

Key Labour Market Indicators – June 19

NB, figures below relate to % changes on the same period 12 months ago.

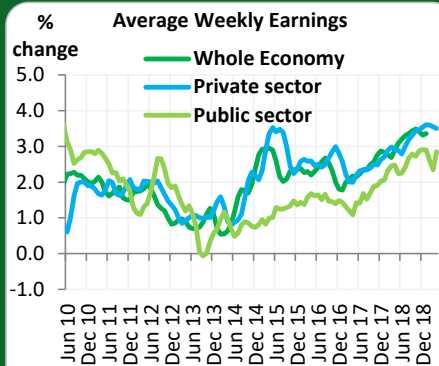
Key Labour Market Indicators are designed to provide headline figures on the wider economic and labour market conditions in the UK. This can be used as a quick reference guide when conducting periodic pay reviews for workers. This is the latest version. If you need to access previous editions, please visit [NFU Online](#).

Earnings in the Economy

+3.4%

Average Weekly Earnings (AWE)

UK wage growth in April outpaced inflation for the 15th month in a row, and in real terms stood at +1.5%. The unemployment rate remained at the lowest level since 1974, data from the [ONS](#) shows. Year on year pay growth across the whole economy stood at 3.4% in the three months to April. The private sector regular average weekly earnings increased from £476 in April 2018 to £493 in April 2019. The public sector average increased from £519 in April 2018 to £541 in April 2019.



Source: Office for National Statistics

Wage Rates

£8.21

Current NLW Rate

The [Government](#) has announced increases to wage rates. The new rates came into effect on 1st April 2019. The NLW paid to workers aged 25 or over increased from £7.83/hour to £8.21/hour in April. The NMW rate for 18-20 year olds rose by 4.2% to £6.15 while 21-24 year olds saw an increase of 4.3% to £7.70 respectively. The apprentice rate has been increased by 5.4% to £3.90. In addition the accommodation offset increased by 7.9% to £7.55 per day.

Rates from April 2019	
NLW 25+	£8.21
21-24 Year Old Rate	£7.70
18-20 Year Old Rate	£6.15
16-17 Year Old Rate	£4.35
Apprentice Rate	£3.90
Accommodation Offset	£7.55

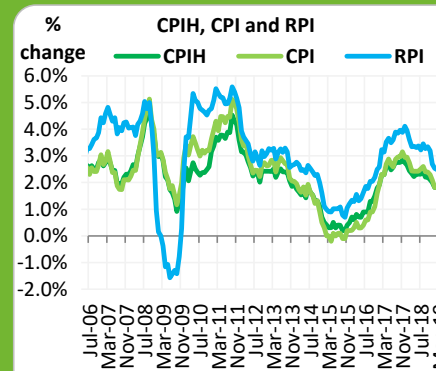
Source: Low Pay Commission

Cost of Living

+2.0%

Consumer Price Index (CPI)

Inflation fell slightly to 2.0% in April according to figures from the [ONS](#). Inflation eased in May, as travel prices such as air fares fell back after their Easter highs in April. Food price inflation increased from 0.5% in April to 0.8% in May. The Consumer Prices Index including owner-occupiers' housing costs (CPIH) – the ONS's preferred measure of inflation fell to 1.9% in May.



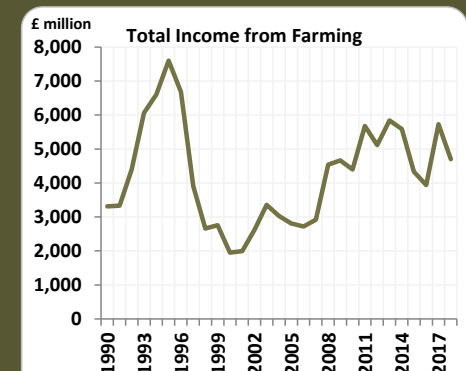
Source: Office for National Statistics

Farm Business Profitability

-17.0%

Total Income from Farming (TIFF)

[Defra](#) has published its first estimate of TIFF for 2018. The TIFF is a measure of the performance of the whole agricultural industry in the UK. The profitability of UK farming fell in 2018, down 17% to £4.7 billion. The cold, wet spring followed by the dry, hot summer contributed to lower yields of key crops, however better prices helped offset production falls. Agriculture's contribution to the economy fell by 6% to £9.6 billion.



Source: Defra Agricultural Accounts