



NUT Pensions Campaign Key Facts for NUT Members

What's the issue?

The Government is planning to cut teachers' pensions. It wants us to pay more, work longer and get less in retirement. It is attacking the pensions of health workers, civil servants, local government workers and many other public sector workers as well. This follows years during which the pensions of private sector workers have been attacked and the value of the basic State retirement pension has been allowed to fall.

The NUT has been at the forefront of the trade union movement's campaign to defend public sector pensions. Our strike action on 30 June focused public attention on the issues. Now, other unions have joined us in a joint campaign across the whole of the public sector. We can and must change the Government's mind. And, if we can save public sector pensions, we will help other workers re-establish their lost pension rights and help secure a decent basic State pension as well.

The NUT is fully involved in talks with the Government alongside other TUC unions and would much rather settle matters through negotiation. The Government has now offered concessions but these go nowhere near far enough. While we're pleased that the Government has moved its position, they are still asking teachers to pay a lot more and work a lot longer to get a lot less:

- All teachers will still pay 50% more for their pensions;
- All teachers more than 10 years from their current pension age on 1 April 2012 will have to work longer for a full pension – for many, up to 68 or even more;
- The move to CPI indexation will cut all teachers' pensions and the move to career average will affect almost everyone not given protection.

The Government has no justification for its proposals. It has not carried out the valuation of the Teachers' Pension Scheme, required by law, which would demonstrate the actual costs of our pensions. With no negotiation whatsoever, it implemented its changes in pension indexation from April this year, so that retired teachers have already lost out.

In 2005-06, we saw off threats to our pensions by standing together and being prepared to take action. If we want a future with a decent and affordable pension, we must be ready to do so again.

We went on strike on 30 June - why are we striking again?

The strike in schools and colleges by NUT, ATL and UCU members on 30 June was a huge success. It exposed the confusion and lack of justification on the part of Government. It helped to convince other unions' members that they should take action too. Now we have been joined by other unions from across the whole of the public sector. Teachers in NASUWT, NAHT and UCAC in Wales; support staff in Unison, Unite and GMB; and civil servants, local government workers and NHS staff in a whole range of unions all plan to join the day of action on 30 November.

On 30 November, we can be part of the biggest demonstration of opposition to Government plans for very many years. **The NUT does not need to ballot again for teachers to strike on 30 November - our ballot in June covers members for further action.** NUT members in the Local Government Pension Scheme are also being balloted for action on the same day.

NUT members overwhelmingly supported the 30 June action. 92% of members voting in our ballot voted YES and this level of support was confirmed on the day of the strike. Since then, the NUT has worked to secure unity of purpose among the teaching profession and the wider trade union movement.

What is the Government proposing?

The Government wants you to pay more - your contributions will rise in April 2012 and again in 2013 and 2014, a pensions tax to cut your pay by more than 3 per cent on average. They want you to work longer - from 2015, the "normal pension age" (when you can take your pension in full) will begin to rise, eventually

reaching 68 or perhaps even higher. And they want you to get less, both when you retire, due to a move to 'career average' pensions, and during retirement, due to lower annual pension increases.

More information on all these is set out below. The scale of the losses facing teachers as a result of their proposals are shown in the NUT pensions loss calculator which you can find at www.teachers.org.uk/pensionscalc

How much more does the Government want to make me pay?

The Government wants to increase every teacher's pension contributions by more than 50 per cent – from 6.4 per cent to an average 9.6 per cent of pay. Exactly how much you'd pay depends on how much you earn. Protection for NQTs - essential to prevent opt outs - will simply mean experienced teachers paying even more. Depending on where they work, UPS3 teachers would pay up to £123 a month extra, while typical deputy head teachers might pay £140 a month or even more.

How much longer does the Government want me to work?

The Government is planning to tie the "normal pension age" – the age at which you can take your teachers' pension in full - to the State pension age. That would compel all teachers aged 33 or less to work until age 68 for a full pension. Older teachers would also be affected - anyone aged 43 to 48 would have to work to 66 and anyone aged 42 or less to 67. Retiring earlier would only be possible on a reduced pension.

As an example, if you are 45 now, your normal pension age would be likely to rise to 66. Assuming you're on UPS3 and you still retire at 60, you would lose £1,800 per year from your pension and £5,400 from your lump sum, due to the actuarial reduction applied to that part of the pension you would build up between 45 and 60 (excluding any further loss due to career average - see below).

Although the Government has said that anyone within 10 years of their normal pension age on 1 April 2012 would not be affected, they would still pay higher contributions and would have their pension increased by CPI in retirement.

How much less would I get in retirement?

The Government's revised plans for career average pensions would give you 1/60th of your pay for each year of service - only the same rate as the post 2007 TPS - with no automatic lump sum, and would base that pension on your average pay across your whole career, cutting virtually every teacher's pension. Although 'career average' pensions can sometimes be fairer, the Government is using career average as just another way of cutting pensions.

The Government has already imposed one cut - from April 2011, pension increases are following the Consumer Prices Index (CPI) rather than the Retail Prices Index (RPI). This change affects existing and future pensioners alike and will cut about 15 per cent from your income during retirement. A teacher retiring on a £10,000 pension would lose over £35,000 over the course of 25 years, in addition to any pension losses incurred through retiring at the current pension age.

How can I find out what I would lose from my pension?

Go to the NUT's pension loss calculator at www.teachers.org.uk/pensionscalc to find out how much more you would pay through higher contributions, how much longer you might have to work for a full pension and how much you might lose over the course of your retirement.

What about the protection the Government has offered?

The transitional protection only applies to those within 10 years of their current pension age on 1 April 2012. Even those teachers would pay more due to higher contributions and would lose in retirement due to lower career average pensions and lower CPI indexation.

What about the Government's argument that teachers' pensions are too expensive?

The NUT's 2006 agreement with the Government made changes to the Teachers' Pension Scheme that made it sustainable for the long term. The National Audit Office confirmed that the cost of public sector pensions will fall as planned. Lord Hutton's report says that public sector pensions if unchanged from now would fall from 1.9 per cent of GDP now to 1.4 per cent of GDP in 2060.

Teachers have accepted we may have to pay more for our pensions or accept other changes if necessary. We are willing to accept our share of any increasing costs – but only if that is justified. The Government wants to abandon our agreement and impose changes without any justification or proper negotiation.

And what about the argument that teachers' pensions are "gold-plated"?

The average pension in payment from the Teachers' Pension Scheme is just £10,000 a year. Only 5 per cent of pensions are for £20,000 or more. Over 90 per cent of teachers who responded to the recent NUT survey on pensions agreed that the scheme is fair and affordable. Your pension is your recompense for a lifetime in teaching. The decision to attack your pension is political not economic. Continuing our campaign will strengthen our hand in our negotiations.

The real pensions problem is in the private sector. Two-thirds of private sector employees aren't in any employer-backed scheme, compared to just over half ten years ago. Almost 90% of private sector final salary pension schemes are now closed to new members. Employer contributions to newer "defined contribution" schemes are less than half those for final salary schemes. Too many employers are simply seeking to abandon their responsibilities to their employees. The cost of supporting them in retirement is simply passed back to the State and future taxpayers. Cutting public sector pensions won't help private sector workers – it will just make everyone poorer in retirement. We need decent pensions for all!

Why hasn't the NUT held a further strike action ballot?

We do not need to re-ballot members in eligible workplaces before we call them out on strike on 30 November. The ballot of NUT members in the TPS held in the Summer Term is still active and legally in force because we balloted members for 'discontinuous strike action' (i.e. a series of separate occasions of strike action). This means that the NUT Executive can call further action if it believes it will further the dispute and it has the support of members. Members who have joined the Union since the ballot can also take action on 30 November. The Union is still working to try to persuade the Government to change its proposals - but unless Government does make significant moves then the Union will join with other unions in taking action on Nov 30th.

Does the NUT plan to take further strike action?

Our campaign commenced with the national strike day on 30 June and is continuing with the day of action on 30 November. Further strike action will depend upon the attitude of the Government - it can end the dispute at any point by withdrawing its proposals and reaching a negotiated outcome.

What happens if the Government makes more concessions?

If the Government changes its position further and we think we can reach an agreement, then we can call off our strike action. But we have to be clear that we don't expect the Government to make the necessary concessions without the continuing threat of action by union members.

Can't we take legal action instead?

The NUT, along with other unions, has challenged the Government's decision to index teachers' pensions to the CPI in a High Court judicial review action. News on that action is expected by the end of the year. Legal action can't, however, stop the other changes – we need support for industrial action to do that.

Who is being called on to strike?

The strike call covers all members of the NUT in England and Wales who are eligible for membership of the Teachers' Pension Scheme (TPS) and who would normally be working on the day of the strike.

This includes all NUT members employed as:

- teachers in local authority maintained schools, whether community, voluntary controlled, voluntary aided or foundation schools, and in academies;
- teachers in local authority central services who are paid as teachers and eligible for the TPS;
- teachers in sixth form colleges, FE colleges & post-1992 universities, all part of the TPS; and
- teachers in independent schools which have been admitted to the TPS.

Subject to ballot, it also covers NUT members working in central local authority education services who are eligible for the Local Government Pension Scheme.

It excludes supply teacher members, members in independent schools which are not part of the TPS, and members employed in schools in non teaching roles e.g. administrators, learning assistants etc.

What does it mean when you go on strike?

Strike action means you do not go into work on the day the action is taking place. You do not have to phone your school on the day to tell them you are not coming in.

What should I do on the strike day?

On the day of the strike, you can join hundreds of thousands of other teachers in demonstrating your support for our cause and for the principles and values which brought you into teaching. Activities organised by the TUC and the NUT will be taking place all over England and Wales. Information will be distributed locally but will also be placed on the Union's website at www.teachers.org.uk in advance of the day. Please find out about local activities and join in.

What if my Headteacher asks me if I intend to turn up for work?

The NUT regards this as an attempt to undermine the action. Headteachers should not be asking this question as the issue is covered by notices informing heads that NUT members will be on strike on that day.

Supply agencies are prevented in law from supplying labour during an official strike. *Section 234A of the Trade Union & Labour Relations (Consolidation) Act 1992* deals with the information a trade union must provide to employers when giving notice of industrial action. The Act states at paragraph 3F that *'Nothing in this section requires a union to supply an employer with the names of affected employees.'* Therefore *making such a request, in the knowledge that you are not entitled to the information, is a deliberate act which can only be for the purpose of keeping the school open and undermining the industrial action. It may of course be perceived to be a deliberate intention to put pressure on members to break the strike or even to intimidate.*

Headteachers may claim that their only interest is the welfare and safety of the pupils when actually what they are doing is risking student welfare. The reason for this is quite simple and can be illustrated mathematically. For argument's sake let us imagine there are 60 members of balloted unions at your school and 30 of them tell the headteacher they will work on N30. In the time between they make this promise and the day of the strike the Unions will quite legitimately continue to persuade the 30 to take the action. Now forward to N30. The headteacher has decided to keep the school open and believes it is safe to do so based on the numbers promising to turn up for work. Legitimate union pressure has persuaded 20 of the 30 to strike on the morning of N30. They are legally entitled to take the action whatever they have said to the headteacher in any communication before N30. The headteacher will have opened a school with 20 fewer staff than anticipated and will be responsible for any problems arising on the day, whilst those saying they would turn in for work carry no responsibility for any issues arising.

Will I lose money when I go on strike?

A day's pay will be deducted – 1/365 of your annual pay minus taxes etc for school teachers (some other members may have different deductions specified in their contracts). You can work out the deduction by dividing your monthly take home pay by 30 if you are full time. Then compare it to the amount you'd lose every month using the NUT pensions loss calculator.

Where can I find more information on the NUT's pensions campaign?

Go to www.teachers.org.uk/pensions to find more information and a range of resources including the NUT's pension loss calculator.

Won't striking simply damage the NUT?

The NUT's campaign in the run-up to 30 June and since then has seen many more younger teachers, female teachers and teachers from ethnic communities become involved in their Union. Our campaign is revitalising the NUT. Play your part by joining in!

We don't have an NUT representative – what should we do?

This is an ideal time to elect an NUT representative and to get yourselves better organised and secure a stronger voice at your workplace. The role of NUT representative is not onerous – although it can be shared - and is very rewarding. You can rely on the full support of the Union at all levels to assist you.

What else can I do to assist the campaign?

You can find a range of suggestions and help (eg for writing to or lobbying your local MP, writing letters to your local paper, attending NUT meetings etc) at www.teachers.org.uk/pensions

National Union of Teachers
November 2011