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The continuing cost of living crisis

What are the new rates and differences between the Living and Real Living Wages? PCS industrial officer, Jim Knotts, explains the difference between the two.

There is evidence that the cost-of-living crisis continues to impact upon working people across all socio-economic groups but has a greater impact on the lowest paid.

Even the government acknowledged this when, on 1 April 2023, they increased the Living Wage (in reality, the minimum wage) by 9.6%. The academics who decide on the figure for the Real Living Wage went 0.5% further and set the rate at 10.1% for 2023.

Since then we have had the chancellor announcing at the Tory conference that the Living Wage will rise to £11 per hour. It now looks like he has underestimated this and the forecast is that the Living Wage will go up to £11.43, only 57p per hour behind the new Real Living Wage of £12 per hour.

What are the unions doing to counteract this crisis? In Fujitsu PCS has submitted a pay claim seeking a 15% increase, or £3500 underpin, along with a move to a four-day week without loss of pay, and we are currently balloting our members on industrial action to achieve our goals.

“The lesson here is it pays to be in a union”

We have managed to negotiate with some employers in the private sector that they pay the higher Real Living Wage to our lowest paid members meaning increases of up to 19% for some. The lesson here is it pays to be in a union so ask any colleagues not already in PCS to join us and help make us stronger.