

PAY & EQUALITY BALLOT

January 14 – February 22, 2019



WHAT IS THE DISPUTE ABOUT? WHY VOTE TO STRIKE?

We want universities that are world-leading and genuinely meritocratic: institutions which are open *to*, and open opportunities *for*, students and staff from all walks of life. To fulfil this role, we have to ensure that academia remains a viable career path, both for current staff and for the next generation. At the moment, precarity, declining pay, and increasing workload are closing off avenues into academia and threatening the future of the sector. **This dispute is about building the foundations of a fairer university—security of employment, fair pay, sustainable workload, and equality.** These reinforce each other: for example there are structural causes for gender and race inequalities, and for unchecked workloads, which cannot be tackled without a fair national pay scale and greater employment security. **Getting these foundations right is vital for today's staff and students, but also for the future of UK Higher Education.**

The 2018 national claim (agreed by UCU with the four other HE trade unions) seeks action on all four fronts:

A national framework to address precarious contracts.	A pay increase of 7.5% or £1500 (whichever is greater).
Addressing excessive workloads.	A sectoral commitment to eliminate the gender pay gap.

CUCU has had local successes on staff conditions, but national action is needed on the pay scale, and to advance anti-casualisation and equality agendas. **So far negotiations have not produced the progress needed. We recommend you vote YES to Industrial Action, YES to Action Short Of Strike, in support of the national claim.**

WHY IS UCU BALLOTING FOR INDUSTRIAL ACTION AT A TIME OF SUCH UPHEAVAL?

The ballot seeks a mandate for industrial action before the next round of pay negotiations. As the claim acknowledges, it falls at a difficult moment, as universities are facing great uncertainty over fee income and Brexit. We believe the case for action is strong, and set out overleaf the arguments on each aspect of the claim. **We also believe it's vital to take action now, despite prevailing uncertainty in the sector. Staff too are feeling the uncertainty; they have borne increasing burdens, and are themselves facing financial pressures. And securing the future of the sector requires action today.** Key indicators—pay relative to inflation, increases in top-level staff salaries relative to those of university staff as a whole—have been headed in the wrong direction for years. If this continues, deteriorating conditions will cause profound damage. **We have seen no plan from the universities to address this.** Despite some local advances, there has been little movement on casualisation, and pay can only be addressed nationally. **It is precisely because the sector is under pressure, and there seems no prospect of employers taking the initiative, that we need concerted action now.**

WHAT INDUSTRIAL ACTION IS PLANNED?

If the ballot secures 50% support for action and clears 50% turnout—on an aggregate national basis—national negotiators will draw up plans for industrial action. We would expect serious strike action, but probably not as long as the USS strike. The earliest point for industrial action would fall towards the end of Lent Term. As always, the decision to vote to strike is a difficult one. Members will be concerned about the impact on students in particular. But the concerns reflected in the dispute affect the future of the whole sector, including the learning environment for students, and the career prospects of graduate students aspiring to academic careers. Strike action is a last resort to force action on these issues.

ACTION ON PRECARIOUS CONTRACTS AND CASUALISATION

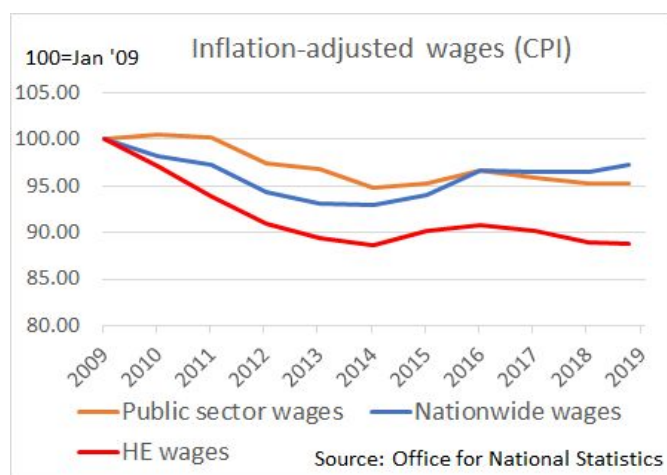
Only 49% of HE staff hold open-ended contracts,¹ meaning a **significant share of vital teaching and other professional work in HE is performed by staff on insecure contracts** (fixed-term, or “atypical” – variable hours, hourly paid, zero hours, agency contracts, ...). The precarity of many insecure contracts undermines the viability of careers in the sector, and amplifies inequalities (e.g. men hold 27% more open-ended contracts than women). Casualisation can also undermine the quality of teaching, and harm student learning.

In Cambridge, areas of particular concern include:

- **Low pay and precarious conditions for some hourly-paid teaching.** In a recent CUCU survey, 39% of supervisors reported that, taking into account preparation time, their effective hourly rate was below the Real Living Wage (then £8.45).²
- **The poor design of some postdoc and early-career posts.** The number of postdocs has doubled in the last 15 years to over 4,000, and some of these positions offer limited prospects for genuine career progression.
- **The University’s use of Temporary Employment Service contracts,** which lack many employment rights.

There is no ‘one-size-fits-all’ solution to casualisation, particularly in a collegiate university. CUCU has already issued an Anti-casualisation Charter, report and local claim to develop sustainable solutions. **The national claim aims to generate institutional-level action plans that we can use to hold the University to account.**

A RETURN TO FAIR PAY



Real-terms pay in HE has declined significantly over the last decade. Since Jan 2009, real-terms pay has fallen by 11.4% (using CPI to measure inflation), and 17.6% (using RPI). Had pay kept pace with inflation, a staff member with median pay (£33,000) would today be earning between £3,800 (CPI) and £5,740 (RPI) more.

The 2018 pay offer, a 2% increase implemented in Sep 2018, was less than inflation, making it a real-terms pay cut, and continuing the decade-long slump in real-terms pay. **The erosion of HE pay has been markedly worse than nationwide wages, and worse than in the public sector overall.**

Constraints on pay have not been felt equally. At Cambridge, the VC’s pay has risen 44.4% in real terms

since 2005.³ A small minority of employees receive increasingly large ‘market pay supplements’, last year totalling over £4M, shared between a mere 250 staff members.⁴

The impact of the real-terms pay cut is exacerbated by threats to the USS defined-benefit pension. The current outlook on pensions is uncertain, with no consensus on the future of the scheme, and refusal by USS to accept forceful and compelling expert criticisms of its valuation approach.⁵ A shift from the defined benefit pension as it existed in 2017 to the defined contribution model last proposed by employers was estimated by UCU’s actuaries to entail a loss of approximately £200,000 in retirement benefits for a typical new employee.⁶ **Losses imposed by whatever reforms are made in future remain to be calculated. Between pay and pension cuts, careers in HE in the UK are becoming less and less attractive,** particularly for students graduating with significant debt.

The decline in real-terms pay has been felt particularly acutely in Cambridge. While real-terms pay has declined 11.4% 2009–18, average house prices in Cambridge have risen by nearly 50% (inflation-adjusted).⁷ Since 2011, when the first University nursery opened, University nursery fees have risen by 15% (inflation-adjusted).⁸ This has left even

¹ HESA data, 2016–17, <https://www.hesa.ac.uk/news/18-01-2018/sfr248-higher-education-staff-statistics>.

² <https://tinyurl.com/y8fwmdgn>, 6. The Real Living Wage was £8.45 in 2017/18 (<https://www.livingwage.org.uk/>).

³ Calculation from Cambridge University Annual Financial Reports: <https://www.finance.admin.cam.ac.uk/about/annual-accounts>.

⁴ Cambridge University 2017 Interim Equal Pay Review: <https://tinyurl.com/y8r7u3ly>.

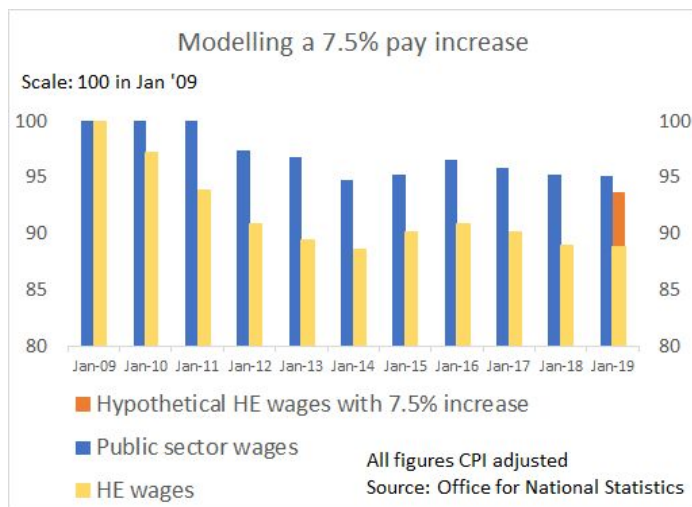
⁵ <http://www.ussjep.org.uk/files/2018/09/report-of-the-joint-expert-panel.pdf>.

⁶ https://www.ucu.org.uk/media/8916/TPS--USS-no-DB-comparison-First-Actuarial-29-Nov-17/pdf/firstactuarial_ussvtps_nodb_29nov17.pdf.

⁷ From Land Registry data, all property types, January 2009 to November 2018: <https://tinyurl.com/y8gfffw>.

⁸ Calculation from <https://www.childcare.admin.cam.ac.uk/nursery-fees>, and earlier equivalents.

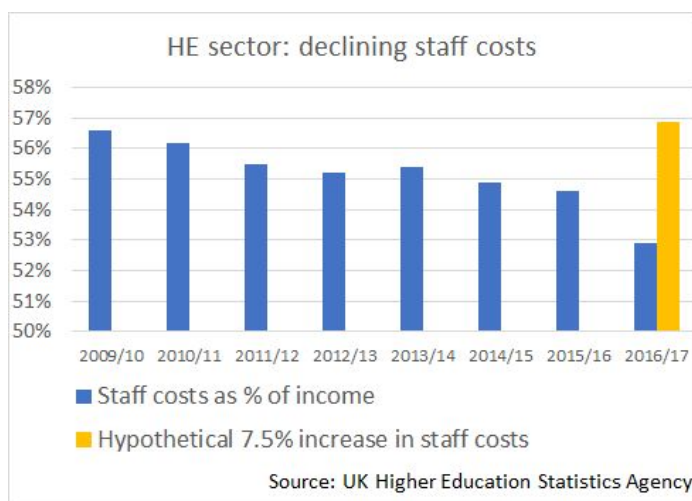
permanent staff markedly worse off in real terms than they were a decade ago, and precarious staff under even greater pressure.



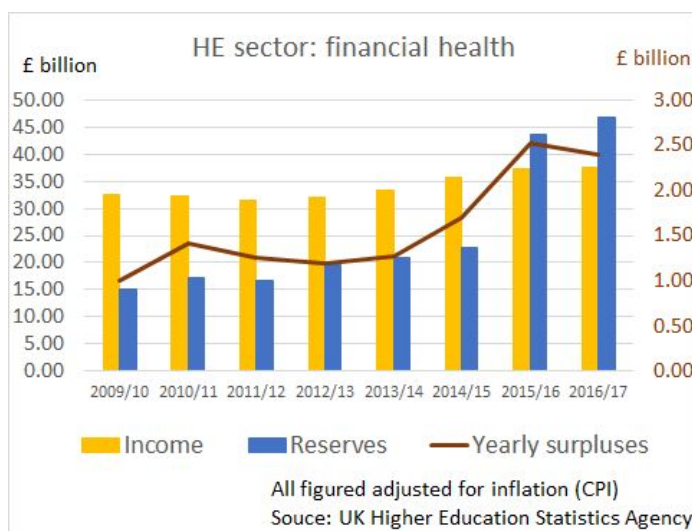
The Cambridge VC supports a higher increase than the 2% offered in 2018,⁹ but has taken no public action to advance this. Initiatives like expanding University nursery provision are welcome, but are moving too slowly, and cannot redress the inadequacy of salaries. As the gender pay gap (overleaf) reflects, efforts to work around a stagnant national pay scale with individual supplements have exacerbated inequalities. **It is long past time for action on the national pay scale itself.**

The 7.5% increase sought is modest. It recoups only some of the decline in real-terms pay and still leaves HE wage recovery short of that in the public sector.

This increase is affordable. Total staff costs have shrunk in recent years as a fraction of HE income, from 56.6% (2009–10) to 52.9% (2016–17).¹⁰ Although the relation between pay and total staff costs is complicated by e.g. pension contributions, a 7.5% increase in staff costs would bring them back to 2009–10 levels.



The last decade has seen massive growth in reserves across the sector, from £12.32 billion (2009–10) to £44.27 billion (2016–17).¹¹ There is no doubt that funds are available. At Cambridge, reserves have grown significantly and sat at £3.38 billion in July 2018. As the Board of Scrutiny commented in 2018, *‘over the last seven years the University has enjoyed real income growth that has matched or even exceeded that of many successful private sector businesses, whilst limiting growth in key elements of its cost base (principally wages). ... the University has been through a period of ... favourable financial circumstances for the institution ... while the majority of its employees have generally experienced a fiscal squeeze...’*¹²



Future conditions may be more challenging, and some other universities may be in a more difficult financial position than Cambridge. But this cannot be an excuse for failing to act on long-needed improvements to pay and conditions. **What the sector cannot afford in the long term is to keep sacrificing staff pay and conditions.** This will ultimately damage British higher education, by affecting the quality of teaching, calibre of research, and our ability to attract international students, staff and research funding. **Financially stronger institutions need to show leadership, restate publicly what the Cambridge Vice-Chancellor already concedes to be true—that salaries in HE are too low—and insist on policies that would ensure the sector as a whole can flourish.**

⁹ <https://www.staff.admin.cam.ac.uk/general-news/vice-chancellors-message-on-pay-negotiations>.

¹⁰ HESA Finance Plus 2016–17 dataset (March 2018).

¹¹ HESA Finance Plus 2016–17 dataset (March 2018).

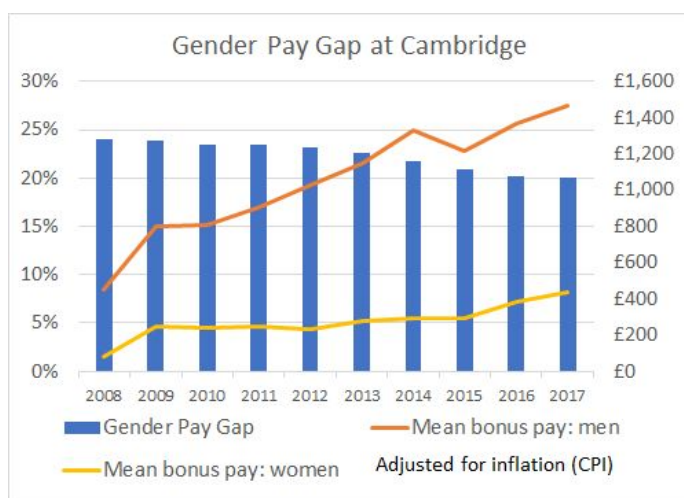
¹² <https://www.admin.cam.ac.uk/reporter/2018-19/weekly/6521/section6.shtml#heading2-11>, para 26.

ADDRESSING EXCESSIVE WORKLOADS

University staff work far more hours than they are paid for. Workload is growing, and excessive workloads already take a toll on physical and mental health. In a 2018 THE survey, 38% of academic respondents reported working over five hours at weekends; 65% of academic-related staff said that their partner regarded the hours that they work as detrimental to a healthy family life.¹³ In a 2016 UCU national survey, 83% of academics reported the pace of work had increased over the past three years. **Over 25% of all respondents stated that their workload was unmanageable.**¹⁴

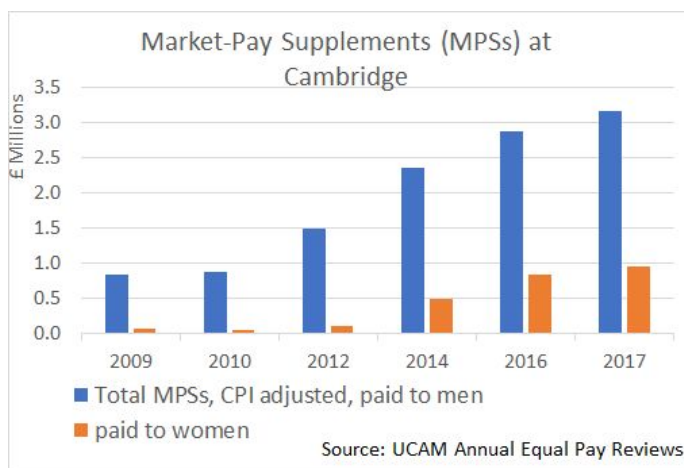
UCU considers workload to be a health and safety concern. Workload also ties into other damaging trends—precarity, low pay, and inequality. Extra hours squeezed out of staff are often driven by fears about job security, with women and minorities more likely to do the time-consuming, poorly-rewarded "invisible" work. CUCU is addressing these intersections through work on anti-casualisation and equality. **The national claim emphasizes excessive workloads as a justification for the pay demand, and puts the issue on the agenda for coordinated action.**

CLOSING THE GENDER PAY GAP



Across the sector, the gender pay gap stands at around 12%.¹⁵ **At Cambridge, the picture is worse: the gender pay gap was 19.6% in 2017.**¹⁶ There is evidence also of a marked BME pay gap: among the 84% of Cambridge staff disclosing an ethnicity, black academic and research staff at Cambridge make on average nearly £12,000 less a year than white counterparts.¹⁷

These disparities are driven by under-representation of women and BME staff at senior levels, but also by a system of pay which relies increasingly on individual, and often discretionary, bonuses and pay supplements. **Bonus payments are responsible for a growing share of the GPG, and market pay supplements, which are awarded disproportionately to men, have increased considerably since 2009.**



CUCU has helped spur the University to commit to a 25% year-on-year reduction in the gender pay gap over 2018–2022,¹⁸ and is increasingly focused on race equality. However, sustained progress on the gender and race pay gaps will require a return to a reasonable across-the-board national pay scale, as well as coordinated local action. **The national claim seeks a sectoral commitment to close the gender pay gap by 2020: an ambitious target that will build on, and help drive, local initiatives.**

The national claim builds the foundations of a stronger, fairer university. We're urging members to take action in defence of their own interests, but also for their colleagues, for students, and for the future of the sector. Talk with your colleagues about the ballot. And please—use your vote.

¹³ Ellie Bothwell, 'Work-Life Balance Survey 2018: Long Hours Take Their Toll on Academics', *THES*, 8 Feb 2018 (<https://www.timeshighereducation.com/features/work-life-balance-survey-2018-long-hours-take-their-toll-academics>).

¹⁴ 'Workload is an Education Issue: UCU Workload Survey Report 2016' (<https://tinyurl.com/zjox6vh>) 44.

¹⁵ From 2015–16 data: UCU, *The Gender Pay Gap in Higher Education* (<https://tinyurl.com/ydy54rxf>).

¹⁶ University of Cambridge, *Gender Pay Gap Report 2017*.

¹⁷ Catherine Lally, Jess Ma & Rosie Bradbury, 'BME academics face stark pay gap', *Varsity*, 26 Oct 2018.

¹⁸ University of Cambridge, *Athena Swan Silver Award Submission 2018–22*.