Pret a Manger staff get third pay rise in a year

Shop staff at Pret a Manger are to receive their third pay rise in a year.

The average pay base will have increased by 19% in the twelve months up to April at the British coffee and takeaway food chain.

But the latest hike is to ensure the company does not fall foul of a boost to the minimum wage, which will change by law on 1 April.

The latest announcement means its worst-paid staff will get an increase of 2.9%, from £10.30 an hour to £10.60 an hour.

Above inflation pay boost in last year

Nearly 8,000 (7,870) of Pret's UK shop staff are to receive an additional 3% pay rise from 1 April, in addition to the 5% rise from December 2022.

Next month, typical pay will grow to a range between £10.60 and £11.90 an hour, up from an hourly rate between £10.30 and £11.55.

Barista pay is slightly higher and will increase from between £10.85 and £12.50 an hour to between £11.20 and £12.85. Pay rates depend on location and experience.

The 19% total pay rise over the last year far surpasses the rate of inflation, which $\frac{10.1\%}{10.1\%}$ in the year up to January.

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Pret said pay was being upped in an effort to support staff with the high cost of living. The company also gives free food

to employees and introduced a discounts portal offering supermarket items and other goods at a lower cost.

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Battle of the pay increases

There are 429 Pret shops in the UK, with 121 overseas. The firm plans to double in size by 2026.

Pret is just one of a number of large employers to raise wages as workers pay more for goods and bills, and competition to attract staff remains high.

While the number of job vacancies has declined, <u>unemployment</u>, at 3.7% is still near a <u>low not seen since 1974</u>.

Other food retailers such as Sainsbury's and Tesco have also upped pay for its shop workers.

Sainsbury's staff outside London should now get <u>at least f11</u> <u>an hour</u>, up from £10.25, while those working in the capital

saw see their hourly wage rise from £11.30 to £11.95, the company said.

Tesco last month increased hourly pay for shop floor staff by 7% to a minimum of £11.02 an hour. Like Pret, this is the company's third pay rise in a year.

The <u>national living wage</u> — which is independently calculated based on what people need to live on — will rise to £10.42 an hour from April, an increase of 9.7%.

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Sunak says pay rises will fuel inflation

Higher wages have been a concern for the Bank of England in its effort to bring inflation down to 2%.

"We are concerned about persistence [of inflation] and that's why, frankly, we raised interest rates this time," the Bank of England governor told the Treasury select committee last month.

"I am very uncertain, particularly about price-setting and wage-setting in this country. We have got the largest upside skew in our forecasts that we have ever had on inflation," Andrew Bailey said.