

Support our staff – stop attacks on pensions

2018/01

Policy Origin: **Students**

Approved by:
Guild Summit – 6th February 2018
Board of Trustees – 1st March 2018

Expiry:
March 2021
(or the cessation of
industrial action by USS
members)

THE GUILD BELIEVES:

1. There are multiple pension schemes for staff across FE and HE. All have faced round after round of attacks designed to reduce the payments that staff can expect in retirement, compared to what they put in. The attacks on different schemes are used to play against one another – one scheme is undermined, then members of another are told that they must accept attacks in theirs as it is unfairly better than the first – this continues in circles so that nobody wins except the employers. So to defend any part of the education system we have to defend all of them.
2. Currently under attack is the USS pension – for academic staff mainly in pre-92 universities. The employers' consortium, UUK, has announced that they want to end defined benefits. This means removing all guarantees on how much payouts will be after retirement, leaving retired staff entirely at the mercy of the pension fund's stock market gambles.¹
3. The pension scheme's own analysis shows that the employers could muster the funds to avoid this and keep guarantees on pension payouts.² Employers have cut the proportion of their budgets spent on staff by 5% in the past 10 years – it is their choice to cut investment in education workers, not a necessity.³
4. Valuations that claim the USS fund is on shaky ground, and used to spread panic and justify cuts to pension payouts, have been widely criticised as based on poor methodology – using the wrong measures to predict future performance⁴ and using what the Leeds UCU President called a “zombie apocalypse” assumption – imagining that every single pre-92 university was going to shut simultaneously tomorrow, leaving the scheme to pay all former staff's future pensions with no new income.⁵
5. A ballot for major industrial action will be voted on by UCU members in the period 27 Nov to 19 Jan.
6. NUS Conference has previously voted that our default position should be to back industrial action by education workers, because we understand that working conditions and teaching quality are so closely

¹ <https://www.ucu.org.uk/article/9074/UCU-warns-of-chaos-on-campus-if-pension-row-not-resolved>

² <https://www.ucu.org.uk/article/8775/Over-900-jobs-at-risk-at-University-of-Manchester-as-university-announces-major-cuts>

³ <https://www.ucu.org.uk/strikeforuss>

⁴ https://www.ucu.org.uk/uss_futurefundingletter

⁵ <http://studentsunionucl.org/defendpensions>

tied, and because we understand that the alliance of solidarity between students and education workers is vital to our own campaigns.

7. These attacks are avoidable and unjust. No worker should be subjected to financial precarity; all deserve the security of a decent retirement.
8. Removing guarantees on payouts is about shifting financial risk away from the collective onto the individual, and away from the employers to the workers. This makes it easier to package up groups of workers, lift them out, and outsource them, and makes it more attractive for private companies to snap up such offers since associated pension liabilities have been reduced. In short, this will make further aggressive privatisation easier.
9. When staff are mistreated, demoralised, and overstretched trying to make ends meet, education suffers. Moreover, talented staff could be forced to consider leaving for jobs where they are treated better.
10. These attacks will be most damaging to workers at the beginning of their careers, including our members such as PhD students looking to begin research careers. And we all have a long-term interest in halting and reversing the erosion of pensions across the labour market.
11. The stronger our support for our staff, and the sooner we commit it, the stronger their campaign will be and the sooner we can force the employers to give in – and so the sooner any industrial action can end with a positive resolution, benefitting both students and workers.

THE GUILD RESOLVES:

1. To give full and public support to UCU if industrial action should go ahead, including an immediate public statement from the Guild.
2. To inform our students, explaining why the strike is happening and why the Guild support it.
3. To lobby the University to oppose the changes to USS. In particular, lobby our Vice-Chancellor Professor Dame Janet Beer as President of UUK to negotiate with UCU and find a just solution.