CONFIDENTIAL

JS

716 Education

10 DOWNING STREET

From the Private Secretary

21 May 1979

Dear Philip.

TEACHERS' PAY NEGOTIATIONS

We spoke over the weekend about the terms of reference to the Standing Commission on Pay Comparability which Cabinet had authorised for the teachers. You told me that Mr. Fred Jarvis had been in touch with you and was pressing for the following wording:

> "The Commission will undertake a comparability study on the pay of teachers, taking account of the total remuneration package of teachers and of other groups with which teachers are compared."

You said that your Secretary of State was very doubtful whether this was acceptable. I put this to the Prime Minister and she fully endorses Mr. Carlisle's view, since the phrase "total remuneration package" is clearly an attempt by the teachers to get away from the reference to "conditions of service".

You also said that Mr. Jarvis had hinted that if a draft on the above lines was unacceptable to the Government, he might be able to sell to his Executive a revised draft which simply substituted the word "employment" for "service" - in other words, the terms of reference would read:

> "The Commission will undertake, in the light of their other conditions of employment, a comparability study on the pay of teachers .....".

As I told you, the Prime Minister is content for this minor change to be made, since it does not alter the substance.

I am sending a copy of this letter to the Private Secretaries to the members of Cabinet and to Martin Vile (Cabinet Office).

Yours ever.

Tim Lankester.

Philip Hunter, Esq.,
Department of Education and Science.

JS

PRIME MINISTER

TEACHERS PAY NEGOTIATIONS

I gave you a report on Friday evening of the Burnham Committee meeting which took place that day. As I told you, the NUT National Executive have been considering over the weekend the terms of reference to Clegg which we are now insisting on - i.e. "The Commission will undertake, in the light of their other conditions of service, a comparability study of the pay of teachers ...", and also the more muted reference to Houghton.

Fred Jarvis has now been in touch with DES and has told them that at tomorrow's reconvened meeting of Burnham, the Teachers Panel will press for the following wording: "The Commission will undertake a comparability study of the pay of teachers, taking account of the total remuneration package of teachers and of other groups with which teachers are compared".

No

Mr. Carlisle doubts whether this would be good enough from the Government's point of view because "remuneration package" could be taken as referring only to pay and pensions, and not taking in hours of duty and holidays. However, he wanted to take your view on this proposal. I agree with Mr. Carlisle. It is an attempt to get round the conditions of service.

My own view is that "remuneration package" is quite unacceptable for the reason Mr. Carlisle has himself given.

If we cannot go along with the "remuneration package" formulation, Jarvis has hinted to DES that he might be able to sell the substitution of the word "employment" for "service" in the terms of reference which we are insisting on. Mr. Carlisle thinks that this would not change the substance of the terms of reference, and he hopes that you would be willing to authorise it.

Agreed MF.

I have spoken to Peter le Cheminant in the Cabinet Office about this, and we are ageed that this change would not amount to any change of substance. Are you content to authorise it?

Yes MF.

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If the change amounts to nothing in substance, why might Jarvis be prepared to go along with it? The answer to this is that the NUT Conference at Easter had a lengthy discussion about the terms of reference to Clegg and ruled out anything which included the words "other conditions of service". In other words, changing the word "service" to "employment" would be a face-saver for Jarvis and the Executive.

TPL

20 May 1979