

No to Cuts!

No to Pay Cuts!

Members to be Balloted on Strike Action

The Special Sector Conference held on Saturday 2 October voted to support the proposal from the Further Education Committee of the national executive (FEC) to organise a programme of national strike action in response to the 0.2% pay offer for this year.

With inflation running at 3.5% this offer is effectively a pay cut and all the more unacceptable at a time when schoolteachers and FE colleagues in Wales have been awarded 2.3%. On top of this the coalition government wants even further cuts by increasing pension contributions (by at least 3% according to the spending review announcement) and increasing the pension retirement age making members whose workloads continue to rise, work longer for less (see report on pensions). Further to this we face the prospect of a pay freeze next year!

The FEC is aiming to open a ballot in December with a result to be announced in January. Look out for more details later but it is essential that we get a big yes vote so we can launch a campaign with a one day strike in February.

No to Pension Cuts!

8 October saw the publication of an interim report from Lord Hutton on the future of the public sector pensions including the Teachers Pension Scheme (TPS). Hutton made it clear he believed that increased employee contributions were essential in the short term as well as increases in the retirement age. He also believes that final salary pension schemes which benefit those he describes as "high flyers" will need to end; to be replaced by unknown alternatives.

In the case of TPS there is little evidence that teachers and lecturers who pay into the fund are "high flyers" or fat cats. They are hard working public servants who see their pension as a key benefit. Nor is there a funding crisis. As even Lord Hutton's report makes clear the payment of pension benefits from unfunded public sector schemes such as TPS is actually scheduled to fall from a peak of 1.5% of GDP in 2011 to less than 1.1% over the next fifty years.

Like the majority of public sector pension schemes, agreed reforms were made to the Teacher's Pension Scheme in January 2007 to make the cost of the scheme sustainable for the future.

This included increased contributions, a higher pension age for new entrants and cost sharing which limited the employers' contributions to 14%. These changes should be given an opportunity to work.

However the government announced in the Comprehensive Spending Review that pension contributions for public sector pensions would rise by 3% and has already changed pension indexation from RPI to CPI.

Continued...

CPI has traditionally been lower than RPI and results in pensions losing their value faster and acts as a disincentive for part-time workers to make provision for their pensions. The average pension paid by Teachers' Pensions is £10,000 per annum and the move to CPI over the average course of a members' retirement would mean a loss in the region of £35,000.

It is not yet confirmed when talks will start on changes to the TPS. The trade union side of the pension scheme working party will be meeting in early November and will undoubtedly be planning a robust response. Watch this space for details.

No to Funding and Job Cuts!

On Wednesday 20 October the coalition government announced the most savage cuts to public expenditure since the 1920s. The cuts will not only have a devastating impact on public sector jobs, pay and conditions and hit the poorest sections of the population hardest but also represents a fundamental shrinking and restructuring of state activity.

In FE, the cutting of £1.1 billion, at a stroke removes the additional funding invested in 2003 which although in itself far from adequate, at least was some remedy to the funding starved situation administered by the last Conservative government. So at a time when we have just finished a round of unprecedented job cuts in the sector we will now face further attacks on jobs conditions of service and pay.

Specific cuts to FE include the following:

- The Further Education resource budget will be cut by 25%, or £1.1 billion, from £4.3 billion to £3.2 billion by 2011 This resource budget covers both the participation budget (i.e. money colleges get for learners) and other costs associated with the administration of the national adult skills system
- Educational Maintenance Allowances scrapped

- There will be unit cost reductions in the 16 – 19 participation budgets – probably by cutting the amount of money colleges get for each learner
- The Train to Gain programme abolished
- The entitlement to free training for a first full level 2 qualification for those over 25 to be removed
- Further Education students over the age of 24 studying for a first full Level 3 (A level equivalent) qualification will be asked to pay fees with a new student loans system to be introduced
- There will be an increase in the fees assumption from learner's – i.e. they will be expected to pay more
- Further efficiencies will also be expected in Further Education, including pay restraint.

We are awaiting more specific details on all this but it is clear that we and other trade unions will have to embark on what is nothing less than fight for the survival of our sector.

Your first opportunity to join us in this battle will be to come along if you can to the UCU/NUS **"Fund Our Future"** joint demonstration on **10 November**.

This is our opportunity to send a clear message to the Coalition government that the cuts to further and higher education must stop. Whether you have never attended a demonstration in your life or you are a seasoned marcher please give the union your support. There has never been a more important time to stand up for education.

****WHAT YOU CAN DO****

Tell us you are coming: UCU is committed to ensuring that transport should not be a barrier to any member. Tell us if you are coming and tell us if you need help with transport. Sign up here:

<https://www.surveymonkey.com/s/10novemberdemo>

Help us publicise the demo. Download and distribute posters and flyers here:

<http://www.ucu.org.uk/fundourfuture>