

TSA Laundry Cost Index Bulletin

June 2021



Unprecedented Cost Pressure on Laundry Operational Wage Base

The TSA has been working to support the commercial laundry industry through the extremely difficult last 18 months of the pandemic which saw hospitality laundry volumes drop by up to 80% due to the government closure of the sector. Just as the industry started to re-open on the back of the reduction in COVID restrictions and the unexpected increase in demand for UK holiday's due to the current overseas travel bans, it has become apparent that a further challenge to the industry was waiting in the wings, **access to staff**. The industry is facing enormous **staff shortages** and this is only being addressed by paying **significant increases** in wages to attract suitable applicants. This issue is being reported throughout the hospitality and supply chain industries. The TSA is lobbying government to allow greater access to overseas workers and has requested further classifications of workers to be added to the "[shortage occupations list](#)".

The current laundry cost index used by both laundries and end-users to track the cost base indices of the sector does not currently allow for this significantly large movement in wages and other costs. Firstly, because of a time lag, the indices are generally three months behind. Secondly, in relation to salaries it only tracks minimum wage which currently is not reflective of the present reality. The points below are also relevant throughout our supply chain.

Some of the figures being reported by our commercial laundry members:

- Drivers' wages up to 25% increase
- Production wages up to 10% increase
- Wage gap inflation in other roles up to 10% increase

Please note, the current laundry cost index for 2020/2021 FYQ4 is only 1.43% (FYQ4 constitutes data for January, February and March 2021). The purpose of this bulletin is to inform that the current cost index does not reflect the current cost base.

For more information on the Laundry Cost Index, please go to our website: [Laundry Cost Index](#)

If you have any queries with regards to the above or the laundry cost index in general, please do not hesitate to get in touch with us either via email or phone:

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