Teacher pay offer in England worsens financial crisis in education; unions offer no solution

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The Labour government announced its pay offer for teachers in England on July 1, a 3.5 percent increase from September, followed by a further 3 percent increase the following year.

The Department for Education (DfE) announced £1.8 billion in additional funding for schools. The additional money will come from within the DfE's existing budget rather than new Treasury funding, meaning financially strapped schools will still have to fund the first 1.1 percent of each pay rise from existing budgets: around £460 million total.

The government's initial pay offer was a 6.5 percent pay award over 2026-27, 2027-28 and 2028-29. This would have locked teachers into a no-strike clause for three years. The current offer, if accepted, would prevent teachers from striking over pay for two years.

The School Teachers' Review Body (the pay review board), which is meant to be independent, is in reality used to suppress wages according to government demands. Despite this, it warned Labour that the paltry three-year offer of 6.5 percent would accelerate a deep-rooted crisis in the education sector, not being "consistent with an adequate supply of high-quality teachers."

It also reported that "the value of teachers' earnings has reduced since 2010 relative to average earnings across the whole economy, the public sector and other professional occupations."

In response to the pay review, Daniel Kebede, general secretary of the largest teaching union, the National Education Union (NEU), claimed, "pressure from the NEU has forced the government beyond its original pay and funding offer. But let us be clear: a partially funded settlement still means cuts to education, and the NEU will never accept that."

This is empty bombast. Every pay award for teachers for well over a decade has been a partially funded pay award which the unions have accepted and enforced. The current 4 percent pay award for 2025–26, which took effect last September, requires schools to fund the first 1 percent from existing budgets.

Matt Wrack, the recently elected president of the second-largest teaching union, NASUWT, and, like Kebede, a nominal left-winger, responded: "NASUWT argued for a fully funded, restorative pay award that would begin to reverse years of real-terms pay erosion and help tackle the recruitment and retention crisis affecting schools across England. The Government has failed to deliver that ambition."

What was offered to teachers to fight this offensive?

Wrack said, "We will be carefully considering our next steps in light of today's announcement and all options, including possible industrial action, remain on the table."

The call for "careful consideration" is intended to block the development of a confrontation between the unions and the government. With Andy Burnham poised to become Labour leader this Friday and replace Keir Starmer as prime minister days later, most trade unions are backing him and promoting false illusions that Burnham offers change.

Wrack responded to Burnham's leadership challenge in an article, "The new PM needs to fix the crisis in our schools", published by NASUWT in June. He wrote that Burnham "has the chance" to do so. "He must show that a Labour Government he leads can tackle grotesque levels of inequality, create jobs and offer hope to millions of people who may be giving Labour

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its last chance.”

The NEU welcomed Burnham’s winning the Makerfield by-election as proving that victory for the far-right Reform UK in a general election was not “inevitable”. They know full well that Burnham is a right-winger who has made clear that he will not shirk from imposing deep cuts to public services and welfare to fund the war budget.

Kebede nonetheless promoted the illusion that Burnham can be pressured to govern in the interests of the working class, stating, “whoever becomes Prime Minister must set Britain on a different economic path”. He even appealed specifically to the situation in Burnham’s constituency, writing that schools there would be “forced to find £866,842 collectively from their own budgets simply to meet the government’s requirement to fund part of this pay award.”

The NEU initially responded to the new pay offer by calling for a strike ballot. It declared on May 9, “The national executive has decided that a formal ballot of teacher and support staff members will open on 3 October and close on 15 December”. This despite the union already having a mandate from its members for strike action since April. On April 17, the union announced the result of its indicative ballot in which 96 percent of teacher members rejected the original offer of 6.5 percent and 90.5 percent said they were prepared to take industrial action to secure better funding.

The NEU then watered down its rhetoric and on July 10 announced it would contact members to take a snap poll “to ask you if you find the government’s partially funded pay award acceptable and if you’d be willing to take strike action over school funding and pay.” The poll will be open for a week between July 11-17. Many schools across the country will have already closed for the summer break during this period.

The education unions, who promoted the false expectation that a Labour government under Starmer would begin to reverse 14 years of school cuts, now promote the hope that a Burnham-led government can be pressured to represent the interests of their members.

After supporting Starmer into power, and through their policy of wearing down the opposition to austerity by holding endless ballots which are never acted on, the NEU has enabled the Labour government to redirect roughly £300 million from the DfE capital budget over four years to help fund a £15 billion increase in military spending,

The School Cuts website has warned that 75 percent of primary schools and 92 percent of secondary schools will be forced to make cuts in the next financial year as they try to balance budgets, while pupil funding is set to fall to its lowest level in 15 years.

These cuts have provoked a spree of localised industrial action at schools over forced redundancies, bullying tactics, workload and school closures, organised by several unions in the education sector. But these have all been isolated, by the union bureaucracy, aimed at containing anger.

The failure of the unions to wage any effective fight has allowed underfunding to be treated as normal, leaving teaching staff expected to cope with impossible workloads.

The defence of high-quality education for all, provided by respected and fairly rewarded staff, requires more than symbolic protests. Education workers need organisations that are prepared to challenge cuts and unite workers across the education and public sector.

A successful struggle cannot be carried out if the trade union bureaucrats remain in control. Teachers must learn the lessons of the last decades and begin the work of building rank-and-file committees in every workplace and locality on a programme of total opposition, backed by industrial action, to substandard wages, cuts to public services and privatisation.

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