85
1974	79.3	83.8	88.2	83	86	83.9	85.3	92	80	78	78.9	89.7	88	83	77.8	87.1	93.1	92	92
1975	100.0	100.0	100.0	100	100	100.0	100.0	100	100	100	100.0	100.0	100	100	100.0	100.0	100.0	100.0	100
1976	116.4	114.4	109.0	111	114	112.7	114.1	107	129	117	120.9	112.3	109	117	130.3	117.9	101.6	108	108
1977	128.4	127.6	118.4	121	126	124.3	128.5	114	156	135	154.6	121.9	117	129	169.8	125.8	103.3	118	118
1978	146.9	136.6	125.1	130	135	137.1	145.2	120	193	155	179.6	129.1	123	139	214.2	136.6	106.9	128	128
1979	169.8	147.1	132.4	140	147	152.7	164.1	127	232	178	213.7	138.7	128	143	264.8	147.2	109.2	139	139
1980	200.1	163.2	142.8	153	162	169.8	188.8	135	295	216	261.7	149.9	134	157	313.8	160.2	114.8	151	151
Quarterly averages																			
1980 Q3	206.4	167.0	141.7	153	164	171.0	189.3	137	298	215	269.6	151.3	135	166	314.7	160.7	114.7	152	152
Q4	209.7	167.7	148.9	161	169	176.0	195.5	137	313	232	281.6	152.5	135	165	341.7	167.8	115.8	157	157
1981 Q1	215.9	174.0	146.8	161	173	178.3	201.3	138	351	236	297.4	153.5	136	166	347.4	171.8	121.0	161	161
Q2	219.9	178.4	151.8	167	179	183.1	206.8	140	366	249	317.0	156.8	136	169	374.4	176.8	119.7	164	164
Q3	232.4	180.8	150.9	167	183 R	186.5	215.8	144	385	..	334.5	159.8	140	179 R	..	178.5	120.5	167	167
Q4	237.7	..	..	..	..	..	224.4	..	..	..	..	..	140	..	..	..	..	170	170
Monthly																			
1981 July	228.5	180.7	150.5	..	180	189.2	215.8	144	..	..	326.6	163.8	140 R	..	..	180.2	..	166	166
Aug	234.4	180.8	147.0	..	183 R	181.3	..	..	..	..	338.3	156.0	140	..	..	178.8	..	166	166
Sep	234.3	180.9	155.3	167	186 R	189.1	..	..	..	..	338.5	159.5	140	..	..	178.5	..	169	169
Oct	238.4	181.2 R	158.4	..	187	191.5	224.4	..	..	..	338.5	161.9	140	..	..	180.0	..	169	169
Nov	237.7	182.7	..	..	..	..	..	..	..	..	349.1	162.5	140	..	..	181.1	..	170 R	170 R
Dec	237.5	..	..	..	..	..	..	..	..	..	..	..	140	..	..	..	..	171	171
Increases on a year earlier																			Per cent
Annual averages																			
1972	13	10	12	13	8	13	11	10	10	15	10	16	14	8	17	15	..	7	7
1973	13	13	13	17	9	19	15	11	16	20	24	23	12	11	19	8	..	8	8
1974	17	27	16	20	13	21	19	10	26	20	22	26	19	18	26	11	14	8	8
1975	26	19	13	20	16	19	17	9	25	28	27	11	14	20	29	15	7	9	9
1976	17	15	9	11	14	13	14	7	29	17	21	12	9	17	30	18	2	8	8
1977	10	11	9	9	11	10	13	7	21	15	28	9	7	10	30	7	2	9	9
1978	15	7	6	7	7	10	13	5	24	15	16	6	5	8	26	9	3	8	8
1979	16	8	6	8	9	11	13	6	20	15	19	7	4	3	24	8	2	9	9
1980	18	11	8	9	10	11	15	6	27	21	22	8	5	10	19	9	5	9	9
Quarterly averages																			
1980 Q3	21	12	6	10	10	11	16	7	28	16	23	8	4	16	17	9	5	9	9
Q4	15	11	10	10	11	9	15	7	25	22	22	8	4	15	20	12	6	10	10
1981 Q1	15	10	5	10	11	9	15	7	26	16	23	6	2	14	22	11	5	11	11
Q2	12	12	8	11	13	9	14	4	26	17	25	6	2	12	19	12	5	11	11
Q3	13	8	6	9	12	9	14	5	29	..	24	6	4	7	..	11	5	10	10
Q4	13	..	..	..	..	..	15	..	..	..	..	..	4	..	..	..	..	8	8
Monthly																			
1981 July	12	8	4	..	12	9	14	5	..	..	24	9	3	..	..	14	..	10	10
Aug	13	8	8	..	12	8	..	..	..	..	24	2	3	..	..	11	..	10	10
Sep	12	8	8	9	12	10	..	..	..	..	24	6	3	..	..	9	..	10	10
Oct	15	8	7	..	12	10	15	..	..	..	24	7	3	..	..	9	..	9	9
Nov	13	9	..	..	..	..	..	..	..	..	22	7	3	..	..	8	..	8	8
Dec	13	..	..	..	..	..	..	..	..	..	..	..	3	..	..	..	..	7	7

Source: OECD—Main Economic Indicators.

Notes: 1 Wages and salaries on a weekly basis (all employees).
 2 Seasonally adjusted.
 3 Males only.
 4 Hourly wage rates.
 5 Monthly earnings.

6 Including mining.
 7 Including mining and transport.
 8 Hourly earnings.
 9 All industries.
 10 Production workers.



6.1 RETAIL PRICES

Recent movements in the all-items index and in the index excluding seasonal foods for Feb 16

	All items			All items except seasonal foods			
	Index Jan 15, 1974 = 100	Percentage change over			Index Jan 15, 1974 = 100	Percentage change over	
		1 month	6 months	12 months		1 month	6 months
1980 Dec	275.6	0.5	3.7	15.1	0.5	3.9	
1981 Jan	277.3	0.6	3.5	13.0	0.6	3.7	
Feb	279.8	0.9	4.2	12.5	0.9	4.2	
Mar	284.0	1.5	5.1	12.6	1.5	5.0	
Apr	292.2	2.9	7.5	12.0	2.9	7.3	
May	294.1	0.7	7.3	11.7	0.6	7.1	
June	295.8	0.6	7.3	11.3	0.5	7.1	
July	297.1	0.4	7.1	10.9	0.5	7.0	
Aug	299.3	0.7	7.0	11.5	1.0	7.1	
Sep	301.0	0.6	6.0	11.4	0.5	6.1	
Oct	303.7	0.9	3.9	11.7	0.8	3.9	
Nov	306.9	1.1	4.4	12.0	1.0	4.4	
Dec	308.8	0.6	4.4	12.0	0.5	4.4	
1982 Jan	310.6	0.6	4.5	12.0	0.4	4.2	
Feb	310.7	0.0	3.8	11.0	0.0	3.2	

The very small rise in the index for February arose mainly as a result of the withdrawal of some supplementary rate demands and lower prices for petrol, oil and fresh vegetables. There were modest rises in many sections of the index particularly in the prices for beef, fresh fruit, beer, cigarettes, postage, children's clothing, maintenance of motor vehicles and some newspapers. The phasing out of the electricity discount scheme had the effect of increasing average charges.

Food: The food index rose by nearly one half of one per cent during the month. The seasonal food index fell by rather less than one per cent following cheaper prices for fresh vegetables. There were a number of other small price rises for various items, the most significant being those for beef and fresh fruit.

Alcoholic drink: Price rises were recorded for beer, whisky and some table wines. The index for the group rose by a little over one half of one per cent.

Tobacco: The group index rose by nearly one half of one per cent following higher prices for some brands of cigarettes.

Housing: The group index fell by about 1 1/2 per cent. This was almost entirely the result of the withdrawal of supplementary rate demands in London and the Midlands.

Fuel and light: The phasing out of the electricity discount scheme had the effect of increasing the group index by about one per cent.

Durable household goods: There were price increases for furniture, household appliances and some items of hardware. These caused the group index to rise by a little over one half of one per cent.

Clothing and footwear: There was an increase in the group index of about one per cent following increased prices for outer clothing.

Transport and vehicles: The cost of maintaining and insuring motor vehicles increased and there were some small increases in bus fares. However lower prices for petrol and oil more than offset these increases with the result that the group index registered a fall of about 1 1/2 per cent.

Miscellaneous goods: Some newspapers, toilet articles, stationery and sports goods increased in price and caused the group index to rise by a little over one half of one per cent.

Services: The rise of a half of one per cent in the index for this group resulted mainly from higher postal rates. There were reduced prices for some telephone calls but increases in some hairdressing and TV rental charges.

Meals bought and consumed outside the home: Increased prices for restaurant and canteen meals, sandwiches and snacks caused the index for this group to rise by rather less than one per cent.

6.2 RETAIL PRICES INDEX

Detailed figures for various groups, sub-groups and sections for Feb 16

	Index Jan 1974 = 100	Percentage change over (months)		Index Jan 1974 = 100	Percentage change over (months)		
		1	12			1	12
		All items	310.7			0.0	11.0	310.7	0.0
All items excluding food	314.4	-0.1	11.2	314.4	-0.1		
Seasonal food	285.7	-0.7	25.5	285.7	-0.7		
Food excluding seasonal	299.2	0.6	8.1	299.2	0.6		
I Food	297.2	0.4	10.5	297.2	0.4		
Bread, flour, cereals, biscuits and cakes	304.0	7	7	304.0	7		
Bread	292.5	6	6	292.5	6		
Flour	257.6	7	7	257.6	7		
Other cereals	344.3	10	10	344.3	10		
Biscuits	289.6	2	2	289.6	2		
Meat and bacon	252.9	14	14	252.9	14		
Beef	309.7	19	19	309.7	19		
Lamb	266.4	22	22	266.4	22		
Pork	226.8	11	11	226.8	11		
Bacon	231.5	16	16	231.5	16		
Ham (cooked)	215.4	10	10	215.4	10		
Other meat and meat products	225.5	9	9	225.5	9		
Fish	237.8	3	3	237.8	3		
Butter, margarine, lard and other cooking fats	314.8	9	9	314.8	9		
Butter	411.1	12	12	411.1	12		
Margarine	219.2	3	3	219.2	3		
Lard and other cooking fats	207.6	8	8	207.6	8		
Milk, cheese and eggs	305.7	10	10	305.7	10		
Cheese	349.7	13	13	349.7	13		
Eggs	179.3	17	17	179.3	17		
Milk, fresh	360.4	8	8	360.4	8		
Milk, canned, dried etc	380.0	7	7	380.0	7		
Tea, coffee, cocoa, soft drinks etc	306.3	0	0	306.3	0		
Tea	299.7	-4	-4	299.7	-4		
Coffee, cocoa, proprietary drinks	319.0	-4	-4	319.0	-4		
Soft drinks	318.6	5	5	318.6	5		
Sugar, preserves and confectionery	388.3	3	3	388.3	3		
Sugar	378.7	10	10	378.7	10		
Jam, marmalade and syrup	302.0	7	7	302.0	7		
Sweets and chocolates	384.7	2	2	384.7	2		
Vegetables, fresh, canned and frozen	347.1	25	25	347.1	25		
Potatoes	431.5	43	43	431.5	43		
Other vegetables	296.1	16	16	296.1	16		
Fruit, fresh, dried and canned	272.9	17	17	272.9	17		
Other foods	304.1	4	4	304.1	4		
Food for animals	266.1	0	0	266.1	0		
II Alcoholic drink	324.4	0.8	14.6	324.4	0.8		
Beer	388.7	16	16	388.7	16		
Spirits, wines etc	264.8	12	12	264.8	12		
III Tobacco	393.8	0.4	27.9	393.8	0.4		
Cigarettes	394.9	28	28	394.9	28		
Tobacco	381.8	27	27	381.8	27		
IV Housing	344.5	-1.6	21.0	344.5	-1.6		
Rent	312.3	37	37	312.3	37		
Owner-occupiers' mortgage interest payments	362.0	22	22	362.0	22		
Rates and water charges	366.6	17	17	366.6	17		
Materials and charges for repairs and maintenance	346.7	10	10	346.7	10		
V Fuel and light	406.5	1.1	13.7	406.5	1.1		
Coal and smokeless fuels	430.8	8	8	430.8	8		
Coal	436.5	8	8	436.5	8		
Smokeless fuels	416.5	7	7	416.5	7		
Gas	306.6	26	26	306.6	26		
Electricity	439.2	8	8	439.2	8		
Oil and other fuel and light	549.7	18	18	549.7	18		
VI Durable household goods	241.1	0.7	2.9	241.1	0.7		
Furniture, floor coverings and soft furnishings	250.5	2	2	250.5	2		
Radio, television and other household appliances	208.2	2	2	208.2	2		
Pottery, glassware and hardware	213.3	8	8	213.3	8		
VII Clothing and footwear	209.3	1.1	1.1	209.3	1.1		
Men's outer clothing	229.2	-1	-1	229.2	-1		
Men's underclothing	290.0	0	0	290.0	0		
Women's outer clothing	160.2	0	0	160.2	0		
Women's underclothing	268.3	9	9	268.3	9		
Children's clothing	228.5	4	4	228.5	4		
Other clothing, including hose, haberdashery, hats and materials	218.8	3	3	218.8	3		
Footwear	219.4	0	0	219.4	0		
VIII Transport and vehicles	326.0	-1.4	7.4	326.0	-1.4		
Motoring and cycling	318.4	8	8	318.4	8		
Purchase of motor vehicles	288.4	6	6	288.4	6		
Maintenance of motor vehicles	352.8	5	5	352.8	5		
Petrol and oil	371.0	17	17	371.0	17		
Motor licences	278.7	4	4	278.7	4		
Motor insurance	302.1	1	1	302.1	1		
Fares	374.7	-3	-3	374.7	-3		
Rail transport	386.2	3	3	386.2	3		
Road transport	370.0	3	3	370.0	3		
IX Miscellaneous goods	314.4	0.6	6.5	314.4	0.6		
Books, newspapers and periodicals	410.5	16	16	410.5	16		
Books	381.8	13	13	381.8	13		
Newspapers and periodicals	418.9	18	18	418.9	18		
Medicines, surgical etc goods and toiletries	307.2	9	9	307.2	9		
Soap, detergents, polishes, matches, etc	327.1	4	4	327.1	4		
Soap and detergents	275.5	1	1	275.5	1		
Soda and polishes	396.4	7	7	396.4	7		
Stationery, travel and sports goods, toys, photographic and optical goods, plants etc	273.6	2	2	273.6	2		
X Services	327.3	0.5	12.3	327.3	0.5		
Postage and telephones	371.3	9	9	371.3	9		
Postage	446.4	16	16	446.4	16		
Telephones, telegrams, etc	348.0	13	13	348.0	13		
Entertainment	265.8	13	13	265.8	13		
Entertainment (other than TV)	368.0	10	10	368.0	10		
Other services	370.3	10	10	370.3	10		
Domestic help	393.5	10	10	393.5	10		
Hairdressing	370.7	9	9	370.7	9		
Boot and shoe repairing	375.5	8	8	375.5	8		
Laundry	340.3	12	12	340.3	12		
XI Meals bought and consumed outside the home	331.9	0.7	7.3	331.9	0.7		

Note: Indices are given to one decimal place to provide as much information as is available but precision is greater at higher levels of aggregation, that is at sub-group and group levels.

Average retail prices on February 16, for a number of important items of food, derived from prices collected for the purposes of the General Index of Retail Prices in more than 200 areas in the United Kingdom, are given below.

Many of the items vary in quality from retailer to retailer, and partly because of these differences there are considerable variations in prices charged for many items.

An indication of these variations is given in the last column of the following table which shows the ranges of prices within which

at least-four-fifths of the recorded prices fell.

The average prices given below have been calculated in accordance with the stratification scheme described in the article "Technical improvements in the retail prices index" on page 148 of the February 1978 issue of *Employment Gazette*.

The average prices are subject to sampling error, and some indication of the potential size of this error was given on page S57 of the February 1982 issue of *Employment Gazette*.

Average prices on February 16, 1982

Item	Number of quotations	Average price	Price range within which 80 per cent of quotations fell	Item	Number of quotations	Average price	Price range within which 80 per cent of quotations fell
Beef: home-killed				Bread			
Chuck (braising steak)	668	163.4	142-180	White, per 800g wrapped and sliced loaf	624	37.2	31-41
Sirloin (without bone)	622	261.8	201-320	White, per 800g unwrapped loaf	378	41.4	38-45
Silverside (without bone) †	679	204.1	186-226	White, per 400g loaf, unsliced	432	26.4	24-28
Best beef mince	638	115.2	94-144	Brown, per 400g loaf, unsliced	527	27.7	27-29
Fore ribs (with bone)	530	141.8	114-180	Flour			
Brislet (without bone)	642	141.0	112-174	Self-raising, per 1 1/2 kg	633	42.1	33-52
Rump steak †	681	266.7	222-300	Butter			
Stewing steak	635	146.7	126-171	Home-produced, per 500g	582	97.8	88-110
Lamb: home-killed				New Zealand, per 500g	510	96.2	90-102
Loin (with bone)	530	181.4	150-207	Danish, per 500g	561	103.8	96-110
Breast †	505	54.5	40-70	Margarine			
Best end of neck	436	121.1	70-177	Standard quality, per 250g	129	16.7	15-19
Shoulder (with bone)	510	113.0	92-138	Lower priced, per 250g	113	16.1	15-17
Leg (with bone)	541	168.4	144-192	Lard, per 500g	672	30.5	25-36
Lamb: imported				Cheese			
Loin (with bone)	383	142.5	122-165	Cheddar type	674	112.9	98-128
Breast †	391	40.0	30-52	Eggs			
Best end of neck	369	104.4	70-140	Size 2 (65-70g), per dozen	419	87.3	80-94
Shoulder (with bone)	419	90.6	80-100	Size 4 (55-60g), per dozen	458	79.7	74-84
Leg (with bone)	420	143.4	130-156	Size 6 (45-50g), per dozen	125	73.1	64-84
Pork: home-killed				Milk			
Leg (foot off)	587	103.7	82-140	Ordinary, per pint	—	20.0	—
Belly †	643	75.8	64-86	Tea			
Loin (with bone)	676	126.2	110-148	Higher priced, per 125g	235	30.3	27-35
Fillet (without bone)	457	157.5	118-226	Medium priced, per 125g	1,196	27.5	25-30
Bacon				Lower priced, per 125g	691	23.9	22-26
Collar †	363	102.3	82-122	Coffee			
Gammon †	414	146.3	116-180	Pure, instant, per 100g	664	94.2	

6.5 RETAIL PRICES

General index of retail prices: Percentage increases on a year earlier

UNITED KINGDOM	All items	Food	Alcoholic drink	Tobacco	Housing	Fuel and light	Durable household goods	Clothing and footwear	Transport and vehicles	Miscellaneous goods	Services	Meals bought and consumed outside the home	Goods and services mainly produced by nationalised industries
1974 Jan 15	12	20	2	0	10	6	10	13	10	7	12	21	5
1975 Jan 14	20	18	18	24	10	25	18	19	30	25	16	19	20
1976 Jan 13	23	25	26	31	22	35	19	11	20	22	33	23	44
1977 Jan 18	17	23	17	19	14	18	12	13	14	16	8	18	15
1978 Jan 17	10	7	9	15	7	11	12	10	11	13	12	16	11
1979 Jan 16	9	11	5	4	16	6	7	8	10	9	8	10	7
1980 Jan 15	18	13	21	17	25	19	15	12	23	20	22	22	17
1981 Jan 13	13	9	15	10	20	28	7	5	12	13	17	15	27
April 14	12	8	18	24	18	26	5	1	11	9	15	11	23
May 19	12	8	18	23	18	24	5	1	10	9	15	9	22
June 16	11	9	17	23	17	22	5	0	10	8	14	9	20
July 14	11	8	17	23	16	21	5	0	11	7	13	8	20
Aug 18	11	7	17	26	16	21	5	1	13	7	14	8	20
Sep 15	11	8	15	29	16	19	5	0	14	7	14	8	18
Oct 13	12	9	16	31	18	17	4	1	12	6	14	8	15
Nov 17	12	10	16	31	21	14	4	1	13	7	13	7	13
Dec 15	12	10	16	31	22	13	3	1	11	6	15	8	11
1982 Jan 12	12	11	16	32	23	13	4	0	10	7	13	7	11
Feb 16	11	11	15	28	22	14	3	1	7	6	12	7	11

6.6 Indices for pensioner households: all items (excluding housing)

UNITED KINGDOM	One-person pensioner households				Two-person pensioner households				General index of retail prices			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
1974	199.4	207.5	214.1	225.3	199.5	208.8	214.5	225.2	190.7	201.9	208.8	218.1
1975	101.1	105.2	108.6	114.2	101.1	105.8	108.7	114.1	101.5	107.5	110.7	116.1
1976	121.3	134.3	139.2	145.0	121.0	134.0	139.1	144.4	123.5	134.5	140.7	145.7
1977	152.3	158.3	161.4	171.3	151.5	157.3	160.5	170.2	151.4	156.6	160.4	168.0
1978	179.0	186.9	191.1	194.2	178.9	186.3	189.4	192.3	176.8	184.2	187.6	190.8
1979	197.5	202.5	205.1	207.1	195.8	200.9	203.6	205.9	194.6	199.3	202.4	205.3
1980	214.9	220.6	231.9	239.8	213.4	219.3	233.1	238.5	211.3	217.7	233.1	239.8
1981	250.7	262.1	268.9	275.0	248.9	260.5	266.4	271.8	249.6	261.6	267.1	271.8
1982	283.2	292.1	297.2	304.5	280.3	290.3	295.6	303.0	279.3	289.8	295.0	300.5

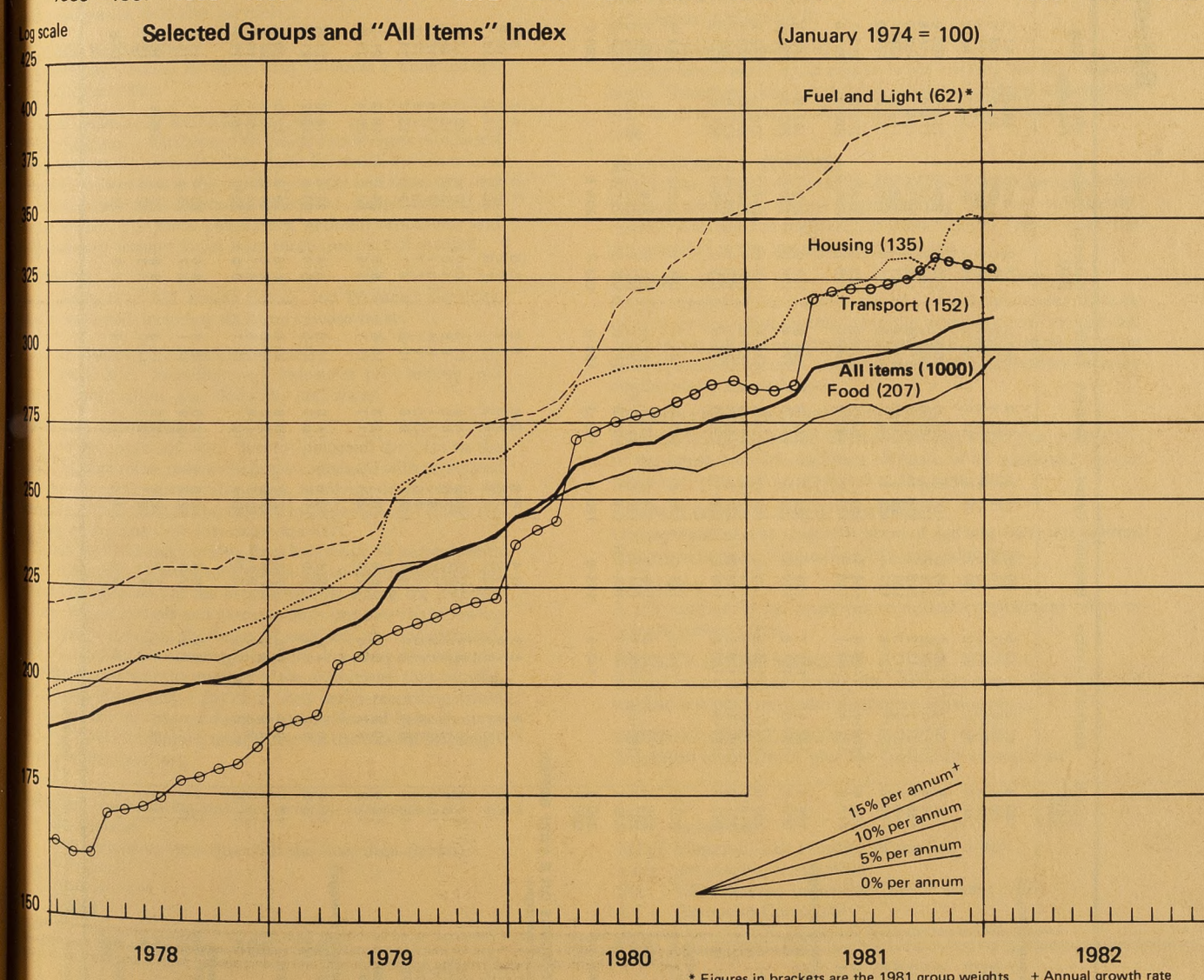
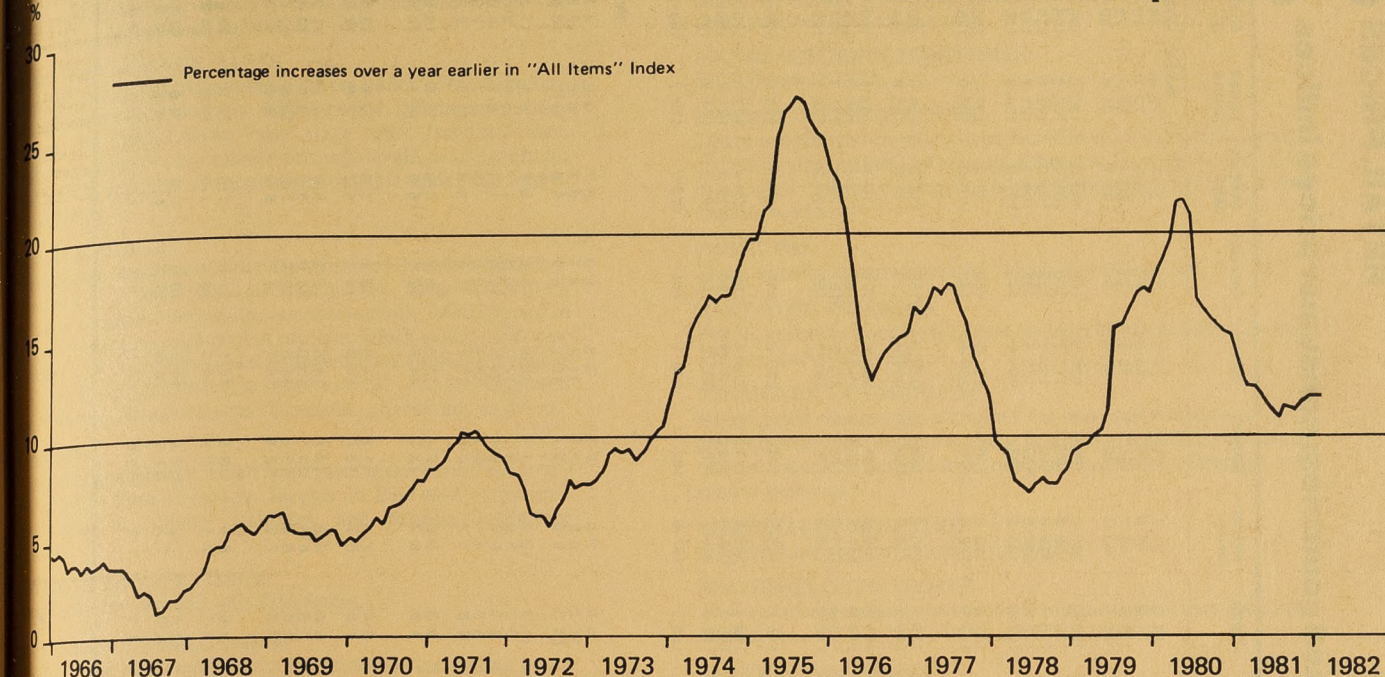
6.7 Group indices: annual averages

UNITED KINGDOM	All items (excluding housing)	Food	Alcoholic drink	Tobacco	Fuel and light	Durable household goods	Clothing and footwear	Transport and vehicles	Miscellaneous goods	Services	Meals bought and consumed outside the home
INDEX FOR ONE-PERSON PENSIONER HOUSEHOLDS											
1974	107.3	104.0	110.0	115.9	109.9	108.5	109.5	109.0	114.5	106.7	108.8
1975	135.0	129.5	135.8	147.8	145.5	131.0	124.9	144.0	147.7	134.4	133.1
1976	160.8	156.3	160.2	171.5	179.9	145.2	137.7	178.0	171.6	155.1	159.5
1977	187.8	187.5	185.2	209.8	205.2	169.0	155.4	204.6	201.1	168.7	188.6
1978	203.1	199.6	197.9	226.3	224.8	184.8	168.3	228.0	221.3	185.3	209.8
1979	226.8	222.4	219.0	247.8	251.2	205.0	186.6	262.0	250.6	206.0	243.9
1980	264.2	248.1	263.8	290.5	316.9	230.6	206.1	322.5	298.4	248.8	288.3
1981	294.3	269.2	307.5	358.9	381.6	241.4	208.0	363.3	333.6	276.6	313.6
INDEX FOR TWO-PERSON PENSIONER HOUSEHOLDS											
1974	107.4	104.0	110.0	116.0	110.0	108.2	109.7	111.0	113.3	106.7	108.8
1975	134.6	128.9	135.7	148.1	146.0	132.6	126.4	145.4	144.6	135.4	133.1
1976	159.9	155.8	160.5	171.9	180.7	146.3	139.7	171.4	168.2	157.1	159.5
1977	186.7	184.8	186.3	210.2	207.7	170.3	158.5	194.9	197.4	171.2	188.6
1978	201.6	196.9	199.8	226.6	226.0	186.1	172.7	211.7	217.8	188.5	209.8
1979	225.6	220.0	221.5	247.8	252.8	206.3	191.7	246.0	246.1	210.3	243.9
1980	261.9	244.6	268.3	289.9	319.0	231.2	212.8	301.5	292.8	254.8	288.3
1981	292.3	265.5	314.5	358.1	383.4	242.3	216.8	343.9	327.3	284.1	313.6
GENERAL INDEX OF RETAIL PRICES											
1974	108.9	106.1	109.7	115.9	110.7	107.9	109.4	111.0	111.2	106.8	108.2
1975	136.1	133.3	135.2	147.7	147.4	131.2	125.7	143.9	138.6	135.5	132.4
1976	159.1	159.9	159.3	171.3	182.4	144.2	139.4	166.0	161.3	159.5	157.3
1977	184.9	190.3	183.4	209.7	211.3	166.8	157.4	190.3	188.3	173.3	185.7
1978	200.4	203.8	196.0	226.2	227.5	182.1	171.0	207.2	206.7	192.0	207.8
1979	225.5	228.3	217.1	247.6	250.5	201.9	187.2	243.1	236.4	213.9	239.9
1980	262.5	255.9	261.8	290.1	313.2	226.3	205.4	288.7	276.9	262.7	290.0
1981	291.2	277.5	306.1	358.2	380.0	237.2	208.3	322.6	300.7	300.8	318.0

Note: The General Index covers almost all goods and services purchased by most households, excluding only those for which the income of the head of household is in the top 3-4 per cent and those one-and-two person pensioner households of limited means covered by separate indices. For these pensioners, national retirement and similar pensions account for at least three-quarters of income.

RETAIL PRICES

Index of retail prices C3



Selected countries: consumer prices indices



	United Kingdom	Australia	Austria	Belgium	Canada	Denmark	France	Germany (FR)	Greece	Irish Republic	Italy	Japan	Netherlands	Norway	Spain	Sweden	Switzerland	United States	All OECD (1)	
Annual averages																				Indices 1975 = 100
1971	59.3	65.2	73.6	69.8	72.2	67.9	69.0	78.2	57.7	58.4	61.3	61.5	71.1	71	61.3	73	73.6	75.3	70.2	
1972	63.6	68.9	78.3	73.6	75.7	72.4	73.3	82.5	60.1	63.5	64.8	64.3	76.6	76	66.3	78	78.5	77.7	73.5	
1973	69.4	75.5	84.2	78.7	81.4	79.2	78.7	88.2	69.5	70.7	71.8	71.9	82.7	81	73.9	83	85.4	82.5	79.2	
1974	80.5	86.9	92.2	88.7	90.3	91.3	89.5	94.4	88.2	82.7	85.5	89.4	90.7	90	85.5	91	93.7	91.6	89.8	
1975	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100	100.0	100	100.0	100.0	100.0	
1976	116.5	113.5	107.3	109.2	107.5	109.0	109.6	104.5	113.3	118.0	116.8	109.3	108.8	109	117.7	110	101.7	105.8	108.6	
1977	135.0	127.5	113.2	116.9	116.1	121.1	119.9	108.4	127.1	134.1	138.3	118.1	115.8	119	146.5	123	103.0	112.6	118.3	
1978	146.2	137.6	117.3	122.1	126.5	133.2	130.8	111.3	143.0	144.3	155.1	122.6	120.5	129	175.4	135	104.1	121.2	127.7	
1979	165.8	150.1	121.6	127.6	138.1	146.1	144.8	115.9	170.2	163.5	178.0	127.0	125.6	135	203.0	145	107.9	134.9	140.2	
1980	195.6	165.4	129.3	136.1	152.1	164.1	164.5	122.3	212.5	193.2	215.7	137.2	133.8	150	234.5	165	112.2	153.1	158.2	
1981	218.9	181.4	138.1	146.5	171.0	183.3	186.0	129.5	264.6	232.7	257.8	143.9	142.8	170	268.8	185	119.5	169.0	175.0	
Quarterly averages																				
1980 Q3	199.4	167.1	130.7	136.8	154.1	166.8	166.8	123.0	213.7	197.8	219.2	138.7	135.1	152	238.3	166	113.0	154.9	160.2	
Q4	203.2	170.6	131.6	139.9	158.5	170.0	171.4	124.0	230.3	203.9	230.9	140.1	136.8	156	245.5	173	114.0	158.9	164.1	
1981 Q1	208.0	174.7	135.2	143.0	163.6	174.4	176.5	126.6	247.2	216.5	242.9	141.6	139.0	164	256.6	179	116.7	163.1	168.6	
Q2	218.1	178.5	137.3	144.1	168.8	181.9	182.3	128.9	260.4	225.0	253.7	144.0	141.7	168	264.1	183	118.3	166.9	173.1	
Q3	221.9	182.3	139.3	147.9	173.7	186.4	189.5	130.5	265.4	237.6	261.3	144.3	144.0	173	272.8	187	121.1	171.7	177.2	
Q4	227.4	189.9	140.6	150.9	178.1	190.6	195.6	132.0	285.3	251.5	273.3	146.0	146.6	175	281.5	189	121.9	174.1	180.9	
Monthly																				
1981 Sep	223.3	..	139.8	149.0	175.0	187.7	191.7	131.1	272.2	..	264.6	145.6	145.2	174	275.3	188	121.8	173.3	178.8	
Oct	225.3	..	140.6	149.6	176.8	188.7	194.0	131.5	279.3	..	269.2	146.1	146.3	174	278.4	189	121.4	173.6	179.9	
Nov	227.7	189.9	140.4	151.1	178.3	191.1 R	195.8	132.1	285.3 R	251.5	274.0	145.7	146.8	175	280.8 R	190	122.1	174.1	180.9	
Dec	229.1	..	140.8	152.1 R	179.1	191.9	197.0	132.5	291.4 R	..	276.8	146.1	146.8	176	285.2	189	122.1 R	174.6	181.8	
1982 Jan	230.4	..	142.5	153.6	180.3	193.3	199.0	133.7	294.6	..	280.7	146.1	147.6	181	290.1	194	122.7	175.3	183.1	
Feb	230.5
Increases on a year earlier																				Per cent
Annual averages																				
1972	7.1	5.8	6.3	5.4	4.8	6.6	6.2	5.5	4.3	8.7	5.7	4.5	7.8	7.2	8.3	6.0	6.7	3.3	4.7	
1973	9.2	9.5	7.6	7.0	7.6	9.3	7.3	6.9	15.5	11.4	10.8	11.7	8.0	7.5	11.4	6.7	8.7	6.2	7.8	
1974	16.1	15.1	9.5	12.7	10.8	15.3	13.7	7.0	26.9	17.0	19.1	24.5	9.6	9.4	15.7	9.9	9.8	11.0	13.5	
1975	24.2	15.1	8.4	12.8	10.8	9.6	11.8	6.0	13.4	20.9	17.0	11.8	10.2	11.7	16.9	9.8	6.7	9.1	11.3	
1976	16.5	13.5	7.3	9.2	7.5	9.0	9.6	4.5	13.3	18.0	16.8	9.3	8.8	9.0	17.7	10.3	1.7	5.8	8.6	
1977	15.8	12.3	5.5	7.1	8.0	11.1	9.4	3.7	12.1	13.6	18.4	8.1	6.4	9.1	24.5	11.4	1.3	6.5	8.9	
1978	8.3	7.9	3.6	4.5	9.0	10.0	9.1	2.7	12.6	7.6	12.1	3.8	4.1	8.1	19.8	10.0	1.1	7.7	7.9	
1979	13.4	9.1	3.7	4.5	9.1	9.6	10.8	4.1	19.0	13.3	14.8	3.6	4.2	4.8	15.7	7.2	3.6	11.3	9.8	
1980	18.0	10.2	6.4	6.6	10.1	12.3	13.6	5.5	24.9	18.2	21.2	8.0	6.5	10.9	15.5	13.7	4.0	13.5	12.9	
1981	11.9	9.7	6.8	7.6	12.4	11.7	13.1	5.9	24.5	20.4	19.5	4.9	6.7	13.3	14.6	12.1	6.5	10.4	10.6	
Quarterly averages																				
1980 Q3	16.4	10.2	7.0	6.5	10.5	11.5	13.6	5.4	24.5	18.8	21.8	8.4	7.1	11.8	14.9	13.7	3.8	12.9	12.6	
Q4	15.3	9.2	6.4	7.5	11.1	10.7	13.6	5.4	25.6	18.2	21.5	7.8	6.7	13.0	14.8	14.7	4.2	12.5	12.2	
1981 Q1	12.7	9.4	6.9	7.3	12.2	10.9	12.6	5.6	26.0	21.0	20.0	6.6	6.8	14.6	14.6	12.8	5.9	11.2	11.2	
Q2	11.7	8.8	6.8	7.2	12.6	12.2	12.8	5.6	24.0	17.1	20.6	5.0	6.5	15.1	15.0	13.0	5.9	9.8	10.4	
Q3	11.3	9.1	6.6	8.1	12.7	11.8	13.6	6.1	24.2	20.1	19.2	4.0	6.6	13.8	14.5	12.7	7.2	10.8	10.7	
Q4	11.9	11.3	6.8	7.9	12.4	12.1	14.1	6.5	23.9	23.3	18.4	4.2	7.2	12.2	14.7	9.2	6.9	9.6	10.2	
Monthly																				
1981 Sep	11.4	..	6.9	8.4	12.5	12.0	13.9	6.5	25.4	..	18.6	3.9	6.8	13.5	14.1	11.3	7.5	11.0	10.8	
Oct	11.7	..	7.2	7.8	12.7	11.9	14.1	6.7	25.4	..	18.7	4.1	7.1	12.6	14.5	10.4	7.3	10.2	10.4	
Nov	12.0	11.3	7.0	7.8	12.2	12.2	14.3	6.6	23.8	23.3	18.4	3.6	7.3	12.4	14.5	10.2	7.0	9.6	10.1	
Dec	12.0	..	6.4	8.1	12.1	12.2	14.0	6.3	22.5	..	18.1	4.3	7.2	11.9	14.5	9.1	6.6	8.9	9.9	
1982 Jan	12.0	..	6.1	8.3	11.4	12.3	13.9	6.3	20.9	..	17.6	3.3	7.0	12.0	14.2	9.5	6.1	8.4	9.5	
Feb	11.0

Sources: OECD—Main Economic Indicators.
OECD—Consumer Prices Press Notice.

Note: 1 The index for the OECD as a whole is compiled using weights derived from private final consumption expenditure and exchange rates for previous year.

DEFINITIONS

The terms used in the tables are defined more fully in periodic articles in the Employment Gazette relating to particular statistical series. The following are short general definitions.

BASIC WEEKLY WAGE RATES

Minimum entitlements of manual workers under national collective agreements and statutory wages orders. Minimum entitlements in this context means basic wage rates, standard rates, minimum guarantees or minimum earnings levels, as appropriate, together with any general supplement payable under the agreement or order.

DISABLED PEOPLE

Those eligible to register under the Disabled Persons (Employment) Acts 1944, and 1958; this is those who, because of injury, disease or congenital deformity, are substantially handicapped in obtaining or keeping employment of a kind which would otherwise be suited to their age, experience and qualifications. Registration is voluntary. The figures therefore relate to those who are registered and those who, though eligible to register, choose not to do so.

EARNINGS

Total gross remuneration which employees receive from their employers in the form of money. Income in kind and employers' contributions to national insurance and pension funds are excluded.

EMPLOYED LABOUR FORCE

Total in civil employment plus HM forces.

EMPLOYEES IN EMPLOYMENT

Civilians in the paid employment of employers (excluding home workers and private domestic servants).

FULL-TIME WORKERS

People normally working for more than 30 hours a week except where otherwise stated.

GENERAL INDEX OF RETAIL PRICES

The general index covers almost all goods and services purchased by most households, excluding only those for which the income of the head of household is in the top 3-4 per cent and those one and two person pensioner households of limited means covered by separate indices. For these pensioners, national retirement and similar pensions account for at least three-quarters of income.

HM FORCES

Serving members of UK armed Forces and Women's Services, wherever stationed, including those on release leave.

INDEX OF PRODUCTION INDUSTRIES

SIC Orders II-XXI. Manufacturing industries plus mining and quarrying, construction, gas, electricity and water.

INDUSTRIAL DISPUTES

Statistics of stoppages of work due to industrial disputes in the United Kingdom relate only to disputes connected with terms and conditions of employment. Stoppages involving fewer than 10 workers or lasting less than one day are excluded, except where the aggregate of working days lost exceeded 100.

Workers involved and working days lost relate to persons both directly and indirectly involved (thrown out of work although not parties to the disputes) at the establishments where the disputes occurred. People laid off and working days lost elsewhere, owing for example to resulting shortages of supplies, are not included. There are difficulties in ensuring complete recording of stoppages, particularly those near the margins of the definitions; for example, short disputes lasting only a day or so. Any under-recording would particularly bear on those industries most affected by such stoppages; and would have much more effect on the total of stoppages than of working days lost.

Conventions The following standard symbols are used:

- not available
- nil or negligible (less than half the final digit shown)
- provisional
- break in series
- revised

Where figures have been rounded to the final digit, there may be an apparent slight discrepancy between the sum of the constituent items and the total as shown. Although figures may be given in unrounded form to facilitate the calculation of percentage changes, rates of change, etc. by users, this does not imply that the figures can be estimated to this degree of precision, and it must be recognised that they may be the subject of sampling and other errors.

MANUAL WORKERS

Employees other than those in administrative, professional, technical and clerical occupations.

MANUFACTURING INDUSTRIES

SIC Orders III-XIX.

NORMAL WEEKLY HOURS

The time which the employee is expected to work in a normal week, excluding all overtime and main meal breaks. This may be specified in national collective agreements and statutory wages orders for manual workers.

OVERTIME

Work outside normal hours for which a premium rate is paid.

PART-TIME WORKERS

People normally working for not more than 30 hours a week except where otherwise stated.

PENSIONER HOUSEHOLDS

Retail prices indices are compiled for one- and two-person pensioner households, defined as those in which at least three-quarters of total income is derived from national insurance retirement and similar pensions.

SEASONALLY ADJUSTED

Adjusted for regular seasonal variations.

SELF-EMPLOYED PEOPLE

Those working on their own account whether or not they have any employees.

SERVICE INDUSTRIES

SIC Orders XXII-XXVII.

SHORT-TIME WORKING

Arrangements made by an employer for working less than regular hours. Therefore, time lost through sickness, holidays, absenteeism and the direct effects of industrial disputes is not counted as short-time.

TEMPORARILY STOPPED

People who at the date of the unemployment count are suspended by their employers on the understanding that they will shortly resume work and are registered to claim benefit. These people are not included in the unemployment figures.

UNEMPLOYED

People registered for employment at a local employment office or careers service office on the day of the monthly count who on that day have no job and are capable of and available for work. (Certain severely disabled people, and adult students registered for vacation employment, are excluded).

UNEMPLOYED PERCENTAGE RATE

The number of registered unemployed expressed as a percentage of the latest available mid-year estimate of all employees in employment, plus the unemployed at the same date.

UNEMPLOYED SCHOOL LEAVERS

Unemployed people under 18 years of age who have not entered employment since terminating full-time education.

VACANCY

A job notified by an employer to a local employment office or careers service office.

WEEKLY HOURS WORKED

Actual hours worked during the reference week and hours not worked but paid for under guarantee agreements.

WORKING POPULATION

Employed labour force plus the registered unemployed.

Regularly published statistics

Employment and working population	Frequency	Latest issue	Table number or page	Earnings and hours (cont.)	Frequency	Latest issue	Table number or page
Working population: GB and UK Quarterly series	M	Mar 82:	1-1	Manual workers: by occupation in certain manufacturing industries; indices	M	Mar 82:	5-5
Employees in employment Industry: GB				Non-manual workers: production industries	A	Mar 81:	115
All industries: by MLH	Q	Jan 82:	1-4				
: time series, by order group numbers and indices	M	Mar 82:	1-2	New Earnings Survey (April estimates) Latest key results	A	Oct 81:	443
Manufacturing: by MLH	M	Mar 82:	1-3	Time series	M	Mar 82:	5-6
Occupation							
Administrative, technical and clerical in manufacturing	Q	Dec 81:	1-10	Average weekly and hourly earnings and hours worked (manual workers)			
Local authorities manpower	Q	Mar 82:	1-7	Manufacturing and certain other industries	M	Mar 82:	5-4
Occupations in engineering		June 80:	636	October survey (latest)	A	Feb 80:	136
Region: GB				Manufacturing: indices of hours	M	Mar 82:	1-12
Sector: numbers and indices, quarterly	Q	Jan 82:	1-5	Aerospace	A	Aug 81:	367
Census of Employment				Agriculture	Six-monthly	Mar 82:	136
Key results, June 1978		Feb 81:	61	Chemical industries	A	Oct 80:	1081
GB regions by industry MLH, June 1978		Mar 81:	141	Coal mining	A	Mar 82:	136
UK by industry MLH		Mar 81:	141	Engineering	A	Oct 80:	1081
International comparisons	M	Mar 82:	1-9	Shipbuilding	A	Oct 80:	1081
Disabled in the public sector	A	Jan 82:	27				
Exemption orders from restrictions to hours worked: women and young persons	M	Mar 82:	137	Basic wage rates and normal hours of work (manual workers)			
Labour turnover in manufacturing	Q	Feb 82:	1-2	Changes in rates of wages and hours	M	May 80:	519
Trade union membership	A	Feb 82:	22	Changes in rates of wages and hours	M	Mar 82:	5-8
Work permits issued	A	Mar 82:	108	International comparisons	M	Mar 82:	5-9
Output per head				Overtime and short-time: operatives in manufacturing			
Output per head: quarterly and annual indices	M	Mar 82:	1-8	Latest figures	M	Mar 82:	1-11
Wages and salaries per unit of output	M	Mar 82:	5-7	Time series	M	Mar 82:	1-11
Manufacturing index, time series	M	Mar 82:	5-7	Region: summary	Q	Mar 82:	1-13
Quarterly and annual indices							
Unemployment and vacancies				Labour costs			
Unemployment				Survey results	Triennial	Sep 80:	956
Summary: UK, GB	M	Mar 82:	2-1	Indices: per unit of output	M	Mar 82:	5-7
Age and duration: UK	M	Mar 82:	2-5	Prices and expenditure			
Broad category: GB, UK	M	Mar 82:	2-1	Retail prices			
Detailed category: GB, UK	Q	Feb 82:	2-6	General index (RPI)			
Region: summary	Q	Feb 82:	2-6	Latest figures: detailed indices	M	Mar 82:	6-2
Age time series quarterly UK	M	Mar 82:	2-7	percentage changes	M	Mar 82:	6-2
(six-monthly prior to July 1978)				Recent movements and the index			
: estimated rates	Q	Jan 82:	2-15	excluding seasonal foods	M	Mar 82:	6-1
Duration: time series, quarterly UK	M	Mar 82:	2-8	Main components: time series and weights	M	Mar 82:	6-4
Region and area				Changes on a year earlier: time series	M	Mar 82:	6-5
Time series summary: by region	M	Mar 82:	2-3	Annual summary	A	Mar 82:	95
: assisted areas, counties, local areas	M	Mar 82:	2-4	Revision of weights	A	Mar 82:	104
Occupation	Q	Mar 82:	2-12	Pensioner household indices			
Age and duration: summary	Q	Feb 82:	2-6	All items excluding housing; quarterly	M	Mar 82:	6-6
Industry				Group indices: annual averages	M	Mar 82:	6-7
Latest figures: GB, UK	Q	Sep 81:	2-10	Revision of weights	A	Apr 81:	182
Number unemployed and percentage rates: GB	M	Mar 82:	2-9	Food prices	M	Mar 82:	6-3
Occupation:				London weighting: cost indices	A	June 81:	275
Broad category: time series quarterly	M	Mar 82:	2-11	Family Expenditure Survey			
Flows GB, time series	M	Mar 82:	2-19	Quarterly summary	Q	Sep 81:	—
Adult students: by region	M	Mar 82:	2-13	Annual: preliminary figures	A	July 80:	749
Minority group workers: by region	Q	Mar 82:	2-17	: final detailed figures	A	Nov 80:	467
Disabled workers: GB	M	Mar 82:	2-16	FES and RPI weights	A	Mar 82:	104
Non-claimants: GB	M	Mar 82:	2-16	International comparisons	M	Feb 82:	6-8
International comparisons	M	Mar 82:	2-18	Industrial disputes			
Temporarily stopped: UK				Stoppages of work			
Latest figures: by region	M	Mar 82:	2-14	Summary: latest figures	M	Mar 82:	4-1
Vacancies (remaining unfilled)				: time series	Q	Jan 82:	4-2
Region				Latest year and annual series	A	July 81:	288
Time series: seasonally adjusted	M	Mar 82:	3-1	Industry			
: unadjusted	M	Mar 82:	3-2	Monthly			
Industry: UK	Q	Mar 82:	3-3	Broad sector: time series	M	Feb 82:	4-1
Occupation: by broad sector and unit groups: UK	M	Mar 82:	3-4	Annual			
Region summary	Q	Dec 81:	2-12	Provisional	A	Jan 82:	25
Flows: GB, time series	M	Mar 82:	2-19	Detailed	A	July 81:	288
Unemployment and vacancy flows: GB	M	Mar 82:	2-19	Prominent stoppages	A	July 81:	291
Skill shortage indicators	Six-monthly	Jan 82:	34	Main causes of stoppage			
Earnings and hours				Cumulative	M	Feb 82:	4-1
Average earnings				Latest year for main industries	A	July 81:	290
Whole economy (new series) index				Size of stoppages			
Main industrial sectors	M	Mar 82:	5-1	Stoppages beginning in latest year	A	July 81:	293
Industry	M	Mar 82:	5-3	Aggregate days lost	A	July 81:	293
				Number of workers involved	A	July 81:	294
				Days lost per 1,000 employees in recent years by industry	A	July 81:	295
				International comparisons	A	Feb 82:	69

SPECIAL FEATURE

Costs and benefits of sponsoring the unemployed

by John Barry and David O'Connor
Manpower Services Commission

The Manpower Services Commission carried out a survey last year amongst employers who have been providing places for unemployed people under the various special programmes set up to help those without jobs—particularly the young and those out of work for a long time.

There have been a number of articles in *Employment Gazette* in the last year or two that have reported on the results of surveys conducted by the MSC as part of its research into the evaluation of its special programmes for helping the unemployed via the Youth Opportunities Programme and similar schemes for providing temporary employment to unemployed adults, now known as the Community Enterprise Programme. In those surveys information was obtained about the characteristics of trainees and their post-programme experience in the labour market by means of questions addressed to the ex-trainees themselves. However, important information about the way in which the programmes work has also been provided by surveys of organisations sponsoring schemes.

This article presents some of the results of a sponsors' survey carried out in May 1981 by Social and Community Planning Research involving interviews with 462 sponsors. This was a repeat of a similar exercise in January 1980. Training Workshops were included in the earlier survey but not in the later one as they were to be the subject of a separate survey. In both cases the samples of sponsors was representative of the regional and industrial distribution of schemes. The surveys were designed to provide information about sponsors' experiences of running schemes, the activities undertaken and about some of the costs and benefits to sponsors and to society at large.

Measuring some of the costs and benefits

The survey provided information which allows estimates of the financial and resource costs of providing the programmes to be produced. These are different from the gross and net costs to the Exchequer which were not covered though information from the survey is a vital element in the calculation of net costs. Gross and net Exchequer costs have been included in the summary table for comparative purposes.

Financial costs include all actual expenditures whether by MSC on allowances, wages and other costs or by sponsors on things like materials, and supervision, as well as the imputed financial value of the labour allocated by sponsors to setting up and supervising schemes which does not involve actual additional expenditure. These financial costs represent what the gross cost to the Exchequer would be of these programmes if all inputs had to be paid for. The survey did not cover the costs to the MSC of administering

the schemes or of providing further education for trainees.

Resource costs are a measure of the output which is lost to the economy at large because some of the labour, materials and equipment used on the programmes might have been used productively elsewhere.

Important item

An important item in estimating these costs is the proportion of the man-hours provided by sponsors' workforces in setting up and supervising schemes which sponsors said that they found it difficult to spare. It was also necessary to make assumptions about the number of jobs that remain unfilled because participants have preferred to enter schemes instead. Given the depth of the recession, it is likely that if there were any such jobs, most of them would be filled anyway by others in the labour market, though an alternative assumption has also been made that a small percentage would remain unfilled.

The survey also produced measures of benefits to the economy in the form of extra output over and above that which would have been produced in the absence of the programmes.

It must be stressed, however, that there are other important non-financial benefits arising from the programmes which the sponsors' survey does not provide information about. These include the psychological benefits which participants derive from being on the schemes and improvements in the future competitiveness, efficiency, adaptability and job stability of participants.

Work Experience on Employers' Premises

Most young people in YOP are in Work Experience Schemes on Employers' Premises (WEEP). Smaller establishments (mainly in the private sector) provide the bulk of these schemes, though they account for only a third of WEEP places. The vast majority (86 per cent) of WEEP sponsors in the sample of 288 were private sector employers, and 65 per cent of the sponsors had ten or fewer permanent employees at the establishment where the scheme was being run: these provided only 35 per cent of the places in the sample. Eight per cent of schemes were in establishments employing a 100 or more and these provided 30 per cent of the places.



Mr Paul Jones and Mr Christopher Calder being initiated into upholstery skills by Mr George Plemper.

Recruitment

The survey provided information about the recruitment of young people into WEEP and their activities on the schemes. Sponsors do not have to accept any young person submitted to them, though just over a quarter of sponsors did in fact accept all applicants, and most of those who exercised a choice used an interview as part of the recruitment process. The qualities looked for in WEEP applicants turned out to be broadly similar to those required of permanent recruits—appearance and confidence of individuals, willingness to work hard, educational background or particular skills.

On-scheme activities

As far as activities on WEEP schemes were concerned, one major question was how far sponsors might have taken on WEEP trainees in place of normal recruits. There have been highly publicised claims of massive "substitution" of this kind, and clearly it is damaging to the programme. It harms the permanent employment prospects of young people, and reduces the impact of the scheme on the unemployment register, so increasing the net costs to the Exchequer.

The survey asked a series of questions, both direct and indirect, on which an estimate of substitution could be based, including details of how trainees spent their time. It is clear that some WEEP trainees spend a significant amount of time doing work broadly similar to that performed by regular employees. This is however to be expected, since

any good work experience scheme must involve some time spent doing work. Overall, we estimate that the level of substitution was about 30 per cent.

A high level of substitution is clearly undesirable, especially when it involves abuse of the scheme with sponsors taking on WEEP trainees in place of regular recruitment and administrative measures against substitution have been intensified in recent months. Detailed instructions have been issued to MSC field staff about how to deal with cases of possible and obvious abuse, including winding-up schemes where substitution is proven. Monitoring visits are made to all schemes, and trade unionists and others are encouraged to take an interest in schemes. Lists of all YOP schemes proposed for non-union establishments are sent to Special Programmes Area Boards on which unions are represented.

Post-programme recruitment

Over half the WEEP sponsors had recruited at least one trainee from their scheme to their permanent workforce, and this was more likely to happen with larger establishments. In all, 28 per cent of trainees were recruited to their sponsors' workforces, and at the time of the survey, 80 per cent were still employed. The great majority were recruited to do the same kind of work as on WEEP, and sponsors said that two-thirds of the trainees recruited would not have got the job without the work experience gained through WEEP.

For every 100 trainees who had been through the

schemes, five were afterwards taken on by their sponsors into jobs which were specially created for them or would otherwise have remained unfilled. Seven were recruited into jobs which the sponsors would otherwise have filled with adults and 11 into jobs for which the sponsor would have taken on other under 19s. Therefore, for every 100 trainees who went through WEEP, 12 new jobs were provided for young people aged under 19, though some of the jobs which were specially created for them might have been a way of sponsors holding on to good trainees until a suitable permanent vacancy arose. These findings are an indication that WEEP is achieving one of its prime objectives by improving the relative competitiveness of unemployed young people.

Financial and resource costs

The financial cost of the average WEEP trainee, who spends 23 weeks on the scheme, rose by 61 per cent between the January 1980 and May 1981 surveys, from £1,067 to £1,714, mainly due to a large increase in the imputed value of labour which sponsors said that they had provided in supervising trainees, and some of which sponsors claimed was difficult to spare. Any output lost as a result of this would be the resource cost of sponsors' supervisory labour, though it is possible that some of it would be recovered by increasing the productivity of this labour in normal production.

Inputs such as raw materials were taken to have a resource cost equal to their market price though it could be argued that when the economy is in a recession, this overstates the resource cost, as the use of inputs on a WEEP scheme does not mean that an alternative productive activity is deprived of those inputs.

Trainees' output value

Two different assumptions were made about the extent of output loss due to WEEP trainees not being engaged in alternative employment. The first, was that 15 per cent of trainees would have found employment in jobs which remained unfilled while they were on WEEP, and in which they would have been paid three-quarters of the average wage of under 18s to allow for their lower qualifications. The second (probably more realistic) was that no jobs are left unfilled. The resource cost per WEEP trainee was estimated at about £400 and £240 respectively. For reasons discussed, these should be taken as upper estimates.

It is possible to estimate roughly the value of output produced by WEEP trainees in that part of their time performing tasks broadly similar to the sponsors' permanent workforce. Bearing in mind that there may be some substitution and that some of the output would therefore have been produced anyway, it is estimated that the average trainee produces output of about £280 that might be offset against resource costs.

Community Projects

Interviews were conducted with 93 sponsors of Community Projects (CP). These are run largely by local authorities, voluntary organisations and charities, employing unemployed young people to do valuable work in the community on MSC allowances.

The schemes in the survey undertook a wide variety of work such as environmental improvement, painting and decorating, and services to the elderly, children and disabled people.

Sponsors were asked who benefited from the schemes. The community in general was thought to benefit from three out of five schemes and users of improved facilities from two out of five. Specific groups such as the elderly benefited from a significant number of schemes. Only a small proportion of the projects would have gone ahead in the absence of MSC funds, and of these most would not have used unemployed labour. About 20 per cent of sponsors had recruited from CP workers, but the number of recruits was small. The financial cost of the average Community Project trainee, who stayed on the scheme for 33 weeks, was estimated at £2,100, most of which was MSC expenditure on trainee allowances and the wages of adults taken off the unemployment register to supervise the projects. As with WEEP, in estimating resource costs, two different assumptions were made about the number of vacancies left unfilled because trainees were involved in Community Projects.

Generous assumption

It was also assumed that 10 per cent of the adult supervisors would have obtained jobs which were left unfilled because they joined YOP. Given the depth of the recession, this may be a generous assumption leading, if anything, to an over-estimate of the resource costs of Community Projects. Because of the nature of Community Projects, more is spent on things like materials and equipment than is the case with WEEP, and this increases their contribution to the total resource costs of Community Projects.

On the two assumptions, the total resource cost per Community Project trainee, or the value of output lost to the economy as a whole because resources are devoted to providing an unemployed young person with 33 weeks on a Community Project, was £540 and £390 respectively. However, there is an important offset in the form of community benefits and in order to attach a value to these sponsors were asked how much it would have cost them to do the work independently of YOP.

The answers, which should be taken as rough orders of magnitude rather than accurate assessments, suggest that the average trainee provided services valued at about £1,500, less a small amount for those projects which would have gone ahead anyway. The output benefits from Community Projects would therefore appear to outweigh the resource costs quite substantially, and this makes no allowance for the value of the other benefits to the trainees and adults employed on the scheme.

The Community Enterprise Programme

The survey included 81 sponsors in the Community Enterprise Programme (CEP), with a wide range of activities such as environmental improvement, building work, work with young people, surveys, cataloguing and library work. The schemes were run largely by local authorities, health authorities, local education authorities, voluntary organisations and charities. A small percentage of the schemes would have gone ahead in the absence of MSC funds, but in very few cases would unemployed people have been



Mr Christopher Todd (left) on work experience with the ground crew and rescue team

recruited and paid to do the work. On the other hand, about one-in-ten sponsors said that their labour force had increased as a result of running the schemes.

CEP recruits mainly came from the priority groups among the unemployed, those aged 19-25 who had been out of work for over six months, and those over 25 with more than 12 months' unemployment. About one-third of sponsors said they found difficulty in getting recruits of the necessary skills or qualities from the target groups, but virtually all sponsors filled most places from the target groups and three-quarters filled *all* their places in this way.

The average length of stay on the Community Enterprise Programme at the time of the survey was about 25 weeks. The financial cost for each participant was estimated at about £2,500, most of which was accounted for by the wages paid to participants. The biggest potential element in the resource costs per CEP completion is the output that may be lost to the economy because jobs are left unfilled when unemployed adults enter the programme.

Two assumptions were made: first that 20 per cent of CEP participants would have found jobs which remain unfilled at the same wages as they were paid on CEP and secondly, that none would. Taking account of the value of any labour seconded to the schemes by sponsors which they found difficult to spare, and to the materials, equipment and so on, the resource costs per CEP completion were estimated at

about £740 on the first assumption and £340 on the second.

Sponsors were, however, asked how much the work carried out on the schemes would have cost them if they had done it independently of CEP. Taking into account the projects that would have gone ahead anyway, it is estimated that each participant produced output benefits of about £1,300. Whatever assumption is made about resource costs, it is clear that they are outweighed significantly by the value of the output produced on the Community Enterprise Programme. In fact, three out of four sponsors said that one of the main advantages of the scheme, apart from helping the long-term unemployed, was that it enabled them to improve the services they provided.

The following table shows the costs of the three types of scheme covered in the surveys with comparable gross and net Exchequer costs. To allow easier comparison, all figures are presented on a standardised basis of cost per person year.

	Financial cost	Resource costs		Exchequer costs	
		high	low	gross	net
WEEP	£3,875	£904	£543	£1,223	£852
CP	£3,309	£851	£615	£2,858	£1,087
CEP	£5,200	£1,539	£707	£4,460	£1,362

SPECIAL FEATURE

First employment of young people

The jobs young people go into when they leave school, their occupations and the training they receive are the subject of a special survey conducted each year on a sample of young people reaching school-leaving age.

□ About 800,000 young people reached school-leaving age in England and Wales in 1979. Of these about 50 per cent continued in full-time education or training; rather more than in 1978 when the proportion was about 40 per cent. A little over 45 per cent had entered their first employment by the end of 1979 and the remainder were still seeking work or had not entered the labour force. The pattern of the industries entered and occupation taken up by 16 year-olds was similar in 1979 to that in 1978. But, there appears to be a slight increase in the proportion receiving some training in their first job. Of those who reached school-leaving age in 1978 nearly a half had entered their first employment by the end of that year and just over a further 10 per cent found their first job during 1979.

Description of the survey

Following the change in National Insurance registration procedures in 1975 Careers Offices were no longer responsible for issuing young people with their National Insurance numbers and this source of collecting information on the first employment of young people was no longer available. Because of this a new sample survey was introduced in 1978. The first results of this were described in the December 1980 issue of *Employment Gazette**

The results of the 1979 survey were delayed because of limited resources but it is hoped to publish the 1980 survey results in the summer.

Carried out by local authority Careers Offices, the new survey sample is selected by careers officers from a list provided by schools, of pupils who reach the minimum school-leaving age during the school year. The sample (approximately 10 per cent) consists of people whose birth date is the 5th, 15th or 25th of the month.

Survey sample

For the 1978 survey the sample consisted of those who reached school-leaving age in the academic year 1977-78, between September 1, 1977 and August 31, 1978. For the 1979 survey those from the 1978 sample who remained at school or continued in full-time education or training outside school, or who were known to be unemployed at the end of the year, were carried forward to become a sample of 17 year-olds in 1979. To these were added a new sample of those reaching 16 years of age during the academic year 1978-79, with the result that the 1979 sample covered both 16 and 17 year-olds.

For those in the sample who were known by careers offices to have started their first permanent job, infor-

mation was recorded about the job, whether training was to be received in the job and, if so, whether it was a formal apprenticeship or similar skilled training lasting for two years or more. Information was also collected on the qualifications of those entering employment. In many cases this was already available from the careers offices' own records. In some cases where this information was not available it was necessary to send a postal questionnaire to the young person. Information was collected by careers offices up to December 31, 1979 but as soon as someone was known to have entered employment, excluding temporary short-term employment and participation in the Youth Opportunities Programme or other Government special measures, and details of this employment had been collected, they were not followed up. This means that data on subsequent changes of employment or unemployment following a spell of employment were not collected.

The 1980 survey sample included those reaching school-leaving age during the academic year 1979-80, together with those from the 1979 sample who continued in full-time education or on leaving school did not find employment during 1979, plus those from the 1978 survey sample who did not leave school or find employment during 1978 or 1979.

Exclusions

The 1981 survey included only those from the 1980 and 1979 samples who entered their first employment in 1981. No new sample of 16 year-olds was selected in 1981—present plans are that this will now only be done every three years.

Most careers offices in England and Wales took part in the survey but in Scotland not all careers offices participated in the survey. Because this means the results are incomplete and not representative for Scotland, they have been excluded from the tables in this article.

The survey results in the tables are shown as sample numbers and have not been grossed up. It has not been possible to calculate an exact grossing factor because of the incompleteness of the sampling frame which excludes some private schools and because of local variations in response rates. However, it is estimated that the achieved sample is some nine per cent of the population covered. Individual distributions have not been shown for the 17 year-old entrants because of the small number in the sample. More detailed information and regional analyses are available on request.

* First off—16 year-olds entering employment in 1978—December 1980 *Employment Gazette* (pp 1201-1203).

Pattern of school leaving

Table 1 shows the number of entrants and apprentice entrants in the sample by age and sex. Of male entrants less than 15 per cent of the sample were 17 year-olds, but the proportion of 17 year-olds amongst females was 23 per cent. This reflects the fact that girls are more likely to continue their full-time education beyond the age of 16 years. A higher proportion of 16 year-old boys entered employment in 1979—about 40 per cent compared with less than 30 per cent of 16 year-old girls.

Industrial pattern of first employment

The service industries (including transport and communication and distributive trades and other services) account for more than two-fifths of the first employment of male entrants (see table 2). Manufacturing industries account for just over a third and construction industry for nearly a further 15 per cent. Over 40 per cent of apprenticeship training for boys was provided by manufacturing industries, the service industries provided over 30 per cent and construction a further 20 per cent.

Table 2 Young people entering employment: distribution by industry
England and Wales 1979

	Per cent							
	16 year-old entrants				16 and 17 year-old entrants			
	Male		Female		Male		Female	
	All	Apprentices	All	Apprentices	All	Apprentices	All	Apprentices
I Agriculture, forestry and fishing	4.3	1.9	0.9	0.8	4.3	1.9	1.0	0.8
II Mining and quarrying	2.0	2.1	0.1	0.1	2.0	2.1	0.1	0.1
III-XIX Manufacturing	37.4	41.6	35.1	9.5	36.1	40.9	32.5	9.5
XX Construction	14.9	20.9	1.3	0.7	14.6	20.3	1.6	0.8
XXI Gas, electricity and water	1.3	2.9	0.5	0.5	1.3	2.9	0.6	0.4
XXII Transport and communication	3.4	3.9	2.7	0.6	3.5	4.0	2.8	0.6
XXIII Distributive trades	14.7	4.0	26.0	5.4	15.1	4.1	25.6	6.0
XXIV-XXVII Other services	22.0	22.8	33.3	82.4	23.1	23.8	35.8	81.8
All industries and services	100	100	100	100	100	100	100	100
All industries and services (sample number)	19,286	7,395	13,897	1,018	22,581	8,261	18,048	1,197

Girls are much more likely than boys to find their first job in services, with nearly two-thirds of the first employment being in services and over a quarter of the first employment being in the distributive trades. Manufacturing industries provide nearly another third of first employment for girls. The incidence of apprenticeship training for girls is much lower than for boys in all industries apart from services. For all entrants only seven per cent of females receive apprenticeship training compared with 37 per cent of males. Nearly 90 per cent of apprenticeship training for girls is in the service industries and over two-thirds of all apprenticeship training for girls is in hairdressing and manicure, with only 10 per cent in manufacturing. Generally boys are much more likely to undertake apprenticeship training. This is not simply explained by the different types of job taken by males and females since, in almost every industry and occupation, apprentices form a higher proportion of male entrants than of female entrants.

Seventeen year-old males are less likely to enter manufacturing industries but more likely to enter service industries. Less than 30 per cent of 17 year-olds started work in manufacturing compared with nearly 40 per cent of 16 year-olds, while over 50 per cent of 17 year-olds started work in service industries compared with just over 40 per cent of 16 year-olds.

Table 1 Young people entering employment: distribution by age and sex

	Per cent					
	Male			Female		
	All	Apprentices	Other	All	Apprentices	Other
16 year-olds	85.4	89.5	83.0	77.0	85.0	76.4
17 year-olds	14.6	10.5	17.0	23.0	15.0	23.6
16 and 17 year-olds	100	100	100	100	100	100
16 and 17 year-olds (sample number)	22,581	8,261	14,230	18,048	1,197	16,851

A similar pattern is found also among 16 and 17 year-old females entering their first employment with only just under a quarter of 17 year-old girls working in manufacturing industries compared with about 35 per cent of 16 year-olds. Conversely, just over 70 per cent of 17 year-old females started work in service industries compared with about 60 per cent of 16 year-olds.

The industrial pattern of young people entering employment is influenced by the skills required for certain jobs. For example, the proportion of people starting work who enter the professional scientific services is less than the

proportion of the total workforce represented in those services. But they include teaching, accountancy, and medicine, where jobs often require qualifications higher than those held by young school leavers.

Occupational pattern of first employment

Table 3 shows the distribution of entrants and apprentice entrants by occupation group. The occupational classification used in the survey is based on the List of Key Occupations for Statistical Purposes (KOS).

The first employment of males is distributed over all occupations, with only processing, making, repairing and related (metal and electrical) accounting for more than 10 per cent of the total. Nearly a quarter of the first employment for males is found in this occupation group. Female first employment is more concentrated, with four occupation groups—clerical; selling; catering, cleaners, hairdressing and other personal services; and making and repairing (excluding metal and electrical) accounting for over three-quarters of employment. Clerical and related occupations provide over 36 per cent of the first jobs taken by females.

Occupations in which a significant proportion of apprenticeships are found are, for male entrants, processing, mak-

ing, repairing and related occupations (metal and electrical), over 40 per cent of apprenticeships; scientific occupations, nearly 20 per cent; and making and repairing (excluding metal and electrical)—over 10 per cent. Catering, cleaning, hairdressing and other personal services provide over 70 per cent of apprenticeships for girls, with clerical and related occupations providing a further seven per cent.

There is some difference in the occupations that 16 and 17 year-olds enter, the most marked being that both 17 year-old males and females are more likely than 16 year-olds to start work in clerical and related occupations. About 14 per cent of 17 year-old males have jobs in clerical occupations compared with only five per cent of 16 year-olds. The corresponding figures for 17 year-old and 16 year-old females entering clerical occupations are nearly 49 per cent and 33 per cent respectively. Seventeen year-old male entrants are also less likely than 16 year-old entrants to enter processing, making, repairing and related (metal and electrical) occupations, the proportions of males entering these occupations being 17 per cent for 17 year-olds and over 24 per cent for 16 year-olds.

Some of the differences in the pattern of the first employment of 17 year-olds may reflect the fact that some 17 year-olds will be entering employment directly from school with more qualifications, and will thus be more likely to enter those kinds of jobs where these are required, such as some types of office work. However, some 17 year-olds in the sample may have left school at age 16 during 1978 but only found their first employment during 1979. These young people are not separately identified in the survey.

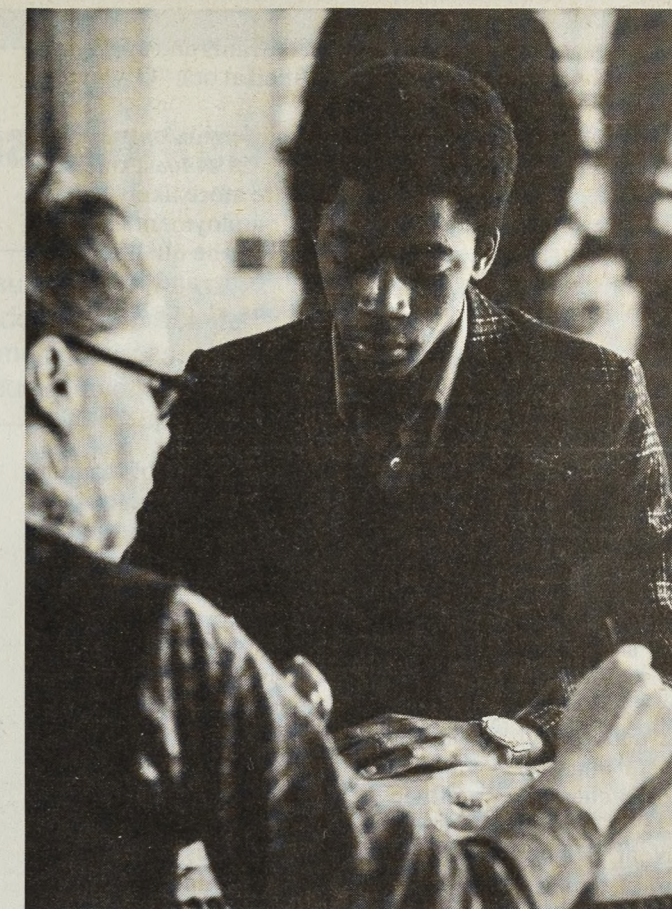


Table 3 Young people entering employment: distribution by occupation
England and Wales 1979

	Per cent							
	16 year-old entrants				16 and 17 year-old entrants			
	Male		Female		Male		Female	
	All	Apprentices	All	Apprentices	All	Apprentices	All	Apprentices
I Management (General Management)	—	—	—	0.1	—	—	—	0.1
II Professional and related supporting management and administration	0.4	0.4	0.7	0.2	0.6	0.5	0.9	0.4
III Professional and related in Education, Welfare and Health	0.2	0.3	0.9	1.2	0.2	0.3	1.4	3.0
IV Literary, Artistic and Sports	0.5	0.5	0.5	1.4	0.5	0.4	0.5	1.6
V Professional and related in science	8.8	18.7	0.6	3.1	8.7	18.9	0.7	3.2
VI Managerial (excluding general management)	0.9	1.2	0.2	0.5	1.0	1.3	0.2	0.8
VII Clerical and related	5.0	1.1	32.9	6.6	6.3	1.4	36.6	7.4
VIII Selling	6.2	0.5	18.2	1.1	6.5	0.6	17.8	1.3
IX Security and Protective Services	4.0	2.3	0.3	0.8	4.0	2.4	0.3	0.8
X Catering, Cleaning, Hairdressing and other personal services	3.4	1.8	12.5	74.2	3.5	1.9	11.8	70.3
XI Farming, fishing and related	4.9	2.3	1.4	1.2	4.8	2.3	1.4	1.3
XXII Material Processing (excluding metal)	4.0	2.0	2.8	1.3	3.9	2.0	2.5	1.2
XXIII Making and repairing (excluding metal and electrical)	9.3	11.5	13.1	1.9	9.0	11.1	11.3	1.7
XXIV Processing, making, repairing and related (metal and electrical)	24.3	43.6	1.6	2.9	23.3	43.0	1.4	3.1
XXV Painting, repetitive assembling, product inspecting, packaging and related	4.9	3.5	7.7	0.5	4.7	3.4	6.8	0.5
XXVI Construction, mining and related	8.2	6.1	0.2	0.3	8.0	6.0	0.1	0.3
XXVII Transport operating, materials moving and storing and related	6.1	0.8	0.5	—	6.2	0.8	0.5	—
XXVIII Miscellaneous	8.9	3.6	6.0	2.8	8.9	3.6	5.7	3.3
All occupations	100	100	100	100	100	100	100	100
All occupations (sample numbers)	19,286	7,395	13,897	1,018	22,581	8,261	18,048	1,197

Qualifications

Table 4 shows the distribution of entrants and apprentice entrants by whether they were qualified at GCE "O"-level or equivalent or above.

Over 40 per cent of both male and female entrants are qualified GCE "O"-level or equivalent in at least one subject. Those starting apprenticeships are more likely to have "O"-levels than other entrants to employment. The 17 year-old entrants were also more likely to be qualified than 16 year-olds with over half of both male and female 17 year-old entrants having qualifications at GCE "O"-level standard.

Training

Information is collected on the amount of training expected in the first jobs taken by school leavers. However, the survey results are not analysed to show whether the training takes place on or off employers' premises, whether it is in the form of a continuous course, or a day-release over a long period. If training is given, say, one day a week over a period of time, the total length of time over which the training is given is recorded. Introductory training given over the first few days of employment is not included. The data collected relate to the planned training at the time of starting employment and do not take account of people changing employment before the training is complete.

Nearly 70 per cent of male entrants and just under 60 per cent of female entrants receive some training in their first job (see table 5). Not only are girls less likely to receive



training than boys but the length of training they receive is shorter. Over 35 per cent of males receive training which extends over two years or more, but under seven per cent of girls receive training of this length. This reflects the lower proportion of girls entering apprenticeship or similar skilled training, as most apprentice entrants, whether male or female, receive training lasting for two years or more.

Sixteen year-olds are more likely than 17 year-olds to enter apprenticeships—38 per cent compared with 26 per cent amongst males and seven per cent compared with four per cent amongst females. This is associated with the differences in the occupations and industries entered and the levels of educational attainment of the two age groups.

Table 4 Young people entering employment: distribution by qualification
England and Wales 1979

Qualifications	16 year-old entrants				16 and 17 year-old entrants				Per cent
	Male		Female		Male		Female		
	All	Apprentices	All	Apprentices	All	Apprentices	All	Apprentices	
GCE O-level or equivalent and above	39.3	57.1	40.4	47.7	41.5	58.3	45.0	50.6	
Less than GCE O-level or equivalent	57.8	39.6	56.8	49.7	55.7	38.4	52.5	47.1	
All entrants*	100	100	100	100	100	100	100	100	
All entrants* (sample number)	19,286	7,395	13,897	1,018	22,581	8,261	18,048	1,197	

*Including those who did not state their qualifications.

Table 5 Young people entering employment: distribution by length of training received
England and Wales 1979

Length of training	16 year-old entrants				16 and 17 year-old entrants				Per cent
	Male		Female		Male		Female		
	All	Apprentices	All	Apprentices	All	Apprentices	All	Apprentices	
No training	30.1	—	40.4	—	31.1	—	42.2	—	
1-2 weeks	3.1	—	4.8	—	3.0	—	4.6	—	
3-8 weeks	9.9	—	23.1	—	9.9	—	21.5	—	
9-26 weeks	9.8	—	16.7	—	10.3	—	17.0	—	
27-52 weeks	3.4	—	3.5	—	3.5	—	3.8	—	
53-104 weeks	5.8	6.7	4.5	18.5	6.1	7.1	4.5	19.5	
105 weeks or more	37.9	93.3	7.0	81.5	36.2	92.9	6.5	80.5	
All entrants	100	100	100	100	100	100	100	100	
All entrants (sample number)	19,286	7,395	13,897	1,018	22,581	8,261	18,048	1,197	

SPECIAL FEATURE

Earnings and hours of manual workers in October 1981

The results of this voluntary annual survey into the earnings and hours of manual workers in the United Kingdom are presented by *Employment Gazette*. This survey is one of the main sources of such information at detailed industry level.

In October 1981 the average weekly earnings of full-time male manual workers on adult rates in manufacturing and certain other industries in the United Kingdom were £125.6 for 43 hours, an increase of just over ten per cent over the corresponding earnings in October 1980. The corresponding figures for full-time female workers on adult rates were £76.4 for around 37½ hours.

In manufacturing industries the weekly averages for males and females on adult rates were £123.2 for 42 hours and £75.7 for 37½ hours respectively, increases of about 10½ per cent in both cases over the corresponding figures in October 1980.

These figures (summarised in table 1) are some of the results from the voluntary annual survey of the earnings and hours of manual workers conducted by the Department of Employment each October. The averages cover all full-time workers, other than those on short-time for all or part of the survey period. They include the weekly equivalent of periodical bonuses.

The results for October 1981 differ in two respects from those of the corresponding survey for October 1980. The industrial coverage of the survey has been reduced slightly by excluding those service sectors (certain miscellaneous services and public administration) covered in previous surveys. This change has only a marginal effect on the averages for all industries covered, but table 1 shows the figures for October 1980 adjusted to the current industrial coverage.

Short-time working has had a significant effect on reported earnings in the surveys for October 1980 and October 1981. Most of the tables in this note give figures of average earnings in October 1981 excluding those workers on short-time. In the previous survey the corresponding figures of average earnings excluded all workers in firms reporting short-time working. It is not thought that this change in definition will have affected comparisons in average earnings levels between October 1980 and October 1981 for broad industry groups, although changes in average earnings in some individual industries where short-time working was substantial in October 1980 may show erratic movements.

In the survey for October 1981 about eight per cent of establishments reported some short-time working in the survey period, although only 2.7 per cent of all workers were affected by short-time working and their earnings were omitted from the averages. A fuller description of the effect of short-time working by industry is given in the technical

note. This note also describes the coverage of the survey and the wider use of sampling methods introduced in the survey for October 1981.

Weekly earnings

Table 2 summarises average weekly earnings in October 1981 by the industry groups (Orders of the Standard Industrial Classification) covered in the survey. The average earnings for each Order have been calculated by weighting the averages in each individual industry (minimum list heading of the Standard Industrial Classification) by the latest available estimates of the total number of manual

Table 1 Average earnings and hours of full-time manual workers, 1979 to 1981

United Kingdom	1979*		1980	1981
	Pre-vious industrial coverage†	Current industrial coverage‡		
October				
All industries covered in survey				
Weekly earnings (£)				
Males on adult rates	95.69	113.06	114.03	125.58
Females on adult rates	58.24	68.73	69.01	76.44
Hours worked				
Males on adult rates	43.9	43.0	43.0	43.0
Females on adult rates	37.4	37.5	37.4	37.7
Hourly earnings (p)				
Males on adult rates	218.1	262.9	265.1	292.0
Females on adult rates	155.8	183.3	184.3	202.8
Manufacturing industries				
Weekly earnings (£)				
Males on adult rates	97.04	111.64	112.23	123.23
Females on adult rates	58.35	68.40	68.40	75.71
Hours worked				
Males on adult rates	43.1	41.9	41.9	42.0
Females on adult rates	37.2	37.3	37.3	37.5
Hourly earnings (p)				
Males on adult rates	225.3	266.4	266.4	293.4
Females on adult rates	156.7	183.4	183.4	201.9

* Based on results for males aged 21 and over, and females aged 18 and over, approximately adjusted to correspond to those on adult rates using the relationships between the earnings of those on adult rates and at various ages shown in the *New Earnings Survey* for April 1980.

† Based on the coverage in the 1980 and earlier surveys.

‡ Based on the coverage of the 1981 survey, ie excluding those service sectors covered in the 1980 survey but not currently.

Table 2 Average weekly earnings: by industry group, October 1981*

Industry group SIC (1968)	Workers on adult rates					Workers on other rates
	Order of SIC	Full-time		Part-time Full-time		
		Male	Female	Female	Male		Female
Food, drink and tobacco	III	126.36	83.06	41.17	63.62	55.70
Coal and petroleum products	IV	151.26	94.69	44.74	77.70	‡
Chemicals and allied industries	V	138.48	87.62	44.39	79.33	57.35
Metal manufacture	VI	132.96	79.07	35.85	71.60	55.90
Mechanical engineering	VII	119.51	82.67	34.77	68.74	61.54
Instrument engineering	VIII	114.17	81.21	40.41	65.20	54.58
Electrical engineering	IX	118.31	81.18	43.73	67.09	61.77
Shipbuilding and marine engineering	X	127.04	85.06	37.77	68.16	‡
Vehicles	XI	119.08	89.97	43.02	66.71	55.00
Metal goods nes	XII	114.64	77.34	38.50	64.65	52.93
Textiles	XIII	106.60	65.96	37.66	60.96	43.82
Leather, leather goods and fur	XIV	105.39	67.16	34.93	50.66	44.54
Clothing and footwear	XV	98.67	64.02	40.21	52.49	47.08
Bricks, pottery, glass, cement, etc	XVI	127.96	79.13	40.68	71.72	50.91
Timber, furniture, etc	XVII	111.31	81.55	34.51	63.68	53.02
Paper, printing and publishing	XVIII	154.22	92.83	43.62	74.54	65.34
Other manufacturing industries	XIX	113.15	70.58	38.03	65.22	49.90
All manufacturing industries		123.23	75.71	40.41	67.58	52.62
Mining and quarrying (except coal)	II	126.08	‡	23.21	70.30	‡
Construction	XX	121.55	66.49	24.34	68.15	‡
Gas, electricity and water	XXI	142.28	99.07	42.80	76.87	‡
Transport and communication (except sea transport)	XXII	138.19	105.76	38.59	74.11	‡
All industries covered		125.58	76.44	39.89	68.47	52.65

*† See footnotes to table 13.

Table 3 Average weekly hours: by industry group, October 1981*

Industry group SIC (1968)	Workers on adult rates				Workers on other rates	
	Order of SIC	Full-time		Part-time Full-time		
		Male	Female	Female		Male	Female
Food, drink and tobacco	III	44.8	38.1	21.2	40.9	38.5
Coal and petroleum products	IV	42.4	39.3	21.9	38.7	‡
Chemicals and allied industries	V	43.1	39.1	21.2	39.6	39.1
Metal manufacture	VI	42.3	37.1	20.2	39.2	37.0
Mechanical engineering	VII	41.5	38.5	19.8	39.3	38.4
Instrument engineering	VIII	41.6	38.7	21.7	39.4	38.4
Electrical engineering	IX	41.6	38.1	21.4	39.3	38.2
Shipbuilding and marine engineering	X	43.2	38.0	19.0	39.4	‡
Vehicles	XI	39.9	37.6	21.3	38.9	35.2
Metal goods nes	XII	41.8	37.8	21.6	39.6	37.6
Textiles	XIII	42.4	37.1	21.6	40.6	36.9
Leather, leather goods and fur	XIV	43.3	37.7	22.9	39.2	38.3
Clothing and footwear	XV	41.1	36.5	24.2	39.9	37.9
Bricks, pottery, glass, cement, etc	XVI	43.6	37.5	20.4	40.3	37.3
Timber, furniture, etc	XVII	42.2	37.6	19.5	39.6	37.5
Paper, printing and publishing	XVIII	41.9	37.4	20.9	39.0	37.8
Other manufacturing industries	XIX	41.8	37.5	21.9	40.1	38.2
All manufacturing industries		42.0	37.5	21.7	39.4	37.9
Mining and quarrying (except coal)	II	46.0	‡	14.1	41.5	‡
Construction	XX	43.8	39.1	15.6	41.0	‡
Gas, electricity and water	XXI	40.1	36.3	18.4	38.4	‡
Transport and communication (except sea transport)	XXII	46.9	42.8	20.6	40.5	‡
All industries covered		43.0	37.7	21.4	39.9	37.8

*† See footnotes to table 13.

workers employed in those industries. Average weekly earnings in individual industries are given in table 6. The latter are subject to a larger margin of possible error than the former, and figures are not given where the number of employees covered by returns is small.

Table 4 Average hourly earnings: by industry group, October 1981*

Industry group SIC (1968)	Workers on adult rates					Workers on other rates
	Order of SIC	Full-time		Part-time Full-time		
		Male	Female	Female	Male		Female
Food, drink and tobacco	III	282.1	218.0	194.2	155.6	144.7
Coal and petroleum products	IV	356.7	240.9	204.3	200.8	‡
Chemicals and allied industries	V	321.3	224.1	209.4	200.3	146.7
Metal manufacture	VI	314.3	213.1	177.5	182.7	151.1
Mechanical engineering	VII	288.0	214.7	175.6	174.9	160.3
Instrument engineering	VIII	274.4	209.8	186.2	165.5	142.1
Electrical engineering	IX	284.4	213.1	204.3	170.7	161.7
Shipbuilding and marine engineering	X	294.1	223.8	198.8	173.0	‡
Vehicles	XI	298.4	239.3	202.0	171.5	156.3
Metal goods nes	XII	274.3	204.6	178.2	163.3	140.8
Textiles	XIII	251.4	177.8	174.4	150.1	118.8
Leather, leather goods and fur	XIV	243.4	178.1	152.5	129.2	116.3
Clothing and footwear	XV	240.1	175.4	166.2	131.6	124.2
Bricks, pottery, glass, cement, etc	XVI	293.5	211.0	199.4	178.0	136.5
Timber, furniture, etc	XVII	263.8	216.9	177.0	160.8	141.4
Paper, printing and publishing	XVIII	368.1	248.2	208.7	191.1	172.9
Other manufacturing industries	XIX	270.7	188.2	173.7	162.6	130.6
All manufacturing industries		293.4	201.9	186.2	171.5	138.8
Mining and quarrying (except coal)	II	274.1	‡	164.6	169.4	‡
Construction	XX	277.5	170.1	156.0	166.2	‡
Gas, electricity and water	XXI	354.8	272.9	232.6	200.2	‡
Transport and communication (except sea transport)	XXII	294.6	247.1	187.3	183.0	‡
All industries covered		292.0	202.8	186.4	171.6	139.3

*† See footnotes to table 13.

Table 5 National Health Service hospitals-average earnings and hours of manual workers, 1980-81

	Workers on adult rates				Workers on other rates
	Full-time		Part-time		
	Male	Female	Female	Male	
Numbers on returns					
1980	79,341	56,695	117,737	2,056	930
1981	75,392	56,276	120,520	1,478	787
Weekly earnings (£)					
1980	105.10	76.34	37.61	67.39	49.56
1981	120.05	83.28	40.85	80.33	48.76
Hours worked					
1980	45.8	41.2	22.3	41.1	39.6
1981	45.8	41.4	22.3	41.7	40.0
Hourly earnings (p)					
1980	229.4	185.5	168.5	164.0	125.2
1981	261.8	201.3	183.4	192.7	122.0

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Weekly hours

Table 3 shows, by broad industry group, the average weekly hours obtained by combining the averages for individual industries using the same estimated numbers of employees as for earnings. The figures relate to the total number of hours actually worked to which the earnings relate, including all overtime, together with any hours not worked but for which workers were available and guaranteed payments were made by the employer. The latter, however, excluded short-time working where payments were made by the government under the Short-time Working Compensation Scheme. Main meal breaks and absences for which payments were not made are excluded from the figures. Also, holiday and sickness absence is excluded unless the corresponding holiday and sick pay cannot be readily excluded from the reported wages paid. Figures for individual industries are given in table 7.

Hourly earnings

Table 4 shows average hourly earnings for each broad industry group, obtained by dividing average weekly earnings by the corresponding weekly hours. The figures will not correspond with the basic hourly rate as they include the effects of overtime working, bonuses and other additional or premium payments. Figures for individual industries are given in table 7.

National Health Service

The survey also covers manual workers employed in National Health Service hospitals. However, these workers

represent only part of those in minimum list heading 874 (Medical and dental services) and their figures are shown separately in table 5. Also, the information is provided on a slightly different basis from the remainder of the survey, in that those whose employment ordinarily involves service for less than the full normal weekly hours for their grades are classified as part-time workers, even if their normal hours exceed 30 hours per week.

Regional analyses

Tables 8 to 13 give regional analyses of earnings and hours for males and females on adult rates. The levels of average earnings and hours for different regions will reflect differences in the pattern of industry and employment structures, and do not necessarily indicate differences in earnings for comparable jobs.

Because of the greater use of sampling in the survey for 1981 slightly less detail by region can be published than in previous years.

Technical note

This survey is an important source of information on the average earnings and hours of manual workers, having been carried out periodically since 1886. It provides the most detailed analysis of manual earnings by industry. It does not attempt to provide information for particular occupations or to show the main components of gross earnings such as overtime pay. These subjects are covered in the New Earnings Survey, the latest report on which relates to April 1981.

Industries covered

The October survey covers all manufacturing industries; construction; some mining and quarrying activities (but not coal-mining); gas, electricity and water supply; and most transport and communication industries.

Some information is supplied by the National Coal Board about the earnings of their manual employees, although it is not on a comparable basis to that obtained from the main survey. This information, which also relates to October 1981, is published in "Employment Topics" later in this issue of *Employment Gazette* (page 136).

Information on the earnings of agricultural workers is obtained by the agricultural departments, and figures up to September 1981 are also published in "Employment Topics".

The coverage of the October survey has varied slightly in recent years. As from 1980 the figures for transport and communications include railways. The 1981 survey excluded certain miscellaneous services (laundries, etc) and public administration.

Firms covered

The results of the survey are based on returns made on a voluntary basis by about 15,500 establishments (employing nearly three and a third million manual workers), 87 per cent of the establishments approached. As an economy measure, greater use of sampling was made in the 1981 survey than in earlier surveys. For establishments in Great Britain employing less than 100 manual workers the following samples were taken:

Employment	Sampling fraction
50 to 99	1 in 2
25 to 49	1 in 4
11 to 24	1 in 8

For Northern Ireland, however, all establishments with more than ten workers were covered.

The uncertainty introduced by more extensive sampling is fairly modest for the figures of average earnings and hours at broad industry level. However, there has been some reduction in the amount of detailed industry and regional information that can be published.

Workers covered

All manual workers including foremen and supervisors (except works and other higher level foremen), transport, warehouse and canteen workers (if employed by the firm concerned) are covered. Administrative, technical and office employees generally, sales representatives and canteen workers employed in canteens conducted by the employees themselves or by independent contractors are excluded.

Definition of earnings

As in the survey for 1980, the current survey distinguishes workers on adult rates of pay from workers on other rates.

Total gross earnings are reported, inclusive of supplements, overtime payments, shift premium payments, bonuses, incentive payments and other additional types of payment, for the pay-week which included October 7 1981. Gross earnings were before deduction of PAYE income tax payments, national insurance contributions and any other deductions. Also included are the proportionate weekly amounts of non-contractual gifts and periodical bonuses paid otherwise than weekly, for example those paid yearly, half-yearly or monthly; where the amount of the current bonus was not known, the amount paid for the previous bonus period was taken into account.

In view of the wide variation between different industries in the proportions of skilled and unskilled workers, in the opportunities for extra earnings from overtime, shift-work, night-work and payments-by-results schemes, and in the amount of time lost by absenteeism, sickness, etc, the differences in average earnings shown in the tables do not necessarily imply equivalent disparities in the basic rates of pay for comparable jobs.

Also, changes in average earnings between successive surveys will reflect changes in the composition of the labour force, includ-

ing relative numbers at different levels of skill and responsibility, and will not necessarily be the same as the average change in earnings for comparable jobs.

Short-time working

Up to and including the 1979 survey the incidence of short-time working was small, and firms affected by short-time working during the survey period could usually substitute figures for an adjacent week of a normal character.

In the 1980 survey, however, many firms reported short-time working and were unable to substitute a normal week. The main results of that survey excluded all firms who reported that they were affected by short-time working during the survey period, even though some of their workers may have been working normally.

For 1981, firms were asked to identify separately the numbers, earnings and hours of workers on short-time (that is working less than their normal basic hours) during the survey period. The main tables in this note exclude the effect of workers on short-time and therefore represent the average earnings of those who were offered a full week's work, although in some cases through sickness and voluntary absenteeism some workers would not have worked a full week.

To illustrate the effect of short-time working the following table shows the effect on average weekly earnings of including workers on short-time. In manufacturing industry around four per cent of workers were reported to be on short-time. In other sectors the proportions on short-time were nil or negligible.

The different treatment of short-time working in the 1980 and 1981 surveys should be taken into account in making comparisons between the results of the two surveys. In both years the main results exclude workers on short-time, but in 1980 the results also exclude those working normally in establishments affected by short-time working. This difference is likely to be significant only for those industries where short-time working affected a large proportion of establishments.

Further details on the effect of including workers on short-time on the average weekly earnings of particular industries can be obtained from Statistics A4, Department of Employment, Orphanage Road, Watford, Herts.

Table 6 Workers shown on the returns and average weekly earnings by industry in October 1981: manual workers

Industry SIC 1968	Mini- mum List Heading	Workers shown on the returns received				Earnings† (£ per week)					
		Workers on adult rates		Workers on other rates		Workers on adult rates		Workers on other rates			
		Full-time	Part-time	Full-time	Part-time	Full-time	Part-time	Full-time	Part-time		
Mining and quarrying (except coal mining)	102	5,536	24	68	124	—	124.23	‡	‡	‡	—
Stone and slate quarrying and mining	103	2,595	3	13	42	1	116.07	‡	‡	‡	‡
Chalk, clay, sand and gravel extraction	104/109	3,212	23	23	45	—	153.23	‡	‡	‡	—
Other mining and quarrying											
Food, drink and tobacco	211	8,151	924	182	91	7	149.08	99.76	36.41	‡	‡
Grain milling	212	21,100	5,580	5,192	1,009	547	116.91	68.10	37.80	60.67	44.97
Bread and flour confectionery	213	9,015	7,430	11,416	259	264	133.86	95.96	45.08	82.42	52.75
Biscuits	214	19,348	11,881	7,439	1,079	1,179	110.44	74.93	38.89	63.88	58.34
Bacon curing, meat, and fish products	215	21,699	4,342	882	470	128	124.35	84.79	41.19	72.62	‡
Milk and milk products	216	5,630	1,267	329	96	30	172.67	102.60	49.36	‡	‡
Sugar	217	17,334	9,443	10,936	320	589	125.73	78.33	42.48	62.93	50.21
Cocoa, chocolate and sugar confectionery	218	14,125	9,336	4,273	207	273	123.20	82.61	37.33	75.07	60.06
Fruit and vegetable products	219	8,196	742	318	99	23	126.32	80.43	35.14	‡	‡
Animal and poultry products	220	1,894	213	94	30	2	127.87	91.90	‡	‡	‡
Vegetable and animal oils and fats	221	10,600	4,746	2,406	236	233	132.90	81.72	42.93	64.98	53.31
Food industries not elsewhere specified	222	27,167	1,347	1,000	196	10	141.52	96.11	35.51	‡	‡
Brewing and malting	223	6,692	1,949	648	693	26	106.91	76.50	39.77	48.16	‡
Soft drinks	224	8,997	4,622	397	153	64	114.63	89.20	35.32	‡	‡
Other drink industries	225	9,050	8,796	1,502	90	176	153.81	110.53	55.79	‡	‡
Tobacco											
Coal and petroleum products	261	2,718	17	11	54	—	128.71	‡	‡	‡	—
Coke ovens and manufactured fuel	262	9,354	120	152	376	—	168.79	‡	47.28	81.55	—
Mineral oil refining	263	1,465	219	42	1	—	145.44	99.76	‡	‡	—
Lubricating oils and greases											
Chemicals and allied industries	271	50,977	2,644	1,455	2,819	148	146.27	90.39	45.62	79.03	‡
General chemicals	272	9,870	7,396	2,485	293	508	129.81	87.68	44.50	71.38	55.06
Pharmaceutical chemicals and preparations	273	1,817	2,676	949	105	296	122.78	80.61	38.73	‡	67.47
Toilet preparations	274	6,767	1,043	582	178	31	118.44	83.37	38.15	‡	‡
Paint	275	4,298	1,116	1,024	59	64	151.84	78.95	45.83	‡	‡
Soap and detergents	276	16,727	1,011	486	442	34	136.47	80.83	45.82	79.14	‡
Synthetic resins and plastics materials and synthetic rubber	277	6,228	147	175	247	7	133.20	‡	55.93	83.53	‡
Dyestuffs and pigments	278	2,183	65	36	38	1	141.71	‡	‡	‡	‡
Fertilisers	279	12,366	6,270	1,866	505	149	134.68	93.58	47.02	79.38	‡
Other chemical industries											
Metal manufacture	311	66,320	1,032	631	2,899	14	138.94	71.85	33.61	75.75	‡
Iron and steel (general)	312	14,843	492	340	471	15	136.34	77.11	37.02	72.54	‡
Steel tubes	313	25,061	1,291	419	1,369	23	127.53	84.16	34.37	66.02	‡
Iron castings, etc	321	13,430	1,247	332	427	28	130.33	81.96	38.15	73.12	‡
Aluminium and aluminium alloys	322	13,264	1,742	572	637	42	119.31	78.41	36.28	62.85	‡
Copper, brass and other copper alloys	323	10,426	510	224	258	1	115.73	74.35	39.93	67.96	‡
Other base metals											

† See footnotes to table 13.

Average weekly earnings: effect of including firms reporting short-time working

Industry group SIC (1968)	SIC Order	Establishments reporting short-time working		Average earnings (£ per week) of workers in all establishments reporting in survey, including those working short-time			
		As percentage of all establishments in survey	Number employed on short-time as a percentage of all employees in survey	Workers on adult rates		Workers on other rates	
				Full-time	Female	Full-time	Female
Food, drink and tobacco	III	3.0	0.6	126.17	82.82	63.58	55.49
Coal and petroleum products	IV	1.5	2.6	149.75	94.69	77.70	—
Chemicals and allied industries	V	2.5	0.3	138.27	87.34	79.33	57.29
Metal manufacture	VI	19.7	5.4	130.51	76.21	70.60	55.70
Mechanical engineering	VII	13.2	7.1	116.88	81.37	67.29	59.19
Instrument engineering	VIII	6.5	2.0	113.38	80.69	64.76	54.18
Electrical engineering	IX	9.6	3.1	117.51	80.36	66.94	61.12
Shipbuilding and marine engineering	X	1.3	—	127.04	85.06	68.16	—
Vehicles	XI	17.1	5.2	116.10	89.06	66.53	54.49
Metal goods nes	XII	12.2	6.0	112.61	75.36	63.81	51.80
Textiles	XIII	15.2	5.0	104.85	64.64	60.31	43.36
Leather, leather goods and fur	XIV	16.1	10.0	101.71	63.00	49.47	43.04
Clothing and footwear	XV	20.7	10.8	96.60	63.12	51.73	46.84
Bricks, pottery, glass, cement, etc	XVI	10.3	4.5	126.95	76.25	71.55	49.64
Timber, furniture, etc	XVII	8.8	4.9	109.61	80.13	63.46	52.41
Paper, printing and publishing	XVIII	4.8	1.0	153.74	92.00	74.43	64.77
Other manufacturing industries	XIX	6.4	3.0	112.30	69.89	65.08	49.88
All manufacturing industries		10.4	3.9	121.62	74.70	67.12	52.21
Mining and quarrying (except coal)	II	0.9	—	126.07	—	70.30	—
Construction	XX	2.5	0.2	121.48	66.17	68.12	59.99
Gas, electricity and water	XXI	1.6	—	142.28	98.88	76.87	—
Transport and communication (except sea transport)	XXII	1.0	—	138.17	105.74	74.08	—
All industries covered		8.0	2.7	124.51	75.46	68.16	51.56

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Table 6 (continued) Workers shown on the returns and average weekly earnings by industry in October 1981: manual workers

Industry SIC 1968	Minimum List Heading	Workers shown on the returns received					Earnings† (£ per week)				
		Workers on adult rates			Workers on other rates		Workers on adult rates			Workers on other rates	
		Full-time		Part-time	Full-time	Female	Full-time	Female	Full-time	Part-time	Full-time
		Male	Female	Female	Male	Female	Male	Female	Female	Male	Female
Mechanical engineering											
331	7,837	212	106	802	3	106.53	74.42	32.73	62.34	‡	
332	11,545	517	257	1,176	25	116.88	82.29	32.70	66.62	‡	
333	19,152	1,187	251	1,652	10	111.81	81.20	37.04	67.74	‡	
334	13,367	567	236	882	7	123.73	94.98	54.02	69.59	‡	
335	8,290	590	162	670	5	108.69	79.55	31.52	67.78	‡	
336	11,032	75	71	926	3	118.39	‡	26.36	67.74	‡	
337	14,231	131	139	1,345	9	127.23	‡	39.54	72.40	‡	
338	3,432	1,380	105	173	7	107.57	92.10	39.54	‡	‡	
339	42,726	2,622	851	3,566	35	135.94	71.12	27.86	70.11	‡	
341	28,185	372	452	2,329	35	122.56	92.57	44.05	65.22	‡	
342	7,372	1,469	237	1,057	69	116.05	82.05	36.77	71.05	‡	
349	29,378	4,413	519	1,977	76						
Instrument engineering											
351	2,604	429	76	92	10	126.19	103.23	‡	‡	‡	
352	1,518	2,092	66	127	13	136.38	85.96	‡	‡	‡	
353	4,355	2,733	786	328	133	111.13	84.23	43.87	61.70	‡	
354	11,853	6,079	1,423	1,080	217	110.74	77.32	37.80	65.04	52.86	
Electrical engineering											
361	28,197	8,113	1,457	2,714	438	116.49	77.29	40.21	66.07	58.53	
362	14,282	2,954	805	289	106	134.01	87.89	44.32	74.26	‡	
363	10,340	10,910	1,201	757	475	121.84	90.24	51.92	70.11	68.63	
364	12,286	10,875	3,686	1,075	406	106.73	74.95	40.56	67.48	54.24	
365	2,462	4,352	393	136	149	121.85	77.84	38.85	‡	‡	
366	3,926	1,519	128	55	16	139.86	90.44	49.31	‡	‡	
367	10,350	4,255	1,217	1,616	164	124.16	84.82	53.26	66.95	‡	
368	11,646	5,130	2,551	522	397	107.31	81.55	39.13	70.54	65.73	
369	14,617	10,523	2,851	978	278	116.87	81.33	44.22	64.55	56.49	
Shipbuilding and marine engineering											
370.1	52,687	1,036	913	6,887	78	128.91	87.46	38.76	68.68	‡	
370.2	5,742	179	64	694	—	114.84	‡	‡	64.45	—	
Vehicles											
380	3,634	84	23	26	1	‡	‡	‡	‡	‡	
381	122,075	10,833	1,450	5,246	273	114.37	90.06	42.34	67.04	52.14	
382	1,131	457	35	54	—	105.78	77.99	‡	‡	‡	
383	68,169	4,688	922	6,072	155	134.08	95.67	48.24	66.47	‡	
384	31,792	235	263	5,107	61	113.67	78.97	30.82	65.89	‡	
385											
Metal goods not elsewhere specified											
390	8,624	1,568	379	688	28	110.44	78.67	40.64	60.89	‡	
391	2,739	807	154	195	12	106.46	77.14	36.22	‡	‡	
392	2,344	1,316	332	196	93	115.98	81.83	40.49	‡	‡	
393	5,170	1,391	244	246	22	111.96	80.19	35.46	64.60	‡	
394	9,962	921	237	239	17	129.04	75.84	36.78	62.74	‡	
395	6,035	2,147	1,179	318	49	126.32	83.89	38.46	82.50	‡	
396	2,483	599	209	126	52	121.20	73.80	40.87	‡	‡	
399	48,068	12,707	2,581	2,908	575	112.96	76.19	38.25	65.62	55.40	
Textiles											
411	10,869	705	227	271	3	130.23	80.65	42.93	66.68	‡	
412	6,640	4,419	1,515	140	174	93.33	68.66	36.40	‡	‡	
413	7,605	4,332	1,032	102	91	97.62	69.99	37.27	‡	‡	
414	14,013	7,378	2,157	293	141	100.63	68.11	36.97	61.11	‡	
415	2,080	888	73	43	20	95.92	76.74	‡	‡	‡	
416	686	564	184	9	8	99.10	69.29	32.08	‡	‡	
417	10,362	25,207	5,176	386	1,420	104.61	62.42	39.08	52.27	42.07	
418	1,408	844	91	58	54	101.42	58.65	‡	‡	‡	
419	8,353	2,802	490	192	34	116.16	80.00	37.11	‡	‡	
421	1,960	2,065	384	48	78	96.17	65.20	33.69	‡	‡	
422	2,033	4,066	624	109	208	90.67	60.20	38.54	‡	40.91	
423	10,701	2,455	635	176	72	106.58	70.44	35.56	‡	‡	
429	6,074	977	229	86	15	122.41	79.42	37.71	‡	‡	
Leather, leather goods and fur											
431	5,020	955	247	234	51	105.84	78.83	36.43	53.52	‡	
432	1,041	1,493	406	93	104	83.05	62.54	34.19	‡	‡	
433	140	21	11	3	—	‡	‡	‡	‡	‡	
Clothing and footwear											
441	819	2,857	616	59	183	85.77	62.77	38.65	‡	‡	
442	2,816	14,403	1,727	264	1,437	94.00	64.02	38.48	54.38	48.17	
443	1,140	4,277	543	62	426	95.44	63.40	40.66	‡	46.92	
444	1,682	11,356	1,592	167	1,371	91.41	62.11	38.63	‡	46.94	
445	1,244	14,306	2,600	81	739	88.35	61.79	40.93	‡	45.93	
446	484	730	225	45	76	93.68	56.67	36.68	‡	48.34	
449	909	5,478	980	62	429	94.55	61.18	37.33	‡	46.74	
450	10,124	12,822	2,028	447	861	107.92	75.67	43.64	51.24	46.74	
Bricks, pottery, glass, cement, etc											
461	16,358	711	245	360	16	124.70	75.92	31.04	72.12	‡	
462	11,460	7,188	632	200	179	113.89	75.72	38.49	60.35	‡	
463	20,715	3,114	1,176	960	108	131.79	89.23	46.09	70.40	‡	
464	8,124	117	123	286	2	152.83	‡	38.77	87.08	‡	
469	18,385	719	279	362	2	128.23	74.38	34.32	72.93	‡	
Timber, furniture, etc											
471	20,097	700	522	1,386	19	103.11	85.59	22.28	61.82	‡	
472	17,539	2,245	421	1,594	192	114.31	89.99	43.87	65.19	‡	
473	2,976	1,225	135	244	22	115.81	77.06	40.50	65.28	‡	
474	4,036	1,118	20	408	5	135.37	‡	‡	69.83	‡	
475	3,011	532	119	264	22	99.28	70.71	32.03	57.38	‡	
479	2,985	938	239	231	49	105.09	73.82	38.16	56.42	‡	

†† See footnotes to table 13.

Table 6 (continued)

Industry SIC 1968	Minimum List Heading	Workers shown on the returns received					Earnings† (£ per week)					
		Workers on adult rates			Workers on other rates		Workers on adult rates			Workers on other rates		
		Full-time		Part-time	Full-time	Female	Full-time	Female	Full-time	Part-time	Full-time	
		Male	Female	Female	Male	Female	Male	Female	Female	Male	Female	
Paper, printing and publishing												
	481	22,367	2,208	638	419	53	131.24	79.59	33.72	76.89	‡	
Paper and board												
Packaging products of paper, board and associated materials	482	19,790	7,265	1,874	478	301	135.79	89.86	42.54	69.54	56.45	
Manufactured stationery	483	3,621	2,388	359	241	176	137.05	89.36	47.68	79.73	‡	
Manufacturers of paper and board not elsewhere specified	484	6,623	2,556	501	66	74	124.05	86.51	38.78	‡	‡	
Printing, publishing of newspapers	485	21,317	524	1,212	556	79	189.13	98.18	40.41	80.87	‡	
Printing, publishing of periodicals	486	5,475	296	300	152	16	213.78	127.95	50.84	‡	‡	
Other printing, publishing, bookbinding, engraving, etc	489	35,564	13,729	2,932	2,336	1,564	149.35	95.98	45.76	72.89	66.82	
Other manufacturing industries												
Rubber	491	24,999	5,105	1,366	414	61	112.70	75.90	43.02	71.98	‡	
Linoleum, plastics floor-covering, leathercloth, etc	492	3,516	299	51	84	2	113.51	79.40	‡	‡	‡	
Brushes and brooms	493	1,383	1,223	268	40	118	96.22	68.93	41.85	‡	‡	
Toys, games, children's carriages and sports equipment	494	3,846	4,255	2,105	208	246	92.48	61.33	33.88	61.55	53.62	
Miscellaneous stationers' goods	495	1,417	1,438	250	74	88	130.48	71.73	34.46	‡	‡	
Plastics products, not elsewhere specified	496	22,785	6,985	3,127	735	235	120.18	75.01	40.30	65.28	48.21	
Miscellaneous manufacturing industries	499	3,328	2,040	501	161	178	101.22	65.88	32.19	‡	‡	
Construction												
	500	266,239	899	2,660	22,378	157	121.55	66.49	24.34	68.15	‡	
Gas, electricity and water												
Gas	601	34,815	351	1,645	5,017	19	143.93	87.35	41.57	76.50	‡	
Electricity	602	78,989	1,104	2,763	4,244	7	150.24	104.85	46.34	77.30	‡	
Water supply	603	24,824	73	795	252	4	120.35	‡	35.17	77.38	‡	
Transport and communication (except sea transport)												
Railways	701	112,127	3,840	321	2,213	16	133.64	100.26	34.82	75.45	‡	
Road passenger transport	702	102,078	6,544	1,172	2,172	14	132.35	105.02	33.82	67.94	‡	
Road haulage contracting for general hire or reward	703	35,617	622	2,321	733	120	128.17	88.40	32.06	67.03	‡	
Other road haulage	704	6,855	171	81	128	—	142.59	‡	‡	‡	‡	
Port and inland water transport	706	28,470	125	445	344	1	153.					

Table 7 (continued) Average hours worked and average hourly earnings by industry in October 1981: manual workers

Industry SIC 1968 Minimum List Heading	Hours worked†					Earnings‡ (pence per hour)							
	Workers on adult rates		Part-time Female	Workers on other rates		Workers on adult rates		Workers on other rates					
	Male	Female		Male	Female	Male	Female	Male	Female	Female			
	Full-time	Part-time	Full-time	Part-time	Full-time	Part-time	Full-time	Part-time	Full-time	Part-time			
Mechanical engineering													
Agricultural machinery (except tractors)	331	40.6	36.6	19.9	41.5	‡	262.4	203.3	164.5	150.2	‡		
Metal-working machine tools	332	41.2	38.0	19.8	38.9	‡	283.7	216.6	165.2	171.3	‡		
Pumps, valves and compressors	333	41.0	38.2	19.7	38.8	‡	272.7	212.6	188.0	174.6	‡		
Industrial engines	334	40.4	37.6	21.9	38.2	‡	306.3	252.6	246.7	182.2	‡		
Textile machinery and accessories	335	40.7	38.4	19.9	39.0	‡	267.1	207.2	158.4	173.8	‡		
Construction and earth-moving equipment	336	40.0	‡	‡	‡	‡	296.0	‡	‡	175.0	‡		
Mechanical handling equipment	337	44.3	‡	17.2	41.3	‡	287.2	‡	153.3	175.3	‡		
Office machinery	338	40.4	40.2	21.9	‡	‡	266.3	229.1	180.5	‡	‡		
Other machinery	339	41.4	37.4	19.6	39.6	‡	282.8	211.4	173.1	171.8	‡		
Industrial (including process) plant and steelwork	341	42.2	37.0	18.2	38.8	‡	322.1	192.2	153.1	180.7	‡		
Ordnance and small arms	342	39.5	39.1	21.1	38.5	‡	310.3	236.8	208.8	169.4	‡		
Other mechanical engineering not elsewhere specified	349	41.5	38.9	20.7	39.1	‡	279.6	210.9	177.6	181.7	‡		
Instrument engineering													
Photographic and document copying equipment	351	41.1	39.8	‡	‡	‡	307.0	259.4	‡	‡	‡		
Watches and clocks	352	46.9	40.3	‡	‡	‡	290.8	213.3	‡	‡	‡		
Surgical instruments and appliances	353	40.6	39.1	22.6	40.0	‡	273.7	215.4	194.1	154.3	‡		
Scientific and industrial instruments and systems	354	41.4	38.0	21.2	39.2	38.7	267.5	203.5	178.3	165.9	136.6		
Electrical engineering													
Electrical machinery	361	41.4	38.0	21.2	39.2	38.3	281.4	203.4	189.7	168.5	152.8		
Insulated wires and cables	362	43.9	38.9	22.8	41.2	‡	305.3	225.9	194.4	190.2	‡		
Telegraph and telephone apparatus and equipment	363	42.1	37.9	22.9	39.0	37.9	289.4	238.1	226.7	179.8	181.1		
Radio and electronic components	364	41.1	37.8	20.7	39.8	36.9	259.7	198.3	195.9	169.5	147.0		
Broadcast receiving and sound reproducing equipment	365	43.9	39.0	21.8	‡	‡	277.8	199.6	178.2	‡	‡		
Electronic computers	366	41.2	39.4	21.0	‡	‡	339.5	229.5	234.8	‡	‡		
Radio, radar and electronic capital goods	367	42.1	37.4	23.9	38.9	‡	294.9	226.8	222.8	172.1	‡		
Electric appliances primarily for domestic use	368	39.9	37.9	20.9	39.6	38.2	268.9	215.2	187.2	178.1	172.1		
Other electrical goods	369	41.5	38.0	20.7	39.1	41.4	281.6	214.0	213.6	165.1	136.4		
Shipbuilding and marine engineering													
Shipbuilding and ship repairing	370.1	43.5	38.5	19.1	39.4	‡	296.3	227.2	202.9	174.3	‡		
Marine engineering	370.2	41.1	‡	‡	39.5	—	279.4	‡	‡	163.2	‡		
Vehicles													
Wheeled tractor manufacturing	380	‡	‡	‡	‡	‡	‡	‡	‡	‡	‡		
Motor vehicle manufacturing	381	39.5	37.6	20.7	38.9	34.6	289.5	239.5	204.5	172.3	150.7		
Motor cycle, tricycle and pedal cycle manufacturing	382	40.5	36.0	‡	‡	—	261.2	216.6	‡	‡	‡		
Aerospace equipment manufacturing and repairing	383	41.5	38.4	22.5	39.1	‡	323.1	249.1	214.4	170.0	‡		
Locomotive and railway track equipment	384	39.1	34.6	21.3	38.5	‡	291.0	228.2	144.5	171.3	‡		
Railway carriages and wagons and trams	385	‡	‡	‡	‡	‡	‡	‡	‡	‡	‡		
Metal goods not elsewhere specified													
Engineers' small tools and gauges	390	41.0	37.9	22.2	38.7	‡	269.4	207.6	183.1	157.3	‡		
Hand tools and implements	391	41.6	37.6	21.5	‡	‡	255.9	205.2	168.5	‡	‡		
Cutlery, spoons, forks and plated tableware, etc	392	40.3	36.6	21.0	‡	‡	287.8	223.6	192.8	‡	‡		
Bolts, nuts, screws, rivets, etc	393	41.7	38.2	18.9	38.6	‡	268.5	209.9	187.6	167.4	‡		
Wire and wire manufactures	394	43.2	37.9	20.3	37.9	‡	298.7	200.1	181.2	165.5	‡		
Cans and metal boxes	395	40.6	37.9	21.0	39.6	‡	311.1	221.3	183.1	208.3	‡		
Jewellery and precious metals	396	41.5	38.2	22.5	‡	‡	292.0	193.2	181.6	‡	‡		
Metal industries not elsewhere specified	399	41.9	37.7	21.9	40.1	37.9	269.6	202.1	174.7	163.6	146.2		
Textiles													
Production of man-made fibres	411	41.7	36.5	20.8	39.2	‡	312.3	221.0	206.4	170.1	‡		
Spinning and doubling on the cotton and flax systems	412	42.4	38.6	20.9	‡	‡	220.1	177.9	174.2	‡	‡		
Weaving of cotton, linen and man-made fibres	413	41.0	37.8	21.5	‡	‡	238.1	185.2	173.3	‡	‡		
Woolen and worsted	414	44.1	37.2	20.8	40.9	‡	228.2	183.1	177.7	149.4	‡		
Jute	415	42.4	39.2	‡	‡	‡	226.2	195.8	‡	‡	‡		
Rope, twine and net	416	43.8	38.0	22.3	‡	‡	226.3	182.3	143.9	‡	‡		
Hosiery and other knitted goods	417	40.9	36.5	22.5	40.6	36.2	255.8	171.0	173.7	128.7	116.2		
Lace	418	43.2	36.9	‡	‡	‡	234.8	158.9	‡	‡	‡		
Carpets	419	43.0	38.2	20.0	‡	‡	270.1	209.4	185.6	‡	‡		
Narrow fabrics (not more than 30 cm wide)	421	42.9	38.1	20.2	‡	‡	224.2	171.1	166.8	‡	‡		
Made-up textiles	422	40.4	36.2	23.5	‡	37.0	224.9	166.3	164.0	‡	110.6		
Textile finishing	423	43.6	37.1	20.1	‡	‡	244.4	189.9	176.9	‡	‡		
Other textile industries	429	42.2	37.7	20.4	‡	‡	290.1	210.7	184.9	‡	‡		
Leather, leather goods and fur													
Leather (tanning and dressing) and fellmongery	431	43.5	38.8	20.3	40.8	‡	243.3	203.2	179.5	131.2	‡		
Leather goods	432	39.3	37.1	23.8	‡	‡	211.3	168.6	143.7	‡	‡		
Fur	433	‡	‡	‡	‡	‡	‡	‡	‡	‡	‡		
Clothing and footwear													
Weatherproof outerwear	441	39.9	35.8	23.7	‡	‡	215.0	175.3	163.1	‡	‡		
Men's and boys' tailored outerwear	442	41.6	36.4	23.9	39.9	37.7	226.0	175.9	161.0	136.3	127.8		
Women's and girls' tailored outerwear	443	41.1	36.6	24.5	‡	‡	38.3	232.2	173.2	166.0	‡		
Overalls and men's shirts, underwear, etc	444	42.1	36.1	24.2	‡	‡	37.8	217.1	172.0	159.6	‡		
Dresses, lingerie, infants' wear, etc	445	41.5	36.5	24.7	‡	‡	212.9	169.3	165.7	‡	‡		
Hats, caps and millinery	446	38.8	35.3	23.2	‡	‡	241.4	160.5	158.1	‡	127.2		
Dress industries not elsewhere specified	449	43.8	36.9	24.6	‡	38.0	215.9	165.8	151.7	‡	122.0		
Footwear	450	40.3	37.0	22.5	40.0	38.3	267.8	204.5	194.0	128.1	‡		
Bricks, pottery, glass, cement, etc													
Bricks, fireclay and refractory goods	461	43.2	36.5	18.0	41.2	‡	288.7	208.0	172.4	175.0	‡		
Pottery	462	42.5	37.2	21.7	39.3	‡	268.0	203.5	177.4	153.6	‡		
Glass	463	41.5	38.7	20.9	38.7	‡	317.6	230.6	220.5	181.9	‡		
Cement	464	47.6	‡	18.8	42.6	‡	321.1	‡	206.2	204.4	‡		
Abrasives and building materials, etc not elsewhere specified	469	45.2	36.9	18.8	42.2	‡	283.7	201.6	182.6	172.8	‡		
Timber, furniture, etc													
Timber	471	41.8	38.7	15.5	39.8	‡	246.7	221.2	143.7	155.3	‡		
Furniture and upholstery	472	40.5	37.6	22.2	38.9	‡	282.2	239.3	197.6	167.6	‡		
Bedding, etc	473	42.9	37.5	20.9	40.9	‡	270.0	205.5	193.8	159.6	‡		
Shop and office fitting	474	48.1	‡	‡	41.1	‡	281.4	‡	‡	169.3	‡		
Wooden containers and baskets	475	41.1	36.7	20.8	39.5	‡	241.6	192.7	154.0	145.3	‡		
Miscellaneous wood and cork manufactures	479	43.3	37.7	20.3	39.1	‡	242.7	195.8	188.0	144.3	‡		

† ‡ See footnotes to table 13.

Table 7 (continued) Average hours worked and average hourly earnings by industry in October 1981: manual workers

Industry SIC 1968 Minimum List Heading	Hours worked†					Earnings‡ (pence per hour)							
	Workers on adult rates		Part-time Female	Workers on other rates		Workers on adult rates		Workers on other rates					
	Male	Female		Male	Female	Male	Female	Male	Female	Female			
	Full-time	Part-time	Full-time	Part-time	Full-time	Part-time	Full-time	Part-time	Full-time	Part-time			
Paper, printing and publishing													
Paper and board	481	46.0	37.7	18.2	41.6	‡	285.3	211.1	185.3	184.8	‡		
Packaging products of paper, board and associated materials	482	41.8	38.0	21.7	39.6	37.4	324.9	236.5	196.0	175.6	150.9		
Manufactures of paper and board not elsewhere specified	483	40.6	35.0										

Table 9 Average weekly hours (males on adult rates): by industry group: by standard region: manual workers

Industry Group	Order of SIC	Standard Region										Northern Ireland						
		All	South East of which Greater London	East Anglia	South West	West Midlands	East Midlands	Yorkshire and Humberside	North West	North	England		Wales	Scotland				
SIC 1968		All																
Food, drink and tobacco	III	45.8	46.5	44.7	44.1	44.1	45.2	44.6	45.0	44.8	44.9	44.3	44.0	43.9				
Coal and petroleum products	IV	45.0	48.5	†	†	43.6	41.5	43.2	39.2	42.6	42.2	†	43.1	43.4				
Chemicals and allied industries	V	45.0	43.9	45.1	44.2	42.2	42.9	43.2	43.0	42.0	43.2	42.1	43.0	43.4				
Metal manufacture	VI	42.2	42.5	†	44.0	43.1	45.0	41.3	42.0	40.1	42.6	39.9	44.6	41.3				
Mechanical engineering	VII	42.2	42.8	42.4	41.3	41.3	41.2	41.3	40.9	40.7	41.4	40.3	42.1	41.3				
Instrument engineering	VIII	41.4	42.1	†	39.8	41.8	†	41.3	41.7	40.0	41.3	42.2	44.3	43.3				
Electrical engineering	IX	41.8	41.6	41.3	43.6	41.2	41.7	41.0	42.0	41.8	41.6	40.7	42.0	43.3				
Shipbuilding and marine engineering	X	42.8	†	†	45.1	†	†	49.3	49.9	42.5	43.2	†	42.6	42.6				
Vehicles	XI	40.1	41.1	39.9	42.5	39.5	40.1	40.5	40.0	35.6	40.0	40.7	38.9	41.4				
Metal goods not elsewhere specified	XII	42.6	42.1	†	42.4	41.4	41.2	41.5	42.3	42.0	41.8	40.4	42.6	41.3				
Textiles	XIII	43.8	44.1	43.5	41.8	41.9	41.5	44.2	42.0	41.3	42.5	40.2	42.2	43.1				
Leather, leather goods and fur	XIV	45.1	47.0	†	43.5	40.8	44.0	44.0	43.0	43.1	43.5	†	†	39.5				
Clothing and footwear	XV	41.5	41.5	40.7	40.2	41.5	40.4	41.4	40.4	41.5	41.0	42.0	41.7	42.1				
Bricks, pottery, glass, cement, etc	XVI	44.4	43.2	45.5	47.1	42.6	44.4	43.5	42.1	42.8	43.6	42.6	44.1	44.9				
Timber, furniture, etc	XVII	42.8	44.4	41.9	42.9	42.6	40.9	41.9	42.6	41.8	42.2	39.6	43.2	40.6				
Paper, printing and publishing	XVIII	41.9	41.0	41.2	42.4	39.7	41.7	41.6	42.9	42.0	41.9	41.8	42.1	41.6				
Other manufacturing industries	XIX	43.0	42.2	44.0	40.5	41.6	40.7	42.1	42.4	42.0	41.9	39.1	42.6	41.6				
All manufacturing industries		42.5	42.7	43.2	42.7	41.4	42.1	42.3	42.1	41.6	42.1	40.8	42.7	42.9				
Mining and quarrying (except coal)	II	50.7	†	†	41.2	48.0	50.3	46.0	46.0	48.1	46.0	47.8	45.7	44.0				
Construction	XX	45.0	45.6	44.4	43.2	42.8	43.5	43.7	42.5	42.6	43.9	43.5	43.6	41.4				
Gas, electricity and water	XXI	40.3	39.4	39.2	38.8	40.2	40.4	39.0	38.6	39.0	39.7	38.3	45.0	42.4				
Transport and communication (except sea transport)	XXII	47.4	46.9	49.3	46.6	47.9	47.9	47.4	46.2	45.9	47.0	47.0	47.7	45.5				
All industries covered		43.6	43.9	44.3	43.2	42.0	43.0	43.0	42.6	42.2	42.9	41.9	43.6	42.8				

† See footnotes to table 13.

Table 10 Average hourly earnings (males on adult rates): by industry group: by standard region: manual workers

Industry Group	Order of SIC	Standard Region										Northern Ireland						
		All	South East of which Greater London	East Anglia	South West	West Midlands	East Midlands	Yorkshire and Humberside	North West	North	England		Wales	Scotland				
SIC 1968		All																
Food, drink and tobacco	III	304.2	309.7	281.9	274.5	279.4	268.8	271.5	287.1	266.6	285.4	257.6	268.9	276.1				
Coal and petroleum products	IV	382.1	349.5	†	†	292.4	267.6	314.9	378.9	320.4	352.0	†	378.8	†				
Chemicals and allied industries	V	304.5	320.3	311.8	299.7	300.7	289.9	301.4	328.6	342.1	321.2	329.0	314.0	326.9				
Metal manufacture	VI	302.8	309.2	†	277.0	283.5	311.6	319.9	302.4	330.0	305.8	348.7	327.4	†				
Mechanical engineering	VII	280.8	289.4	284.5	277.1	279.0	276.2	281.2	276.2	312.3	286.0	283.8	313.7	266.5				
Instrument engineering	VIII	278.7	280.8	†	275.8	280.0	†	284.3	258.9	271.6	274.0	275.5	281.7	266.5				
Electrical engineering	IX	302.9	†	†	267.5	†	†	315.8	283.5	291.2	292.0	†	306.5	†				
Shipbuilding and marine engineering	X	282.2	283.4	278.8	313.3	308.1	304.3	314.4	282.0	325.6	299.3	283.7	288.6	331.4				
Vehicles	XI	279.0	286.8	†	270.3	271.7	271.3	275.7	269.6	272.8	273.9	304.1	264.1	254.0				
Metal goods not elsewhere specified	XII	255.4	249.3	251.9	268.0	243.9	266.8	247.5	227.7	251.7	250.2	288.3	237.3	265.1				
Textiles	XIII	266.1	276.7	†	246.9	222.9	236.0	251.2	230.6	238.7	243.9	†	†	240.8				
Leather, leather goods and fur	XIV	246.6	245.8	268.5	269.5	213.6	248.7	226.0	230.5	255.5	241.8	218.8	217.6	240.2				
Clothing and footwear	XV	301.0	297.0	267.7	294.9	275.8	270.7	300.3	325.1	281.5	296.3	276.4	279.9	252.3				
Bricks, pottery, glass, cement, etc	XVI	288.1	305.1	247.9	250.9	261.7	263.6	254.0	260.0	246.6	266.9	258.2	244.7	221.8				
Timber, furniture, etc	XVII	420.8	483.9	336.1	342.8	341.8	319.1	330.0	347.0	358.8	372.1	326.5	340.1	308.8				
Paper, printing and publishing	XVIII	255.9	254.5	277.3	289.7	275.4	257.1	275.5	261.2	285.0	269.3	274.5	287.3	281.5				
All manufacturing industries		303.0	320.2	280.9	286.1	285.1	279.1	285.2	285.7	302.4	292.5	307.4	292.7	272.9				
Mining and quarrying (except coal)	II	237.4	†	†	274.2	247.2	263.0	267.4	295.8	279.9	282.5	232.5	249.7	237.8				
Construction	XX	286.0	301.5	246.6	246.0	266.4	269.9	266.8	279.4	266.3	275.9	275.0	265.9	252.0				
Gas, electricity and water	XXI	365.0	369.2	370.1	368.2	344.0	344.5	358.6	358.8	372.1	356.7	356.3	330.7	328.4				
Transport and communication (except sea transport)	XXII	297.8	303.1	295.6	279.2	280.3	280.3	283.3	285.7	277.5	296.7	280.1	286.0	264.6				
All industries covered		300.7	314.5	278.9	280.4	283.6	279.6	284.1	286.5	293.6	292.1	299.2	291.3	268.8				

† See footnotes to table 13.

Table 11 Average weekly earnings (females on adult rates): by industry group: by standard region: manual workers

Industry group	Order of SIC	Standard Region										Northern Ireland						
		All	South East of which Greater London	East Anglia	South West	West Midlands	East Midlands	Yorkshire and Humberside	North West	North	England		Wales	Scotland				
SIC 1968		All																
Food, drink and tobacco	III	87.47	87.78	84.14	84.58	74.12	83.38	78.44	80.20	83.11	83.81	68.78	79.72	97.19				
Coal and petroleum products	IV	†	†	†	†	†	†	†	†	†	†	†	†	†				
Chemicals and allied industries	V	82.25	82.88	78.92	83.98	76.61	79.14	81.04	87.75	91.07	86.43	93.40	94.12	†				
Metal manufacture	VI	79.01	73.61	†	85.65	76.75	91.08	78.86	84.77	70.20	79.19	75.78	79.17	†				
Mechanical engineering	VII	84.48	80.55	90.79	78.30	79.33	80.61	73.99	82.89	84.99	82.40	77.00	93.60	83.59				
Instrument engineering	VIII	78.90	79.95	†	78.20	71.93	†	85.61	83.13	74.01	79.98	84.82	87.65	†				
Electrical engineering	IX	77.05	82.31	72.26	75.85	85.49	74.57	70.48	80.08	80.34	80.67	82.17	86.38	†				
Shipbuilding and marine engineering	X	†	†	†	†	†	†	†	†	†	†	†	†	†				
Vehicles	XI	85.27	83.99	88.39	84.02	94.23	90.49	87.90	82.56	78.05	88.90	94.91	99.16	113.48				
Metal goods not elsewhere specified	XII	79.68	81.41	88.75	73.33	76.22	75.50	74.97	73.28	66.37	77.57	73.15	75.62	84.44				
Textiles	XIII	71.69	69.11	60.69	72.23	74.05	62.81	66.84	66.20	63.06	65.54	71.74	69.83	62.56				
Leather, leather goods and fur	XIV	73.82	75.17	†	76.99	60.54	71.21	87.41	66.04	68.05	66.50	†	†	68.41				
Clothing and footwear	XV	68.80	69.43	66.50	62.72	64.94	64.98	61.95	62.25	63.12	64.19	63.48	64.44	59.87				
Bricks, pottery, glass, cement, etc	XVI	70.00	75.66	80.53	74.19	74.80	81.85	99.94	93.76	86.17	79.28	69.26	85.31	65.82				
Timber, furniture, etc	XVII	82.38	76.76	62.07	83.52	80.91	80.81	82.09	76.96	64.70	81.97	106.20	71.58	57.15				
Paper, printing and publishing	XVIII	95.32	95.71	93.60	94.23	77.34	86.09	81.63	96.38	97.07	93.19	89.86	92.26	79.63				
Other manufacturing industries	XIX	67.16	65.08	65.57	76.66	74.38	69.36	78.35	69.33	71.49	69.58</							

Questions in Parliament



Weekly earnings

Mr J W Rooker (Birmingham, Perry Barr) asked the Secretary of State for Employment, to what he attributed the decline in the proportion of weekly earnings by full-time women manual workers in all industries and services in 1981 compared with non-manual women workers in the same sector.

Mr Morrison: The decline in the proportion of average weekly earnings of full-time manual women to those of full-time non-manual women between April 1980 and April 1981 (as recorded in the *New Earnings Survey*) mainly reflects a temporary change in the incidence of pay settlements during this period. A number of non-manual groups in the public sector, where women form a substantial proportion of total employment, received more than one annual pay settlement in the twelve months to April 1981. For example, teachers received both the delayed 1980 pay settlement and the 1981 pay settlement, together with the final instalment of the staged award from the 1979 pay settlement.

Also, to the extent that non-manual workers tend to have pay settlement dates slightly later in the annual pay-round than manual workers, the change in average earnings between April 1980 and April 1981 for non-manual workers will reflect relatively more settlements in the 1979-80 payround, ending in July 1980, when pay settlements were higher than in the succeeding 1980-81 pay-round.

Mr Rooker went on to ask the Secretary of State for Employment, to what he attributed the decline in the proportion of weekly earnings of men manual workers in manufacturing industries in 1980 and 1981 compared with non-manual men in the same sector.

Mr Morrison: The decline in the proportion of average weekly earnings of men manual workers to those of men non-manual workers in manufacturing between April 1980 and April 1981 (as shown in the results of the *New Earnings Survey*) was mainly due to a substantial fall in overtime hours worked by manual workers. For full-time manual men aged 21 and over, whose pay in the survey week was not affected by absence, average overtime hours fell by 1½ during this period, compared with a fall of about ½ hour for corresponding non-manual workers. (March 2)

A selection of Parliamentary questions put to Department of Employment ministers on matters of interest to readers of *Employment Gazette* between January 25 and March 2 is printed on these pages. The questions are arranged by subject matter, and the dates on which they were answered are given after each answer. An asterisk after the date denotes that the question was answered orally.

Crown employees

Mr Ralph Howell (North Norfolk) asked the Secretary of State for Employment why statistics of redundancies collected by his department did not include crown employees.

Mr Waddington: Redundancy statistics are based on advance notifications required under the redundancy handling provisions of the Employment Protection Act 1975. Crown employees are not covered by the provisions. (January 26)

Department of Employment Ministers

Secretary of State: **Norman Tebbit**

Minister of State: **Michael Alison**

Parliamentary Under-Secretaries of State: **Peter Morrison**
David Waddington

Maternity Pay

Jo Richardson (Barking) asked the Secretary of State for Employment, how many women in the last 12 months had received statutory maternity pay from their employer; and if he would estimate the number of women in the last 12 months who had qualified for maternity pay under the Employment Protection (Consolidation) Act 1978, but who did not receive it.

Mr Alison: The number of women who have received maternity pay and in respect of whom rebate has been paid to the employer by my Department in the 12 months ending January 31, 1982 is 123,325. There are no official figures for the number of women who have qualified for maternity pay but who did not receive it. However, a recent survey conducted for my Department indicates that of the women included in the survey, a substantial minority, particularly among those who were employed by small firms, failed to receive maternity pay when they were qualified for it. (February 11)

European Social Fund

Mr Alfred Morris (Manchester, Wythenshawe) asked the Secretary of State for Employment, what was the budget for 1982 for expenditure on handicapped people within the European Social Fund; what part of this expenditure he expected to be available for the development of a network referred to in paragraph II of the Resolution of the Council of Ministers on the Social Integration of Handicapped People; and if he would make a statement.

Mr Alison: The European Social Fund's 1982 budget for expenditure on the need of handicapped people is 116 million European Currency Units (ECUs) for commitment appropriations (that is financial commitments) which can be entered into during 1982. The present value of one ECU is approximately 57p.

Our understanding is that none of this expenditure will be available for the development of the network of development actions referred to in the Resolution of the Council of Ministers on the Social Integration of Handicapped People. The Resolution of the Council proposes that such actions should not begin until 1983, and it seems unlikely that the proposed activities would be eligible for assistance under the existing rules and regulations of the Fund. The proposed network will be among the matters considered during the Review of the Fund which is due to be completed by the end of this year. (February 23)

Private agencies

Mr Dennis Skinner (Bolsover) asked the Secretary of State for Employment how many private employment agencies used the Professional and Executive Recruitment section of the Manpower Services Commission, and what payments were made to his department for the use of such services.

Mr Morrison: Private employment agencies' use of Professional and Executive Recruitment is very small but I regret that exact information is not available except at disproportionate cost. The service usually charges private agencies an initial fee of £225 for an advertisement in *Executive Post* plus £50 for each suitable candidate identified. (January 26)

Unemployment register

Mr Dennis Canavan (West Stirlingshire) asked the Secretary of State for Employment what was the percentage unemployment rate for the United Kingdom and for the European Economic Community as a whole: (a) at the time of the United Kingdom's entry to the European Economic Community and (b) at the latest available date.

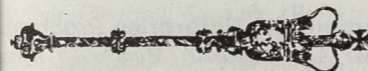
Mr Alison: The unemployment rates for December 1972 and December 1981, the latest available common date, are given below. They are not directly comparable because of national differences in concepts and coverage of unemployment.

	Dec 1972	Dec 1981
United Kingdom		
(i) UK basis*	3.4	12.2
(ii) EC basis †	3.1	11.3
European Community (EC), excluding Greece †	2.8	9.2

Source: Eurostat publications *Employment and unemployment 1972 to 1978* and *Unemployment monthly bulletin, December 1981*.

* Registered unemployed as a percentage of total employees.

† Registered unemployed as a percentage of the civilian working population. (February 1)



Vacancies

Mr Norman Atkinson (Haringey, Tottenham) asked the Secretary of State for Employment, what evidence he had of the extent to which companies had adopted the technique of notifying and advertising non-existent vacancies for the purpose of keeping an active applications register; and to what extent this was reflected in the vacancy statistics.

Mr Morrison: There are cases of companies compiling waiting lists of potential employees against future, rather than current vacancies, but it is not possible to draw general conclusions as to the extent of the practice.

The Manpower Services Commission's Jobcentres and employment offices do not, knowingly, accept vacancies notified by employers solely for the purpose of keeping up waiting lists.

Official vacancy statistics, which are estimated to reflect about one-third of all vacancies in the economy, cover only vacancies accepted by Jobcentres, employment offices and careers offices. (March 2)*

Training

Mr Frank Haynes (Ashfield) asked the Secretary of State for Employment, whether the new national training scheme would allow group schemes registered with the Manpower Services Commission to remain separate from the voluntary trade schemes.

Mr Morrison: There is no system of registering group training schemes with the Manpower Services Commission. If the voluntary training arrangements being set up to replace certain Industrial Training Boards are to be effective in promoting training it is important that they have the maximum support from employers in their sectors, including those involved in group training schemes. (February 11)

Sheltered employment

Mr Laurie Pavitt (Brent South) asked the Secretary of State for Employment, if he would take steps to allow those blind persons now seeking work to have the option of employment in sheltered workshops of the blind.

Mr Alison: There are no plans to change the existing general policy of providing sheltered employment only for those disabled people, blind or otherwise, who because of their disability or disabilities are unlikely to be able to obtain or retain jobs in open employment. (February 8)

Minimum wage

Mr Barry Jones (East Flint) asked the Secretary of State for Employment what was his estimate of the number of employers found to be paying below the legal minimum wage on the basis of visits by wages council inspectors; and if he would make a statement.

Mr Alison: Information about the number of employers underpaying is not available as the statistics are compiled on the basis of the number of establishments inspected. In 1980, the latest date for which figures are available, wages inspectors found underpayments of wages, including holiday entitlements, at 12,154 of the establishments inspected. Inspections tend to be most concerned with areas where underpayment is most likely to be found. (January 25)*

Apprentices

Mr Michael O'Halloran (Islington North) asked the Secretary of State for Employment, how many apprentices in the building industry had been made redundant since May 1979.

Mr Morrison: The number of apprentice redundancies in the building sector notified

Questions in Parliament

to the Construction Industry Training Board in the period May 25, 1979 to January 1, 1982 was 3,119, made up as follows: building trades 1,836; specialist building trades 19; electrical engineering sector 677; mechanical engineering sector 516; technicians 70. (February 17)

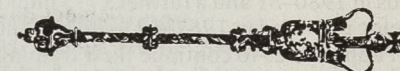
Mr Eric Deakins (Waltham Forest, Walthamstow) asked the Secretary of State for Employment, what proportion of the average adult wage in manufacturing industry was paid to apprentices.

Mr Alison: Comprehensive information on the average earnings of apprentices and full-time trainees is only obtained in periodical labour surveys. The latest figures, for 1978, are as follows:

Average annual earnings in manufacturing (Great Britain)

	Pence per hour
(a) Apprentices and full-time trainees*	119.7
(b) All employees †	206.2
(a) as a percentage of (b)	58

* Based on firms with 200 or more employees. † It is not possible to identify 'adult' etc. in the survey, and the average earnings of etc. are expressed as a percentage of those for all employees. In relation to 'adult' employees the earnings of apprentices, etc. would tend to be slightly lower than the figure shown. (February 23)



Dr Brian Mawhinney (Peterborough) asked the Secretary of State for Employment, if he was satisfied that the Manpower Services Commission had made adequate provision to the Engineering Industry Training Board to maintain in apprenticeships trainees who could otherwise have been made redundant.

Mr Morrison: The Manpower Services Commission has made available to the Engineering Industry Training Board £4.5 million from public funds in the current financial year to enable the board to make arrangements for apprentices who have been made redundant to continue their training. The Board does so either by making grants available to employers prepared to adopt redundant apprentices for the remainder of their training or, where this is not possible, by providing continued training itself as a college or training centre. The board has not yet exhausted the funds provided for this purpose. (March 2)*

Apprentices (continued)

Mrs S Williams (Crosby) asked the Secretary of State for Employment if he would ascertain from industries in the public sector how many apprentices or trainees they could accommodate in their training establishments in the current year if the economic costs of such training were met by the Manpower Services Commission.

Mr Morrison: I regret costs preclude a special study. It is known however that industries in the public sector, in common with those in the private sector, have spare training capacity. Public sector industries are eligible in the same way as private industry to receive assistance under the Manpower Services Commission's "Training for Skills Programme", under which some 35,000 extra training places are being supported in the current year. Public sector establishments are also encouraged to take part in the Youth Opportunities Programme and we hope that they will play a full part in the development of the Youth Training Scheme.

(January 26)

Mr Derek Foster (Bishop Auckland) asked the Secretary of State for Employment how many apprentices had been made redundant during the past 12 months.

Mr Morrison: Precise figures of the number of apprentices made redundant are not available but the Manpower Services Commission estimates that about 5,000 apprentices were made redundant in 1981. £1.7 million was made available from public funds in 1980-81 and a further £7.5 million is being provided in 1981-82 to help redundant apprentices to continue their training.

(January 28)

Earnings

Mr John Grant (Islington Central) asked the Secretary of State for Employment, what relationship between variations in youth unemployment and changes in the relative earnings of young people had been outlined in his Department's research paper No. 10 of 1980.

Mr Alison: The analyses in Research Paper No. 10 cover the period 1959-1976. They show that variations in youth unemployment over that period did not appear to have any statistical relationship with changes in the relative earnings of young people. An updated analysis of this research showed that relative earnings had some association with youth unemployment, but that it was hard to assess the significance of the part that it played.

Other evidence suggests that there has been a statistical relationship between the relative earnings of young people and youth employment.

(March 4)

Small businesses

Mr Gerrard Neale (North Cornwall) asked the Secretary of State for Employment, whether a scheme designed to make funds available to partnerships between the private sector, public and community bodies in the creation of new enterprises was still being developed.

Mr Alison: In November 1980, the then Secretary of Employment announced that the Government intended to develop proposals designed to provide funds for partnerships between the private sector, public and community bodies in the creation of new enterprises. Since then, the Government has introduced a number of new initiatives designed to assist small businesses. Many of these were announced by my right hon friend the Chancellor of the Exchequer in his budget last year and are known as the Business Opportunities Programme. In addition, the Manpower Services Commission is currently running three pilot schemes to evaluate the possibility of an enterprise allowance scheme to assist new small businesses. In the light of these developments and extensive studies and consultations about the original proposals, I have concluded that there is no need for further assistance of this kind. Other programmes will not therefore be adjusted in order to provide funds specifically for private, public and community partnerships. However, all new enterprises are, of course, welcome to seek assistance through any of the range of measures that I have mentioned.

(March 4)

Mines inspectors

Mr George Grant (Morpeh) asked the Secretary of State for Employment what was the recommended number of Her Majesty's inspectors for the coal mining industry in the United Kingdom; what was the actual number employed at the most recent date; if he would estimate the number of inspections not carried out because of this shortfall in inspectors; what proposals he had for correcting this position; and if he would make a statement.

Mr Waddington: There is no recommended figure for the number of inspectors of mines and quarries. The number of inspectors currently in post is 95.

A total of 11,980 inspections were carried out at coal mines in 1980, the last year for which final figures are presently available. The Health and Safety Executive is satisfied that the health and safety of persons at mines is adequately safeguarded by this level of inspection.

The Health and Safety Executive is seeking to recruit additional inspectors up to a total of 102 in 1982-83. That recruitment

campaign is under way and the vacancies have been advertised widely in the technical and national press.

(January 25)

Underpayments

Mr John Grant (Islington Central) asked the Secretary of State for Employment, what had been the level of underpayment of young workers found in wages council industries for the years 1974 to 1981, compared with the underpayment found for adult workers.

Mr Alison: The following percentages of adult and non-adult workers whose pay rates were examined by the Wages Inspectorate in the years 1974 to 1981 were found to be underpaid:

	Entitled to the Adult rate	Entitled to less than Adult rate
1974	6.0%	5.4%
1975	9.4%	12.2%
1976	14.3%	15.3%
1977	15.3%	20.1%
1978	12.5%	15.3%
1979	10.7%	15.8%
1980	12.6%	14.1%
1981	16.5%	18.3%

As the establishments selected for inspection by the Wages Inspectorate are not a representative sample, the above figures cannot be taken as typical of Wages Council workers as a whole.

(March 4)

Community Enterprise Programme

Mr Alfred Morris (Manchester Wythenshawe) asked the Secretary of State for Employment, how many places he now expected to be available in the Community Enterprise Programme in the year 1982-83; if the number fell short of that required for the purpose of the Manpower Services Commission's corporate plan; how many places had so far been allocated or were pending allocation; and if further applications could still be considered.

Mr Alison: The Manpower Services Commission are being given resources under the Community Enterprise Programme to support 30,000 places at any one time in 1982/83. (Which will mean that 40,000-50,000 will be able to pass through the programme). The Commission had asked for resources to support a build up to 60,000 filled places at the end of March 1983. I understand that places have been allocated to regions taking into account the number of people already on schemes and the proportion of eligible unemployed people in the region. At the end of February about 36,000 places had been approved, of which 26,500 were filled. The scheme is therefore nearly full, and in general, further applications can only be approved if they replace schemes that are coming to an end.

(March 5)

Temporary short-time compensation

Mr Nicholas Winterton (Macclesfield) asked the Secretary of State for Employment, what would estimate the effect on employment of the planned reduction in the period of entitlement under the Temporary Short-time Working Compensation Scheme; and what would make a statement.

Mr Alison: There are many uncertainties which prevent an accurate assessment of the employment effect of reducing the maximum period of entitlement under tsrwcs. The two major factors are the numbers of firms which will apply successfully for support, and the extent to which they make use of the scheme once in it. It is an encouraging sign that far fewer firms are now applying to the tsrwcs, and that the amount of short-time worked under the scheme has been falling rapidly. It is expected that these trends will continue in the financial year 1982-83 and beyond.

Any effect of the reduction in entitlement will not be felt for six months after the change, as it is only after this point that firms which would otherwise have remained eligible begin to exhaust entitlement. In the period up to March 1984, the maximum effect on employment of reducing the entitlement period is about 6,000 jobs, at any one time.

(February 8)

Mr Dale Campbell-Savours (Workington) asked the Secretary of State for Employment, whether he would review the rules governing payment of short-time working compensation scheme employment subsidies.

Mr Alison: The Temporary Short-time Working Compensation Scheme is reviewed annually. On December 15 1981, my right hon friend announced, in a statement on training and special employment measures, certain changes affecting the scheme. These are that the scheme will be extended by two years and will then close, with the last application being taken in March 1984; and that from July 1982 the maximum period of support will be six months. We have no plans to alter the conditions of the scheme before this year's annual review.

(March 2)*

Young Workers' Scheme

Mr Nicholas Winterton (Macclesfield) asked the Secretary of State for Employment, what was the planned cost of the Young Workers Scheme; and what measures were being taken by his Department to promote this scheme.

Mr Alison: On July 27, my right hon friend the Prime Minister said that the estimated cost of the Young Workers' Scheme for

1982-83 would be £60 million. No costs will be incurred through the operation of the scheme in 1981-82 apart from administration costs.

My Department issued press notices on August 27 and December 31 to announce the proposed introduction and the start of the scheme.

In addition, advertisements publicising the scheme have been carried by national daily and weekly newspapers since the first week in December.

Leaflets explaining the scheme are distributed to employers through my Department's regional offices, employment offices, Jobcentres and careers offices, and have been sent to certain employers' and trade associations, and to the Department of Industry's Small Firms Centre. Information is also distributed through the Department of Industry's Business Opportunities Programme.

(February 9)

Mr Barry Jones (East Flint) asked the Secretary of State for Employment what evidence he had which indicated that the Young Workers Scheme would create a significant number of new jobs, and if he would build safeguards into the Young Workers Scheme to ensure that employers did not merely replace adult workers with subsidised young workers, and to ensure that employers are not subsidised whilst illegally underpaying young workers.

Mr Alison: Since there have been no precisely similar schemes before, the Young Workers Scheme is experimental, and there is as yet no empirical data on which to assess the likely effect of the scheme. However, there is evidence from research that there is a relationship between the relative earnings of young people and youth employment, and the weekly payments will enable employers to take on more young employees than they could otherwise have afforded.

The valuable experience of older workers would usually be sufficient to dissuade employers from replacing them with young workers who, to qualify under the scheme, must be in their first year of employment on the date from which the employer first successfully claims payment. Employees who feel they have been unfairly dismissed do of course generally have recourse to an industrial tribunal under the employment protection legislation.

Application and claim forms for the Young Workers Scheme include declarations which must be signed by employers that the wages paid to young workers in respect of whom payments will be made are not less than the minimum remuneration payable under any statutory wages order which applies to their employment.

(March 1)

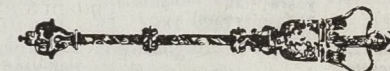
Cost of DE schemes

Sir Brandon Rhys Williams (Kensington and Chelsea, Kensington) asked the Secretary of State for Employment, what was his latest estimate of the total cost in 1981-82 at 1981 cash prices in England, Scotland and Wales of the income maintenance payments and allowances for which his Department was responsible.

Mr Alison: The schemes for which the Department of Employment are responsible which involve income maintenance payments and allowances are the Training Opportunities Scheme (TOS), the Youth Opportunities Programme (YOP), the Community Enterprise Programme (CEP), Community Industry (CI), the Temporary Short Time Working Compensation Scheme (TSRWCS), the Job Release Scheme (JRS), and the Maternity Pay Fund.

The estimates for these schemes and the provision for the Maternity Pay Fund provide for a total cost in 1981-82 of £1,320 million including £65 million for administration and £193 million for sponsors and training costs. Because of lower than estimated demand on tsrwcs a shortfall is anticipated.

(February 9)



Redundancy pay

Mr David Gilroy Bevan (Birmingham, Yardley) asked the Secretary of State for Employment, how many of those becoming unemployed from May 1979 onwards had received redundancy pay and what had been the average amount: (a) from May 1979 to May 1980, (b) from 1980 to May 1981 and (c) from May 1981 to November 1981; and what, for each period, had been the total sums paid.

Mr Waddington: It is not known how many of the people who became unemployed during this time received redundancy pay. The following information relates to those who received statutory redundancy payments.

	Statutory redundancy payments	Amount received	Average payment
May 1, 1979-May 31, 1980	327,953	£299.5m	£913
June 1, 1980-May 31, 1981	659,478	£691.3m	£1,048
June 1, 1981-Nov 30, 1981	439,637	£534.4m	£1,215
Totals	1,427,068	£1,525.2m	£1,069

(February 11)

Maternity rights

□ Distinguishing between the physiological demands that pregnancy and confinement impose on women and the bringing up of children and the care they need is important, if the aim of the 1979 United Nations Convention on the elimination of all forms of discrimination against women is to be adopted.

It seeks to alter "the traditional role of men in the family and society . . . as much as that of women to achieve genuine equality between men and women", since these responsibilities can be shared by both.

This is the main conclusion of the leading article in the latest issue of *International Labour Review* published by the ILO*. It adds that improvements in maternity leave rights and the opportunity for the father or mother to take additional leave to look after their child testify to this concern. Nevertheless, it says, "whatever the measures adopted, they cannot on their own ensure effective and genuine protection of maternity: without a social infrastructure offering childcare services, the right of women to work and the possibility of exercising or continuing to exercise and occupational activity will remain theoretical".

The article reviews women's maternity and work rights in a number of European countries. It points out that two factors have largely contributed to the recognition of the social function of maternity—ensuring the renewal of society—and the need for specific and effective protection of this function for working women: the first is the drop in the birth rate in Western Europe, where no less than 14 countries have fertility rates below the level

required for the replacement of the population; the second is the increased participation of women, particularly married women, in economic activity, which is becoming more frequent at the age of maternity.

For example, the ILO article quotes West Germany, where in 1977 about half the children born that year had working mothers. In France too, more than half the children born in 1977 had mothers who were wage earners in active employment. But having a child these days is no longer necessarily seen as a reason for having to give up work. In Belgium's Census at the end of 1970, over 45 per cent of married mothers with a child under six were working, and in France the economic activity rate for women in their early thirties with two children rose from 31.2 per cent in 1968 to 47.9 per cent in 1975. In Sweden in 1977, economic activity of mothers with children of pre-school age was running at 66 per cent.

When it comes to job security, the right for pregnant women and young mothers not be sacked goes hand-in-hand with the right to maternity leave. The article says that the current trend in Europe is to protect women in these circumstances against dismissal not only during the period of maternity leave but also from the start of their pregnancy.

In Denmark for example the law prohibits dismissal on grounds of pregnancy, confinement, adoption, or requesting or taking maternity leave. Irish law provides a right to reinstatement at the end of maternity leave. The article compares this with the position in the UK, where the right for a woman not be sacked on the grounds of pregnancy and the right to reinstatement up to 29 weeks following confinement are made conditional on minimum periods of service.

employed the method of job search, length of time seeking work and reason for leaving last job; and the economic activity within the family. As well as information from the UK Survey, some results are included from the surveys of other EC member countries. The other two chapters on the results present information collected in the survey of ethnic origin, country of birth and nationality, and on education, migration and housing.

The report also describes the procedures used to collect and process the survey data.

* Labour Force Survey, LFS 2, Office of Population Censuses and Surveys, HMSO, April 1982.

Moreover in some countries, protection extends beyond the end of maternity leave and after reinstatement has happened. In West Germany a mother's right not to be sacked extends for two months after maternity leave expires.

In France protection is extended to people looking for work too, because in order to avoid employers using pregnancy as a reason for rejecting a job application, they are forbidden to seek or have someone else seek information about the possible pregnancy of a woman they are considering hiring.

A number of countries have recently adopted measures aimed at allowing mothers to remain at home to look after her child after the expiry of her maternity leave. This unpaid leave, says the article, is accompanied by a guarantee of reinstatement and the rights linked to it, and sometimes by cash benefits. The duration of maternity leave involving paid extensions in some countries means that it is not just linked to the physiological needs of pregnancy and confinement, but also to the rearing and care of the child. The article cites the UK where the partly-compensated period during which a woman has the right to reinstatement following confinement in fact enables her to take leave until her child is almost seven months old.

Fathers are also entitled to statutory leave in some countries at the time a child is born or adopted. But this period is very short—usually only a matter of days—simply to allow for the completion of the various formalities. But the Swedes have introduced another sort of paternity leave so fathers can participate in the care and upbringing of the child, in the form of a cash allowance covering a period which was extended in 1980 to 360 days. It can be divided into two parts. The

first, lasting 180 days must be taken before the child is 270 days old and taken in the form of whole or half days off. The second period of 180 days may be postponed and taken in the form of whole, half or quarter days off until the child reaches the age of eight. Effectively this enables the parents to receive financial compensation while working part time for a period of 360 to 720 days.

Parental leave

Other countries now allow either the father or the mother to take unpaid leave on expiry of maternity leave. In Finland and Norway the period is a year. In Italy, a mother's entitlement to six months' leave following maternity leave has now been extended to a father looking after the child. In France, parental leave of two years can be taken after the child. In Portugal too has recently announced the introduction of parental leave of this kind for either the father or the mother.

The article comes to the conclusion that the protection of pregnant women and young mothers in most European countries is already highly developed and has been improved in many ways over the last decade. From its first principles of safeguarding the health of women workers and their children, "maternity protection now occupies a growing place in individual aspirations for a better quality of life which will enable work to be reconciled with family life."

* International Labour Review, 1982, Vol. 121, No 1, £2.50, from ILO Publications, International Labour Office, CH-1211 Geneva 22 (Switzerland).

Unit labour costs in manufacturing

The monthly index of wages and salaries per unit of output in manufacturing, given in Table 5.7 of this issue of *Employment Gazette*, has been revised to incorporate some technical improvements in the method of construction. In particular they allow for retrospective adjustments to the component output series.

The method of construction used hitherto was described in an article in the April 1971 issue of *Employment Gazette* (reproduced as Appendix H of *British Labour Statistics Year Book 1971*). It involved the combination of three seasonally adjusted monthly indices for manufacturing industries (relating to average earnings, employees in employment and the level of output), averaging the composite index over three months and adjusting the series retrospectively to conform to the annual estimates used in the national income accounts. The output measure used was the published index of industrial production but how much of manufacturing this is based on indicators of deliveries. A better measure of longer-term movements in output is obtained by

adjusting changes in deliveries for changes in stocks of finished goods and work in progress, though this adjustment can only be made quarterly one month in arrears.

This modification has had a significant effect upon the series for the past year, during which considerable changes in stocks have taken place. A minor change has also been made to substitute United Kingdom employment figures for Great Britain figures to correspond with the geographical coverage of the output estimates.

Finally, the index is now being published for individual months, to make it easier to relate to other series and more sensitive to changes in trend. Inevitably the month-to-month changes may be irregular, and for most purposes the three-month average which is still being published will be a clearer guide to the underlying trend.

A longer-run series of the index on the new basis, together with its component indicators, will be published in a future issue of *Employment Gazette*, and a shorter run of corresponding figures on the old basis for comparison.

The technician in engineering

The technician is playing an increasingly important role in the engineering industry, according to the Engineering Industry Training Board (EITB) in a new report* which shows that while the number of technicians has been declining, the number of technicians has remained steady and in some areas has even increased since 1978.

The report, first of a new cycle of surveys which will examine each of the industry's main manpower categories, deals with the preliminary results of a major survey on technicians and technician engineers including draughtsmen which is still being conducted. Its main objectives are: to determine the distribution of technicians and their different functions and levels according to sector of industry,

region and size of establishment; to investigate the flow of technicians in and out of the industry; to examine the education, training backgrounds and employment histories of individuals; to obtain information about their range of activities; and to explore their attitudes towards their jobs and the industry as a whole.

The first stage, the results of which are published in this report, was to send out a questionnaire in 1980 to a sample of employers in 358 establishments. The second stage, interviews with individual technicians, is reported in broad terms only as the information is still being analysed.

The EITB found that in 1980 there were some 217,000 technicians employed in the engineering indus-

try, 7.7 per cent of total engineering employment—the highest percentage since the board's inception. While the machinery and electronics sectors employed the largest numbers, technicians formed a larger proportion of the workforce in sectors such as aerospace, electronics and instrument engineering where new technology is particularly significant.

Where there was a fall in technician employment, EITB research indicated that this could be almost wholly accounted for by the decrease in the number of draughtsmen over the last ten years, due in many cases to the increased use of computer-aided design. In 1980 draughtsmen made up over one third of the technician workforce in the mechanical engineering sectors, but only nine per cent in the electronics sector.

The report estimates that half the technician workforce was employed in the production function, and almost one third in research, design and development (RD & D). Some industrial sectors such as electronics and other mechanical engineering had higher proportions employed in production while others, notably aerospace, had higher proportions in RD & D than the industry as a whole.

It was found that some two thirds of all technicians were employed as engineering technicians, one quarter as draughtsmen, and the remainder as "other technical staff" working in a narrow or specialist field and with a much narrower range of activities than is normally associated with technician work, and consequently with different training needs. Employees in this category were involved in activities such as inspection and quality assurance or clerical and statistical work, or had different training and

employment backgrounds, such as machine tools maintenance technicians or electronics testers.

One of the most striking features of the data on these "other technical staff" is the high proportion of women. Whereas women were found to make up only two per cent of the technician workforce as a whole (or 5,000 out of a total of 217,000), 11 per cent of "other technical staff" were found to be women, mostly employed in the electronics sector where 36 per cent of all women in the industry worked (compared with 12 per cent in the machinery and machine tools sector).

A preliminary analysis of the education backgrounds of technicians indicated that school-leaving qualifications varied according to age (due to changes in the school-leaving age and the examination system); only 19 per cent of those questioned aged over 55 had school-leaving qualifications in comparison to almost all those under 25.

But 80 per cent of all those interviewed held a further education qualification—almost one third were qualified to at least CG1 full technological certificate or HNC/HND.

It was found that about 40 per cent of the sample had entered employment directly from a technician or draughtsman apprenticeship. About 30 per cent came from a craft job, and one third of these employees had been craftsmen for more than ten years. The EITB concludes that the craft route is still an important source of technician manpower.

* *The Technician in Engineering: an Interim Report (RP4)*, Helen Connor and Susan Peacock, Engineering Industry Training Board, available at £2.50 (including postage) from EITB Publications, PO Box 75, Stockport, Cheshire SK4 1PH.

ITEC centres

Unfortunately the Telford reference on page 4 in the January *Employment Gazette* is incomplete and should read: "Telford Development Corporation and Wrekin District Council with ADDA Ltd, Unimation (Europe) Ltd, Reliance Electric (UK) Ltd, and AVANT Electronics."

NEWS RELEASES AND PICTURES

from your organisation should be addressed to

The Editor *Employment Gazette* Department of Employment
Caxton House Tothill Street London SW1H 9NA 01-213 7483

Study visit to Japan

The Work Research Unit of the Department of Employment is arranging a study tour to Japan from August 8-21 to look at production methods with particular reference to the introduction of robots and other new technology, participation and quality of working life. The aim is to meet and discuss common problems with Japanese production managers. The visit will conclude with attendance at an international conference on *Microelectronics and quality of working life*. For further details please contact:

Mr R G Sell, Department of Employment, Work Research Unit,
Almack House, 26 King Street, London SW1Y 6RB. Tel: 01-214 3344.

1979 Labour Force Survey

□ Results from a Department of Employment sponsored survey are shortly to be published*. The Labour Force Survey has been carried out in the UK every two years since 1973. It collects information on the employment and unemployment characteristics of the population and on a range of other topics from a large sample of private households.

The report on the 1979 survey contains three chapters which summarise the results. One, on employment and unemployment, includes economic activity rates, the industry, occupations, qualifications, hours worked and mobility of the employed; for the unem-

CASE STUDY

Group working and the quality of working life

by David Evans Work Research Unit

This second case study in a series undertaken by the Work Research Unit which considered various companies' responses to technological and organisational change, describes the steps taken by Welwyn Electric Ltd to respond to technological and market changes which seriously threatened its future.

The study, carried out in November 1980, concerns the introduction of group working into the production process of the Film Division, one of the company's manufacturing divisions at its site in Bedlington. The lessons that can be drawn from the experience of Welwyn Electric Ltd should prove to be of use to other companies faced with a similar challenge. Table 1 gives basic data concerning the Bedlington site.

These are the particularly significant features of the case study:

- a stable labour force with low levels of labour turnover
- well developed relations between the company and the trades unions
- willingness of the managers and trades unions to communicate and be jointly involved in resolving problems
- general awareness of the effects of serious cost competition on the future viability of the firm
- the achieving of necessary reductions in manning levels without major industrial relations problems
- early involvement of the trades unions in consultation and negotiation on all aspects of the change process
- the creation of an effective group incentive scheme involving the acceptance by operators and

trades unions of the exclusion from bonus payment of machine down-time and output below quality standard

- the adoption of more flexible working arrangements both by the group operators and the maintenance fitters.

Company background

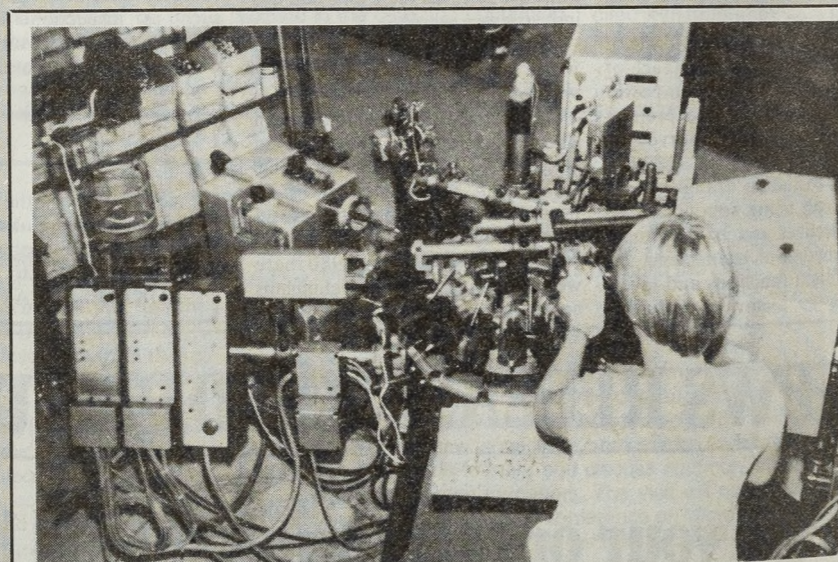
There has been a rapid reduction in the number of jobs available in the Bedlington area following the decline in coal mining from its post-war peak in 1955. Employment at Welwyn Electric Ltd by contrast has expanded and the company now provides about a quarter of the jobs in the town.

Since the Second World War, industrial estates have been established on two sites. Welwyn Electric Ltd has expanded to take over all the

factory units on one of these sites. The area has Development Area status.

At the Bedlington site there are six manufacturing divisions in addition to sales, management services and technical departments. Following divisionalisation in 1978, each of the divisions, headed by a divisional manager, operates with a degree of autonomy and is treated as a separate factory with total responsibility for a specific group of products. Although maintenance fitters are treated as a separate group for pay bargaining they are responsible to the engineering manager of the division to which they are allocated.

(continued) ▶



Over the shoulder of an employee

→ CASE STUDY

Products

A wide range of electronic components, printed circuit boards and hybrid assemblies for the defence, telecommunications and domestic equipment market. Resistors include metal oxide, metal film, vitreous wirewound and precision networks.

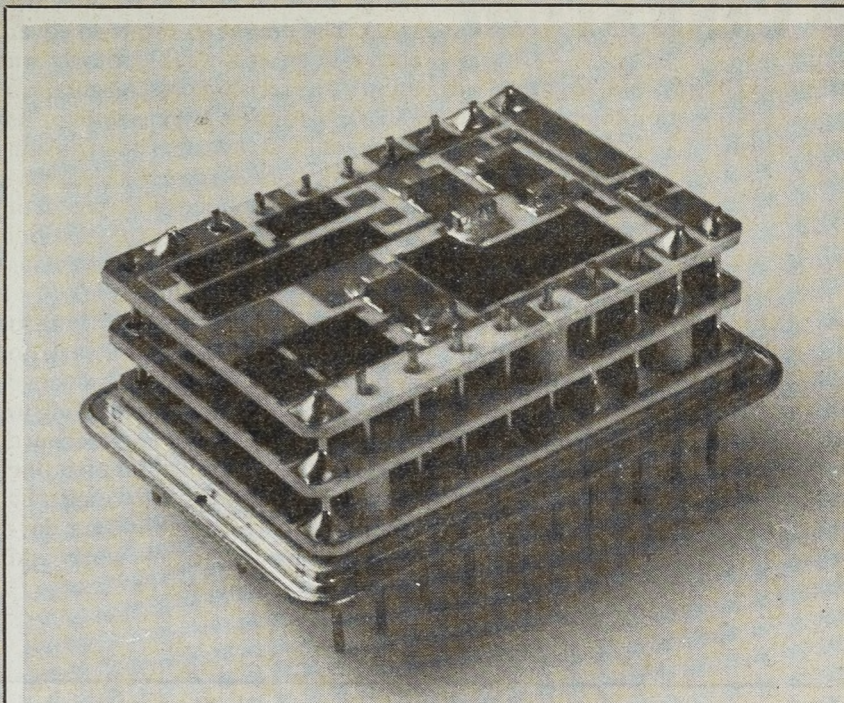
The Film Division produces a variety of discrete resistors. These fall into three categories: miniature metal oxide, power metal oxide, miniature metal film.

At the time of the study the demand for small discrete resistors was moving to metal film and new production lines for these components were being commissioned.

The need to change

The company has for some time been the biggest manufacturer in Europe of vitreous enamelled resistors. About the middle of the 1970s, however, changes in market demand, together with the rapid developments in machine capability within the industry and technical innovations in other areas caused management seriously to review their market position. The increasing use of metal resistors and the development of printed circuits in quantity was altering the nature of market demand, causing a large increase in production throughout the world and with it, the start of serious price erosion. At the same period, labour and material costs continued to rise. The company felt its only option was to reduce costs.

Prior to the period of change the Film Division was organised on functional rather than product lines. Equipment performing individual tasks were grouped together. The production process involved a standard "flow-line" approach which meant that no one person or group of persons had responsibility for making a complete product. The pay of the operators, organised on an individual basis, was not dependant upon quality, so there was little



A thick film hybrid active filler

incentive to eliminate faults that could be passed "down the line". The six operational tasks involved in resistor production were channelled through eight "in-line units" (ILU) which were not only labour intensive but, due to their length, caused a number of physical problems and were difficult to supervise.

Organisational review

A change in the work organisation was needed. All aspects of the existing process were reviewed. The conventional flow-line operation was seen to be giving a low return on capital. Machine reliability in Film Division was also questioned with an increase in down-time. In addition, quality had always been a problem. By 1975-76 it was decided that to reduce costs the rate of production had to be increased, requiring new capital investment in faster machines and a lowering of labour costs.

New machinery

The decision to invest in new machinery was taken after a careful study of the equipment available. At the same time it was agreed to take advantage of the change and move towards group working—these two decisions led to a complete re-organisation of work within the Film Division. The work area was divided into two distinct production sections. While the manufacture of power metal oxide resistors continued much as before, the number of ILUS has been reduced to two and production through them limited to those resistors requiring only short runs. The introduction of the new equipment, including one piece utilising height rather than length,

(continued) ▶

→ CASE STUDY

has made it possible to bring all stages of production together into a group setting.

Group working

The group work system operates for the production of high demand resistors. Five such groups were in operation at the time of the study, each performing all six functions and operated by a greatly reduced number of operators. Six operators now perform the full range of operations within the group, although not all the groups have identical equipment. In the main, however,

the production method remains the same. The operators rotate to cover each task on a six-weekly rota drawn up by supervision in consultation and each group is responsible for its own quality standard. The inclusion of on-line packing, previously a separate function, on the more recent of the groups has started to reduce still further the effects of the previous labour intensive organisation.

For the move to group working to be successful it was necessary to re-organise the role of maintenance fitters also. Instead of responding to docketed requests for maintenance work from any production area one fitter is now allocated to a specific group and is responsible on a day-to-day basis for repair work and planned maintenance.

Group pay

It was recognised that if group working was to be successful any revised payment scheme had to be achievable if it was to provide the necessary incentive. It was agreed early on that such a bonus would only be paid for finished resistors of acceptable quality and that machine down-time would not be compensated for, thereby giving the responsibility for quality and production levels to the operators. Operators were concerned, however, that their

(continued) ▶



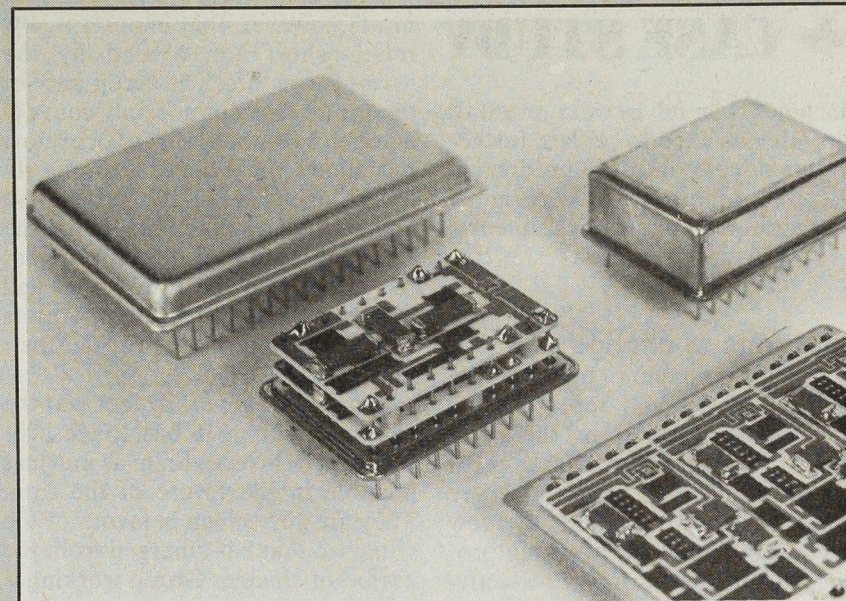
Management meets union

→ CASE STUDY

ability to achieve bonus was dependent upon machine reliability and consequently upon the work of the maintenance fitters. The re-organisation of maintenance work and the allocation of fitters to individual groups was seen, therefore, as a fundamental stage in the success of the move to group work.

Employee and trades unions involvement

From the start of the change process management endeavoured to keep employees informed on all aspects of the re-organisation. The employees' initial reaction to the proposed changes demonstrated their understanding of the need for a management initiative to prevent the company losing ground to competitors. As soon as the decision was taken to introduce the new machinery a new communications system was established with the trades unions, operators and fitters meeting, sometimes daily, with managers



Closeup on the products: hybrid active fillers

to discuss all aspects of the change programme. The trades unions were provided with all the information they sought to enable realistic

negotiations on manning and rates of pay to take place and to enable them to consider the new structure as a whole. Prior to the new equipment arriving, discussion had already begun on the types of group working to be adopted and union representatives joined with management in setting safety standards for the introduction and working of the different pieces of machinery.

During the initial training period weekly meetings were held to discuss progress. These involved the six operators, selected from a number of volunteers and the maintenance fitters as well as the management team. Employees outside the original groups were made aware of what was involved and all were given the opportunity to apply for places on the groups still to be set up. The earlier groups were trained away from the shop floor while the

Table 1 Basic data—current at November 1980

Numbers employed	1,468 (of whom 1,040 were hourly paid)
Recognised trade unions	AUEW (the largest with over 900 members), EETPU, UCATT, TGWU, ASTMS and TASS
Products	A wide range of resistors, special purpose assemblies and printed circuits for the defence, telecommunications, television and domestic equipment industries.
Work organisation	Group working for operators on the high-demand products with direct maintenance support; line working in other parts of the division.
Participative structure	In addition to negotiation on pay and conditions, there are two levels of formal consultation; the Factory Consultative Council and the Company Consultative Committee. There is also a Health and Safety Committee.
Hours of work	Day work, plus a part-time evening shift on high demand products.
Payment system	A four-graded job evaluated scheme for hourly-paid with separate arrangements for skilled and staff employees. A variable factory-wide bonus is paid to all grade 3 operators. Fitters receive a weekly factory-wide bonus.
Location	Bedlington, Northumberland.

(continued) ▶

→ CASE STUDY

machines themselves were tested. It was later decided to initiate further groups directly into the production area. Members of the original groups helped train later volunteers.

Reactions to change

Senior managers believe the changes undertaken represent the only viable solution to the company's problem, but although it signals a move towards a secure future, the introduction of new machinery and group working provides a foundation only. Productivity must be continuously improved if Welwyn Electric Ltd is to keep pace with market demand. It is recog-

nised, however, that important new relationships are created by the revised structure. The acceptance of the group concept not only conveys a sense of responsibility to operators but allows for a better working relationship between the production and engineering sections within the Division. Managers feel it provides the motivation the fitters seek and makes it possible for the operators to earn the bonus that provides their incentive.

Employees generally feel that the company is doing its best to preserve jobs and to involve them as much as possible in the future of the firm. They are very much in favour of the structure that has emerged from the period of change. Group working is seen as a welcome step towards increasing the job interest of operators and, for their part, the fit-

ters clearly prefer the new responsibility given to them.

Trades unions representatives express satisfaction at the way their members were treated and consider their relations with the company to have improved due to their being involved at all stages of the change process. In fact both managers and employees agreed that the level of discussion and involvement at all stages was one of the keys to the success of the changeover.

Lessons

The most important lesson to be learned from the experience of Welwyn Electric Ltd is that for change to be successful any revised structure must be seen to be fair to all those involved. In addition, care has to be taken to ensure that the full effects of change are anticipated and fully discussed before that change process is undertaken.

These lessons emerged in a number of ways at Welwyn Electric Ltd, that would be significant for the future:

- real benefits are derived from seeking the views of experienced employees and acting upon them.
- the development of group working can be hindered without management support for the concept of change itself
- an awareness that workers outside the groups may have an influence on the group's success
- the need to alter some traditional management roles
- high reward for flexibility can be counter-productive where employees are liable to be moved from "high-earning" lines
- there is a need to keep employees outside the groups informed if harmony is to be maintained.

Improving jobs and work

New technology and relocation provide two opportunities for looking at the way work is done and improving the jobs that people do.

Through the Work Research Unit, you can gain access to the experience of other companies, get information and help with the process of change.

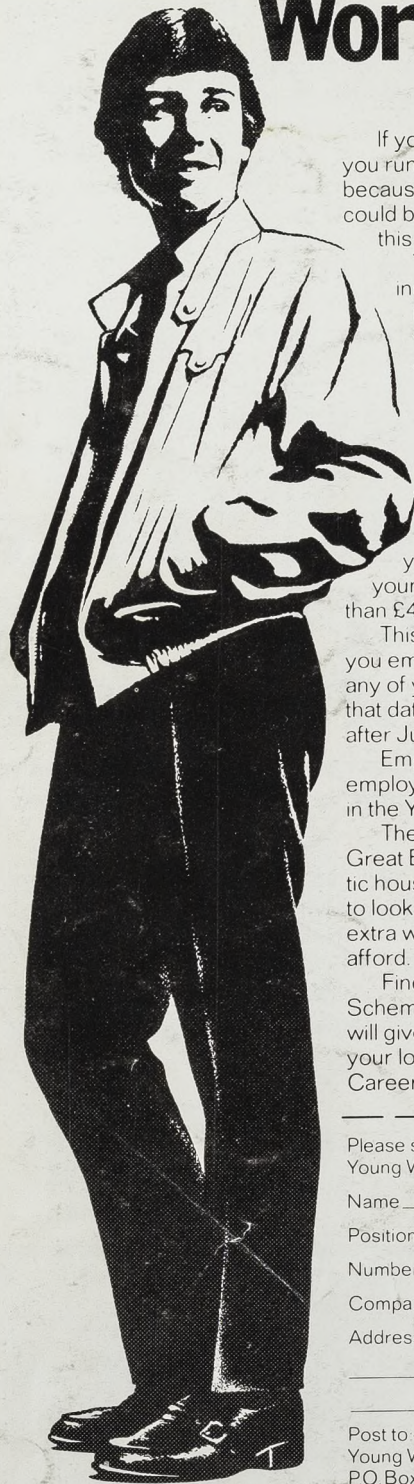
Before you start detailed planning, phone:

Mr Ray Clancy: 01 - 214 6600

or write to:

The Director
Work Research Unit, DE
26-28 Almack House
London SW1Y 6RB

Can't afford to employ more people? You can now under the new Young Workers Scheme.



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The Young Workers Scheme offers an incentive to employ young people under 18 if their rate of pay is less than £40.00 per week. The scheme came into effect on January 4th 1982 and here's how it works.

To be eligible under the scheme, the young people must be in their first year of employment and under 18 on or after January 4th 1982. If you pay them less than £40.00 per week for a full time job, we'll give you £15 a week. You can be paid this for each week they work for you, up to one year. If you have eligible young people earning £40.00 or over but less than £45.00 a week, we'll give you £7.50 a week.

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Find out more about the Young Workers Scheme by sending off for our free leaflet which will give you the full story, or you can get one from your local Jobcentre, Employment Office or Careers Office.

Please send me your free leaflet giving full details of the Young Workers Scheme, and an application form.

Name _____

Position in Company _____

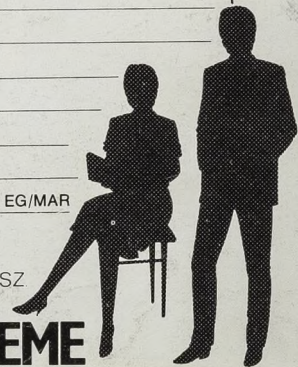
Number of Employees _____

Company _____

Address _____

EG/MAR

Post to - Shelagh Molloy
Young Workers Scheme
PO Box 702 London SW20 8SZ



YOUNG WORKERS SCHEME

Department of Employment DE