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Arbitration Newsflash: UTFA fights for you while the Administration demands salary cuts and benefits concessions

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Arbitration Newsflash: Your UTFA Negotiating Team fights for fair wage increases and updated benefits; the senior Administration proposes cuts to your real wages and seeks to pit members against each other

Executive Summary

Your UTFA Negotiating Team will be at arbitration tomorrow, advocating for a meaningful 4.9% salary increase and reinvestments in PTR, effective July 1, 2026. Our current compensation levels are not keeping pace with the University of Toronto's standing as a leading global institution capable of recruiting and retaining world-class faculty and librarians. Our proposals seek to catch up with the COVID-era inflationary surge, rising inflation rates, and to maintain our top-of-market position. UTFA also proposes a series of necessary improvements to the Health Plan and the Child Care Benefit to meet the evolving needs of our members.

In sharp contrast to UTFA's proposals, the senior Administration's offensive proposals seek cuts to UTFA members' real salaries via an ATB proposal of 1.5%, no reinvestment in PTR, and concessions on health benefits that would pit one group of UTFA members against another. Their 1.5% ATB proposal does nothing to catch up on past inflation shortfalls, falls below the current inflation rate, trails comparable settlements at peer institutions, and would result in a real wage reduction for our members. The Administration is therefore proposing a significant pay cut that would leave UTFA members further behind as the cost of living surges! To our great disappointment, as of the time of writing (less than 24 hours before tomorrow's hearing), the Administration ***has refused to provide underlying salary source data*** upon which it relies heavily to justify its proposal. After our repeated requests were rebuffed, UTFA is seeking an urgent Production Order from Arbitrator Parmar.

For more details, read on.

The Full Story

Dear Colleagues,

Tomorrow, your UTFA Negotiation Team will present its arguments to Arbitrator Jasbir Parmar to determine your salary increases for July 1, 2026, as well as other crucial changes to your compensation, including PTR and benefits.

The difference between our position and that of the Administration is stark. Your UTFA Team believes you are entitled to salary increases that keep pace with inflation, PTR that rewards achievement and career progress, and benefits that meet members' evolving needs. We believe members are entitled to compensation sufficient to restore and maintain our top-of-market position. The University of Toronto is the highest-ranked Canadian university and amongst the top-ranked public universities in the world. UTFA members, the faculty and librarians who work to maintain these standards of excellence, must be compensated in keeping with their world-class contributions and status.

The Administration disagrees. It seeks a salary increase that falls short of inflation and represents a **significant real-wage pay cut** for UTFA members. It opposes any reasonable increases to PTR or benefits.

On **salary**, UTFA seeks a **4.9%** across-the-board ("ATB") increase, justified on three bases:

1. UTFA has not yet caught up with the COVID-era inflationary surge. We made gains in arbitration in 2023, 2025, and earlier in 2026, but we have not closed the gap.
2. UTFA salaries must be top-of-market. In recent years, the University of British Columbia has pulled ahead. We need adjustments to restore our top-of-market status.
3. Inflation is rising again—the most recent CPI is **2.8%**.

We have proposed that the 4.9% increase be split into two portions: 3.9% across-the-board for all members and 1% of the salary mass, distributed evenly among members (pro-rated to their percentage of appointment). This distribution of ATB will provide additional salary for some of our lowest-paid faculty and librarians.

In contrast, the Administration asks the Arbitrator to impose a 1.5% increase. This proposal is insulting. An increase of 1.5% is lower than the inflation rate, lower than the rates agreed to by any relevant comparators, and lower than the increases the Administration has negotiated with any other bargaining unit at the University of Toronto. In terms of real wages, **the Administration is proposing a significant pay cut.**

There is no basis for the Administration's pay cut. While it argues in arbitration that it cannot afford the reasonable increases proposed by UTFA, its **own budget** boasts of its "strong financial position" and its "resources to invest in the most pressing institutional priorities and capitalize on strategic opportunities".

Moreover, despite our repeated requests for the Administration's underlying source salary data, which it relies on to justify its proposal, the Administration has, as of the time of writing (less than 24 hours

before the arbitration hearing), *refused to provide it to UTFA*. The Administration's response is unacceptable. As Arbitrator Jesin stated in a recent **decision**: "Interest arbitration should not be a treasure-hunt. When one party presents information to the Board, it must be prepared to validate it by providing identifying information, up to and including the source documents." The Administration's refusal to provide the requested source documents denies UTFA the ability to respond appropriately to the assertions in the Administration's brief. The Administration's obstruction has resulted in UTFA seeking a Production Order from the Arbitrator to compel the Administration to comply with its production obligations and ensure we have the information necessary to meaningfully respond to the Administration's arguments.

On **PTR**, UTFA proposes to reverse the trend of eroding PTR funds by pegging PTR to 2% of the salary base each year. This would ensure that PTR funding is more consistent and predictable, and that it recognizes achievement, promotion, and career progression through annual merit-based wage increases available to all UTFA members. In contrast, the Administration seeks to maintain the status quo, preserving disproportionate discretion over the level of PTR funding, which it has consistently allowed to erode as a percentage of salary, and relatedly, opaque salary anomaly increases available only to a tiny minority of our members.

On **benefits**, UTFA proposes a series of necessary adjustments to our Health Plan, as well as the Child Care Benefit. With respect to the **Health Plan**, UTFA proposes the following improvements:

- Mental Health: increase to $10,000 per year
- Vision: increase eyeglasses or contact lenses, laser eye surgery, and associated services to $1,000 every 24 months and eye exams to $125 per year
- Paramedical: add Kinesiologist to the list of eligible practitioners
- Prescription Drugs: remove dispensing fees; add compounded medication when medically necessary
- Hearing aids: increase to $4,000 per ear
- Dependents: add students studying part-time due to disability

These are critical improvements to the Health Plan, which has not been updated since 2022. The increase to the mental health benefit is particularly urgent, given the mental health crisis faced by members and their families.

With respect to the **Child Care Benefit**, UTFA proposes to increase the available funds from $1 million to $2 million. The reason is simple: the Benefit was established in 2008. At the time, the amount was $1 million. Now, in 2026, the amount is still $1 million. The number cannot be frozen in perpetuity, notwithstanding inflation, increases to the cost of childcare, the growth in the membership, or changes in eligibility. UTFA also proposes to change the eligible age to 11, recognizing that 10- and 11-year-olds still require care.

The Administration's approach to benefits is unacceptable. It opposes all UTFA's proposals. Instead, it proposes a series of harsh concessions. Specifically, the Administration has proposed to a) cap emergency travel benefits to 60 days, except in the case of members on research/study leave, and b) cap the per-person-per-annum private duty registered nursing services to $10,000. It proposes that, if both changes are implemented, the Child Care Benefit be increased from $1 million to $1.2 million.

The Administration's proposals are untenable and entirely insensitive to your needs.

Capping emergency travel benefits would harm both active members and retirees who have always relied on the plan's flexibility. The travel benefit is a core feature of the plan, and maintaining it is essential to keeping travel benefits at a top-of-market level.

Moreover, for current members, it is insufficient to extend travel benefits beyond 60 days only where an UTFA member is on research and study leave. Many members do not teach from May to August, well over 60 days and, per Article 8 of the **Memorandum of Agreement** with the Administration, summer teaching is *voluntary*. Faculty members and librarians engage in research and study travel during this time, without the need for leave. This is part of their work. It would be extremely harmful to cut off those members' benefits, leaving them either uninsured abroad or paying out of pocket for private insurance.

Similarly, there is no basis to cap the private duty nursing benefit, which provides essential care to members and their dependents most in need.

Most troubling is that the Administration has proposed to increase the Child Care Benefit only *on the condition* that these cuts are awarded. This pitting of our members against each other—parents of young children against retirees and those in need of private duty nursing. We must reject this attempt to put our needs in competition. ***UTFA will not entertain concession bargaining!***

UTFA and the Administration have presented their written arguments to Arbitrator Parmar. You can read the briefs here:

- **UTFA's Brief, submitted May 19, 2026**
- **UTFA's Reply Brief, submitted May 22, 2026**
- **The Administration's Brief, submitted May 19, 2026**
- **The Administration's Reply Brief, submitted May 22, 2026**

UTFA may submit a further reply brief (i.e. Sur reply) following resolution of the data disclosure issue, if appropriate.

We have jointly sought an expedited decision from Arbitrator Parmar. We anticipate receiving a decision before the end of June, so that your new salaries and benefits can take effect on July 1, 2026.

Sincerely,

Terezia Zorić
UTFA President

Jun Nogami
UTFA Vice-President, Salary, Benefits, Pensions & Workload

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