

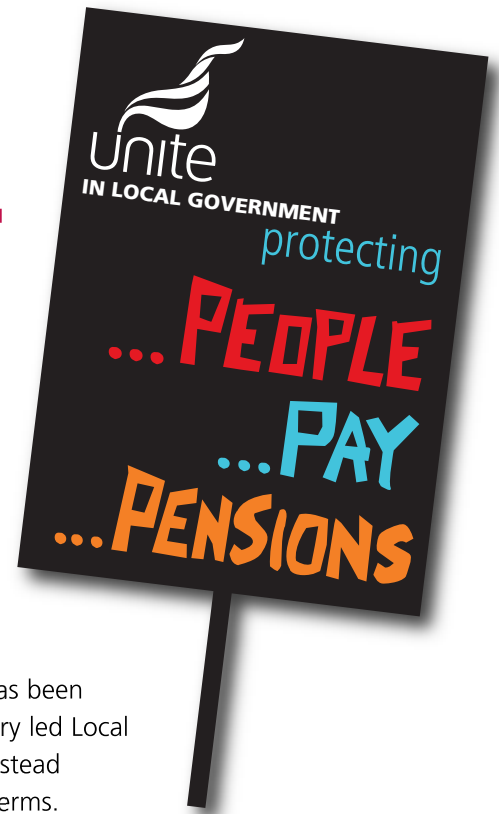
FAIR PAY FOR LOCAL GOVERNMENT WORKERS

Over the past 18 months there has been a clamour in the press, among right wing think tanks and in the Conservative party to slash public spending and hack back public services. In December 2009 a collection of respected economics professors, led by Prof. David Blanchflower, wrote that:

"Reducing the deficit now through spending cuts would undermine the recovery and ultimately damage the public finances further."

One of the most common targets for attack, by those arguing for spending cuts, has been public sector pay. This is already hitting those working in local government – the Tory led Local Government Employers have not taken part in meaningful negotiations this year, instead telling the trade unions they want to impose a pay freeze. This is a pay cut in real terms.

Local government workers did not cause the economic crisis – they should not have to pay for it.



WHY UNITE BELIEVES LOCAL GOVERNMENT WORKERS DESERVE BETTER

Local government workers face a fall in living standards

- The trade unions asked for 2.5% pay increase or £500, whichever is the greater. This would help the lowest paid more. Inflation has risen sharply to 3.7% and it is predicted to remain high throughout the year and will hit 3.9%, though some predictions are that inflation will go above 4%.
- Approximately 30,000 local government workers earn less than the average British wage of £21,320. Over half of people working in local government work part-time so earn a lot less than this. As inflation climbs people will be left struggling to cover essential living costs.
- Local government workers have worked harder during the recession and also a very difficult winter to provide community services such as the gritting of roads and footpaths, housing advice and maintenance, social care, youth services, school catering, library facilities, refuse and recycling collections.

A fair pay award is affordable

- Most councils have budgeted for a pay rise of 2% and the settlement for local government from central government is for a 4% increase in funding. According to data supplied by councils themselves, they started 2009/10 with more money in reserves than at the start of 2008/09. Unallocated reserves stand at £3 billion. Where has this money gone?
- Research from the Association of Public Service Excellence found that council employees re-spent 52.5p from every £1 within the local economy and local suppliers, whereas the council re-spent 30.8p in every £1 in the local economy. Cutting local government pay is not a 'saving' – it is a cut in the money being invested in local communities and the local economy.

A fair pay award will improve morale

- Public service workers provide public services. Fair pay in local government will help to recruit and retain dedicated staff who work hard to deliver local services. Motivated staff are at the heart of quality local services – a pay freeze now after the past few years of low and below inflation pay awards will damage morale further.

