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## Young Academics Will be 30% Worse Off in Retirement

A toxic combination of research funding cuts, student debt, job cuts and pension changes, will see young academics retiring at least 30% worse off than their senior colleagues retiring today, according to new research from the Intergenerational Foundation ([www.if.org.uk](http://www.if.org.uk)).

In IF's latest report, entitled *Higher Education: A Tale of Two Payslips*, author Louis Goddard reveals an intergenerational pay and pensions gap, the result of which will be to lock talented young academics ever further out of a career in higher education.

While high-flying students from poorer families in times past could gain access to the academic profession via government grants, today's high-flying poorer postgraduates are having to resort to taking on student debts of £10,000 or more due to Research Council funding cuts of as much as 45% for some Masters places compared to PhD places. The report argues that this has led to the uptake of Professional and Career Development Loans (PCDLs), charging 9.9% APR, increasing by 20% since 2010/11 alone.

Meanwhile, top university Vice-Chancellors' pay increased by more than £20,000 on average in 2013. Salaries of professors also increased by more than those of their non-professorial academic colleagues for four straight years following the financial crisis of 2008. With 47% of teaching-only staff employed on zero-hours contracts, IF suggests that younger academics are bearing the brunt of the financial crisis providing further evidence that an intergenerational pay gap is at work in our universities.

IF Co-founder, Angus Hanton comments, "It seems particularly unfair that young academics are facing poorer pay and conditions whilst increasingly burdened by pre- and postgraduate debt, whilst older colleagues' salaries and pensions have increased. University teaching will become a playground for the privately wealthy."

Louis Goddard, report author adds, "If we want a profession that truly reflects the diversity of this country, and not an anaemic caste of pay-to-play dilettantes, then those who benefitted most from the Golden Age, and who now sit in positions of academic and political authority, need to take action now."

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**Note to Editors:**

Sources: Higher Education Statistics Agency (HESA), Skills Funding Agency (SFA), National Union of Students (NUS) and University and College Union (UCU).

Universities Superannuation Scheme pension black hole is £13 billion (when increasing longevity assumptions factored in), <http://www.timeshighereducation.co.uk/news/is-it-the-end-for-uss-final-salary-pensions/2013456.article>

True scale of public sector pension liability is £1.7 trillion, <http://www.if.org.uk/archives/5216/the-600-billion-question-how-public-sector-pension-liabilities-are-being-undervalued-at-the-expense-of-future-generations>

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