



SCOTTISH OFFICE  
WHITEHALL, LONDON SW1A 2AU

CC/NO

Prime Minister ②

Scottish teachers are likely to be settled at 4.5 per cent.

AT 23/3

CONFIDENTIAL

The Rt Hon Nigel Lawson MP  
Chancellor of the Exchequer  
HM Treasury  
Parliament Street  
LONDON  
SW1P 3AG

22 March 1984

Dear Nigel,

TEACHERS' PAY NEGOTIATIONS 1984

I am writing to report the position reached after the meeting of the Scottish Joint Negotiating Committee for Teaching Staff in School Education (SJNC(SE)) held on 16 March. You will recall from my letter of 13 March that the previous meeting on 8 March had been adjourned, with no improvement on the opening offer of 3 per cent, to enable local authority representatives to undertake such further consultations within their respective authorities as they thought fit in order to establish whether there was any scope for movement.

At a preliminary meeting of the Management Side on 16 March, members were informed that informal soundings of the teachers had established that, while they were not prepared to consider any offer below 4.5 per cent, it was very possible that a negotiated settlement could be achieved at that level. In the ensuing discussion the local authority representatives on the Management Side had in mind that resort to arbitration would mean a substantial delay, which might have an adverse effect on the teachers' attitude in relation to important changes in educational practice and organisation which are currently in train in Scotland; that they had earlier been prepared to settle at about 4 per cent (as reported in my letter of 13 March) and that it might not be justifiable to go to arbitration over an effective difference of 0.5 per cent; that in any event an arbitral award might well be of the order of 4.5 per cent; that a negotiated settlement at 4.5 per cent would be no more above the Government's assumed allowance for pay settlements than in the previous two years; and that a figure of 4.5 per cent would be in line with the average proposed increase in the pay-bill for local authority manual workers and was still below the level of inflation.

My representatives argued that the flat rate increase of £3.40 per week offered to the manual workers represented 4.1 per cent for the highest paid, which pointed to an offer to the teachers of no more than that amount at the most, and they suggested that recourse to arbitration might well bear that view out. They referred also to the undesirability of doing anything which might complicate the parallel negotiations in Burnham; and they drew attention again to my powers in relation to local authority finance.

The Chairman of the Management Side proposed formally that an offer of 4.5 per cent should be made to the teachers, coupled with a clear statement that no further negotiations could be entertained and that the Management Side would no longer be prepared to consider recourse to arbitration. The question being put to a vote, the motion was carried with only 3 votes against - those of my two representatives (who, unlike the position in Burnham, have no weighted vote) and of a solitary local authority representative.

When the full SJNC(SE) met later in the day the agreed offer, with its terms and conditions, was duly put to the teachers. They registered disappointment that it was still below the level of inflation, but went on to indicate that, although they did not have authority to accept the offer forthwith, they were prepared to consult their constituent organisations and return with a decision as soon as possible (although this might be somewhat delayed because of the forthcoming Easter vacation). When I know of the outcome of these consultations I shall of course write to colleagues again.

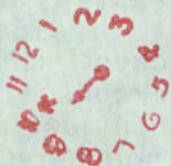
As I pointed out in my letter of 13 March, it was predictable that SJNC(SE) would make some definite move on 16 March; and this is what has in the event happened. It is perhaps a little unfortunate that Burnham missed the opportunity two days earlier to provide some sort of benchmark which might have influenced the Scottish negotiations, but one can only speculate on this.

I am sending copies of this letter to the Prime Minister, the Secretaries of State for Education, Employment, Wales and the Environment and to Sir Robert Armstrong.

*James Wel*

*George*

23 MAR 1984





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SCOTTISH OFFICE  
WHITEHALL, LONDON SW1A 2AU

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The Rt Hon Nigel Lawson MP  
Chancellor of the Exchequer  
HM Treasury  
Parliament Street  
LONDON  
SW1P 3AG

13 March 1984

*Dear Nigel,*

TEACHERS' PAY NEGOTIATIONS 1984

In accordance with my letter of 10 February, I am writing to let you know of further developments in relation to teachers' pay negotiations in Scotland. You will recall that the negotiating bodies concerned are the Scottish Joint Negotiating Committees for Teaching Staff in School Education (SJNC(SE)) and in Further Education (SJNC(FE)); that the school teachers' and further education lecturers' claims are for overall increases of at least 9.5 per cent and 10 per cent respectively, from 1 April 1984; and that in both cases an opening offer of 3 per cent has been rejected.

The Management Side of SJNC(SE) met again on 8 March. They noted that local authority budgets had now been finalised and that the offer of £3.40 a week which had been made to the local authority manual workers represented increases ranging from about 4.1 per cent for the highest paid to just over 5 per cent for the lowest paid. Against that background, they authorised their chairman to take informal soundings of the teachers in order to establish whether there was any prospect of achieving a negotiated settlement at 4 per cent. These soundings revealed, however, that there was no disposition on the part of the teachers to settle at that level. The Management Side decided, therefore, that they should not improve their original offer of 3 per cent, but should be prepared to consider the possibility of going to arbitration.

At a full SJNC(SE) meeting later on the same day this decision was duly put to the teachers, who reacted strongly against what they saw as a failure to increase an opening offer which was itself the lowest made in the current pay round and substantially below the level of inflation. In the course of a subsequent recess, the Management Side decided that it would not be good tactics to move immediately to arbitration without any further attempt to achieve a negotiated settlement and that nothing was likely to be lost by adjourning the proceedings to enable local

authority representatives to undertake such further consultations within their respective authorities as they might think fit in order to establish whether there was any scope at all for movement. The full SJNC(SE) then met again briefly and agreed formally to adjourn until 16 March.

When SJNC(FE) met on 12 March, it was similarly agreed to adjourn the meeting without any improvement being made on the original offer. A further meeting was arranged for 27 March in the expectation that there would by then have been progress towards a settlement of the school teachers' claim.

My representatives in both SJNCs have of course continued to argue for as low a settlement as possible; and you will see that nothing has been done which might in any way prejudice this week's resumed Burnham negotiations for England and Wales. That said, I know that you will appreciate that, if quick progress cannot be made in Burnham, it is very probable that the SJNC(SE) meeting on 16 March will move ahead, either by deciding to go to arbitration or just possibly by reaching a settlement. I have no comments on Keith Joseph's letter of 12 March to you seeking agreement to allow his representatives at tomorrow's Burnham meeting a small additional measure of flexibility if it is judged that settlement will be reached at 4.1 per cent. Such a settlement for England and Wales would probably be regarded as constituting a benchmark for the Scottish negotiations.

Finally, I should mention that on 8 March the SJNC(SE) had before it an interim report from the working party which is considering the possible introduction of pay data collection studies into the negotiation of teachers' salaries. This was merely noted; and the teachers did not make any reference to it in the context of the current pay negotiations.

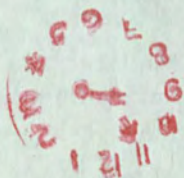
I am sending copies of this letter to the Prime Minister, the Secretaries of State for Education, Employment, Wales and the Environment and to Sir Robert Armstrong.

Yours ever,

George

Education Part 3

Teachers Party



1 + MAR 1984