



SRW

10 DOWNING STREET

*From the Private Secretary*

14 October 1985

**THE TEACHERS' DISPUTE IN SCOTLAND**

The Prime Minister was grateful for your Secretary of State's report about the position on the teachers' dispute in Scotland (minute of 7 October).

I am copying this letter to Rachel Lomax (HM Treasury), Joan MacNaughton (Lord President's office), Andrew Lansley (Office of the Chancellor of the Duchy of Lancaster), Rob Smith (Department of Education and Science), Colin Williams (Welsh Office), Robin Young (Department of the Environment), Leigh Lewis (Department of Employment), Jim Daniell (Northern Ireland Office) and Michael Stark (Cabinet Office).

(DAVID NORGROVE)

Andy Rinning, Esq.,  
Scottish Office.



CONFIDENTIAL

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For info - as act needed.

Prime Minister

DLW  
8/10.

THE TEACHERS' DISPUTE IN SCOTLAND

I have seen Keith Joseph's minute of 2 October about the teachers' dispute. I should let you and other colleagues know what the situation is in Scotland.

The Current Year

Negotiations for a 1985/86 settlement have still not begun. The teachers' panel still adhere to their declared aim of securing an independent pay review and profess not to be interested in a short-term settlement that will do nothing to restore their members standard of living. The employers for their part know that any offer they could afford to make would be rejected out of hand. I have seen representatives of both sides and urged them to start negotiations but there is no movement in their position. If there is to be any change it is likely to come from pressure from the rank and file, most of whom have now had no pay increase of any kind since April 1984, but for the present the teachers' leaders continue to enjoy strong support in the schools for the stand they have taken.

Strike action continues. For the moment it is fairly evenly dispersed across the country, but the threat of a resumption of concentrated action in selected areas continues. More serious at the moment is the very widespread "work to contract": not only does the boycott of curriculum development continue, but the EIS have now withdrawn from all voluntary extra-curricular activities (these admittedly are non-contractual, but their loss has a quite disproportionate effect on the morale of the schools) and they are balloting their members on a proposal to



E. B.,

withdraw from all work connected with public examinations. If this goes ahead the effects will not be felt for some months but could be very serious when they come: and meantime parents see the danger and are becoming acutely alarmed.

It is worth reminding ourselves that most Scottish schools have not worked normally since August 1984 and the atmosphere of general discontent which has been fostered by Union representatives has been very apparent to pupils. The worst effects are therefore not only in the wrecking of many children's only chance of passing key exams, but in a general encouragement to a whole generation of pupils to regard militancy as a normal part of life. The effect on attitudes to authority in general and to teachers in particular can easily be imagined.

#### The longer term

When I made my August offer of extra resources in return for agreement on revised terms of service I had still to exert some pressure on both employers and teachers to get the two sides to come together to consider it. I have been at pains to put across both to the two sides and to the wider public the value of the offer and the very considerable concession it represented in the present climate; but the task has been frustrated by the employers' side, who insisted not only to me but to the teachers that they considered their conditions of service package worth 15% over 3 years (and indeed said they had costed it at that level), as against the 10% over 4 years which I had offered. It has been impossible to illustrate the value of my offer in terms of specific salary increases, since the employers have refused to translate their costings into a formal offer backed by indicative salary scales. This has made it easy for the teachers' side to reject it out of hand as a "non-offer".

In a further attempt to get things moving I have recently seen representatives of both sides. I believe that the employers are coming to realise belatedly that they miscalculated. They



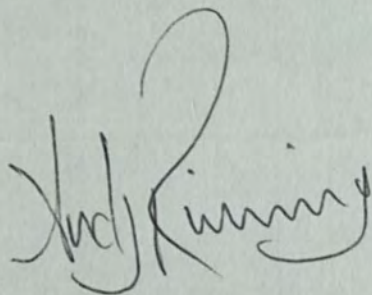
are at last coming round to the idea of presenting their conditions of service proposals more positively and they are beginning to contemplate - though still hesitantly - taking a stronger line with the teachers over breach of contract. The teachers meantime show signs of realising that, precisely because they have demonstrated to the public through their "work to contract" how little they are obliged to do, they might in fact stand to lose as well as to gain from an independent review. They have therefore started to ~~our~~ <sup>air</sup> alternative suggestions for arriving at a settlement. I am now trying, through informal contracts, to find out more precisely what these suggestions entail in order to see whether they indicate any way in which we might move towards an agreement, but I have to say that as they stand they appear to involve an unacceptable financial cost with little by way of bankable concessions on terms of service in return.

In short, my August initiative has at least produced a willingness to talk; but the basis of a settlement is still not in sight.

We must clearly keep open for as long as we can the possibility of reaching agreement. The Rate Support Grant arrangements in Scotland are such that there need be no technical obstacle to revising the 1986-87 settlement even after it is published in the next week or so. I have nevertheless told both sides that if there is no significant movement towards an agreement within the next few weeks it would become, in practice, very difficult indeed to leave the offer on the table; but I have also made it clear, in the interests of retaining goodwill (and to avoid being boxed in) that my offer will not automatically fall at, say, the end of October. There would be nothing to be gained at present by an ultimatum.



Copies of this minute go to the Chancellor of the Exchequer, the Lord President, the Chancellor of the Duchy of Lancaster, the Secretaries of State for Education and Science, Wales, the Environment, Employment and Northern Ireland, and to Sir Robert Armstrong.

A handwritten signature in cursive script, appearing to read 'Andy Rinning'.

ANDY RINNING  
(Private Secretary)

(Approved by the Secretary of State  
and signed in his absence)

7 October 1985.



EDUCATION  
TEACHERS PAY  
PTS