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About time we abolished national pay scales, isn't it? [1]

Written by **Tim Worstall** [2] | Saturday 25 August 2012

I think it's about time we abolish those national pay scales for public sector employees. Just devolve wage negotiations down to the actual employer, the school, or the hospital. Of course, this would enrage the public sector unions as they gain much of their power from negotiating those national wages. But then that would be part of the fun, enraging those who should be enraged.

The reason we should do this is because national pay scales lead to low grade employees in high wage areas [3]:

> National pay bargaining for teachers should be scrapped because it leads to lower GCSE grades for pupils, particularly in middle-class areas, according to a study.
>
> Schools in these areas find it harder to recruit good teachers since national pay scales prevent them competing with local private firms by offering higher salaries.
>
> ....
> ?Our findings present strong evidence that the centralised wage setting of teachers? pay has a negative impact on pupils? learning.?

The logic isn't hard to understand. When local wages are high then all the bright people go and do something else than cram knowledge into the anklebiters' heads, for the national pay scale keeps teaching wages below local.

The same researcher, Do Carol Propper, has previously found that something very similar happens in the NHS [4]:

> In many sectors, pay is regulated to be equal across heterogeneous geographical labor markets. When the competitive outside wage is higher than the regulated wage, there are likely to be falls in quality. We exploit panel data from the population of English hospitals in which regulated pay for nurses is essentially flat across the country. Higher outside wages significantly worsen hospital quality as measured by hospital deaths for emergency heart attacks. A 10 percent increase in the outside wage is associated with a 7 percent increase in death rates. Furthermore, the regulation increases aggregate death rates in the public health care system.

So, about time we abolsihed national pay scales then I think. After all, the evidence is that they kill people and make the little darlin's even more stupid than the state school system normally leaves them. Neither is all that much of a recommendation now, is it?

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[1] http://www.adamsmith.org/blog/regulation-industry/about-time-we-abolished-national-pay-scales-isnt-it
[2] http://www.adamsmith.org/taxonomy/term/5778
[3] http://www.dailymail.co.uk/news/article-2191758/National-pay-teachers-leads-lower-GCSE-grades.html
[4] http://www.jstor.org/discover/10.1086/653137?uid=3738880&uid=2&uid=4&sid=21101167301637
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