

IDS Pay Report 956

July 2006

Viewpoint	2	Inflation expected to remain at 3 per cent for the rest of 2006
News review	3	BAE Submarines – 3.75% pay rise agreed and job families proposed
	3	Calsonic Kansei – inflation-linked two-year deal agreed
	3	Jewish Care – 3% increases and family-friendly measures standardised
	3	Look Ahead – 2.4% plus performance-based awards
	3	Lever Fabergé – average merit-based increases of 2.3%
	3	Pfizer – general increases of 3.5%
	4	Goodrich Actuation – pay increases across several sites agreed
	4	Union merger – GMB pulls out of talks with Amicus and TGWU
	4	KL Technologies – April increases of 3% awarded
	4	BASF – 4.04% agreed for manual workers
	4	Special Metals Wiggin – across-the-board increases of 3.4% agreed
	5	Equal pay – council staff win discrimination case against GMB
	5	Annual leave – Government proposes increases to statutory holidays
	5	Imerys – increases of 2.4% agreed
	5	Blockbuster – white-collar staff receive average increases of 2.5%
	5	First Engineering – cost-of-living increases of 3% agreed
	6	MHA Care – spot rates increased by 3%
	6	Further education – lecturers offered 3% over two stages
	6	NCR Financial Services – 2.1% agreed for manufacturing staff
	6	Schuh – average increases of 3% agreed
Analysis	7	IDS Pay Databank Our analysis of pay settlements in the three months to the end of June 2006 shows a median increase of 3 per cent, with little change in the main range of deals. However, the sharp increase in inflation, to 3 per cent in the year to May 2006, and forecast to remain at that level for the rest of the year, is likely to produce an upward pressure on pay settlements.
	12	Pay in construction Our annual review of the sector shows continued strong growth, coupled with tight labour markets for both management and construction workers. This has pushed pay settlement levels above those of other sectors, generally in the 3.5 to 4.5 per cent range.
	16	CIPD recruitment and retention survey The CIPD's annual survey on recruitment, retention and turnover reveals greater use of older and younger workers to ease difficulties.
Agreements	18	Babcock Engineering Services
	19	Kodak
	20	BAE SYSTEMS – Submarines
	21	Homebase
	22	KP Nuts
	23	Honda
	24	Selfridges
	25	Vehicle Building Industry Joint Wages Board
Datacheck	26	Latest statistics on inflation, earnings and the labour market