

Key Labour Market Indicators – Sept 19

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

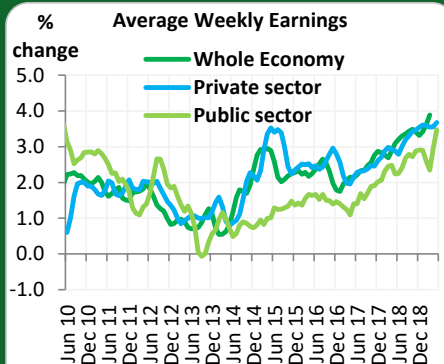
Key Labour Market Indicators are designed to provide headline figures on the wider economic and labour market conditions in the UK. This can be used as a quick reference guide when conducting periodic pay reviews for workers. This is the latest version. If you need to access previous editions, please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

Earnings in the Economy

+3.9%

Average Weekly Earnings (AWE)

UK wage growth in June outpaced inflation for the 17th month in a row, and in real terms stood at +1.9%. Overall, a record high of 32.81 million people were in employment in the 3 months to June 2019, [ONS](#) data shows. Year on year pay growth across the whole economy stood at 3.9% in the three months to June. The private sector regular average weekly earnings increased from £479 in June 2018 to £498 in June 2019. The public sector average increased from £522 in June 2018 to £539 in June 2019.



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

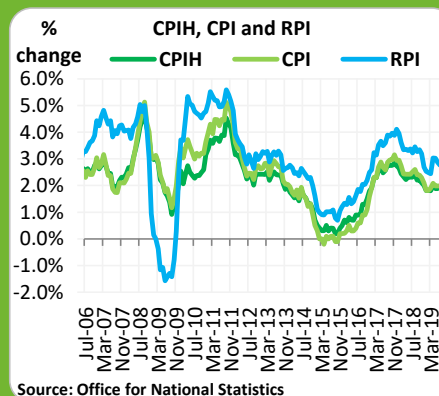
Source: Low Pay Commission

Cost of Living

+2.1%

Consumer Price Index (CPI)

Inflation increased slightly to 2.1% in July according to figures from the [ONS](#). Food price inflation fell from 1.5% in June to 1.3% in July. The Consumer Prices Index including owner-occupiers' housing costs (CPIH) – the ONS's preferred measure of inflation increased to 2.0% in July. In August the Bank of England (BoE) predicted consumer price inflation would fall to a three-year low below 1.6% in the final quarter of this year.



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.

