

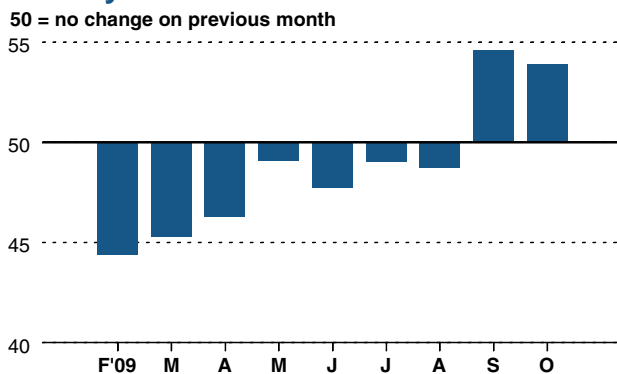
16 October 2009

Higher workplace activity boosts pay

- Activity at UK workplaces up for second straight month.
- Income from employment rose for first time in the survey history...
- ...but concerns over job security persisted.

Latest data from UK households indicate that labour market conditions across the UK are starting to improve. Activity at panellists' workplaces rose for the second month in succession and, for the first time in the short nine-month survey history, households reported that income from employment rose during October. Furthermore, remuneration is also forecast to rise over the coming year.

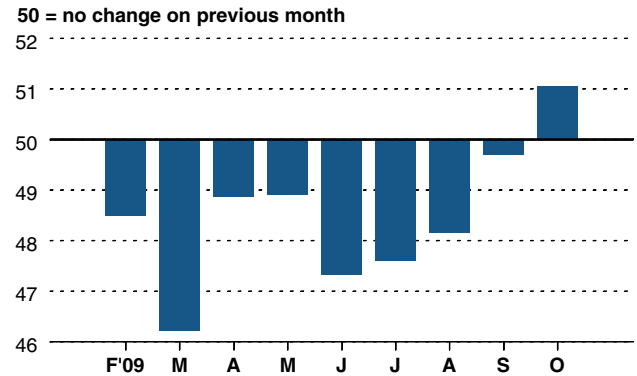
Activity at work



For the second month in succession, activity levels at workplaces across the UK rose during October. Although the index is not seasonally adjusted, the rise in activity since September correlates with other business surveys, such as the PMIs, which have risen strongly in recent months.

Workers operating in the Media/Culture/Entertainment sector again recorded the steepest rise in workloads during the latest survey period. Providing signs that prevailing economic conditions are improving, six of the 10 employment categories recorded higher workplace activity. Only two sectors (manufacturing and retail) recorded lower workloads. There was however a marked disparity between activity in the public and private sector, as civil servants recorded by far the steeper rise in workloads.

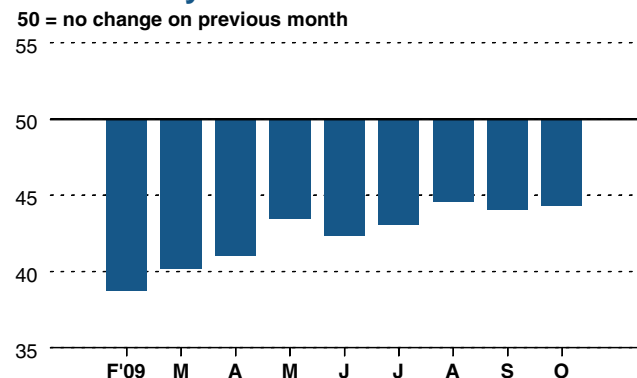
Income from employment



Rising activity led to the first increase in overall pay rates since the start of the series in February. Higher pay was, however, centred entirely on the public sector, as private sector workers recorded static pay during October. Broken down by age, the sharpest monthly rise in pay was seen by the 18 to 24 year olds, while the steepest decrease was seen by the over 55s.

Confidence regarding pay in one year's time remained strong in October, albeit marginally weaker than in September. Highlighting the degree of optimism, broken down by age, only the over 55s foresee pay deflation over the coming twelve months.

Job security

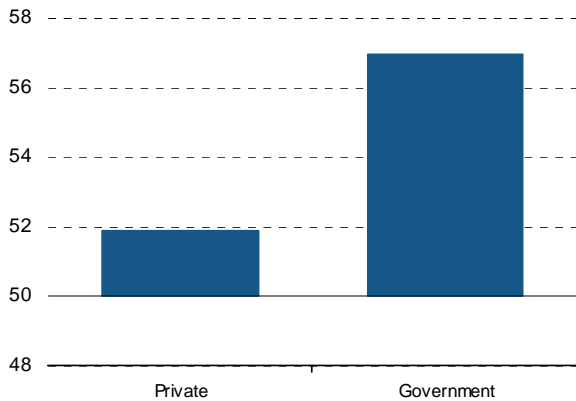


In a month in which unemployment approached 2.5 million, it was not surprising to see that survey respondents still had concerns regarding their job security. Public and private sector positions alike were deemed to be less safe than one month ago. Those in the manufacturing and construction sectors felt least secure in their current job roles.

October data: Compared to one month ago, how has the level of business activity at your place of work changed?

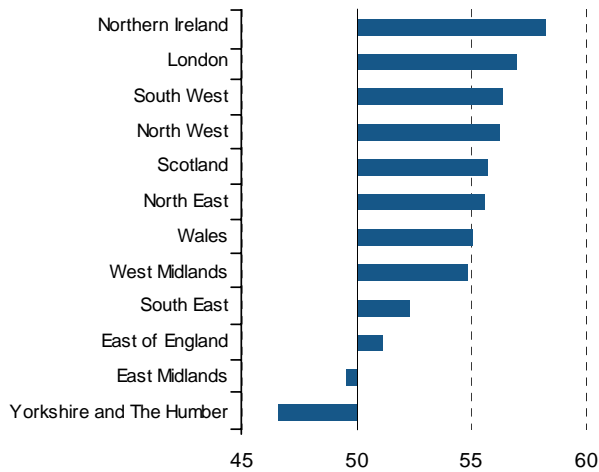
Public v Private

50 = no change on previous month



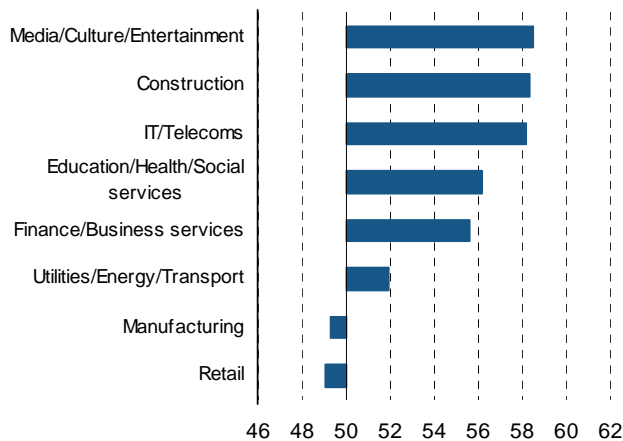
By region

50 = no change on previous month



By sector

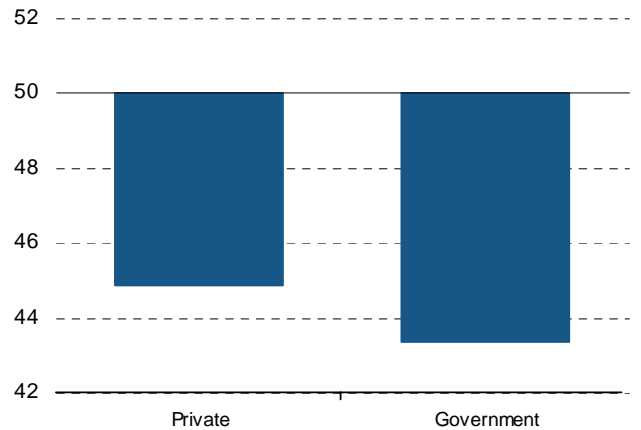
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October data: Compared to one month ago, how secure do you think your job is?

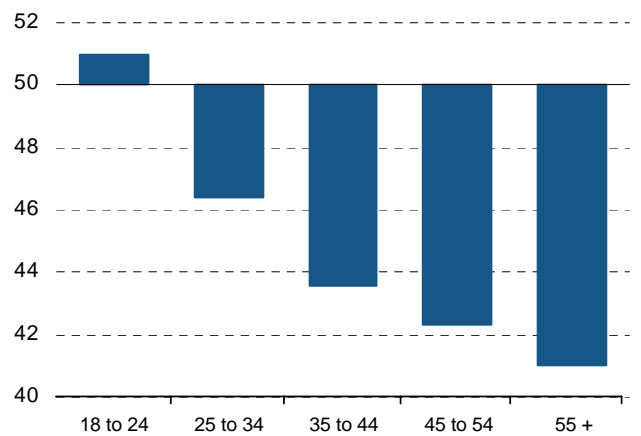
Public v Private

50 = no change on previous month



By age

50 = no change on previous month



By sector

50 = no change on previous month

