

# Work to 66 and pay more for pensions, minister tells unions

## Public sector fury at tough Treasury line

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Firefighters, top civil servants and head teachers last night threatened industrial action over pensions after a Treasury minister sparked the Government's most damaging fallout with the unions since it came to power.

The Fire Brigades Union and the FDA, which represents top mandarins, said they would consider strike ballots while the head teachers' union is to consult members over a co-ordinated walk-out of two million workers.

Brendan Barber, the TUC general secretary was infuriated when Danny Alexander, the Chief Secretary to the Treasury, pre-empted current negotiations by announcing a number of changes to public sector pensions.

In a pre-briefed speech to the Institute for Public Policy Research, Mr Alexander declared that public servants would have to work until they were 66, would have to pay on average 3 per cent more in pension contributions and would lose their final salary pension. He added that it would be a "colossal mistake" to reject the deal which would be the best they could hope for.

An incandescent Mr Barber said most of the detailed proposals by Danny Alexander had not even been put to TUC negotiators. "At such a crucial time in complex negotiations, this is a deeply inflammatory public intervention designed to pre-empt the talks, coupled with crude threats that even worse terms might be imposed if unions refuse to acquiesce."

Union bosses warned Mr Alexan-

der's intervention was likely to fuel calls for strike action. Some threatened to walk away from the talks entirely.

Leaders of the Fire Brigades Union will next week discuss a strike ballot over the changes which will result in firefighters losing tens of thousands of pounds in pension payments.

Matt Wrack, FBU general secretary, told *The Times* that the union's conference this spring had backed a motion to prepare for strike action and this was now almost inevitable.

"Danny Alexander's intervention on pensions blows apart the government's claim to be interested in serious discussions with unions," said Mr Wrack. "His provocative intervention will only escalate matters and make strike action more likely, more quickly."

Jonathan Baume, FDA general secretary, claimed "hardliners at the Treasury" were driving the agenda and doing their best to provoke strike action.

"These negotiations are doomed while the Treasury is in the driving seat, and it is inevitable that there will be industrial action, which would be likely to include the FDA," added Mr Baume. "The blame for this will lie squarely at the door of the Treasury."

Brian Strutton, GMB national secretary for public services, said as the Government had already made up its mind, it would be impossible to stay in negotiations. Over 750,000 public sector workers are already planning to strike over pensions on June 30. Downing Street insiders blamed "over-enthusiastic briefing" from the Treasury as ministers feared that yesterday's row would derail months of careful behind-the-

scenes talks with union leaders.

Francis Maude, the Cabinet Office minister, has devoted huge amounts of time to building up trust with general secretaries. Senior sources insisted that the details remained proposals and that the negotiation was continuing.

However, there was huge irritation at the way the Government had allowed itself to be portrayed as having already made up its mind and nervousness that the unions might use it as an excuse to desert the negotiating table.

Mr Alexander said it was "unjustifiable to ask the taxpayer to work longer and pay more so public sector workers can retire earlier and receive more." He confirmed that 750,000 workers earning less than £15,000 would be exempt from higher contributions

Lavorate fino a 66 anni e pagate più contributi per la pensione, dice un ministro ai sindacati (pds)




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