



13 October 2022

Dear General Secretaries,

Thank you for your letter about your concerns over teachers' pay and potential industrial action depending on the conclusion of this year's pay award.

I would like to start by putting on the record that I understand the anger and disappointment that many public sector workers are feeling. I am in no doubt that public sector workers should be fairly rewarded and expecting pay to rise in line with inflation is perfectly reasonable.

However, you will know that it is simply not possible for the Welsh Government to fund such a rise without a substantial increase in our own budget to pay for it. A 12% *fully funded* pay rise would equate to well over £100m, which could only be found from education budgets with comparable cuts year on year, while a 12% *unfunded* pay rise could equate to the loss of more than 1,600 full time teacher positions. It is a disgrace the UK Government has left us in such an impossible position.

The Welsh Government's budget will be worth £4bn less over the three years of the current settlement – £1.5bn lower next year. We face the threat of further cuts to our budget and to public services to come. The Institute for Fiscal Studies has said the Chancellor will need to find £60bn of savings by 2026 to fill the gap left by unfunded tax cuts and the costs of extra borrowing. These would be the biggest cuts we have ever experienced – bigger even than during the decade of austerity.

We must make many difficult decisions to meet our current commitments over the coming months. We are not in the position of the UK Government whereby we can borrow large amounts of additional funding to quickly address the very challenging issues that inflation is having on our budgets. We are doing all we can to address the concerns of the teaching profession and I recognise the tremendous work they have done over the last few years.

We remain committed to social partnership and will work through the decisions we need to make, using our social partnership structures, and by bringing together trade unions, employers and government to deliver the best possible outcome within the funding we have available to us.

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Rydym yn croesawu derbyn gohebiaeth yn Gymraeg. Byddwn yn ateb gohebiaeth a dderbynnir yn Gymraeg yn Gymraeg ac ni fydd gohebu yn Gymraeg yn arwain at oedi.

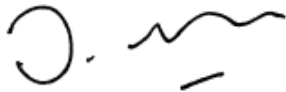
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I know that we have received your written comments to the recent consultation exercise and I will be considering them shortly, alongside comments from other key partners and stakeholders. This annual process is ongoing and I hope all parties will continue to actively engage as it develops.

I hope that we can continue to work together to make the case that a fair funding settlement right across the UK is what is needed to ensure public sector workers are fairly rewarded. I can assure you that we will continue to call on the UK Government to use its financial powers to make that possible.

Yours sincerely,

A handwritten signature in black ink, consisting of a stylized 'J' followed by a series of connected loops and a short horizontal stroke at the end.

Jeremy Miles AS/MS

Gweinidog y Gymraeg ac Addysg
Minister for Education and Welsh Language