

# **BCC calls for NLW wage rise to help low paid manage inflation pressures**

In its recommendation to the Low Pay Commission, the BCC has called for a rise in the National Living Wage to balance inflationary pressures.

**In its response to the Low Pay Commission Consultation, the British Chambers of Commerce calls for a rise in the National Living Wage (NLW) to help low paid workers deal with the consequences of inflation without pricing people out of jobs.**

The leading business organisation has recommended an increase of 2.7% in the National Living Wage to compensate for the rise in inflation.

The BCC has recommended a cautious approach to rises in the NLW to reflect the costs and pressures faced by employers and increasing uncertainty in the economy.

With firms facing mounting pressures from existing policies such as pensions auto-enrolment, the Apprenticeship Levy, and the Immigration Skills Charge, many are struggling to absorb the rising cost of employment. The latest rise in the NLW in April 2017 increased wage bills further for businesses across a range of sectors, with the need to maintain wage differentials multiplying costs for employers.

**Jane Gratton, Head of Business Environment and Skills Policy at the British Chambers of Commerce (BCC), said:**

“The BCC has recommended an increase in the National Living Wage to help low paid workers manage inflationary pressures which are eroding their spending power.

“Setting the National Living Wage must be done cautiously, comprehensively taking into account economic circumstances, so that people are not priced out of jobs. The Government’s current policy was set before the EU referendum and so does not reflect the uncertainty caused by Brexit.

“Businesses are facing high costs when it comes to employing staff – including the Apprenticeship Levy, pensions auto-enrolment and skills charges. The rise in the National Living Wage in April this year, brought a further increase in wage bills for business across a wide range of sectors, with the need to retain wage differentials multiplying their costs further.”

**Ends**

**Notes to editors:**

The British Chambers of Commerce (BCC) sits at the heart of a powerful network of 52 Accredited Chambers of Commerce across the UK, representing thousands of businesses of all sizes and within all sectors. Our Global Business Network connects exporters with nearly 40 markets around the world. For more information, visit: [www.britishchambers.org.uk](http://www.britishchambers.org.uk)

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