



CCBG

CONFIDENTIAL

Prime Minister

NBPN at this stage

SCHOOLTEACHERS' PAY NEGOTIATIONS IN ENGLAND AND WALES

I have seen Keith Joseph's minute of 13 May in which he proposes to open public consultation on a range of options for replacing the Remuneration of Teachers' Act. He proposes to include a statutory review body for pay and conditions and to present that as the Government's preferred option at this stage.

I should welcome any initiative which is likely to lead to a more satisfactory outcome than ACAS on its own seems likely to produce, and I entirely endorse the arguments against a Government attempt to wreck the ACAS process. But some doubts were expressed when the idea of a review body was previously discussed in MISC 122: it was recognised that even with pay and conditions settled by or on the advice of a review body there would still remain the problem of enforcement by the employers; and the setting up of a review body for a group of local authority employees would raise large questions for the financial relationship between central and local government. I believe we should make sure that we can see our way through these problems before we start to trail the idea at all in public.

If there is a need for caution there is also a need for us to decide fairly quickly what if anything we intend to do. Negotiating machinery lies within the remit of the Main Committee, and the written evidence which my Department is giving to the Committee casts doubt on the effectiveness of the present Scottish machinery but has deliberately (in the light of our earlier discussions) avoided mentioning options as radical as the creation of a review body. My officials are to give oral evidence to Main on 19 June and 7 July, and as matters stand at present they would have to take a negative and discouraging line on the review body option if (as is likely)

15.12
The question is raised: it would be an obvious embarrassment to us if the Government began to give encouragement to the idea in England and Wales after oral evidence in a contrary sense had been given on my behalf.

I am sending a copy of this minute to members of MISC 122 and to Sir Robert Armstrong.

MR.

MALCOLM RIFKIND

20 May 1986

EDUCATION
TEACHERS'
PAY

PT 7

