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Terms of New UTFA Settlement for July 2014 to June 2017

November 30, 2015

Dear Colleagues,

We are very pleased to be able to convey to you the terms of a (mostly) mediated settlement reached on Saturday, November 21, in negotiations between UTFA and the University administration.

We have a tentative agreement for the period July 1, 2014 to June 30, 2017. Links to the full text of the agreement are provided at the bottom of this page, including the annual Across The Board (ATB) salary increases for faculty and librarians that were issued as an arbitration award by Mr. William Kaplan on November 27 and that are conditional on ratification of the mediated settlement.

The remainder of this note is meant to explain the various terms of the settlement and the award. UTFA's Council will be voting to ratify the mediated (i.e., non-ATB) portion of the award on December 14, 2015.

The Arbitration Award (not subject to ratification[i])

The arbitrator's award provides for ATB salary increases in each year of the three-year deal, two years of which involve some retroactive increases given that we are now almost 1.5 years into the new tentative agreement. The increases during the first two years are delivered in six month intervals as follows: two 1% increases as of July 1, 2014 and July 1, 2015; and two 0.9% increases as of January 1, 2015 and January 1, 2016. For the third year (July 1, 2016–June 30, 2017), a 1.75% increase takes effect on July 1, 2016. For clarity, the year-end ATB salary increases in the three years of the agreement are 1.9 percent, 1.9 percent, and 1.75 percent.

The Mediated Settlement (subject to ratification)

ATB: UTFA and the University administration agreed to "cap" the July 1 2016 ATB increase in the following way: all faculty and librarians will receive a 1.75% ATB increase up to a reference point ($152,500 plus 2014 and 2015 ATB percentages) with the rest of the funds being added to the relevant

PTR pools. All faculty and librarians with salaries above the reference point will receive a salary increase equal to 1.75 percent of the reference point. The “residual” or savings of 1.75% applied to that portion of all salaries above the reference point will then be used to increase the funds available for distribution as PTR in the relevant pools.

PTR: Amounts available for distribution as PTR normally increase with the ATB percentage of the previous year. To make up for the fact that 2015 PTR was already distributed without taking any ATB increase into account, there will be a flat dollar increase to salaries equal to the 2014 ATB increase (1.9%) times the average PTR award. Going forward, PTR breakpoints and increments will increase annually by the previous year’s ATB.

Teaching Stream PTR: As announced in late August, effective July 1, 2015, the PTR breakpoint has been increased to $135,400 and the average PTR increments (i.e., per capita average PTR awards above and below the breakpoint) were increased to $1800 above the breakpoint and $3100 below.

In addition, UTFA filed an Association grievance with respect to the 5% which the Administration had deducted from the increment amounts UTFA negotiated. The Administration has clarified that, going forward, the amounts agreed upon for PTR increments would be exclusive of the amounts allocated for the 5% Dean’s Merit Pool. In recognition of the fact that the 5% had already been deducted from 2015 Teaching Stream PTR, the Administration agreed to a one-time-only $90 increase to base salary for Teaching Stream faculty above the breakpoint and $155 for Teaching Stream faculty below the breakpoint, effective July 1, 2016. This agreement fully resolves the Association’s grievance.

Research and Study Leave: In a previous round of negotiations, UTFA secured an increase to the salary for first research and study leaves after tenure or continuing status to 90% (from 82.5%). In this round, we sought, and achieved, additional improvements in this rate for all subsequent such leaves from 82.5% to 85% effective July 1, 2015 and from 85% to 87.5% effective July 1 2016.

Librarian Salaries: Librarians whose July 1, 2014 salaries were $73,907 or less have been awarded increases of $2900 (affecting almost 40 librarians). Also the salary minimums for all librarian ranks have been increased by $2900.

Benefits improvements:

Vision Care: Benefit increase from $350 to $400 every 24 months plus the addition of separate coverage for an eye exam up to $110 every 24 months. Effective July 1, 2015.

Complementary Health Services: Increase in the benefit maximum from $700 to $950. Effective July 1, 2015. Eligible services expanded to include: Dietician services, Osteopathy, Occupational Therapy, and Acupuncture.

Dental implants: Now explicitly covered under the existing major restorative dental benefit. Effective July 1, 2015.

Professional Expense Reimbursement Amount (PERA): Effective July 1, 2015, increase from $1850 to $2,000 for pre-continuing status and pre-tenure faculty and pre-permanent status librarians and increase from $1600 to $1700 for tenured and continuing status faculty and permanent status librarians.

Tuition Waiver for PhD Students: Effective July 1, 2015, the faculty and librarian tuition waiver benefit

will be modified to cover part-time or flex-time U of T Ph.D.

LTD: Increase in **the pre-disability salary cap for LTD claimants** from $125,000 to $150,000 at no extra cost to our members. Reconvene the Joint Working Group to consider improvements to the structure and cost of LTD for UTFA's members, with binding arbitration if issues not resolved by July 1, 2016. Improvement to policy on receipt of PTR for LTD claimants, specifically to allow for PTR to be awarded during the first year (or portion thereof) of LTD leave, in parallel with members on other forms of leave (e.g., parental).

Inter-campus Travel: Confirmation that the current Travel and Other Reimbursable Expenses Policies and Guidelines cover travel expenses for UTM and UTSC faculty who have to travel to the St. George campus to fulfill their academic responsibilities.

Workload Policy Revisions: UTFA sought and secured revisions to the Workload Policy designed, among other things, to strengthen the collegial aspect of the policy and to protect the scholarship component of Teaching Stream faculty workload. The revised policy is posted on our website.

Salary Anomaly Policy: The University administration agreed to participate in a Joint Working Group to explore the need for a Salary Anomaly Policy at U of T.

Pension Contributions: The Administration came into this round of bargaining looking for pension contribution increases from all members. The tentative settlement includes a 1% pension contribution increase (from 6.3% to 7.15% below the CPP maximum and from 8.4% to 9.50% above) on the last day of the three-year contract (June 30, 2017). UTFA sought and received an offset for the effective cost of this increase (0.85%), which comes in two forms.

The first is an additional flat dollar increase to the base salary of all faculty and librarians. Each active member will receive an amount equivalent to 0.4% of the total salary mass divided by the number of FTE faculty and librarians on July 1, 2017.

A further 0.45% will come in the form of an annual $650 allocation (prorated by percentage FTE) to a new Health Care Spending Account (HCSA) for each active faculty and librarian beginning July 1, 2017. This provision was intended to provide a tax-efficient mechanism for members to pay their health care premiums, though the funds may be used for other eligible health care expenses. Importantly, because this amount is not taxable, the offset negotiated by UTFA, in after-tax dollars, is worth more than the after-tax cost of the pension contribution increases. UTFA negotiators made clear to the Administration, however, that the introduction of a HCSA is not meant to be a precedent for future negotiations on benefit changes or improvements and the tentative agreement explicitly instructs future arbitrators to ignore the HCSA as a precedent for future changes to benefits.

Pension Maximum Salary: In order to ensure that UTFA members whose salaries are above the maximum pensionable salary prescribed by the Income Tax Act (ITA) receive pensions that are equal to or as close as is possible to the ITA maximum pension, UTFA has negotiated an increase to the current pension plan maximum salary of $150,000. In particular, the University administration agreed to an interim increase to the maximum pensionable salary for 2014 and 2015 ($153,000 and $156,000 respectively) and a formula for determining the maximum pensionable salaries for 2016 and 2017. A working group will be convened to determine an ongoing solution for the application of the ITA maximum pension for faculty and librarian members who retire under the provisions of the current plan. Mr. Kaplan remains seized as a mediator-arbitrator on this issue.

Retiree Issues: UTFA's bargaining team resisted all proposals designed to freeze retiree benefits at the current levels and to reduce the current out-of-country benefit. UTFA did agree, however, to the introduction of a ten-year eligibility period for all retiree benefits on a go-forward basis. This change applies only to members hired on or after the date of the settlement/arbitration award.

Despite our persistent efforts, the Administration steadfastly refused to agree to pension augmentation above the prescribed indexation of pensions at 75 percent of inflation, on the basis that the law now requires pension funds in deficit to immediately pre-fund the entire cost of any such augmentation.

In the end, our bargaining team feels that this deal, including the arbitration award, is the best that could be achieved under the current circumstances, and that it is a fair and reasonable outcome for our members and for the University of Toronto. We estimate the net compounded value of the deal, with all adjustments included, to be at least 6.4 percent over the full three years of the deal.

It is important that all members review the terms of the tentative settlement and convey any questions or concerns to their Council representative and/or directly to the UTFA bargaining team at bargaining@utfa.org.

Thank you for your patience and support over the course of this protracted bargaining cycle.

Your bargaining team in this round of negotiations, in addition to myself, is:

- Bobby Glushko – Scholarly Communications and Copyright Librarian
- Paul Hamel – Professor, Department of Laboratory Medicine & Pathobiology; UTFA Treasurer
- Linda Kohn – Professor, UTM Biology; UTFA Vice-President, University and External Affairs
- George Milbrandt – Retired Professor, Faculty of Education
- Katharine Rankin – Professor, Department of Geography and Planning; UTFA Council member
- Cynthia Messenger – Associate Professor, Teaching Stream, Director of the Writing and Rhetoric Program, Innis College; UTFA Vice-President, Grievances
- Scott Prudham – Professor, Department of Geography and Planning and School of the Environment; UTFA President

We wish to thank Mediator Kevin Burkett and Mediator/Arbitrator William Kaplan for their assistance during this long and complex round of negotiations.

The team was advised and supported at every stage by UTFA's General Counsel, Heather Diggle, and also received advice and representation from Steven Barrett and Emma Phillips (Goldblatt Partners) and from Hugh Mackenzie (Hugh Mackenzie & Associates).

Paul Downes
Chief Negotiator and VP Salary, Benefits, Pensions and Workload
Associate Professor, Department of English

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[i] Although the arbitration award is not subject to ratification by the parties, it is conditional on ratification of the mediated settlement.

File attachments:

Kaplan award 2014-17 University of Toronto & UTFA.pdf

Source URL (modified on Jan 19 2018):https://www.utfa.org/content/terms-new-utfa-settlement-july-2014-june-2017