

HIGHER EDUCATION SECTOR

Amicus Section

Our Ref: MJR/VT/HE/07/09

29th April 2009

**To: All Workplace Reps and Branches
Sue Sharp NEC for information
Paula Bartle NEC for information**

Dear Colleagues

HE Pay meeting outcome JNCHES 27th April 2009

The latest pay, terms and conditions meeting for 2009 was held at the joint negotiating committee for Higher Education Staff (JNCHES) yesterday 27th April.

I have previously issued a report of the last meeting held on 30th March and a copy of the trade union side claims. The University and Colleges Employers Association have sought to argue that any increase in pay would be met by a possible reduction in jobs and they continued on that theme yesterday.

The trade union side argued however that if substantial job losses were likely then the TU side was seeking a national agreement on job security and redundancy avoidance. The Employers side tried to argue they had no remit from UK University and Colleges to broker such an agreement even though they admit having an agreed process could bring together best practice within the sector.

The trade union side have agreed to consider what should be in such an agreement and are considering drafts for submission to the Employers side. I can't help feeling that having raised the prospect of possible redundancies the Employers are reluctant to reach agreement on ways to minimise job loss or follow processes that could avoid them.

Next the discussion turned to pay. Here the Employers argued that recent Budget announcements of a cut in funding to the HE sector of £400m had to be included in pay determination. They further advised that with the RPI currently at -0.4 and forecast to go to a full -3% later this year any increase in pay was a positive one measured against a minus RPI. This conveniently ignores the fact that this year's deal will run from August 2009 to August 2010. Even an Employer orientated body such as the CBI are predicting inflation to rise to 2.7% into the second half of 2010.

Next the Employers argued that changes to funding the USS pension scheme would cost the Employers a further 2% on their wage bill. However as I am sure many Unite members will have noted some Higher Education Institutions are cutting rates in many of the self administered trusts to which large parts of Unite members belong. Yes it is true academic pension costs are rising but that does not give the Employer the right to ignore other staff in the sector on pay. It is noticeable that when it suits Employers

pensions are non negotiable but when increases in funding are needed then that comes out of the pay bill. Heads they win, tails we lose.

The Employers dropped their bombshell at this point by announcing that their offer on pay was 0.3%. To put that in to proper perspective anyone on a salary of £20,000 would get an extra £60, not a week but for the whole year! I will leave everyone to work out just how much their own pay would improve but at £30,000 its an extra £1.73 per week.... before tax, NI and pension costs eat into it. It goes without saying that the trade union side rejected such a derisory offer out of hand. A further meeting is expected but hopes are not high about the prospects for that meeting receiving a realistic pay offer given where we are today.

As some of you are aware UCU are already balloting because of the absence of a proper offer before yesterday. The other unions believe there is a bit more negotiating to do before going down that route. However members may have to show how upset they are when we get to a formal ballot, probably sometime in June.

Some minor progress was made on other items looking at equality pay audits, pay gap or statutory issues such as adoptive, maternity or parental leave.

On London Weighting there was no progress for pre 92 Universities although post 92's in London could expect an uplift of 0.3% in their rates if the Employers offer on pay was applied to London Weighting. My calculator hasn't got enough noughts to work out how little that would be. Anyway the dialogue on this and other matters continue. The real lesson is we need a co-ordinated campaign across London but perhaps that is something for another day.

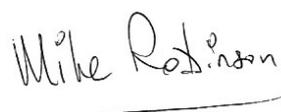
Below is the text of the formal press release issued by the joint trade unions yesterday.

The HE unions EIS, GMB, UCU UNISON and Unite today unanimously rejected a derisory pay offer from the national HE employers of 0.3%. Following the employers' earlier ultimatum of 'jobs or a pay increase' the unions pushed for a national agreement on job security and redundancy avoidance. The national negotiating meeting saw some constructive dialogue on possible joint work on issues such as the gender pay gap, work life balance and improvements in missing pay and workforce data.

There are two more possible dates for further negotiations 19th May and 3rd June. After that decisions will need to be made on where Unite as a union is going on the pay and related issues.

I will keep you advised.

Yours sincerely

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

Mike Robinson
National Officer
Higher Education