

Dunelm boss breaks ranks to say that a rise in living wage is good for the company

Dunelm's chief executive, Nick Wilkinson, has expressed a notably positive outlook on the above-inflation increase to the minimum wage, despite many retailers voicing concerns over the heightened costs.

Wilkinson believes that the boost in consumer confidence from higher disposable income will lead to increased market demand, as reported by [City AM](#).

This contrasts with the views of numerous sector counterparts who have warned that the augmented wage bill, partly due to national wage hikes and increased [employers'](#) national insurance contributions (NICs), could lead to "inevitable" job cuts.

The British Retail Consortium has estimated that the minimum wage rise will add £2.73bn annually to retailers' expenses, contributing to an additional £7bn in costs following the Autumn budget.



(Image: PA)

[Chancellor](#) Rachel Reeves announced a 6.7 per cent increase in the minimum wage for the next year, surpassing many businesses' expectations. According to the BRC, the wage increase presents even greater challenges than NICs, potentially adding another £2.33bn to firms' outgoings.

However, Wilkinson maintains that with "sufficient notice of what's coming down the line and there are no surprises", companies can adapt to changes in minimum and living wages.

Dunelm's Chief Executive Officer, Nick Wilkinson, has voiced his support for the increase in national living wage, stating: "Those national living wage increases are also going into the consumer market... we have many more customers than we do employees, so in general it's very good for us to see consumer confidence growing, disposable income increasing [and] pay going up slightly higher than the level of inflation... Those are all good impacts for us."

He added: “Managing [costs] within our own business is something we’re pretty good at doing, but the longer the lead times and the less surprises there are the better.”

The remarks were made as Leicester-based Dunelm gears up for the launch of its maiden central London outlet in Stratford’s Westfield shopping centre.

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