

The alternative

The monthly campaign newsletter from PCS | June 2011

This issue of *The alternative* looks ahead to the historic co-ordinated strike by public sector workers planned for 30 June to defend jobs, pensions and pay. Read the latest on the pensions robbery.

United we can win



30 June will be a historic day for the British trade union movement. PCS members will be at the head of the biggest mass strike for decades.

Hundreds of thousands of trades unionists will join picket lines in protest at attacks on pensions, jobs, pay and public services. Thousands more will be at solidarity rallies and meetings across the UK.

Education workers are joining civil servants to take action because both face paying higher pension contributions and working longer for less.

Acting together public sector employees can stop the government's unjustified assault.

The arguments are clear. The civil service pension schemes

were renegotiated by unions working together in 2005 and are sustainable. In fact the costs are falling.

The extra contributions will go straight to the Treasury, where the government will use the money for deficit reduction rather than growing the economy.

See the centre pages of *The alternative* for more details of the pensions robbery.

The government wants one-in-five jobs to be cut while redundancy pay is slashed; everyone to work to 68 for a much smaller pension; and pay frozen while inflation soars.

We demand no compulsory redundancies with fair pay-offs for volunteers; pensions based

on the agreement made in 2005; and pay to keep pace with inflation.

The coalition has already watered down its attacks on public forests, coastguards and the health service because of public pressure.

On 30 June it's time to take a stand outside offices, schools, museums and other government buildings to defend public servants and public services.

What you can do:

- Make sure all your colleagues are in the union
- Volunteer to help on the strike day – join the picket line or hand out leaflets
- Go to local rallies and meetings in support of the strike.

Striking success

Trades unionists who stick together can win.

In 2005 public sector unions, including PCS, co-ordinated their action and voted to strike over pensions. The government scrapped plans to increase the retirement age.

In April this year PCS members at the Driving Standards Agency voted to strike over cuts.

Before the planned action could take place bosses guaranteed no compulsory redundancies until at least the end of March 2012.

Plans to privatise a call centre in Newcastle were also ruled out as part of the agreement, and management gave a commitment not to close driving test centres without negotiation and agreement with PCS.

In January of this year members of Unite at Heinz in Wigan won a significantly improved pay rise and an early deal for next year after four days of strike action.

In May the RMT transport union won the reinstatement of sacked London tube driver Eamonn Lynch when his colleagues threatened strike action.

Them and us Rich Lords target pensions



Lord Turner

Baron Adair Turner, chairman of the pensions commission 2003–2006

He gains:

£482,442

Wages and benefits earned last year for chairing the Financial Services Authority

£243,000

Wages in 2007 from non-executive directorships at Standard Chartered bank and UBM media

£85,104

Value of UBM shares he was awarded in 2007



Lord Hutton

Lord Hutton headed a commission into public sector pensions 2010–2011

He gains:

£1 million

Estimate of public money earned in 18 years as a Labour MP

£64,776

'Re-adjustment' cash payment he took after quitting parliament last year. He had several other jobs lined up

£37,000

MP's annual pension

£4,000

Monthly pay for a three-day week while doing pension review



Sue Ghani

Sue Ghani is a 34 year-old Land Registry worker and PCS member from Lancashire

She loses:

7 years

The extra time Sue will have to work to take her full pension

200%

Minimum rise likely in Sue's monthly pension contributions from £30 to £90

£126,000

What Sue will lose if she retires at 60, because of changes to indexation and the pension age



Paul Kenneally

Paul Kenneally is a 55 year-old enforcement officer with the Gangmasters Licensing Authority from Lincolnshire

He loses:

5 years

The extra time Paul will have to work to take his full pension

£6,000

Extra contributions Paul will have to pay over the rest of his working life for a smaller pension

£45,000

What Paul will lose if he retires at 60, because of changes to indexation and the pension age

Photos: (left to right) Getty Images, Press Association Images

Photos: (left to right) Paula Solloway, John Birdsall

Government document shows plans to demolish pensions

An unpublished discussion paper prepared for the Treasury by chief secretary Danny Alexander confirms that the government has accepted Lord Hutton's recommendations on reforming public sector pensions.

Hutton's public services commission spent nine months examining pension schemes covering civil servants, teachers, local government and NHS workers, the police, armed

forces and firefighters. In March the coalition government promised to give the final report "careful consideration".

Alexander's paper commits the government to having its final proposals in place by autumn, followed by legislation to ensure that changes are implemented quickly.

With no signs of dissent on the issue by either Tory or Liberal Democrat MPs, then only the organised opposition of

trade union members stands in their way.

The paper states that public service pension provision – in the world's sixth largest economy with a gross domestic product of £1.3 trillion – should not be 'a race to the bottom'.

But the basic premise is to ask workers to contribute more over a longer period and then receive less in return.

The government also plans to cut its own contributions

“The basic premise is to ask workers to contribute more over a longer period and receive less in return”

and pave the way for future further increases in workers' payments.

And employees in voluntary sector bodies and housing associations will be banned from joining any future schemes.

If forced through the changes will:

- Bring the normal pension age of public sector pensions members in line with the state pension age, which by rising

steadily over the years will reach 68 by 2044

- Cut by 30% the amount a new civil servant can expect from their pension with decreases for those who've already been paying and who will be moved from the final salary scheme when it is replaced by a career average revalued earnings scheme
- By seeking to protect those earning less than £15,000

a year from paying more expect those on a £1 more to contribute at least 3.3% extra per annum

- Change the uprating of public sector pension entitlements from the retail price index to the consumer price index. Both parties in the coalition government promised, during the election, not to do any such thing. Over the last decade the CPI has on average been 0.8% less. The

estimated loss for a public sector pensioner.

The government also wants to impose a fixed ceiling on their contributions – which could mean workers having to bail out the scheme in the future.

- **To calculate your own pension changes go to pcs.org.uk/pensions There is an alternative, see pcs.org.uk/alternative**

Why I'm striking on 30 June...



"Our grandparents and parents fought for these terms and conditions. We have a duty to defend them."

Eric Rothery, 53, PCS regional liaison officer at the Ministry of Defence, Malvern



"It's now or never if we want to stop the government decimating our public services and destroying

500,000 jobs." **Louise Reynolds**, 27, a local Youth Justice Board PCS rep in London



"We need to show the government that we will stand up for our working conditions and not just roll

over." **Fidel Mclean**, 25, PCS industrial relations rep at Peckham Jobcentre Plus

For more details see pcs.org.uk/30June

It's official – they're giving us nothing

Public sector pay rose by 0% in the first three months of 2011 – the first time there has been no rise at all since records began in the 1960s.

Figures compiled by respected research group Income Data Services (IDS) found that in the same period private sector pay went up by 3%. Many PCS members are in the middle of a two-year pay freeze while inflation has been running at about 5%.

The union is calling for fair pay rises as a way of stimulating the economy.

Mark Serwotka, PCS general secretary, said: "A quarter of a million PCS members are about to take industrial action to defend their pay, jobs and pensions.

"This report from Income Data Services will strengthen people's determination to take part and win fair pay.

"Prices are rising by around 5% which means public sector workers are suffering a big cut in living standards – 10% over a two year pay freeze.

"There is an alternative. The government should be encouraging pay, benefit and pension rises to stimulate demand in the economy.

"This could be funded by clamping down on just a fraction of the hundreds of billions of pounds of tax that is evaded, avoided, or uncollected every year."

A few days after the IDS report Scottish Power announced a 19% rise in gas prices and a 10% increase for electricity. Food prices in the year to April rose by 4.9%.



Fighting for every job

Across the country PCS members are battling to save jobs and the public services they provide.

- A campaign has started to stop **Hewlett Packard** exporting 200 government IT support jobs from Newcastle, Lytham St Annes, and Sheffield to India
- PCS and Unite members have been taking joint strike action to highlight plans by the **Equality and Human Rights Commission** to cut more than half their staff
- MPs are being lobbied to stop

the axing of hundreds of jobs in the **Forestry Commission** before an independent panel on the future of the forests has reported

- Coastal communities have held protests at plans to close nine **coastguard stations** with the loss of 200 jobs. The government has hinted the proposal will be watered down
- 100 jobs have been preserved by a PCS campaign to keep a **passport office** in Newport, South Wales – but the union is still battling to save all the posts under threat.

Read all about it...

- The best coverage of the historic strike on 30 June will be on the PCS website and social media pages
- Join the Facebook group 'PCS union members' and post updates, links and pictures
- Find the latest news by visiting pcs.org.uk/30June
- Follow PCS on twitter at @pcs_union
- Tweet your own news from the picket line with the hashtag #30June

There is an alternative

In every workplace there will be people who are unsure about supporting the strike.

It is important to explain to them that the cuts are a choice and not a necessity.

The government could find the money to fund public services and to protect the jobs, pensions and pay of public servants.

PCS has drawn up detailed alternative economic proposals:

- Create jobs to boost the economy and cut the deficit. Axing jobs will damage the economy and increase the deficit
- We should invest in socially useful projects like housing, renewable energy and public transport
- There is a £120 billion tax gap of evaded, avoided and uncollected tax
- Instead of cutting jobs Revenue and Customs should employ more tax compliance officers – each one collects £658,000 annually
- The UK holds £850 billion in banking assets from the bailout – this is more than the national debt
- End the use of consultants.

Visit pcs.org.uk/alternative to read the union's economic alternative