

# GMBrief

*(GMBrief* is the E-News Bulletin for GMB activists in the North West & Irish region keeping you informed and updated on Union matters and issues affecting GMB members – feel free to forward to other GMB members in your workplace)

**29<sup>th</sup> November 2011**

## **PENSION STRIKE – KEY MESSAGES**

The following briefing is aimed at all GMB members, working in both the public and private sectors, as all of us will be effected not only by the dispute, but also by the government's whole approach to resolving the economic crisis in the UK economy. For those GMB members who work in the private sector it is an attempt to try and explain exactly what all the fuss is about.

There have been a number of headline grabbing myths spread by the right wing press, painting a picture of greedy public sector workers trying to get better pensions at the expense of the taxpayer. This is not the case. The average pension paid to a retired public sector worker is currently around £107 per week (hardly "gold plated") and even less for part timers (mostly women).

- *A part time dinner lady will get around £500 a year less under the government's proposals (even if she works until 68) and having paid £5,500 more.*

The government is looking to increase contributions for our members by an average of 50% whilst at the same time expecting them to work longer and in many cases receive less at the end. This isn't to address a deficit in the pensions scheme, but simply a tax on public sector employees.

If the government really believes that there is inequality between public and private sector pensions and they really wish to address the whole pensions situation then surely it should be looking to improve and safeguard private sector occupational pension schemes and not simply rip off public service workers and expect them to pay more so they can use the money elsewhere to try and tackle the deficit.

(Advice regarding what to do during the strike below)

## **TIMELINE**

June 2010	Government changed indexation for public sector pensions from RPI to CPI without warning which reduced benefits by 15%
October 2010	Chancellor announces contribution rates to go up by an extra 3.2% (a 50% increase)
February 2011	TUC/Government negotiations begin.
May 2011	1 <sup>st</sup> Government proposals
30 <sup>th</sup> June 2011	Strike by 2 teacher unions and 1 civil service union
September 2011	Unions announce strike ballot process
2 <sup>nd</sup> November	Improved government proposals

## NEGOTIATIONS

Since Government proposals on 2 November there have been no meetings with Maude/Alexander and none are scheduled. There have been some scheme level discussions for 'clarification' purposes. Government said its 2<sup>nd</sup> November proposals were 'take it or leave it', would get no better and could be withdrawn if not agreed.

### **Points:**

- There are no negotiations going on.
- Government statements suggest it has stopped negotiating.
- Absence of meetings confirm this
- Unions are prepared to meet and negotiate.

## STRIKE

Government has known about potential strike since ballots were announced on 15 September. Some unions/members are striking who have never or rarely done so before (head teachers, education psychologists, radiographers, senior civil servants – not the usual suspects). Maude said government would agree a short (15 minute) strike. Alexander said strike will cost £500m, fantasy number. Unions have been and still are agreeing emergency cover to protect the public. New members are joining unions to join strike. BBC poll 28<sup>th</sup> November shows 61% of public support strike.

### **Points:**

- Government using strike/unions to deflect from economic woes.
- Not militant union ballots – it's a members' strike.
- Unions striking responsibly, protecting the public.
- Public supports strike more than the media thinks.
- Government statements increasingly wild.

## THE OFFER

**Pay more, get less, work longer.**

### **Points:**

- Average 50% contribution increase, unaffordable, too much.
- 'Protection' for low paid disadvantages part-time women
- £15,000 is full-time equivalent not actual pay).
- People will opt out of schemes, future benefit reliance.
- CPI change means every public sector worker (6m people) and former worker (another 6m) gets less.
- A higher retirement age is impossible for many front line staff.
- A higher retirement age will increase youth unemployment.
- Alexander claims lower and middle earners will be better off in retirement – not true – he uses working longer and retiring later (ie longer service) for his proposals but not for existing schemes.

**Example:**

*45 year old school dinner lady with 5 years' service working part-time earning £8,000*

Annual pension under the current LGPS taken at 65	£3,333
Annual pension under the govt proposal taken at 65	£2,933 (£400 a year less)
Annual pension under the current LGPS taken at 68	£4,551
Annual pension under the govt proposal taken at 68	£3,879 (£672 a year less)

In addition, she would have paid out an **additional £5,500** in extra contributions by her retirement age of 68 (if she was able to work that long).

**THE PRIVATE SECTOR**

Average occupational pension in UK = £8,740, average public sector pension = £5,600.

14m people not saving for retirement is the real problem

**Paul McCarthy, GMB North West & Irish Regional Secretary** said “There are six reasons GMB members are on strike in the public services on November 30<sup>th</sup>. GMB regret the inconvenience that the stoppage will cause but our members have been left with no alternative but to take this action in the face unilateral action by the government to reduce pensions and increase people pay towards them.

Cuts in how pensions in payment are increased means that 12million people in the UK are already losing out from this government's cuts to public sector pensions.

Government's £4billion raid on public sector pension scheme members through 50% contribution hikes and benefit cuts will force thousands of current scheme members to stop saving for their retirement

Government's approach threatens to destroy the Local Government Pension Scheme by pricing members out of the scheme causing councils to make further cuts to local services or raise council tax to ensure there is enough money to pay today's pensions

No private sector employee or pensioner will be a penny better off as a result of cuts to public sector pension schemes, Government's plans simply lower the standard of pensions for all

Future generations need decent occupational pension schemes to save in, it would be irresponsible of GMB members in the public sector NOT to defend their good quality, sustainable pension schemes

Government has left it too late to start negotiating and hasn't put a tangible proposal forward. We want to negotiate rather than strike but the government won't play ball.”

## ADVICE FOR MEMBERS REGARDING STRIKE ACTION

### Why YOU should NOT be in Work Tomorrow 30th November 2011

**Unless you are clearly not covered by this dispute, or have a legitimate exemption authorised by the Trade Union, there is no valid reason for YOU to be in work tomorrow. Think about it...**

*"I'm not in a Trade Union"* – This dispute covers all staff from the public sector, whether you are in a trade union or not, and you can still join, even at the picket lines, and take part with your colleagues. Every employee is entitled to be a member of the pension scheme so this dispute affects everybody.

*"I've been threatened with disciplinary action if I strike"* – tell us who made the threat and we'll put in a grievance and consider legal action. This is a lawful strike in accordance with legislation.

*"I can't afford it"* – we all lose money through striking.

*"I care too much about the service"* – We **ALL** care about the service. That's why we still do the job even though our Pensions are being attacked. That's why we want a fair public sector pension. **This is a strike for the public and the people we serve each day.**

***In fact, you have every reason not to be in work.*** If you cross the picket lines tomorrow you will be helping to prolong this dispute. You will be helping create bitterness between colleagues. You will be helping create an artificial and unnecessary division between workers. Artificial because this dispute is all of ours, after all you will still have the protection to your Pension that your colleagues are striking for. Unnecessary, because you have it in your control to do otherwise. It's not just a 'matter of conscience'. It's also about practical concerns. If you don't cross the picket lines tomorrow and stand with your colleagues – then you are doing the right thing.

**And think on... if you cross the picket lines tomorrow you are sending out a clear message that YOU will not fight for your Pension. How will this message be taken?**

**Is it more or less likely to encourage further attacks on your Pensions, pay, conditions and agreements?**

**Is it more or less likely to get our agenda heard on fair employment, fair funding and the rest of our employment and social policies?**

Real issues which have a real and profound effect on YOUR standard of living and the way YOU, YOUR family and YOUR friends receive essential public services.

And will you still cross the line when the next fight comes, or the one after? Because come they surely will. And at what point will there be no line left to cross, because there's nobody left to form the line?

Please think again before you go into work tomorrow. Please think very carefully because there really is a great deal at stake. Don't cross the line, join your colleagues on the line. **Fight to protect your Pension. It's YOUR fight. It's ALL OF OURS.**

**IF YOU ARE NOT A MEMBER OF A TRADE UNION AND WISH TO BE PROTECTED TO TAKE PART IN THE INDUSTRIAL ACTION PLEASE CONTACT GMB REGIONAL OFFICE (0151 727 0077) or in Northern**

Ireland GMB HOLYWOOD OFFICE URGENTLY (02890 393340) TO COMPLETE AN APPLICATION FORM. [Alternatively join on line www.gmb.org.uk/join](http://www.gmb.org.uk/join) or [www.gmbnorthwest.com](http://www.gmbnorthwest.com)