

# Pensions Strike Action

## WHY WE ARE GOING ON STRIKE

Our pension scheme (USS) is planning drastic cuts to our pension entitlements. Whilst we are currently guaranteed a retirement pension based on our salary and years of service, the proposal will make our pension dependent on the stock market, with no guaranteed benefit. Several impact studies show that the new model proposed by USS will lead to a 30-40% drop in the value of our pensions.

These proposals come at the back of a decade of divestment in higher education. While VC pay has increased, the value of academic staff pay has declined in real terms by 16% since 2009, in a context of growing job insecurity. The proposed changes will make the situation significantly worse for lecturers and administrative staff, who are all part of the USS pension.

Striking is something we hate doing, as it affects our students and we are not paid for each day of industrial action. We are forced, however, to take strike action to defend our pensions against proposals which have been publicly denounced – including by several University Vice-Chancellors – as irrational, unjustified and damaging to both staff and students.

## WHY IT MATTERS (TO YOU)

British Universities are being dragged down in world rankings by under-investment. Brexit and low pay have already led to a big exodus of staff from the UK. Drastic cuts to pension benefits will make matters worse as UK Universities struggle to attract first rate lecturers.

Students will be the first to feel the consequences of these changes. Universities wanting to remain attractive will have no choice but to raise tuition fees to pay their staff a decent salary. Those who opt not to raise tuition fees will experience a lasting decline in the quality of teaching in education.

These changes will have severe impacts on the economy and job opportunities. Universities are key engines of economic growth (through human capital, innovation, increase in productivity, direct jobs etc.). Faltering universities also mean fewer jobs for graduates.

## HOW TO SUPPORT THE ACTION

Student support is essential. The stronger your support, the sooner the action will end. Here are some ways you can demonstrate support for staff:

- Sign our petition; you can access this through any member of UCU or ask the SU.
- Write to Vice Chancellor, Trevor McMillan ([vc@keele.ac.uk](mailto:vc@keele.ac.uk)) and tell him you support Keele staff.
- Email Pro-VC for Students, Anne Loweth ([provc.students@keele.ac.uk](mailto:provc.students@keele.ac.uk)) expressing your concern about how the pensions changes will affect your education at Keele.
- Get in touch with KeeleSU or the KPA and volunteer to help with the on-going campaign.
- Spread the word! We are not an elite trying to protect fat-cat salaries. This will affect you.

# FACT CHECKING

## Myth

Students pay high fees and this means academics are really well paid.

## Reality

While VC pay has increased, the value of academic staff pay has declined in real terms by 16% since 2009. The top of the main lecturer grade is £49,149, and this does not include PhD students or hourly paid staff, the staff likely to be teaching you the most. On top of this, there is a gender pay gap; at Keele, this is 15.4%, the 5th worst in the country. Because women get paid less, they have less to contribute and will get a smaller pension at the end.

## Myth

Cutting benefits is the only way to make pensions provision affordable for the future.

## Reality

Our pensions scheme is actually in a strong financial position, with contributions from members exceeding pensions paid out, and with strong growing investments. For more about the extensive analysis into the affordability of current pensions arrangements, see [www.keeleucu.co.uk/uss-dispute](http://www.keeleucu.co.uk/uss-dispute). Even amongst employers there is by no means unanimous support for the proposed changes, with the Vice Chancellors of Warwick, Glasgow and Loughborough being among those who have publicly refused to support the pension changes. Having pensions is a social contract between older and younger generations. We pay for their retirement, and are guaranteed that we will also be supported when we are old. This is yet another erosion of the social contracts we all make together as a society, including how we fund schools, the NHS and our pensions. Independent evaluation shows these changes to be unnecessary.

## Myth

This doesn't actually change the pensions that much, and none of this affects me.

## Reality

The proposal makes our pension dependent on the stock market. Studies have consistently shown this leads to a 30-40% drop in the value of the pension. Staff in pre-1992 universities, like Keele, will receive much less than colleagues in post-1992 universities (which have a different pension scheme) like Staffordshire University - making it difficult to attract and retain high quality staff. In fact, being a school teacher would offer a better pension. The erosion of decent pension schemes affects the pension that will be available to **you** in the future.