

UNIVERSITY AND COLLEGE UNION (UCU)

PRESS RELEASE

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for immediate release

UCU says industrial action inevitable if pension changes forced through

The University and College Union (UCU) warned today that universities should brace themselves for serious industrial disruption after it emerged that the chairman of the Universities Superannuation Scheme (USS) Joint Negotiating Committee, Sir Andrew Cubie, sided with the employers' representatives in negotiations over the future of the pension scheme.

UCU says it has always recognised some changes are needed in order to ensure the stability of the pension fund. However, the union does not believe 'draconian' proposals from the employers to force new entrants onto a career average earning scheme are what are required.

UCU has proposed an increase in members' contributions, an increase in the retirement age for new entrants to the scheme and a cost-sharing mechanism should future increases be required. The union says the autumn consultation process on the changes must be meaningful and all members of the USS scheme, not just UCU members, should be balloted on both sets of proposals.

UCU general secretary, Sally Hunt, said: "We have made affordable and credible proposals to secure the future of the pension fund and we went out and made the case to members for their contributions to be increased.

"The employers' proposals were overwhelmingly rejected by UCU members who voted on their plans. However, they seem determined to create a two-tier pension system with their draconian proposals, which would damage recruitment and retention of university staff and lead, inevitably, to further attempts to reduce benefits for existing staff to the lowest common denominator.

"If the employers' proposals are to have any legitimacy then there must be a ballot of all USS members on both our proposals and the employers' proposals. A token consultation exercise with just universities will not fool anyone."

In a consultation in May, 96% of UCU members, who voted, voted to reject the employers' proposed changes, with a similar number backing UCU's alternative proposals to share costs between employers and staff.

The employers' proposals will now be recommended by the Joint Negotiating Committee to the USS Trustee Board at its meeting on Thursday 22 July. A consultation period with USS members will then take place with any changes proposed to be implemented on 1 April 2011.

A full Q&A on the changes can be found at www.ucu.org.uk/usschanges and further details on the difference for a new starter on the career average scheme, compared to the final salary scheme can be found at <http://www.ucu.org.uk/index.cfm?articleid=4573&detailid=4594>

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