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cc: HCS
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Nax Health

10 DOWNING STREET

THE PRIME MINISTER

21 June 1980

Dear Mr. Hudejaid

Thank you for your letter of 2 June which you sent me after the Nuneaton branch of the National Union of Public Employees had requested a meeting with you, following my own meeting with representatives of the Staff Side of the Nurses and Midwives Whitley Council on 29 May. May I say emphatically that I reject the Nuneaton branches' suggestion that my response was an insult to the nursing profession. I hold the profession in the highest regard and have nothing but admiration for the service they give the community and their record of putting the patients' interest first. That record has been an important factor influencing the Government's decisions in relation to pay and allowances which have resulted in very substantial increases for nurses since we came to office.

The record is clear. We gave undertakings about nurses pay when we came to office, which we have fully discharged. Indeed we have gone further by making concessions on some minor points and a major concession to reduce working hours a year early, at a cost of £116 million. When we came to office the nurses' pay bill totalled £1,600 m. On 10 June the Nurses and Midwives Whitley Council decided upon a package of proposals which the Staff Side undertook to put to their constituent organisations and if it is accepted the nurses' pay bill will have increased to £2,400 m. - a 50 per cent increase - almost all of which is for improved pay, allowances and conditions of service. The package is within the general 1980/81 public sector cash limit increase of 14 per cent and I understand that it provides for a general increase of 13 per cent on all scales from 1 April 1980, with further significant improvements for nursing auxiliaries and for some of the more senior grades. I welcome the decision of the Whitley Council.

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It will provide further solid improvements in the pay of nurses and midwives which will come on top of those which have resulted from the Government's undertaking to honour the Standing Commission's recommendations and the concessions I have mentioned. The effect of the concession on hours is that in 1980/81, nurses who continue to work a 40 hour week will enjoy a pay increase of rather more than 20 per cent, not 14 per cent. Other nurses will get 13 per cent or more plus a 2½ hour cut in their working week, or a mixture of the two.

You refer to "glaring discrepancies" in the context of a comparison between nurses pay and that of consultants. The systems for settling the pay of nurses and doctors are quite different. Exact comparison is not practicable but some wholly misleading comparisons have been made seeking to show a disparity of treatment as between nurses and doctors since the Government took office.

Since the catching up process that resulted from the various pay policies pursued by the former government began in 1978, the total nursing pay bill should have increased, from 1 April 1980 by 65½ per cent, while doctors' total earnings should have increased by 66 per cent. I thought it right to quote these figures to the nurses' representatives when I met them on 29 May and to point out to them, explicitly, that a small portion of the nurses' figure was the cost of additional staff. I hope very much, therefore, that you will do your part, both in your constituency and nationally, to make people aware that in fact these are the comparisons between the treatment we have accorded nurses and doctors since we came to office.

Yours sincerely
James Whitaker

Nat Health



HOUSE OF COMMONS
LONDON SW1A 0AA

MR LANKESTER

2nd June 1980

E.H.

Rt Hon Mrs M Thatcher MP
Prime Minister
10 Downing Street
London SW1

Dear Prime Minister

I am writing to you because, after hearing the outcome of the Nurses representatives' meeting with you in Downing Street, the Nuneaton branch of the National Union of Public Employees asked for an emergency meeting with me. I think I should report to you that they regarded your response as an insult to the nursing profession.

I think you must by now be aware of the growing amount of public support for the nurses' case. Though a top consultant can earn up to £37,000, including his salary, merit awards and other special payments, this does not mean that he has to contribute anything more to the National Health Service. In comparison with this, nurses have been offered only a 14% increase on some of the following:-

£71 per week for a staff nurse,
£63 per week for a state enrolled nurse,
£49 per week for a nursing auxiliary
and £52 per week for a student nurse with no job guarantee afterwards.

I am sure you will appreciate that all of these comparisons can be made with the national average wage of £85 per week.

As if to add insult to injury, I understand that the consultants' pay offer will be outside cash limits while the nurses will be constrained within these limits.

Surely, on the grounds of justice alone, apart from the strength of their case, the nurses deserve better than this?

I /

Leslie Huckfield MP

Rt Hon Mrs M Thatcher MP

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2nd June 1980

I shall certainly do my part, both in the constituency and nationally, to make people aware of the glaring discrepancies and the insult which has been offered to our nursing profession. I know that thousands of others will join with me.

I hope, therefore, that you will look at this once more and let the nurses have a more sympathetic response.

Sincerely,
Leslie Huckfield

NURSES' PAY: SPEAKING NOTE

The Prime Minister pointed out, when she met nurses' representatives on 29 May, that the Government have fully discharged the undertakings on pay which they gave to nurses when they arrived in office. Indeed, they had gone further, by making concessions on some minor points, and a major concession to allow a reduction in the working week. As a result, by the time the 1980 negotiations are completed, the total [Great Britain] pay bill for nurses and midwives will have increased from £1,600m to £2,400m since the Government took office, a 50 per cent increase, almost all of which is for improvements in pay, allowances and conditions of service.

There has been no disparity of treatment overall between doctors and nurses. It is not helpful to draw conclusions about the comparative treatment of different groups of staff by isolating particular aspects of awards made in different circumstances. Since the catching-up process began in 1978 until the end of the current negotiations, the total nursing pay bill has increased by 65½ per cent, while doctors' total earnings have increased by 66 per cent.

It is not the case that the nursing pay bill will increase in 1980/81 by only 14 per cent. The Government has also provided an additional £116m this year to enable the 37½ hour week to be introduced up to a year earlier than expected, or to allow additional payments to any nurses who continue to work more than 37½ hours.

The increases received by different grades of nursing staff will vary because the amounts awarded by the Standing Commission varied very widely for different grades. The earnings of individual nurses are also significantly affected by entitlement to various additional payments and allowances. It is, thus, the increase in the total pay bill which shows most reliably the movements that have occurred in nurses' pay.

The Standing Commission described the approach they were adopting to the hours question in paragraph 44 of their report. It was precisely because of the approach adopted in that paragraph that the nursing organisations pressed so strongly for an early move to a shorter week. The Whitley Council reached an agreement, to take effect from the current year at a cost of £116m, which the Government are providing. The National Union of Public Employees, who are apparently responsible for reports that there was a mistake regarding hours were involved in the negotiations and were a party to the agreement.

NURSES' PAY: BACKGROUND NOTE

For nurses, the post-1978 catching-up process was achieved in three stages a 9% increase on 1 April 1979, followed by reference to the Clegg Commission, whose award was implemented in equal stages, from 1 August 1979 and 1 April 1980. Subsequently, the nursing organisations pressed for an early reduction in the working week, in view of the terms of the Clegg award, which had been based on a 37½ hour week. The Government has provided £116m to enable nurses' hours to be reduced from 40 hours to 37½ at any time from 1 April 1980, or for nurses to receive additional pay where it is not yet possible to move to a 37½ hour week.

Negotiations for the main 1980 nurses' settlement (within a 14% cash limit increase) were interrupted, following announcement of the Government's decision to implement the DDRB report. The Prime Minister met representatives of the Staff Side of the Nurses and Midwives Whitley Council on Thursday, 29 May when she pointed out:

- a. that, since 1978 the total paybill for nurses had increased by 65½ per cent (including the 1980 settlement) while doctors' total earnings had increased by 66 per cent;
- b. For 1980/81, nurses are receiving both a general increase of 14 per cent on the pay bill and an improvement in working hours which costs £116m.

NUPE have now claimed that there was an error in the Clegg report concerning hours. This is not correct. Paragraph 44 of the report dealt with the hours question, and it was the protests resulting from this recommendation which led to the agreement (costing £116m in 1980/81) to which NUPE were a party.

In the 1980 negotiations, the Management Side have proposed an across the board increase of 13%, with various other minor improvements to pay and allowances, within an overall 14% increase. The current basic pay for some specimen grades (following Clegg) and the effect of a 13% increase are:-

	<u>Current</u>		<u>With 13% addition</u>	
	Min	Max	Min	Max
Unqualified Nursing Auxiliary	2,507	3,209	2,833	3,626
Staff Nurse	3,715	4,530	4,198	5,119
Ward Sister	4,698	6,024	5,309	6,807
Senior Nursing Officer I (equiv to Matron of large hospital)	5,972	6,942	6,748	7,844
Regional Nursing Officer (highest NHS nursing pay level)	13,133	16,815	14,840	19,000