# Education Worker

Bulletin of the Education Workers Network - 2009 - issue 4

# The University Funding Squeeze & the Way Forward for Union Activists

or some years universities have sought private funding for aggressive expansion programmes. On the face of it this has worked, with both private funding and student numbers increasing rapidly. The total expenditure of the sector in 2006-7 was £21bn, with 40% caming from the private sector, an increase of 8% in just 10 years. This, together with a 170% leap in student numbers in 20 years, has allowed the overall profit made by the HE sector to almost double in recent years.

Greater private sector involvement, it seems, is good for students and workers alike. Well, not quite. Universities' costs have grown at a far higher rate than their core public funding and the shortfall hasn't entirely been met by private sector funding. This has resulted in increasing workloads for staff. as management seek to drive down costs by raising student numbers without corresponding staff increases. So, as the ratio of students to staff has gone up, the quality of service to students has declined - ever larger student groups, reduced individual staff student contact time, less time for developmental activities outside the directly assessed curriculum, and reduced access by students to some high cost facilities.

This squeeze on productivity and student services is set to get worse. Since the 1990s universities have seen a 40% decline in the value of public funding for their core activity of teaching. The situation is being made worse by the move away from teaching to research, which now amounts to 35% of total university activity. But research is being funded below its full economic cost with the shortfall being made up by diverting money from teaching. In 2006-7

the total income from research amounted to £5.9bn whereas

the actual cost of research was £7.9bn, a deficit of £2bn.

The gap between income and expenditure has been partly financed by increased borrowing, now at its highest level since the 1990s. There is also considerable evidence that necessary investment in maintaining buildings and other infrastructure has been deferred to meet the funding gap; a 2001 report found a repair backlog worth around £8bn. But a strategy based on increased productivity, loans and delaying repairs can be only a temporary means of plugging the gap. In some universities it is already beginning to fail, with 38 institutions in deficit, according to 2006-7 figures.

Worse still, universities now operate under market condi-

tions, competing to attract students, staff, research grants, commercial in-come and donations, and borrowing to finance investment. They operate therefore with the costs of both financing and managing risk, and are required to make a return on their investment (a surplus) to finance future operations. This is different from a more fully funded public service, like health or schools, where the risk is generally lower and the main challenge is to manage within a defined budget. Market conditions mean universities must generate higher surpluses to fund further investment; a generally accepted figure, just to stay still, is a surplus of 5% to 7%. Only a small number of universities can generate this level. >> page 2

## Alternative G20 at University of E. London

With G20 leaders holed up in London, trying to prop the capitalist system up, an alternative summit was to go ahead at the University of East London. But university management bottled out at the last minute and

closed the campus, so the event had to be held outside. This episode is symptomatic of what has happened at universities. Once a place for freedom of speech, for discussing important issues and alternative views, not just to prepare people for work, universities are now totally immersed in the government's beloved neoliberal ideology.



by workers – for workers

### **University Funding >>**

If the situation is precarious now it could get far worse. Due to demographic changes student numbers are estimated to fall 4.6% by 2020. Universities are also increasing depend on overseas students, who provided about 8% of total HE income in 2007. But southern Asian countries, where most overseas students come from, are now rapidly expanding their own HE sectors. This is expected to significantly reduce overseas students in Britain.

As HE workers, then, we face numerous challenges. Even without the "credit crunch", it seems an increasing number of universities will struggle to survive, leading, no doubt, to management attempting to increase workloads, drive down wages and cut jobs even further. If these attacks are to be resisted it will require some radical thinking by trade union activists. The current HE unions are still geared to the rapidly disappearing world of cosy consensus. The need now for education workers is for workplace organisation, based on confrontation and strike action.

# Roundup ... Schools & Colleges Roundup

#### **College Funding Crisis**

Dozens of colleges are left with unfinished buildings and bills for £millions after the Learning and Skills Council announced, in light of the "credit crunch", that it cannot honour its current funding pledges.

The LSC allocated £2.7bn for projects at 79 colleges, many of which took out loans, employed architects or, like Barnsley, de-molished existing buildings. Another £3bn had been earmarked for 65 colleges that had completed costly feasibility studies.

While bankers get huge pay offs and pensions, and ministers are more creative with expenses than with the public purse, colleges are again plunged into crisis. So much for providing 21<sup>st</sup> century skills and training for tomorrow's workers.

### **Opposing Academies**

Dudley Council drops plans for two academies and Sheffield Council is to "actively discourage" academies. Meanwhile teachers at Walthamstow Academy, run by United Learning Trust, voted for industrial action, forcing their bullying head to resign. Also, in Newham, East London, there was a strike at the Royal Dock School in March to oppose plans to turn it into an academy; messages of support to:

keith.turner@btinternet. com

Further info on struggles against academies: www.antiacademies.

org.uk

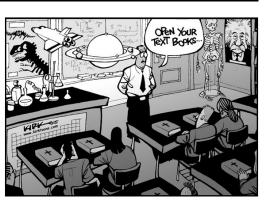
### **Creationism in Education**

Belfast Education Committee chair, Mervyn Storey of the Democratic Unionist Party, threatened to sue the Ulster Museum over a Darwin exhibition if it doesn't also include an exhibit on creationism, the religious belief that life was created by a supernatural being.

Recently, West Sussex teachers were advised by their Council that creationism should not be taught alongside evolution: "It is acceptable to answer questions about creationism in science but not promote it".

But in Hampshire, teachers were being advided differently – that it is worth debating creationism alongside evolution, to encourage "reasoned enquiry and open discussion". This familiar tactic doesn't wash. The National Secular Society said:

There is a big difference between answering students' questions about creationism and actually introducing it into the lessons in the first place...If the teacher raises the topic, then it takes on an authority that it does not deserve.



Perhaps

Hampshire teachers will have "open discussion" on "did the Holo-caust happen?" or "is the Earth

Whether it's religious zealots promoting their brand of scripture to kids,

## basic anarcho-syndicalism Internationalism

flat?"

orkers in the Education Workers Network are part of an organization, Solidarity Federation, that has international links. The Solidarity Federation is the British affiliate of the International Workers' Association, established in 1922 in Berlin.

This International is based on principles of direct democracy (see *EW*3) and all decisions affecting the whole organization are taken by all members of the International. We believe in real international solidarity – not charity or nice words – when workers are in struggle by means of direct action – not waiting for politicians or leaders to take action but by taking action ourselves.

EWN, as part of this international anarcho-syndicalist movement, regularly supports other education workers in struggle but also supports other workers in struggle, both in the UK and abroad. We believe that it is only by illustrating how local struggles are part of a broader international dynamic that we can build an analysis and a strategy that will be able to defend workers and build a new type of society.

The ultimate aim of our internationalism is the abolition of all borders and the states that uphold them.

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Education Workers Network - Solidarity Federation - International Workers Association - www.ewn.org.uk

# H.E. Pay: Don't Be Fooled

University staff will have to fight for above inflation pay rises this year. Vice chancellors, via a survey in *The Times*, have been bleating on about how they feel the 2008 pay increase was too generous, how they are looking to

# ... Schools &

increasing private interference in education, or the government manipulating the school system for its own ends, it's clear that under capitalism, education can never meet the real needs of working class people. We need an education system controlled by those it affects - and that certainly isn't managers, politicians and religious lobbyists.

*Education Worker News* organiseireland@yahoo.co.ie

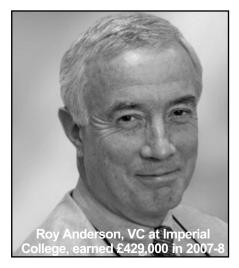
### **Doncaster Developments**

Plans to restructure Doncaster College and make more than a third of staff redundant were abandoned in May, after a joint union campaign. Instead, the college's financial management is to be investigated and the principal and director of finance have been suspended.

This shows what workers organising across union divisions can achieve in the short term. With similar plans afoot across the whole education sector, this kind of solidarity can help us overcome the weaknesses of the current trade unions.

The sectoral nature of education and the unions within it, mean that action is very often confined to one group of workers alone or several groups of workers more or less in isolation. The advantages of one union uniting all education workers are clear. This is what the anarcho-syndicalist Education Workers Network stands for – one union of all education workers regardless of job and grade. Together we can be a real fighting force. claw back some of the money in the next few years if jobs are not to be lost. This attitude was reflected in the first round of talks when management failed to even make an offer, demanding the unions to choose between pay and job losses.

Needless to say *The Times* survey made no mention of VCs' massive pay rises in recent years, with many now on well over £200,000 a year. And these figures do not include perks like huge pensions, free housing, free car, etc. In any case, the VCs' argument is not correct. Last year's award came in two stages: 3% in May (i.e. for 8 months of 2008) and 5% in October (for 3 months). So the total increase was worth 3.28%, less than the annual inflation figure of 4.4%.



Even these figures are deceptive. Inflation is an average that does not reflect big increases in basics like energy, that already take up a disproportionate amount of working class income. In the last year, gas has risen by 51.3%, electric by 31.5%, water 6.5% and food 20%. VCs won't feel these rises - their bills are paid by the universities. For ordinary mortals, however, the price hikes make life much harder. And it will get much worse with most experts predicting inflation to go up by the end of 2009. There's also the danger that government attempts to kick start the economy by printing money will see inflation rocket in 2010. This all makes it

essential that this year's pay settlement only covers one year, otherwise inflation could swallow any increases agreed beyond 2009.

When VCs talk of an 8% pay rise last year, they fail to mention that, over the last decade, pay has not kept up with inflation. For example, from 2001 to 2007 some lecturers' pay rose by 13% while inflation rose by 17.2%. Pay rises have also not reflected massive productivity gains. With rising numbers of students unmatched by staffing levels, staff have ever higher work loads with no corresponding pay rise.

Low pay in HE also persists, with the gap between VCs and manual workers remaining obscenely wide. Further, although there have been recent attempts to tackle low pay, these are offset by management systematically driving down enhancements like overtime premiums, that many manual staff still depend on just to survive. In addition, the promise to drop manual workers' basic week to 35 hours is still to be implemented in 59% of universities. This year we should not only seek a substantial pay rise for the low paid, we should also set minimum national levels for shift and overtime payments and include the immediate implementation of the 35 hour week for manual grades.

In the months ahead there will be so much talk in the media and from management about how well HE has been doing on pay. Don't be fooled. The 2008 settlement was nowhere near as generous as management claim. In reality the government will look to slash public spending to finance the bank bail outs. That's the real reason VCs want to drive down pay. The only way we can defeat these coming attacks on pay and conditions is by taking action. That must be united action by all HE workers regardless of union or grade. Petty squabbles among union leaders must be set aside and HE workers must stand together to ensure we don't pay the price of bankers' greed and government incompetence.

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# **Break with Partnership**

### Unison training seminar in March highlighted the many problems facing all education workers.

Rising self-governance now means there are 22,000 individual schools to negotiate with. Although Unison is working on a national core contract and pay & grading framework with role profiles, the experience in HE shows this brings its own problems.

After becoming independent of local authorities, FE colleges were funded by the Learning & Skills Council. Now there's the "14 to 19 agenda" with services commissioned by local authorities from schools and colleges. One effect is to threaten adult learning as funds are directed at qualifications. Other issues include:

- o withdrawal of government funding for improvement to facilities (see College Funding Crisis, p.2);
- o despite national pay bargaining for England, a third of colleges
- haven't honoured agreed pay rises; o lack of equal pay showing the need for proper job evaluation.

The government has pumped millions into its attempt to get 50% of school leavers into universities.

### This has stalled around $40^{-1}$ % and. with this year's funding mess, student numbers are capped. Meanwhile, many VCs want to raise student tuition fees, currently capped at £3.000 a year. With at least 100 universities talking of redundancies. jobs are also under threat at some institutions due to the following:

- o redistribution of research funding and recent emphasis on research directly linked to business;
- o outsourcing of work (caused, it is claimed, by offsetting the cost of improved pay for the lower-paid); o cuts in funding for second degrees.

There are also outstanding equal pay and job evaluation issues while some pension schemes are under threat.

Unison may realise, at some level. that it has to fight for members' interests. But this is hamstrung by a leadership which manages national bargaining in partnership with the government. It's hard to recruit to a union so obviously in cahoots with the government. Further, Unison's "insurance" approach to recruiting either doesn't work or doesn't last.

EWN advocates organising around collective issues. Resistance must be based on a strate-

gy of workplace

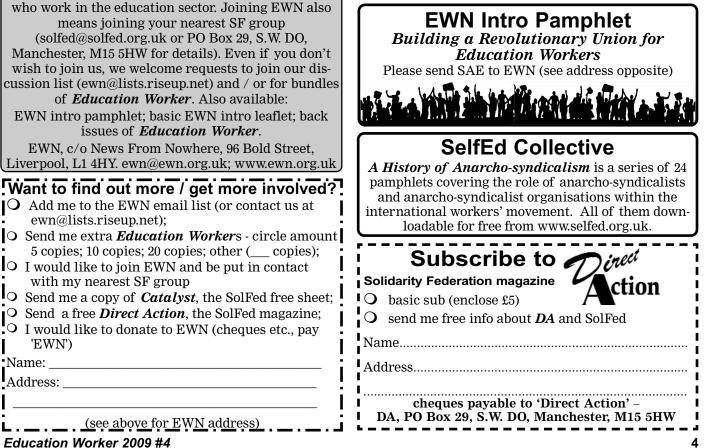
meetings and rank

### **First Aid Survey**

Rates paid to first aiders in universities and colleges have mostly been static since the 1970s – a real terms cut and another attack on terms and conditions. EWN is conducting a survey to get an idea of the national picture, as info tends to be in emplyers' hands, leaving workers in the dark. Info received will appear in *Education Worker*. Please let us know the situation where you work. We are interested in the pay rate for First Aiders (yearly, monthly, hourly – whatever), whether they're qualified or not, which workers tend to do the role, and whether it's part of their job description or a voluntary extra duty. Let us know where you work and email ewn@ewn.org.uk.

and file involvement. While national bargaining frameworks are essential to maintain pay and conditions, the rank and file organising needed to enforce them locally has to be not only independent of union leaders but also politically committed to breaking with partnership and to challenging management for control of the workplace. After all, management are never shy to act unilaterally – a third of FE colleges not abiding by agreements shows this clearly.

The bottom line is workers don't have the same interests as management.



### **Education Workers Network** EWN is made up of Solidarity Federation members

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