Government’s new public sector pay committee disturbs unions

By Colin Parish

Union pay negotiators are furious about the creation of a government committee to oversee public sector pay awards. They are convinced that chancellor Gordon Brown is determined to suppress pay awards and that the creation of the committee could deal a fatal blow to the review body (RB) system.

Amicus, parent union of the Community Practitioners’ and Health Visitors’ Association, said it may call for the RB system to be scrapped and replaced by a return to free collective bargaining.

The RCN expects the committee to consider only the financial implications of giving nurses a pay rise, whereas the RB has always taken a broader view about the state of the nursing labour market.

Independence

Unison is less concerned, saying that it has always had faith in the RB to maintain its independence regardless of government interference.

The Public Sector Pay Committee has been set up by the Treasury. Its creation was announced in November in the small print that accompanied Mr Brown’s pre-budget statement, but the implications of the move are only hitting home to unions now.

The committee will ensure that all new pay structures are evidence-based, represent value for money and are financially sustainable over the long run, including taking account of the pensions implications of new pay decisions.

“We placed our trust in the independent, analytical review we were promised’

A Treasury spokesperson said the new committee would formalise the government’s consideration of RB recommendations. He said the Treasury was not interfering and the final decision on pay would still rest with the RB.

The committee will be chaired by a senior official from the Cabinet Office with members representing the Treasury and 10 Downing Street.

Amicus head of health Gail Cartmail told Nursing Standard: ‘The RBs were established to take party politics out of public sector pay decisions. We placed our trust in the independent, analytical review we were promised’. ‘I predict there will be a groundswell of opinion among our members for reverting to more traditional collective bargaining.’

RCN head of employment relations Josie Irwin said the new committee would be a hindrance rather than a help.

‘I suspect its purpose is to limit public sector pay and that it will be narrowly focused on finances rather than considering wider issues such as recruitment and retention,’ she said.

‘The RB is stuffed full of economists and it makes recommendations based on evidence which it scrutinises with a degree of rigour. Creating this committee begs the question “why have an independent pay RB”? Why have a bunch of civil servants, who may or may not have the same credentials but certainly do not have the same level of independence, do it all over again?’

The nurses’ RB is expected to deliver its recommendations to the prime minister within days. It is then up to the government in each UK country to decide whether to implement any rises.