



**EDUCATION SECTOR**

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Our Ref: MJR/VT/HE/10/09

Thursday, July 30, 2009

**To: To all members Unite working in Higher Education**

Dear Colleagues

**Terms and condition negotiations 2009-07-28**

You may have read recent Circulars sent out by me about the lack of progress in pursuing a detailed claim for improvements in the terms and conditions claim presented during March 2009 by all unions operating in higher education. UCU also joined the negotiations in April.

I am sorry to report that your five negotiators, Dave Jones Manchester University, Hugh Lewsley Queens Belfast, Tony Britton University of East London together with John Toner Unite Regional Organiser in Wales and me as National Officer for Unite have made little if any progress on the aims contained within that claim. I should add we have also been assisted by Sandra Robinson Liverpool University who has also stood in as a deputy.

The joint union claim (Unite, Unison, GMB and EIS) included changes in holidays, improvements in the pay scales, moves to a 35 hour week for all, improvements in shift/on call payments and a host of other changes in flexible working. Your negotiators were not as naïve to expect all of these items or all at once. We were ready for the normal horse trading that comes from negotiations.

However at the very first meeting we were warned by the Employers Association UCEA that any move to increase pay would be paid for in job losses.

We asked if HE workers accepted a nil increase in pay, as some sectors in manufacturing had done, could the Employers Association sign up to no compulsory job losses. Their reply was they would not agree to stop redundancies even if we agreed to freeze pay.

According to the Employers Association if we negotiated a pay rise it would result in job losses and if we didn't negotiate a pay rise it would still end up in job losses.

The joint unions including Unite thought in that case rather than just seek a pay increase we should also be trying to get a job security agreement; an understanding with the Employer on ways to avoid job losses by agreed job changes or flexible working or by ending contractors on site or perhaps seeking volunteers for redundancy.

To do that the joint unions drafted a job security and redundancy avoidance agreement. I should point out it was not a "no compulsory redundancy agreement" but rather sought to take remedial action in advance of redundancies by following established steps such as those described earlier. It was presented to the Employers negotiating body, UCEA, at the JNCHES negotiating in May 2009 but was firmly rejected by the Employers.

The Employers position was, to paraphrase, "jobs will be lost whatever happens but we will not negotiate a national agreement on the avoidance of job losses". Why? In my view UCEA are afraid to reach an agreement as many Universities and Colleges do not want to be forced into an agreement but prefer to reach for redundancies as a solution rather than having the trouble to negotiate on avoiding redundancies as the law requires.

Following fruitless negotiations a series of meetings have been held at ACAS to try and get round the impasse. All unions including Unite have tried to find an acceptable way through. So far nothing has succeeded.

The Employers finally offered a 0.5% increase in pay at the last JNCHES meeting in July after stretching the negotiations over 3 months and increasing the offer only by 0.1% each time. It has been a complete farce and a sham.

For those members on £13,000 a year the final offer of 0.5% would give an increase in pay of £65 per year. After tax and national insurance it would be worth less than £1.00 a week.

Your pay increase is designed to ensure you are paid a fair level for a fair days work. It is also to compensate for inflation. Inflation can be calculated in several ways. Rent, council tax, mortgage rate increases need to be taken into account as does fuel costs and food price rises. Currently fuel and food inflation is exceeding the 0.5% final offer on pay.

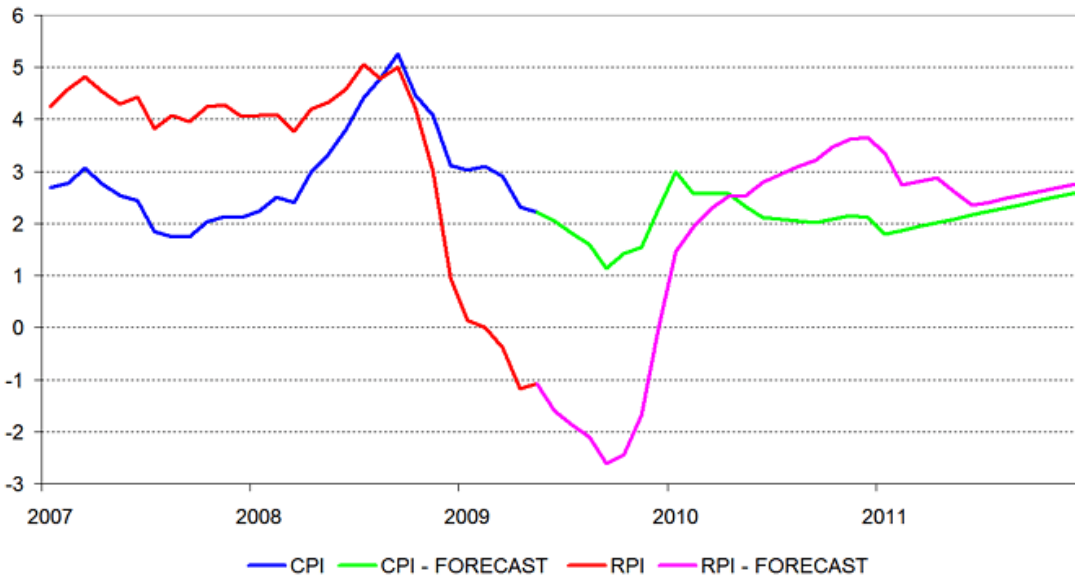
Because your pay increase has to last until the next negotiations in August 2010 it is important that the figure is fixed at the correct level at the start. Too low and you are losing money. The Employer naturally argues it cannot afford too high an increase.

We know from Government funding allocations that Universities will receive significant amounts in their budgets for 2009 and 2010. However the Employers argue these will not be enough to meet anticipated costs on pension funding, capital spending and staff salaries. They argue funding levels are being capped. The Government has also promised a full review on student fees in 2010. Various commentators expect increases. Even Lord Mandelson says if fees rise students from poorer backgrounds should be assisted. So there is an expectation an increase is coming sooner or later.

Most Vice Chancellors cry poverty but are paid extremely well. They will argue they are paid the rate for the job or that they don't decide their own pay, it's done by a Senate or Staff Council decision or that any pay increase is within the rules. Sound a familiar argument to you?

One of the main factors your negotiators have been looking at is what will happen to inflation over the period 2009 to 2010. Below are some forecasts that show the different inflation rate calculations over the period. Some are currently negative amounts but they are due to rise significantly into next year with some forecasts at or above 3% by early 2010.

### UK CONSUMER & RETAIL PRICES (% YOY)



source moneymovesmarkets.com

The 0.5% offer from the Employers is being made at the lowest point in the inflation dip. It would save thousands off a wage bill if inflation and fees rise as predicted but your pay is fixed at less than the expected 3% rate. So settling too low now could mean your pay would be hit harder by inflation very early next year.

Unite has argued that it might be better to accept an increase now but to ensure a further increase in pay if inflation rises early next year. The Employers have firmly rejected that idea.

In other areas pay offers have been higher. Local Authority workers received a minimum of 1% from April 2009. Further Education workers received an offer of 1.5% for 2009-2010. Only in HE is the offer an abysmal 0.5%.

In order to make their final offer look better the Employers have even tried to argue that most staff will be getting an additional 3% as an incremental increase. This hints at desperation when Employers argue that an incremental point is a pay increase. It is not. It is part compensation and recognition for having gained more experience in the role. As you will know not all staff will receive an incremental increase.

The Employers have even blamed the low pay offer on pension increases for academic staff or increases in the USS scheme. Why academic or USS pension increases affect your pay increase has not been adequately explained to us.

### **Where are we going from here?**

The two Unite HE committees in higher education (T&G and Amicus) have now met. Both rejected the pay offer and deplored the absence of a properly negotiated national job security agreement. Both wished members to have full consultation and to have workplace meetings or local ballots to decide their views. There will be a national count as soon as all groups have had their meetings and all the local results are known.

If the overall majority Unite vote is to accept the offer your pay scales will be increased by 0.5% even if inflation goes beyond 3% in early 2010 as predicted by some commentators. There would be no national job security agreement.

Your negotiators and national committee are recommending you reject the final offer of 0.5%. The aim is to join other unions rejecting the offer and to try and find ways of putting pressure on the Employers as part of a concerted campaign to raise the issues.

The negotiators need your help to raise the stakes. Without your full support the issues will not go any further.

Your negotiators recognise that times are tough. We hope you accept that the Employers are trying to take advantage using difficult economic circumstances this year to save themselves millions of pounds now. If the Employers were really serious about assisting job losses they could have offered or explored a wage freeze in exchange for a no compulsory redundancy agreement. They did not. If the Employers were really serious about job losses they could have gone the extra mile and signed up to a national job security agreement. They refused to do that.

Your union needs your help to press the case. If you and others reject the offer by a majority, your negotiators will seek to reopen negotiations for both a national job security agreement and an improvement in the pay offer but with the force of your rejection to back us up.

As negotiators we know your interests are paramount. We hope you trust that your negotiators know when matters need to be pressed further. In our view this is the time.

If the Employers still refuse to negotiate then you may be asked to vote in order to take the matter a stage further and possibly support a vote for industrial action. Before that stage is reached you will be briefed again and by law you will have a secret postal ballot sent to your home address. If that point is reached an independent scrutineer will count the votes and issue the result.

Both Unite groups have nominated local union representatives currently working in higher education to act as a national disputes committee to decide whether to take the matter to the next stage. That group may decide whether to move to any formal action ballot if further negotiations break down but that point has not been reached and we all hope it can be avoided.

In case further action is required we need to have your latest full postal address. At your local meetings your local union representatives will explain the issues again and ask you to up date records to ensure we have your current postal address.

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This is precautionary in case we need a full postal ballot but the hope is that sense will prevail and negotiations will result in a settlement that includes an improvement in the 0.5% offer and a national job security agreement.

These are difficult times but that is no reason your Employer should take advantage of workers or simply refuse to negotiate on many important aspects least of all pay and job security.

Please reject the offer and send a message to each University, School and College in Higher Education in the UK that you and your colleagues will not be pushed around.

Don't settle for less. You are worth more.

Yours sincerely

A handwritten signature in black ink that reads "Mike Robinson".

Mike Robinson  
National Officer  
Education Sector