



NUT Pensions Ballot Your Questions Answered

Why are we being balloted?

The Government is planning to cut your pension. They want you to pay more, work longer and get less. Pensions are deferred pay, so you are effectively being asked to take a pay cut.

In 2005 and 2006, we saw off Government threats to our pensions by standing together and being prepared to take action. If you want a future with a decent and affordable pension then you have to be ready to do so again.

Now is the time to take action. We want to change the Government's mind **before** it imposes these unnecessary changes to our pensions.

Why is this the right time to ballot?

The NUT is fully involved in talks with the Government. We would much rather settle the matter through negotiations but so far the Government hasn't backed down on any of its proposals to attack our pensions.

We believe the Government is not taking these talks seriously at all.

For example, they haven't carried out the valuation of the Teachers' Pension Scheme, required by law, which would demonstrate the actual costs of our pensions.

And with no negotiation whatsoever they have implemented the change from RPI to CPI from April this year. Retired teachers have already lost out as a result of this change despite both governing parties promising no changes to accrued pension rights in their manifestos.

The Government is still planning to finalise their proposals to increase our contributions by June this year – a pensions tax that will amount to a more than 3 per cent pay cut. Although there are talks about this increase they are only about how to distribute the increase between different public sector workers – this could easily result in a further increase in the amount teachers have to pay.

Now is the time to take action. We will continue to talk to the Government, but we are balloting to take action to help us get a fair deal for teachers. The NUT and ATL want to change the Government's mind **before** it goes further in imposing these unnecessary and unfair changes to our pensions. This ballot for action can help persuade the Government to abandon its attack on our pensions.

Delaying further means no action could be taken before October – by when the Government will have put many of these changes into law.

Will a strike ballot have any effect?

Yes! The NUT firmly believes it will. We've made your case to Government and it's a very strong case. It is important that the Government now sees the strength of feeling amongst teachers on the issue.

The huge demonstration on March 26th has made Government think again – at least on the health service changes. Building on the momentum of that demonstration with our plans for action in the summer can make the Government re-think on pensions too.

Is it appropriate to ballot for strike action while negotiating?

Yes it is. To wait until negotiations have failed would be too late. And, by showing the strength of feeling among teachers, successful action will help our negotiators enormously.

What happens if the negotiations are successful?

If the negotiations are successful and we can reach an agreement, then the NUT will call off any strike action. But we don't think there is any chance of them being successful without the threat of industrial action.

What would the Government have to do for the NUT to call off strike action?

The Government would have to do the following for the NUT to call off action:

- withdraw its unfair proposals to increase contributions;
- withdraw the RPI/CPI switch;
- carry out the valuation of the Teachers' Pension Scheme (which is now a year overdue) on the same basis as it has been carried out previously ; and
- follow the 2006 agreement in discussing and deciding what changes if any are needed.

What are the main issues facing teachers?

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

The Government wants to put up your contributions by more than 50 per cent – from 6.4 per cent to 9.8 per cent of salary.

Exactly how much you'd have to pay depends on how much you earn. An NQT would have to pay up to £60 a month extra and a teacher on UPS3 up to £100 a month. Teachers who earn more than that would have to pay 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 57 or less would have to work to 66 and anyone aged 42 or less to 67.

As an example, if you are 50 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 £1,300 per year from your pension and £4,000 from your lump sum, due to the actuarial reduction applied to that part of the pension you would build up between 50 and 60.

How much less would I get in retirement?

The Government has already imposed one cut. From April 2011, pensions will now be increased annually by the Consumer Prices Index (CPI) rather than the Retail Prices Index (RPI). This change will affect existing and future pensioners alike and will cost you about 15 per cent of your total income during retirement.

For example, a teacher retiring on a £10,000 pension would lose over £35,000 over the course of a 25 year retirement. This is in addition to any losses already suffered as a result of continuing to retire at 60.

What about career average pensions?

The Government is also thinking about changing public sector pensions from a 'final salary' to a 'career average' system. That would base your pension on your average pay across your whole career. 'Career average' pensions can sometimes be fairer, but it depends on how they are implemented. The NUT suspects the Government will use career average as another way of cutting spending on pensions.

How can I find out what I would lose?

Go to the NUT's pension loss calculator at www.teachers.org.uk/pensions to find out how much the contributions rise would cost you now; how much longer you would have to work for a full pension; and how much you might lose over the course of your retirement.

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

The NUT's agreement with the Government in 2006 made changes to the Teachers' Pension Scheme that made it sustainable for the long term. The National Audit Office has confirmed that the cost of public sector pension schemes will fall as planned. Lord Hutton's final 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.

This agreement made provision for teachers to pay more for their pensions, or for other changes to be made if the valuation requires it. This shows the willingness of teachers to accept their share of any increasing costs – but the Government wants to abandon that agreement and impose changes without any informed basis from a valuation and, for the move from RPI to CPI, without any negotiations at all.

Are teachers' pensions "goldplated"?

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.

Is the NUT the only teacher union proposing to ballot for strike action?

No. The ATL has also agreed to ballot its members for strike action. The UCU (university and college lecturers' union) has already taken one day's strike action and will take action with us again in the summer term if it is needed.

The NUT is working to secure unity of purpose among the teaching profession. All of the teacher unions have expressed the same opposition to the Government proposals. Other unions and their members will have to take their own decisions about how and when to show their opposition but we believe that a strong stand by the NUT will encourage them as well as showing the Government the strength of opposition among NUT members.

Who is being called on to strike?

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;
- teachers in local authority central services, paid as teachers and eligible for the TPS;
- teachers in academies;
- teachers in sixth form colleges, FE colleges and post-1992 universities, which are all part of the TPS; and
- teachers in independent schools which have been admitted to the TPS.

It excludes supply teacher members, members in other independent schools, and members not employed as teachers and not eligible for the TPS e.g. Soulbury paid members, administrators, learning assistants etc.

Does the NUT plan to take further strike action?

The NUT ballot asks members to support "discontinuous strike action" commencing with a day of national strike action. If the Union decides it is necessary to take further strike action, then a further ballot of members is not required, although the NUT will obviously consider the situation carefully and consult members before any further action takes place. A lot will depend upon the attitude of the Government, which has the power to end the dispute by withdrawing its proposals and reaching a negotiated outcome.

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.

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.

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