

COMMENTARY ON THE DEPARTMENT OF EDUCATION AND CHILDREN'S RESPONSE TO THE NASUWT ISLE OF MAN PAY CLAIM

In November 2016, the NASUWT submitted a detailed pay claim to the Department of Education and Children (DEC) following many years of pay freezes and derisory pay increases. Amongst other evidence, the pay claim clearly showed how teachers in the Isle of Man were worse off compared to teachers in all parts of the UK and the Channel Islands, and how Manx teachers were also worse off compared to other Manx Government employees.

The DEC response unfortunately fails to address the seriousness of the situation and, rather than considering the claim in good faith, instead seeks to attack its validity.

The following is a commentary on the DEC's response.

Opening paragraphs and Section 1

The DEC states that the NASUWT previously agreed to the policy that England and Wales pay rises are reflected in the Isle of Man. This ignores the fact that the Union has raised serious concerns about the pay and appraisal system and has been lobbying for a complete review for a period of time, which the DEC has repeatedly delayed. It also ignores the fact that the DEC itself failed to implement the link in full by denying teachers on M6 a 2% uplift in 2015, which only the NASUWT argued for.

As justification for this position, the DEC relies on guidance which states that not all teachers should expect the 2% increase. The unfortunate truth, which the DEC fails to mention, is that no Manx teachers received 2%. For comparison, the vast majority of local authorities in England and Wales and multi-academy trusts in England paid 2% to all teachers on M6.

The DEC then states that the cost of this uplift would have been £33,000. This is a mere drop in the ocean of the DEC's budget of over £90m and it is quite frankly ridiculous to suggest that this measly sum would result in a reduction in posts.

Section 2 – Context

The NASUWT is concerned that the DEC seeks to downplay the recruitment and retention problems facing the island. The Union is aware that significant numbers of members are teaching outside their specialisms, and schools have struggled to recruit new teachers. The Union does, however, welcome some of the steps that the DEC has employed to recruit teachers, but the DEC fails to recognise that pay is possibly the most significant factor in attracting teachers to the island.

The DEC claims that it is 'inaccurate to state the Department prefers imposition over negotiation and consultation'. The NASUWT has attempted, in good faith, to work with the DEC on, amongst other things, the pay and appraisal process, partnership working, and reforming the relationship between trade unions and the DEC. At every step the DEC has stalled, filibustered and procrastinated to prevent progress being made. A prime example of the DEC's attitude towards talks is the ongoing dispute at Ballakermeen High School.

Section 3 – Isle of Man Teachers' Pay since 2010

The DEC refutes the use of the Retail Prices Index (RPI) inflation measure, preferring instead the Consumer Prices Index (CPI). This use of CPI is a common ruse of governments to limit pay uplifts, as CPI gives a lower figure. However, the vast majority of private sector employers use RPI to gain the most appropriate figure. Whatever measure is used, the fact remains that Manx teachers are still worse off in real terms than their counterparts in all other relevant jurisdictions.

The DEC also points out the beneficial tax rates compared to the UK. Whilst it is true that the income tax rate is lower in the Isle of Man compared to the UK, this does not, in any way, affect the magnitude of the

real-terms cuts Manx teachers have experienced. The DEC also ignores the fact that the Channel Islands also have beneficial income tax rates compared to the UK, and have no VAT or National Insurance.

The DEC also draws attention to the difference in health care services between the Isle of Man and Channel Islands, stating: 'there are additional costs that need to be met in both Jersey and Guernsey which are free on the Isle of Man, such as health care and dental services, where with the exception of A&E services all need to be paid for'. It is only primary health care for which charges are levied in the Channel Islands; all hospital treatment under the care of a consultant would be free for teachers, and, as noted above, the Channel Islands do not levy National Insurance, instead having Social Security charges of around 6%, which is roughly half the level of Manx National Insurance, thus giving a significant boost to take-home pay. Additionally, once someone has worked in Jersey for six months, all prescriptions are free, and a discount of £20 is applied to GP costs. Guernsey prescription charges are slightly lower than the Manx prescriptions.

Contrary to the DEC's assertion, neither Jersey or Guernsey are planning wholesale changes to teachers' pay. Whilst it is true that Jersey is looking at starting salaries, no formal proposals have yet been brought forward. And again, whilst the DEC seeks to highlight the extra living costs in the Channel Islands, these costs have not changed significantly since 2010, whereas teachers in these jurisdictions have received substantially higher uplifts to their pay than Manx teachers.

The DEC also attempts to gloss over the fact that other Manx Government employees have received substantially higher uplifts than teachers, conveniently stating, 'The Public Services Commission is, of course, a different employer and outside the control of the Department'. This presumably means that it too would have been limited to 1% if under DEC control.

Section 4 – Affordability

Although the DEC quotes the press report that the Government needs to save £35m, the most recent budget figures clearly show that substantial revenue surpluses are projected over the next two years. This also does not alter the fact that the Manx Government has been able to fund substantially higher pay uplifts for all other pay groups.

Section 5 – Teachers Supply

In this section the DEC seeks to both downplay the scale of the recruitment issues facing the island and go into great detail as to the lengths they are having to go to in order to attract teachers to the island, thus giving an inconsistent argument.

The NASUWT would agree that there is much to celebrate on the Isle of Man. It is unfortunate, however, that pay and appraisal systems are not part of these.

Section 6 – Wider Economic and Labour Market Conditions

The DEC is entirely accurate that much of the data in this section relates to England. Indeed, this is explicitly stated in the pay claim and is due to the fact that Isle of Man-specific data is not available.

The DEC then accuses the NASUWT of 'cherry-picking' data, whilst doing exactly that by ignoring the fact that house prices are higher in the Isle of Man than the vast majority of the UK. Whilst it is true that the Channel Islands have significantly higher housing costs, in terms of multiples of annual salary house prices they are equivalent, or even lower, in the Channel Islands than the Isle of Man.

For example, the cost of a flat in Jersey is six times the annual salary of a NQT, whereas in the Isle of Man a flat costs eight times a NQT salary.

Section 7 – Equality Impact

Whilst accusing the NASUWT of cherry-picking data, the DEC presents equality data that is completely bizarre. In answer to the Union's assertion that a gender pay gap exists, the DEC puts forward figures that show equal numbers of males and females in school headship roles, but this takes no account of the fact that women substantially outnumber men, especially in the primary sector. Rather than proving there are no equality issues, the figures clearly show a huge over-representation of males in headship roles.

Section 8 – Conclusion

The DEC then concludes by stating that it is willing to explore moving away from England and Wales pay scales provided the 'figures are amended', presumably to ones more palatable to the DEC rather than ones that are an accurate representation of the current pay situation.