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**Dear UNISON Member** 

## NJC Pay Dispute 2014 – UNISON's response to the employer scaremongering.

This briefing outlines UNISON's response to the letters or briefings that you will doubtless be receiving from your council's Chief Executive or Leader in response to our notice of strike action in England, Wales and Northern Ireland on 10 July.

Your employer is entitled to communicate with you about the strike - but they may try to convince you to come into work on 10<sup>th</sup> July and not take part in what is a day of **lawful industrial action across England Wales and Northern Ireland.** Don't let them put the frighteners on you.

All local authorities have been encouraged to apply pressure on you not to take part by the Local Government Association - the body that has:

- made the insulting 1% pay offer
- overseen a 20% reduction in the real value of your pay since 2010
- published a guide for your council on how to rip up your terms and conditions
- ...and refused further talks on a fair pay settlement or even to go to ACAS for arbitration – they think you're not worth going to ACAS for

**The employer's offer:** The employers have offered just 1% to 90% of the workforce on NJC scale point 11 and above. Those on scale points 5 – 10 have been offered just enough **to keep them barely above the National Minimum Wage** – the lowest possible legal pay rate. That's how little the workforce is valued. It's a scandal.

The employers can afford more.

### Here's our response to 5 things the employers may tell you:

1) The employers say that their offer is "fair and at the limit of affordability".

#### **UNISON** says:

- Is it really "fair" that the true value of your pay has fallen by 20% since 2010?
- Is it really "fair" that your pay rises have been below inflation in eight out of the past 17 years?
- Is it really "fair" that almost half a million of you earn less than the Living Wage and another third of the workforce are paid less than even this Government's definition of low pay?
- Is 1% really "fair" and all the local government employers can afford? Since 2010, councils have saved a quarter of their staffing costs per employee. And they've used these savings to boost local authority reserves which have risen by £2.6 billion to £19 billion?
- Councils have made a conscious choice to put money in the bank rather than pay you decent pay rises. It's time to put their hands in their pockets and reward you for keeping councils and schools going during the crisis
- And schools have not been hit so badly by cuts as councils. They can afford a better deal for school workers

#### Our claim is fair and affordable!

- Our claim for at least £1 an hour would get the economy working again. For every £1
  local government workers earn, 50p is spent in the local economy, helping to
  maintain and create jobs and sustain local businesses
- Over half the cost of our claim would be paid for by the extra taxes and national insurance flowing to the Treasury from increased pay and reduced spending on inwork benefits and tax credits
- Our claim would make the Living Wage the minimum pay rate for every council and school support worker. Over 100 councils already pay the Living Wage. If these councils can afford it, why can't every local authority?

#### **Unpaid overtime is NOT fair!**

Over ¼ of council and school support workers do seven or more hours of unpaid work every week. Add that 'free' day we are giving our employers each week to the 20% cut in the real value of our pay and in effect we are now working 5 days a week to get paid what we earned in just 3 days a week back in 2010.

Unpaid
overtime
you work
every week

20% drop
in real
value of
your pay

5 days work in 2014
to earn the same
pay you earned for
just 3 days work in
2010!

## It's YOU keeping communities going!

2) The employers say: remember your duty to the residents and communities you serve.

# **UNISON** says:

- They've got a cheek! We don't need reminding. We are covering for the 500,000 jobs chopped since 2010, with very few cuts to services
- We are also those residents and those communities 80% of all local authority
  employees live in or near the area where they work. The employers will use this guilt
  trip to pull at the heart strings. But this is a strike for services, by the people who are
  devoted to them as well as a strike over pay.

## It's not UNISON holding back your pay

3) The Employers say: they made their pay offer at the earliest opportunity and unions have delayed the pay rise.

#### **UNISON** says:

We submitted our pay claim in October 2013. They made their offer on 21 March - eleven days before the pay anniversary date of 1 April! That left no time to negotiate – they never had any intention of talking to us, or going to ACAS.

## <u>Taking strike action</u> is protecting your future pay and pension

4) The Employers say: taking strike action will mean you lose a day's pay and that it will affect your pension.

## **UNISON** says:

- Let's start by looking at the financial implications and pension impact of how NJC workers have fared under the pay freeze and below inflation awards. Remember, continually falling pay of the kind suffered by local government workers means a loss of pension for every day of the rest of your life.
- And the facts are quite staggering. The table below shows the effect of the
  employers' offer on your pay and pension it shows your current pay, how much
  pay you've lost by your pay not matching inflation since 2008 (the last time it did
  so), and the resulting loss on pensions for people with different lengths of service. In
  the example given below, the member plans to retire in 2015.

SCP and current salary	Loss in your pay since 2008	Years in LGPS	Pension lost EVERY year in retirement	Loss in lump sum
SCP 15 : £16,215	£2,579	10	£407.30	£290.18
SCP 25 : £21,734	£3,459	10	£546.13	£389.09
SCP 30 : £25,727	£4,093	20	£1,158.05	£1,995.52
SCP 45 : £38,422	£6,113	30	£2,493.66	£5,272.70

- The impact of falling pay on your present pay and your future pension has already been dramatic. These figures put the immediate financial impact of taking strike action in a very different perspective
- If you want to know how your pay and pensions will be hit by the employer's offer, download our pensions campaign briefing at: <a href="http://www.unison.org.uk/njc-14-33">http://www.unison.org.uk/njc-14-33</a> or talk to your branch

#### Cutting pay won't save jobs or services!

5) The employer says: our jobs and services will be safer if we keep agreeing to wage cuts and cuts to our terms and conditions.

### **UNISON** says:

- So the employers are saying that we should subsidise our own employment! That's crazy! Over half a million council jobs have gone since 2010. The cuts agenda is long-term and will not go away by accepting another below inflation pay offer
- As a responsible trade union we must pick our fights carefully. Having taken clear soundings of the mood of our members through a consultative ballot, branch meetings held up and down the country and finally by an industrial action ballot, we know the result of the ballot is representative of our members' views and cannot be ignored.
- Strike action is always a last resort. We would prefer to avoid industrial action and we have told the employers and continue to tell them that we are prepared to negotiate. But they refuse. They think they can take you for granted. They think they can scare us.

### Stand up for what is right and fair!

On 10 July, other public sector unions across the UK will be going out on strike too and standing up for what is right and fair. You will not be alone. **This is our chance to stand up for what is "really fair"** for school and council workers – the lowest paid of all.

Unless we take a firm stand this year we will find ourselves with further real pay cuts and increasingly lost pension value for years to come. We must act now!

We are proud of our membership and the employers know that trade unions will not stand by and accept unfair attacks on your wages.

This is why UNISON says enough is enough.

Join the strike on 10 July. Talk to everyone about it and let's fight back!

Yours sincerely

John Burgess Branch Secretary