

ALMR Press Notice

Association of Licensed Multiple Retailers

07 March 2007

NMW pegged to wage rate inflation – a victory for commonsense

The Association of Licensed Multiple Retailers (*ALMR*) hailed today's announcement that the October increase in the National Minimum Wage would, for the first time, not exceed average wage rate inflation as a victory for commonsense and urged the Low Pay Commission and Government to pledge that future increases would be similarly pegged.

The Government announced today that it would accept the Low Pay Commission's recommendation to increase the adult NMW rate from £5.35 to £5.52 an hour, an increase of just over 3%.

ALMR Chief Executive, Nick Bish, said:

"Today's announcement means the minimum wage has gone up by almost 30% more than inflation. The NMW is now 50% higher than when it was first introduced in 1999 and successive inflation-busting increases have seen the NMW go from being a mechanism for dealing with poverty pay to the average wage for bar staff in the UK.. It cannot be right that the Government urges restraint on the private sector in setting wages and then pushes through 7% increases for the lowest paid. The situation was simply unsustainable and is right that businesses will now be given a breathing space to adjust

He went on:

"This is the first time that the increase has been set by reference to a realistic benchmark – something we have been lobbying Government and the Low Pay Commission about in our recent submissions on the NMW. There is no doubt that the NMW has been a success story – it has more than succeeded in achieving its original objectives and we believe the time has come for a commitment to ensure that future increases do not exceed average earnings growth."

The *ALMR* has submitted detailed evidence to the Low Pay Commission during every bi-annual review of the policy and rates. This year, the Association was the only trade body representing the pub and bar sector to give detailed oral evidence to Commissioners in November 2006. In addition to pegging the increase to wage rate inflation, the *ALMR* also called for tougher penalties and more stringent enforcement of the NMW.

-ENDS-

Notes for Editors

- 1. The Association of Licensed Multiple Retailers (ALMR) is the only national trade body dedicated to representing the interests of pub and bar operators and providing their companies with business support and advice. There are currently just fewer than 100 companies in membership, between them operating 30,000 outlets – or half the UK pub estate. However, the bulk of our membership is derived from small independent companies operating 50 outlets or fewer under their own branding*

For Further information please contact

Kate Nicholls on 07958 796238 or

Nick Bish on 020 8579 2080 or 07831 778993,

The Association of Licensed Multiple Retailers

9B Walpole Court, Ealing Studios, London, W5 5ED

Tel: **020 8579 2080** Fax: 020 8579 7579 E-mail: info@almr.org.uk