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## DEPARTMENT OF EDUCATION AND SCIENCE

ELIZABETH HOUSE, YORK ROAD, LONDON SE1 7PH

TELEPHONE 01-928 9222

FROM THE SECRETARY OF STATE

Pine Munks

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

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27.

30 January 1985

*Jan Myles.*

*JK*

## TEACHERS' PAY (ENGLAND AND WALES)

You will have seen press reports of yesterday's Burnham proceedings. This letter offers the key facts about proceedings.

The day opened with the teachers steadfastly refusing to return to the working party talks on pay structure, duties and conditions of service. Instead, they pressed the employers for a quantified offer. There then followed a very long withdrawal during which various proposals were canvassed within the management panel. My representatives used my weighted vote to support a suggestion by the independent Chairman that the meeting adjourn until another day, since at that stage there were beginning to emerge informal proposals to offer an increase of up to 4% or arbitration. They carried that vote at some cost in terms of employer goodwill, but the ploy failed when the teachers refused to adjourn. Eventually, five hours into the management panel withdrawal the employers in separate session evolved a proposal to offer 4% (in the expectation that it would be refused) and (on that assumption) arbitration. My representatives opposed that motion reminding the employers of the risks of a high pre-arbitration offer, of the risks of arbitration itself and of the financial background against which the employers would have to meet any arbitration award. But they were out-voted by a unanimous employer block vote.

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The 4% offer was duly made in full Burnham and rejected by the teachers without withdrawal. The offer of arbitration then followed. That too was rejected, after a withdrawal for consideration by the teachers.

It is not clear where matters will go from here. I imagine that the employers believe that they have established quite a strong defensive position, and that they may look to public opinion to bear on teacher union attitudes. No date has been arranged for the next meeting, though there are hints that the teachers may requisition one within a fortnight, as they are entitled to do under the rules. How fast and how successfully they will move to induce disruption in schools is uncertain.

Copies of this letter go to the Prime Minister, members of E(PSP), the Secretaries of State for Scotland, Wales and Northern Ireland and to Sir Robert Armstrong.

*Yours,*

*Kear*

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