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NTEU “17% super for all” claim would cost more than \$700 million over the next 4 years

The National Tertiary Education Industry Union’s enterprise bargaining claim for universities across Australia to pay 17% superannuation contributions to casual staff would cost the sector at least \$700 million over the next four years, according to new analysis undertaken by the Australian Higher Education Industrial Association.

The system-wide cost of adopting the NTEU’s claim for 17% superannuation for casuals employed by universities starts at \$166 million in 2018 and rises to \$189 million by 2021.

Within just a few years, the increased cost of paying 17% super to all casuals would rise above \$200 million a year and continue to increase indefinitely.

“At a time when universities are facing increasing budget pressure, the NTEU’s claim for all university staff to receive 17% super is simply out of touch,” said Stuart Andrews, AHEIA Executive Director.

“This week we’ve seen renewed speculation that universities will suffer a 2-3% budget cut in the upcoming Federal Budget.”

“Universities are also facing the potential abolition of the HEPPP program, which provides universities with around \$140 million in funding each year to support low-income Australians to access university.”

“This isn’t the right time for the NTEU to be advancing costly claims that would add significantly to the current budget pressures being faced by universities.”

“The AHEIA analysis is based on modelling that involves salary rates, including casual rates, increasing by 1.3% per annum over the next 4 years and conservative assumptions of:

- the average pay levels being the midpoints of the lowest pay level for academic staff (Level A) and a mid-range pay level for professional staff (Level 5)
- below-trend growth in casual staff numbers of only 3%”

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“The true cost to universities of the NTEU’s “17% for all” super claim is in fact significantly higher than \$700 million, as the modelling does not include the cost of the NTEU’s claim for all fixed-term university staff to also receive 17% super” Mr Andrews said.

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The Australian Higher Education Industrial Association (AHEIA) is the employer association for the higher education sector, registered under the federal Fair Work (Registered Organisations) Act 2009.