The widening gap between rich and poor

According to new TUC analysis wage inequality has increased in the North East over the last 13 years. The research findings have been launched today to coincide with the beginning of the TUC’s first Fair Pay Fortnight which starts today and runs until Sunday 6 April.

The figures – based on full-time earnings from the Annual Survey of Hours and Earnings (ASHE) – show that between 2000 (when the data was first collected) and 2013 the pay gap between the top 10 per cent and the bottom 10 per cent of earners in the North East has increased by 2.3 per cent.

The analysis also reveals that across most of the rest of the country the pay inequality ratio is also rising – up by 14 per cent between 2000 and 2013 in London, 9 per cent in the South East and 7 per cent in the West Midlands.

Only Wales and the South West have seen pay inequality reduce over the last 13 years. However we believe this is more down to top earners not doing as well as in other parts of the UK, rather than those at the bottom getting a better deal.

The research also reveals how much the top 10 per cent of earners across the UK bring home and how their salaries vary greatly, with those in the North East earning far less than the top – and bottom - 10 per cent everywhere else.

The highest earners are in London where they receive £82,000 a year, followed by those in the South East who are on £57,000. In contrast, an annual salary of about £45,000 makes the top 10 per cent in the North East.

Workers on the bottom 10th percentile in London will be earning less than £18,000 a year, less than £15,400 in the South East but less than £13,806 per annum in the North East.

This growing pay gap is bad news for our economy and bad news for living standards.

Everyone must benefit from the recovery, not just those at the top. We want to see a greater commitment to pay the living wage from both government and employers, a crackdown on excessive executive pay, and modern wages councils which could set higher minimum wages where employers can afford to pay more.

To raise awareness and highlight Fair Pay Fortnight, there will be more than 20 events/activities happening in workplaces and on high streets across the North East.

Volunteers will be raising public and worker awareness, handing out leaflets and asking people to share their own experiences of the real wage squeeze and how it affects them. There will also be petitions to sign and send on to the three main political party leaders asking that fair pay be a top priority on everyone’s agenda.

We’re asking workers to back our call to MPs to get all political parties to put decent pay at the top of their agendas in the run up to the election.

**Beth Farhat**

**Northern TUC Regional Secretary**