Pay more, work longer, get less!

The Teachers’ Unions in Northern Ireland are united in opposing changes to your pension which will cost you more, while working longer and make you poorer in retirement.

CHANGE FROM RPI TO CPI
The decision to change pension indexation from the Retail Prices Index (RPI) to the Consumer Prices Index (CPI) will have a profound impact on the value of our members’ pensions in retirement. Even Hutton conceded that it could cost members 15% over the duration of their retirement.

HOW WILL THESE CHANGES AFFECT YOUR POCKET?
In order to meet the government’s plans to raise revenue from teachers, it is proposed that from 2012 tiered contribution rates are introduced. Currently teachers pay 6.4% towards their pension, from April next year all teachers are expected to pay between 6.4% and 8.8% towards their pension depending on their full time equivalent salary:

Examples:

<table>
<thead>
<tr>
<th>Gross Annual Salary</th>
<th>Current Monthly 6.4%</th>
<th>Potential Increase to 9.6%</th>
<th>Additional cost per month</th>
</tr>
</thead>
<tbody>
<tr>
<td>M1 £21,587</td>
<td>£115.13</td>
<td>£172.69</td>
<td>+£57.56</td>
</tr>
<tr>
<td>M6 £31,551</td>
<td>£168.27</td>
<td>£252.41</td>
<td>+£84.14</td>
</tr>
<tr>
<td>UPS1 £34,120</td>
<td>£182.29</td>
<td>£273.44</td>
<td>+£91.15</td>
</tr>
<tr>
<td>UPS3 £36,755</td>
<td>£196.02</td>
<td>£294.04</td>
<td>+£98.02</td>
</tr>
<tr>
<td>UPS3+TA2 £40,488</td>
<td>£215.94</td>
<td>£323.90</td>
<td>+£107.96</td>
</tr>
<tr>
<td>Leadership6 £42,378</td>
<td>£226.02</td>
<td>£339.02</td>
<td>+£113.00</td>
</tr>
<tr>
<td>Leadership12 £49,129</td>
<td>£262.02</td>
<td>£393.03</td>
<td>+£131.01</td>
</tr>
<tr>
<td>Leadership20 £59,808</td>
<td>£318.97</td>
<td>£478.46</td>
<td>+£159.49</td>
</tr>
</tbody>
</table>

Should these changes be imposed the NI teaching unions will have to consider taking industrial action.

FIND OUT MORE
For further information and updates on the NITC Pensions campaign see:

- www.atl.org.uk
- www.into.ie/NI/
- www.naht.org.uk
- www.teachersunion.org.uk
- www.utu.edu

Don’t forget to ensure that your union membership details are up to date.
TEACHERS’ PENSIONS UNDER SERIOUS THREAT

All of the NI teacher unions are united in opposing unnecessary pension cuts which will make our members poorer in retirement.

PAY MORE, WORK LONGER, GET LESS

If the Government plans are implemented by the NI Assembly you will:

- **PAY MORE** – contributions will increase from 6.4% to 9.8% in the next three years
- **WORK LONGER** – normal retirement age will rise to 65 and then to 68 (in line with planned changes to state pensions) and possibly even higher
- **GET LESS** – the replacement of the Final Salary Scheme with a Career Average Scheme will mean you get less pension in retirement.

Impact of Cuts

Teachers are already facing financial pressure from the imposed two-year pay freeze, increases in VAT and National Insurance, the rising cost of living, and the change from RPI to CPI.

The cuts in the overall Education Budget in the next three years will mean:

- Job cuts
- School closures
- Less resources
- Bigger class sizes

Meaningful Negotiations Needed

Responsibility for teachers’ pensions in Northern Ireland rests with the NI Executive. The agreement of the NI Executive will be required to implement changes to the NI Teachers Pension Scheme (NITPS). If the Northern Ireland Assembly imposes the proposed changes, and simply follows what the Westminster Government tries to impose on UK pension schemes, the teacher unions will, with regret, have no other option but to consider taking industrial action.