CABINET

EDUCATION POLICY

MEMORANDUM BY THE MINISTER OF EDUCATION

The central plan of the Education Act of 1944 was to transfer every child at 11 to a Secondary School where the education would be free and at the same time to reduce the size of classes to figures consistent with good teaching. But for three reasons progress has been slow and difficult. First, during and just after the war a million more children were born than had been expected when the Act was drafted. Second, the school leaving age was raised in 1947 to 15. Third, since 1951 we have built so many houses that hundreds of thousands of children have been swept into new estates where there were no schools at all.

2. Dame Florence Horsbrugh cut the cost of school building and doubled the number of new school places completed. But she did not have the resources to make headway both against "the bulge in the birthrate" and against Mr. Macmillan's triumph as a builder of suburbs. Overcrowding in large classes is worse now than in 1951. The old slum schools have had to be left untouched.

3. The countryside has suffered from the enforced concentration on building schools for the new communities on the outskirts of towns. 36 per cent. of the senior children in the rural areas (compared with 9 per cent. in urban areas) are still being taught in all-age schools, and no building to relieve this position has been allowed since 1952. This injustice to the countryside is rousing the Farmers' Unions, Women's Institutes and other rural associations. Our opponents will be quick to capitalise the anxieties of our friends.

4. Certain things which we have done are increasing the demand for a fairer allocation of resources between housing and schools. The Rent and Repairs Act provides for slum clearance and reconditioning of houses. There is nothing comparable for old schools. The end of building licensing means that anyone can build what he likes, including additions to independent schools, provided he has the money. The public will not stop to think of the financial difference between a swimming bath paid for by old boys of a public school, and running water in a village school, which continues not to be provided as a matter of Government policy.

5. The Questions already being put on the Order Paper show that if we do not do something more to deal with overcrowded classes and slum buildings, and to push on with technical colleges, we shall find our inaction used with great effect by the Opposition.

6. In Appendix A is a list of the minimum improvements which I ask to be allowed to make. In the financial year 1955–56 I estimate the cost to the Exchequer at £300,000 rising to possibly £3 millions in 1958–59. If these plans were agreed we could bring into education some of the feeling of expansion and success which has been the mark of our housing drive.

7. I have carefully considered whether I could offer the Chancellor any economies to sweeten the request for the additional sum required to pay for my new proposals. Appendix B shows how difficult it is to make savings when the service is automatically expanding with the increase in the number of school-children.
8. There remains the squabble over the Teachers’ Pensions’ Bill. We have lost much goodwill over this business. However true it is on mathematical calculations that the Teachers’ Pension Account shows a very large and growing deficiency, many people believe it is intolerable that a profession, not too well paid, should be asked to contribute even another one per cent, when wage-earners and investors are seen to be better off than ever before. I doubt if I could get the Bill through the House. Even if I did the teachers would not then support the rest of my policy with much enthusiasm, and they might well ask for a special review of their salaries which could cost the Treasury more than would be netted from the one per cent. Accordingly I submit in Appendix C an alternative plan, which I have agreed with the Chancellor of the Exchequer, to wipe out the existing pension scheme and to negotiate with the parties concerned a new one on more modern lines. I cannot say if the negotiation would succeed. Amongst other things we should have to take into consideration the effects of equal pay, if extended to teachers, and that would mean considerable delay. Therefore, as reported to the Legislation Committee, there could be no legislation before July.

Ministry of Education, W.1,
11th November, 1954.

APPENDIX A

PROPOSALS FOR IMPROVING EDUCATION

1. The Building Programme

   Capital works are undertaken by Local Authorities with the help of loans, the effect on the Exchequer being limited to a share of the loan charges and of the consequential additions to running costs.

   The programme which I should like now to put in hand would permit:

   (a) Local Authorities and voluntary bodies to do all minor jobs within a limit of £10,000. This is an increase of £2,500 on the present limit and would be specially welcome in rural areas;

   (b) all schools in rural areas to be reorganised on the basis of a four to five year programme, and work to the value of not more than £5 millions to be started next year;

   (c) the ban to be removed on playing fields to serve existing maintained schools;

   (d) the ban to be removed on building technical colleges for any training other than mining, engineering, textiles and building. This is greatly desired by industry as a means of increasing production under conditions of full employment;

   (e) the ban to be removed on village halls, community centres and playing fields laid out by voluntary bodies. This kind of building attracts grants of about one third of the cost, but it is essential to allow some building for social needs in villages and in new housing estates so that those who live there can meet together and enjoy themselves.

   This programme would make a claim on building resources of not more than £5 millions in 1955–56.

2. I understand from the Secretary of State for Scotland that he desires to make in Scotland broadly similar relaxations of the present restrictions on educational building and on capital grants for village halls, playing fields and community centres. It will not be necessary to carry out in Scotland a programme for the provision of new rural secondary schools like that proposed in England, but there are in Scottish rural areas a few schools which are so unsatisfactory that they ought to be replaced as soon as possible. In addition it will be essential to continue the expansion of the programme for providing schools in new housing areas in which there are heavy arrears to be made up.
2. Teachers of Science and Mathematics

3. I have asked the Burnham Committee to review the arrangements under which special salaries are paid to teachers engaged in advanced work, particularly teachers of science and mathematics. This may lead to proposals for better salaries costing about £3 million in all, of which about £450,000 would be met by the Exchequer. Increases in the salaries paid to teachers of science and mathematics in Scotland may also be recommended by the Appleton Committee which is expected to report in the spring.

APPENDIX B

ECONOMIES IN THE EDUCATION VOTE

1. School Meals Service

My predecessor was unable to offer the Swinton Committee any economies on my vote, which continues to increase as the teachers' salaries and the school population rise. But the School Meals Service was left for further consideration.

2. The cost is about 1s. 7d. a meal. The charge was raised from 7d. to 9d. in March 1953, since when the proportion of children taking meals has fallen from 51 per cent. to 45 per cent. How much this has been due to the increased charge and how much to derationing is not known.

3. The Exchequer pays the overheads on the whole service, plus the cost of free meals to children whose parents cannot afford to pay. This amounts to £25 millions a year. The Local Authorities do not contribute. The reason is to be found in Sir John Anderson's statement in 1943 that family allowances would be introduced at 5s. 6d. instead of the Beveridge 7s. 6d. because the Exchequer would bear the cost of free school meals.

4. Although school meals have not been made free, the charge to parents has so far not exceeded the approximate cost of the food. If the charge were now to be raised above 9d. this principle would be set aside. Raising the charge would hit large families hardest and could be represented as regressive taxation.

5. If the charge were raised by 1d. to 10d., the saving in a year is estimated at about £1.5 millions on the basis of a 5 per cent. drop in demand. If it were raised by 3d. to 1s. 6d., the saving in a year is estimated at about £3.5 millions on the basis of a 20 per cent. drop in demand. I cannot advise my colleagues to insist on an unpopular economy which would be felt some considerable time before the benefits of the building programme could be appreciated by the parents.

6. However the principles of the service and, once these were settled and the demand for meals stabilised, the administration of the service, need a thorough examination. I am ready to undertake such a review, but there would be little prospect of any saving in the year 1955-56.

2. Duration of Schooling

7. The other economy which has often been considered is to reduce the number of children at school by raising the age of entry or lowering the age of leaving. No saving would result unless we stopped recruiting teachers now and planned for a lower number in the future. This would raise a storm at a time when there are still 74,200 classes of more than regulation size (i.e., 40,853 classes containing more than 40 pupils under 11, and 33,347 classes containing more than 30 senior pupils).

(a) Raising Age of Entry

8. Now that the bulge in the birthrate is moving from primary schools to secondary schools we have not as good an educational argument as we had two or three years ago for raising the age of entry. But even if this were not so, to raise the age above five would be highly unpopular with mothers. Many earn money as soon as the child goes to school, and the well-fed child of to-day needs...
an occupation by the age of five. He must get out and about. Our climate is damp and our cities large and not well provided with playgrounds. If a five-year old is not at school someone must run after him.

(b) Lowering the Age of Leaving

9. To give parents the option to remove their children at 14 would be condemned as a major retreat from the Act of 1944. In many cases it would be the children, and those who would most benefit by staying on, who would clamour to leave and earn the £3 a week offered to juveniles. If we, who mostly send our children to boarding schools, encouraged early leaving from county secondary schools, we should present the Opposition with a first-class Election issue.

3. General

10. I will try to find further economies in the standards of school building and in the minor services, but there is no escape from the fact that when the army of schoolchildren is expanding from five to six millions, and teachers' salaries have to go up in step with other rewards, and the Act of 1944 is on the Statute book, my vote must rise or the standard of education must fall.

APPENDIX C

TEACHERS' SUPERANNUATION

If we do not proceed with the Bill, as drafted, we must either postpone it or produce another Bill. Postponement would leave the increased contribution an awkward issue at the Election.

2. One basis for a new Bill, which I prefer, would be to write off the accumulated deficiency in the Account and to make the present 5 per cent. rate of contribution the maximum for all who pay it, and to direct the Burnham Committee to take into consideration this generous limit in contributions whenever they review salaries. This settlement might well cost the Treasury less than insisting on higher contributions and then having to meet an immediate demand for higher salaries.

3. The Chancellor has told me that he would, on certain conditions, be willing to recommend writing off the existing deficiency in the account, but that he would not be willing to limit the rate of contributions in the way that I have proposed; he has to consider the repercussions on other pension schemes. I have, therefore, agreed with him to propose to my colleagues that we should announce that the existing Bill is dead, and that representatives of the local authorities and the teachers will be invited to negotiate with the Secretary of State for Scotland and myself a completely new Pension Scheme on a contributory basis.

4. The Secretary of State for Scotland agrees with this approach, but there are still points which we should have to settle with the Chancellor relating to the assumptions on which we should try to negotiate a new pensions scheme. The Chancellor has given his opinion that taking into account other schemes the rate of interest credited to the teachers' Account must be 3 per cent. against the present rate of 3\(^\frac{1}{2}\) per cent.

5. I would have to agree with my colleagues how we present any such decision to Parliament in the light of our previous statement. We should have to make clear that we do not intend to allow the contributions, with interest thereon, credited to the Account to be inadequate to sustain the contractual obligations. It is by no means certain that the teachers would agree to negotiate on the assumptions which the Chancellor and I take for granted. If I am rebuffed, I will have to bring the matter back to the Cabinet.

6. In any case, the result of such negotiations would not be ready in time for legislation before July.