

**IN THE MATTER OF AN ARBITRATION BEFORE ARBITRATOR PARMAR**

BETWEEN:

**THE UNIVERSITY OF TORONTO FACULTY ASSOCIATION (UTFA)**

Association

and

**GOVERNING COUNCIL OF THE UNIVERSITY OF TORONTO**

Employer

---

**REPLY BRIEF OF THE ASSOCIATION  
SUBMITTED ON MAY 22, 2026**

---

**RAVENLAW LLP**

151 Yonge Street, Suite 1301  
Toronto, Ontario  
M5C 2W7

Telephone: 416.673.5680

Facsimile: 613.567.2921

[wgarzouzi@ravenlaw.com](mailto:wgarzouzi@ravenlaw.com)

[jwilliams@ravenlaw.com](mailto:jwilliams@ravenlaw.com)

**WASSIM GARZOUZI  
JULIA WILLIAMS**

**COUNSEL FOR UTFA**

**TABLE OF CONTENTS**

THE ADMINISTRATION’S INDEFENSIBLE APPROACH TO ATB .....4  
THE ADMINISTRATION’S DATA SHOWS CATCHUP TO UBCFA IS NEEDED  
.....5  
THE ADMINISTRATION’S CHERRY-PICKED DATA .....7  
THE CONTINUED RELEVANCE OF CPI AND THE RELEVANT CPI..... 13  
THE ADMINISTRATION’S FINANCIAL POSITION IS STRONG ..... 15  
INTERNAL COMPARATORS ARE OF LIMITED RELEVANCE ..... 21  
THE ADMINISTRATION’S ANOMALOUS APPROACH TO RETROACTIVE PAY  
..... 22  
UPDATING PTR IS NOT A CHANGE TO ANY FRAMEWORK ..... 24  
SALARY FLOORS MUST BE TOP OF MARKET AND REFLECT THE STATUS QUO  
..... 26  
THE ADMINISTRATION’S FLAWED APPROACH TO BENEFITS..... 28  
THE CHILD CARE BENEFIT HAS DECREASED IN VALUE..... 32

The University of Toronto Faculty Association (“UTFA” or the “Association”) makes the following submissions in reply to the arbitration brief of the Governing Council of the University of Toronto (the “Administration”) submitted on May 19, 2026. Subject to the Administration’s presentation of its arguments at the May 23, 2026 hearing, the Association reserves the right to make further reply.

The Administration asks the Arbitrator to award an across-the-board (“ATB”) increase of 1.5%. This proposal is, frankly, insulting. An increase of 1.5% is lower than the rate of inflation, lower than the rates agreed to by any relevant comparators, and lower than increases the Administration has negotiated with any other bargaining unit at the University of Toronto. In terms of real wages, **it is a significant pay cut.**

The proposal for an ATB increase of 1.5% is just one of a series of untenable positions the Administration advances in its brief, in which it seeks to abandon the principles that have guided collective bargaining between these parties throughout their history.

The Administration asks the Arbitrator to disregard the top of market principle and ignore recent increases negotiated by the University of British Columbia Faculty Association (“UBCFA”). It asks the Arbitrator to maintain a PTR system that has lost its value and no longer fulfills its purpose, and to maintain sub-normative floors that do not reflect the status quo. It asks the Arbitrator to ignore the need for improvements to benefits that can no longer meet the needs of faculty, librarians, and retirees, relying on exaggerated costing that bears no resemblance to reality. It asks the Arbitrator to impose harsh concessions to reduce the benefits available to members. Lastly, it asks the Arbitrator to refuse necessary increases to the Child Care Benefit. These proposals cannot be taken seriously.

## **THE ADMINISTRATION'S INDEFENSIBLE APPROACH TO ATB**

The Administration asks the Arbitrator to impose an ATB increase of 1.5%. It justifies its proposal on the following four factors:

1. The Consumer Price Index ("CPI");
2. The Administration's purported financial challenges;
3. Internal comparators; and
4. Salaries at other universities.

None of these factors, however, supports the Administration's position that sub-inflationary and sub-normative increases should be awarded to faculty and librarians at Canada's leading University.

First, the Administration's own comparator data show that the University of Toronto faculty and librarian salaries have fallen behind those at the University of British Columbia ("UBC") and Queen's.

Second, the Administration's CPI data are misleading, and its submissions fail to consider the fact that recent ATB awards have been lower than inflation.

Third, the Administration significantly overstates its financial challenges.

Fourth, the Administration relies on internal comparator data of limited relevance.

Finally, the Administration advances an anomalous and discredited approach to retroactive pay.

## THE ADMINISTRATION'S DATA SHOWS CATCHUP TO UBCFA IS NEEDED

While the Administration pays lip service to the parties' commitment to maintain the University's top of market position, its proposals reflect a complete abandonment of this principle. Top of market means top of market. It does not mean salaries above the mean, especially a mean which includes universities that are not useful comparators for the University of Toronto by any metric.<sup>1</sup> Simply, the average salaries at non-U15 universities, such as Nipissing, Ontario Tech University, or OCAD U, do not assist in assessing the salaries at the University of Toronto, nor have they ever been considered relevant comparators.

Seeking to maintain and restore top of market status is not an 'overuse', 'misuse, or 'misapplication' of the top of market principle.<sup>2</sup> It is simply an application of the core principle that has governed bargaining and arbitration between these parties for decades.<sup>3</sup>

In his 2026 Award, Arbitrator Gedalof concluded that salaries at the University of British Columbia ("UBC") were "especially relevant at this time",<sup>4</sup> finding that, based on the data provided by the Administration, it appeared that the University of Toronto was no longer top of market:

However, in 2024, salaries at UBC increased by 3% while salaries at University of Toronto increased by 2.5%. It appears, therefore, that at least by the limited measure I have been provided in this proceeding, salaries at the University of Toronto are no longer top of market. It also appears unlikely that the 1.5% increase proposed by the University will be sufficient to restore and maintain the University of Toronto at the top of market.<sup>5</sup>

<sup>1</sup> Administration Arbitration Brief, dated May 19, 2026 at para 114 ["Administration Brief"]

<sup>2</sup> Administration Brief at paras 13 and 19

<sup>3</sup> See, for example, *University of Toronto v University of Toronto Faculty Association*, dated [June 3, 1982](#) ["Burkett Award"]; *University of Toronto (Governing Council) and University of Toronto Faculty Assn. (Re)*, [2006 CanLII 93321 \(ON LA\)](#) at para 20; *Governing Council of the University of Toronto and UTFA*, dated [October 5, 2010](#) ["Teplitsky Award"]; *Governing Council of the University of Toronto v University of Toronto Faculty Association*, 2026 CanLII 1385 at para 95 ["Gedalof 2026"]

<sup>4</sup> *Gedalof 2026*, *supra*, at para 95

<sup>5</sup> *Ibid* at para 96 [emphasis added]

The reason he declined to order a correction was that the UBC Faculty Association had not yet completed its bargaining for 2025.<sup>6</sup>

As noted in UTFA's brief, however, the parties at UBC recently reached a tentative agreement. In that agreement, UBC agreed to a 3% increase in 2025, 2026, 2027, and 2028, as well as additional targeted adjustments of up to 2% in each year for certain ranks. Any uncertainty that may have existed regarding the extent of the salary increase at UBC has now been eliminated.

In light of these outcomes, the Administration now pivots, arguing that outcomes at UBC "should be given little if any weight" because different policy mechanisms drive bargaining in British Columbia and Ontario.<sup>7</sup> Whereas in British Columbia, universities are subject to broader trends and mandates in public sector bargaining, in Ontario, "institutional autonomy" governs bargaining.<sup>8</sup>

This argument is, of course, a red herring. What matters in this round of bargaining is not the historical or policy reasons that explain how the UBCFA's salaries came to surpass UTFA's. What matters is that they have.

---

<sup>6</sup> *Ibid* at para [97](#)

<sup>7</sup> Administration Brief at para 60

<sup>8</sup> Administration brief at paras 59-60

## THE ADMINISTRATION'S CHERRY-PICKED DATA

The Administration presents a dataset that is cherry-picked and manipulated. The Administration has not complied with UTFA's **repeated** requests for production of the source data behind its tables and graphs. This refusal denies UTFA the ability to respond to the assertions in the Administration's brief, contrary to basic principles of procedural fairness:

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 parties, and indeed the Board, are entitled to objective information that can be verified. It is not simply a courtesy, it is a matter of procedural fairness that ensures transparent, intelligible and reasonable decisions.<sup>9</sup>

Without source data, UTFA cannot verify the Administration's data or respond to it meaningfully. As such, UTFA has brought a production request to compel the Administration to **immediately** comply with its production obligations. When UTFA receives this data, it will respond to it, whether during the hearing or after.

The data presented by the Employer suffers from several fatal problems, including, but not limited to the following:

- It is outdated. It presents 2024 data when the parties are bargaining 2026.
- It purports to be based on the "Statistics Canada University and College Support Staff System" ("UCASS"), but its numbers do not correspond to any UCASS data available online and, therefore, cannot be verified.
- As per the small print at the bottom of page 48 of their brief, the Administration has applied filters to the data that inexplicably exclude several segments of UTFA's membership (and the membership of other faculty associations), including members in the faculties of dentistry and medicine

---

<sup>9</sup> *United Food and Commercial Workers Local 175 v Barton Retirement Inc*, 2021 CanLII 107100 at para [7](#); see also *United Food and Commercial Workers Local 175 v New Edinburgh Square*, [2021 CanLII 98551](#);

and faculty with senior administrative duties, which includes chairs and directors that are members of UTFA. There is no rational basis to exclude these members and the Administration has not even attempted to provide one.

- It excludes librarians, for which it provides **no comparator data**.
- It includes universities that are not in the U15 and that are not, in any meaningful sense, comparators.
- It excludes part-time faculty members and CLTAs, even though these comprise **over 800** members. Again, there is no rational basis to exclude these members. Most troubling is that these represent the **lowest-paid UTFA members** and the fastest growing part of the membership. These members are subject to the same professional requirements as any other UTFA member and they contribute to the excellence of the University of Toronto. They are also entitled to top of market status. Moreover, excluding these members distorts the averages and pushes them downwards.
- It provides no explanation for the source of UTFA's salaries in the tables. The Brief provides UTFA salaries for 2024, apparently from UCASS, even though the Administration has **not responded** to the UCASS survey for that year. Per the note on the publicly available UCASS data for that year: "For 2023/2024 and 2024/2025, University of Toronto's data reports the 2022/2023 figures as a placeholder, as for various administrative reasons, the institution was unable to submit their data to Statistics Canada prior to the deadline. This information will be updated once the institution is able to submit their final data for 2023/2024 and 2024/2025."<sup>10</sup> This discrepancy calls for an explanation, which has not been provided.

There can be no explanation for the distortion of the data, apart from the fact that the Administration must not have liked the full picture. Even the Administration's

---

<sup>10</sup> Statistics Canada, "[Number and salaries of full-time teaching staff at Canadian universities](#)"

manipulated and selective picture of the data cannot obscure the key fact that the University of Toronto is not currently top of market:

- Full Professors were, in Fall 2024, roughly on par with UBC. UBC achieved higher annual increases in 2024 and 2025. It is unclear whether the data provided by the Administration includes the 2024 ATB. If it does not, UBC is certainly now ahead, but, even if it does, the superior PTR percentage at UBC means **the average Full Professor would be better off at UBC.**
- Associate Professors were, in Fall 2024, roughly on par with UBC. UBC achieved higher annual increases in 2024 and 2025. Again, it is unclear whether the data provided by the Administration includes the 2024 ATB, but, even if it does, the superior PTR percentage at UBC means **the average Associate Professor would be better off at UBC.**
- Assistant Professors were, in Fall 2024, approximately \$3,000 behind Assistant Professors at Queen's. QUFA's increase in 2024 was higher (3%) and its 2025 increase was .25% lower (2.25%). Whether or not the Administration has included the 2024 ATB, **that gap has certainly persisted.**

In other words, in each of the three ranks, the University of Toronto does not appear to be top of market, by the Administration's own skewed data. The Administration's deficient data confirms this reality: in 2024, faculty and the University of Toronto were already behind their counterparts at some ranks and on par for other ranks; since 2024, those counterparts have received higher ATB increases and, at UBC, higher PTR. The implications, given the top of market principle, are self-evident.

Even if, for some ranks, salaries at the University of Toronto are higher, the differences are extremely small and cannot conform with the top of market principle. An average that falls several hundred dollars above the average at another institution is not meaningfully top of market. Further, because the average salaries between the two institutions are so close, it means that there are likely large numbers of UofT professors that lag similarly experienced UBC counterparts.

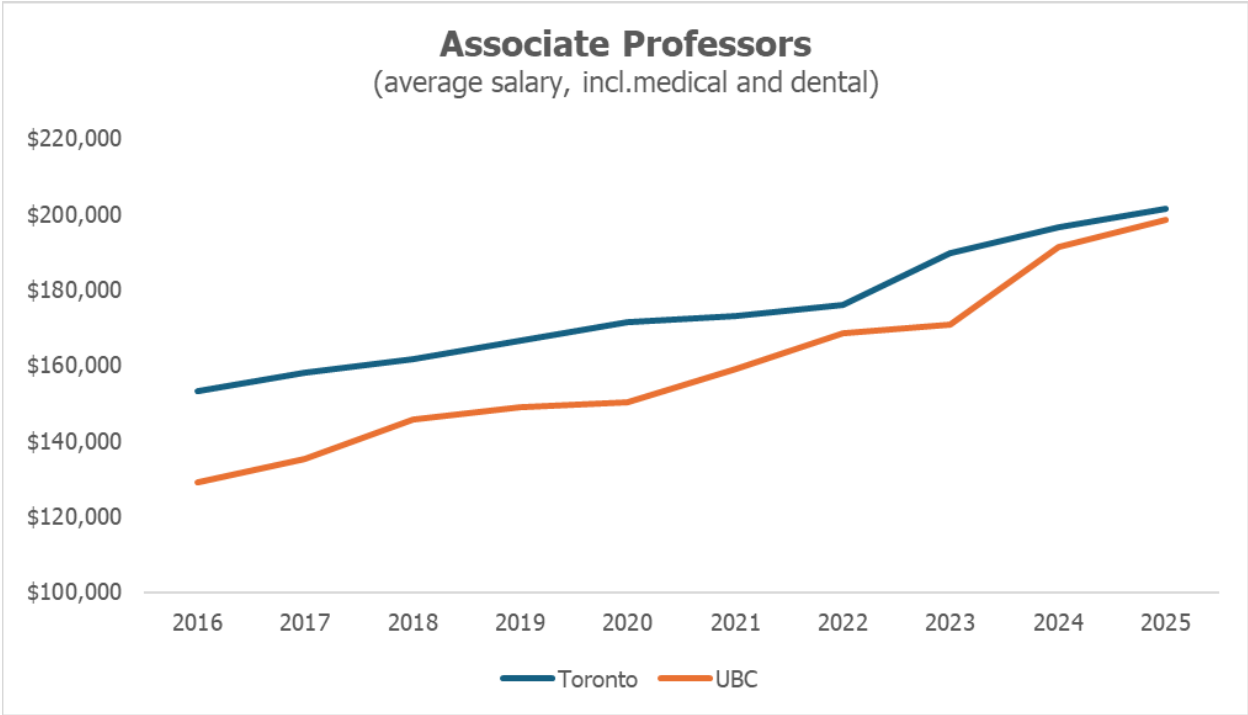
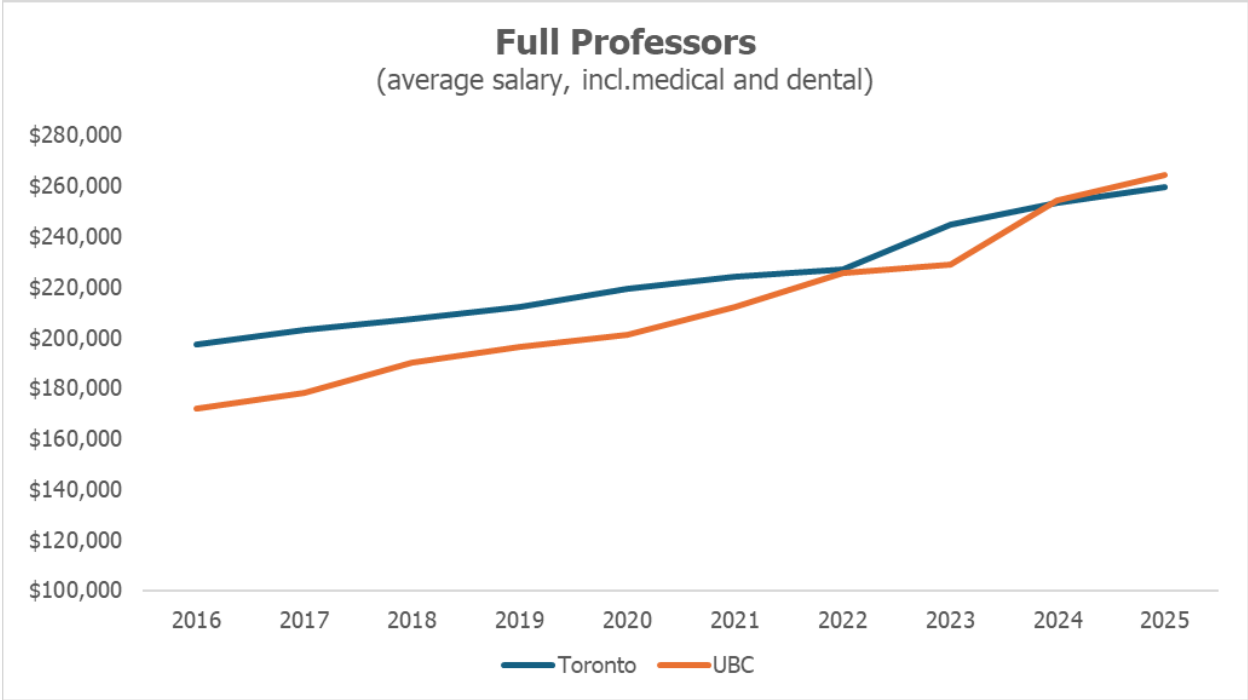
Critically, a longer-term view shows that, even just a few years ago, the differences that are now miniscule, were once significant.

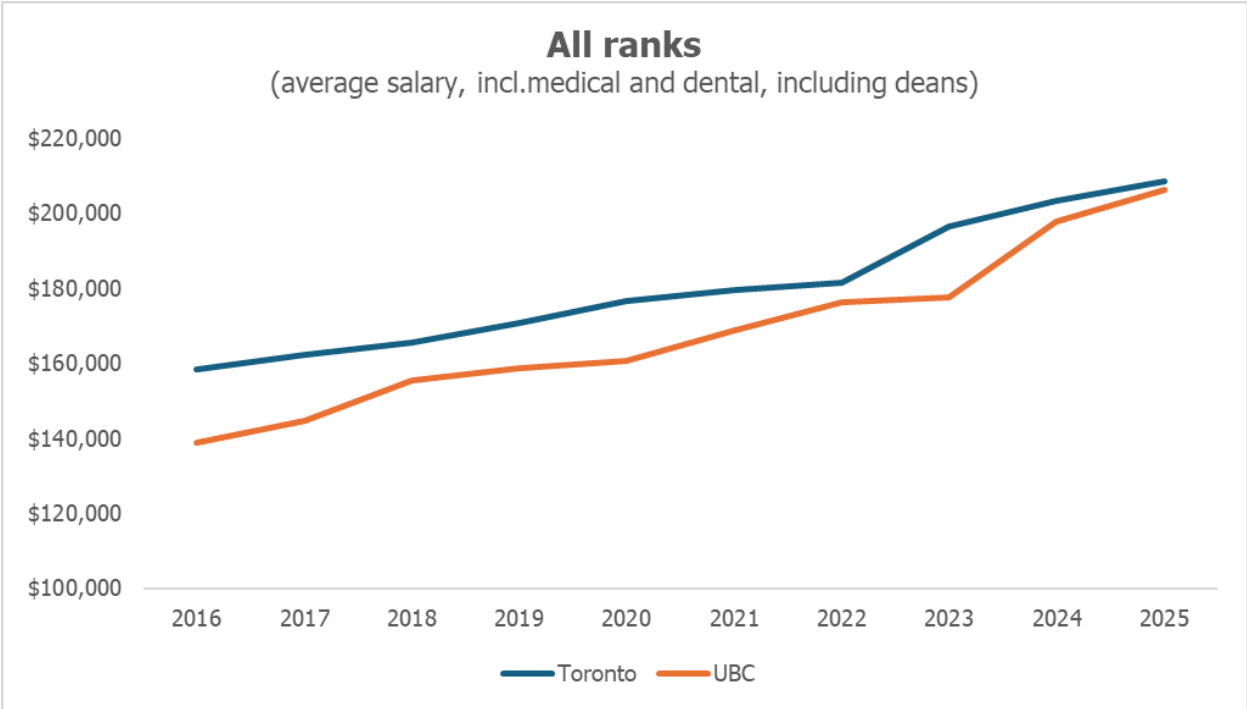
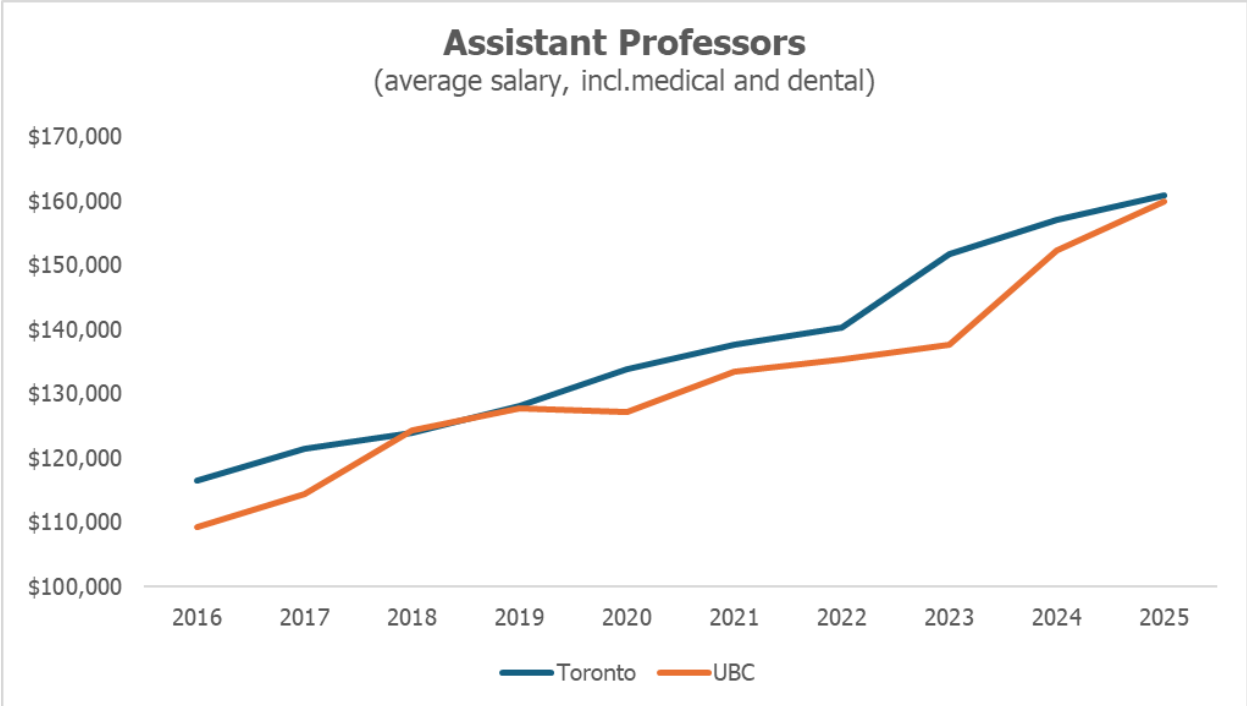
UTFA has reviewed the publicly available UCASS data, available [online here](#), and applied the following filters not applied by the Administration. This was done to accurately reflect the population of UTFA's membership:

- Including medical and dental, as membership includes more than 80 faculty in the school of Dentistry as well as others in the school of medicine
- Including faculty with senior administrative duties, as UTFA's membership includes chair and director roles.

UTFA's analysis is, necessarily, somewhat imprecise and **only includes full-time members, as only full-time data is available on the Statistics Canada website**. Without access to the underlying data, which the Administrative may access (and which it has not disclosed), UTFA cannot apply all the necessary filters to compare apples to apples. The data on Statistics Canada's website combines faculty with senior administrative duties that includes chairs and directors, included in UTFA, with deans, who are excluded. Further, as noted above, the data from the University of Toronto is out of date. To bring the data roughly up to date, UTFA has added the ATBs for 2023 (3.5%) and 2024 (2.5%) to approximate the missing years of data that the Administration has not submitted to UCASS.

Even accounting for the above caveats, the trend is clear. Over the last decade, the UBCFA has rapidly closed a significant gap and has either surpassed UTFA, or is trending sharply towards it:





The Administration’s position—one half of the increase at UBC—would entrench this trend. UTFA’s proposal would be an incremental step towards reversing this trend and restore the University of Toronto’s status as top of market as it existed a mere ten years ago.

## THE CONTINUED RELEVANCE OF CPI AND THE RELEVANT CPI

The Administration also seeks to depart from the longstanding principle that the ATB increases between these parties meet or exceed inflation. It asks for an award that is less than inflation.

In support of this novel position, the Administration cites the 2006 Winkler Award. It relies on this award instead of the clear pattern in the two decades since that award that shows that the ATB meets or exceeds the CPI in any given year and, when it does not, the gains are made up in subsequent years. Even more notably, it relies on this award instead of the three most recent Gedalof decisions between the parties that establish and reaffirm this point.

The Administration, instead, asks for increases that are well below inflation, even on its own theory of inflation.

The Administration's theory of inflation is indefensible. Instead of looking at current rates of inflation, it suggests we may look at a period of 10 months and "annualize" it, although it does not explain how exactly it has done that or whether there is any economic validity to that approach. Then, without providing any rationale, it suggests we should average the Ontario and Canada CPIs, contrary to the consistent approach used in past arbitral awards that did no such averaging.

Most importantly, the Administration's "annualized" approach ignores the current economic situation. It makes no reference to the current surge in inflation due to ongoing conflict in the Middle East and the resultant **28.6%** increase in gas prices.<sup>11</sup> It makes no mention of the 3.8% increase in grocery prices or the 7.6% increase in transportation costs.<sup>12</sup> It makes no reference to projections that inflation will continue to rise before it may fall back toward 2% in early 2027.<sup>13</sup>

---

<sup>11</sup> Consumer Price Index, [April 2026](#)

<sup>12</sup> Consumer Price Index, [April 2026](#)

<sup>13</sup> Bank of Canada, Monetary Policy Report, [April 2026](#) at p. 22

Instead, it asks the Arbitrator to rely exclusively on a select period of time in which inflation was largely slow<sup>14</sup> while ignoring more recent and relevant data. It then claims the Arbitrator can simply “annualize” those months and assume that this will reflect inflation for the July 2025-July 2026 period, an absurd proposition untethered from reality.

The Administration’s approach is untenable: it relies on months when inflation was slower to smooth over months when inflation was higher. The available data highlight the obvious flaw in this approach. The most recent CPI is **2.8%**. Overall economic conditions and geopolitical events strongly suggest that inflationary pressures are rising, not staying the same as they were pre-April. Annualizing the first 10 months bakes in a pre-existing trend that cannot rationally be expected to hold.

Even on the Administration’s indefensible approach to this issue, the relevant rate of inflation is 2.12%.<sup>15</sup> The Administration claims this number is somehow “extremely proximate” to its proposal of 1.5%. Putting aside the spurious nature of this claim, the Administration provides no explanation for why the ATB increase should be less than inflation.

As discussed in UTFA’s brief, the parties are now at the fourth—and hopefully last—stage of correcting for the COVID-era inflationary surge. Rather than closing the gap, the Administration asks the Arbitrator to widen it.

---

<sup>14</sup> Bank of Canada, Monetary Policy Report, [April 2026](#) at p. 22

<sup>15</sup> Administration Brief at para 124

## **THE ADMINISTRATION'S FINANCIAL POSITION IS STRONG**

Reading the Administration's brief, it would appear that revenue at the University of Toronto is in sharp decline, while the salaries of faculty and librarians skyrocket. However, the Administration's focus is far too narrow to meaningfully capture the reality of its financial position.

Several examples demonstrate that the picture the Administration paints misses the full scope of its financial situation.

### The Administration's Operating Margins

Much of the Administration's brief focuses on the nuances of accounting treatment and its cash flow. By this measure, the Administration's financial position is strong. The Administration's strong financial position is confirmed by its healthy cash position, by far the most relevant picture of its finances. Its financial reports show a cash position of \$322 million for the 2024-2025 fiscal year.<sup>16</sup> This is marginally lower than its cash position in 2024 (\$352 million) and 2022 (\$333 million), but significantly higher than its cash position in 2023 (\$221 million) and 2021 (\$192 million).<sup>17</sup>

Other relevant factors confirm the Administration's financial health:

- The Administration's most recent Financial Report shows a net income of \$519 million, with a positive net income of 10.6% of revenues before allocations to reserves.<sup>18</sup>
- The Administration boasts an "excellent credit rating of Aa1". This indicates that the Administration is in a stable financial position, with a very low risk of failing to meet its financial obligations. This rating is higher than that of the

---

<sup>16</sup> Financial Report [2025](#) at p. 35; Financial Report [2022](#), at p. 27

<sup>17</sup> Financial Report [2023](#) at p. 40; Financial Report [2022](#) at p. 40

<sup>18</sup> Financial Report [2025](#) at p. 3

Government of Ontario, which has the power to raise revenues through taxes.<sup>19</sup>

- The Administration projects an operating margin of 3.3% in 2026-2027, which it notes exceeds the Provincial Government's minimum threshold of 1.5%.<sup>20</sup>
- The Administration projects an increase in operating revenue of \$39 million in 2026-2027, representing growth of 1.1% for a total revenue of \$3.66 billion, and total growth of \$514 million over the five-year planning period.<sup>21</sup> Notably, the Administration is setting aside \$262 million in operating funds for other priorities like capital projects and reserves.<sup>22</sup> Even after all these allocations, the Administration expects to close the present fiscal year with a net operating surplus of **\$213 million**.<sup>23</sup>

The Administration argues that, instead of focusing on this significant surplus, the Arbitrator should focus on the \$43 million it projects that it will lose because of the decline in international student enrolment.<sup>24</sup>

Notably, while international enrolment has declined, it remains much higher than historic levels:<sup>25</sup>

---

<sup>19</sup> Budget Report [2026-2027](#) at p. 3; [Province of Ontario Credit Ratings](#)

<sup>20</sup> Budget Report [2026-2027](#) at p. 26

<sup>21</sup> Budget Report [2026-2027](#) at p. 15

<sup>22</sup> Budget Report [2026-2027](#) at p. 25

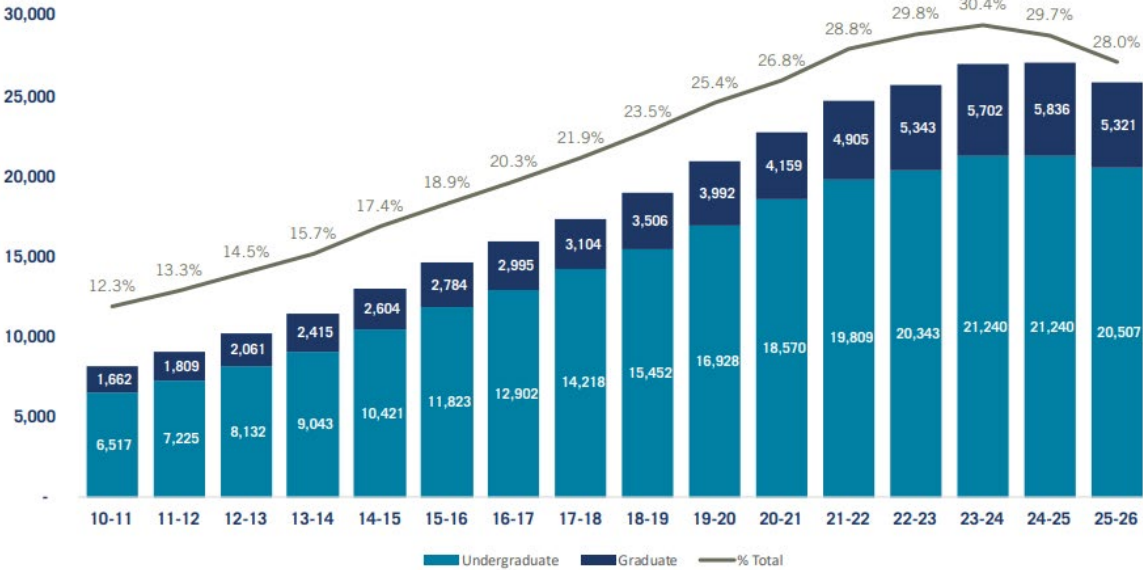
<sup>23</sup> Budget Report [2026-2027](#) at p. 25

<sup>24</sup> Administration Brief at para 81

<sup>25</sup> Enrolment Report, [2025-2026](#) at p. 12

# International Student Enrolment

2010-11 to 2025-26 (FTES)



In any event, in its November 2025 brief, the Administration argued that the decline would represent \$70 million in lost revenue, which it had historically used to fund UTFAs increases.<sup>26</sup> At the time, UTFAs argued that the \$70 million figure was unsourced and unsubstantiated and represented only a small percentage of the Administration’s revenue, which otherwise continues to increase.<sup>27</sup> Arbitrator Gedalof appeared to put no weight on the figure.

The same facts are true today: the \$43 million is unsourced and unsubstantiated (and significantly lower than \$70 million). It represents only a small percentage of the Administration’s revenue, which continues to grow, and it is at least partially offset by an increase in domestic fees.<sup>28</sup>

Notably, as UTFAs outlined in its brief, the Administration’s balanced budget for 2026-2027 was created **before** the Province of Ontario’s announcement of

<sup>26</sup> Administration November [2025 Brief](#) at para 20  
<sup>27</sup> UTFAs November [2025 Reply Brief](#) at p. 7  
<sup>28</sup> Administration Brief at para 81

significant investments in the university sector, meaning the financial picture is even more robust than that presented in the Budget Report.<sup>29</sup>

While in its brief the Administration devotes one sentence to this change,<sup>30</sup> it has publicly celebrated this announcement:

Today's announcement from the Ontario government is a bold and important step that recognizes the vital role universities play in making Ontario and its people more prosperous, especially for young people who are the future of this economy. It's the biggest boost to higher education in this province in a generation.<sup>31</sup>

The data—and the Administration's own reports—show that the University of Toronto is not in financial distress. To the contrary, it has a balanced budget, a healthy surplus, and a strong overall financial position. To the extent that the financial reports and budgets show any economic tightness, it is because of the Administration's large capital programs. The scale of economic programs is a policy choice by the Administration, not a reflection of financial distress.

The Administration **has budgeted a 4.5% increase** in faculty and librarian compensation for 2026-2027 over its budget plans for 2025-2026.<sup>32</sup> It cannot now say that UTFA's proposal is out of line with its overall plan for compensation in 2026-2027. The opposite is plainly true.

### The Administration's Argument About its Financial Situation is Contrary to Precedent

The Administration, while relying heavily on its financial circumstances, has not raised a formal inability-to-pay argument. If it had, such an argument would have

---

<sup>29</sup> UTFA brief at p. 35

<sup>30</sup> Administration brief at para 89

<sup>31</sup> [February 12, 2026 \(11:45 a.m. ET\): Ontario government announcement and U of T student financial supports](#)

<sup>32</sup> Budget Report [2025-2026](#) at p. 19; Budget Report [2026-2027](#) at p. 21

to be rejected, following the reasoning of Arbitrator Shime in *McMaster University*, which has been applied between these parties several times, including by Justice Winkler in 2006 and Arbitrator Teplitsky in 2010.<sup>33</sup> Crucially, even where the Administration has previously sought to rely on its financial situation, increases above inflation have been awarded between these parties.

For instance, in 2010, the parties went to arbitration before Arbitrator Teplitsky in the immediate wake of the 2008/2009 global financial crisis, the largest economic downturn in 70 years. In July 2009, CPI was -0.9% nationwide and -1.2% in Ontario. Arbitrator Teplitsky noted that the overall economic conditions were “poor”.<sup>34</sup>

There were, likewise, significant external pressures to award low or no wage increases. The provincial government had passed the *Public Sector Compensation Restraint to Protect Public Services Act*, freezing wages from 2010-2012. The Act applied to the University of Toronto and 1,300 of its employees, but not to represented employees such as UTFA members. The Government, nonetheless, urged wage freezes for represented employees and stated that any negotiated increases would not be funded. Arbitrator Teplitsky noted that this was a “very serious threat”.<sup>35</sup>

The Administration’s financial position during that period appeared dire, and its outlook uncertain. In 2009, the Administration ran a deficit of \$169.2 million.<sup>36</sup> Its endowment was devastated, decreasing by 26.7%, due to “severe financial market losses”. Indeed, it experienced investment losses of \$545.0 million on endowments:<sup>37</sup>

---

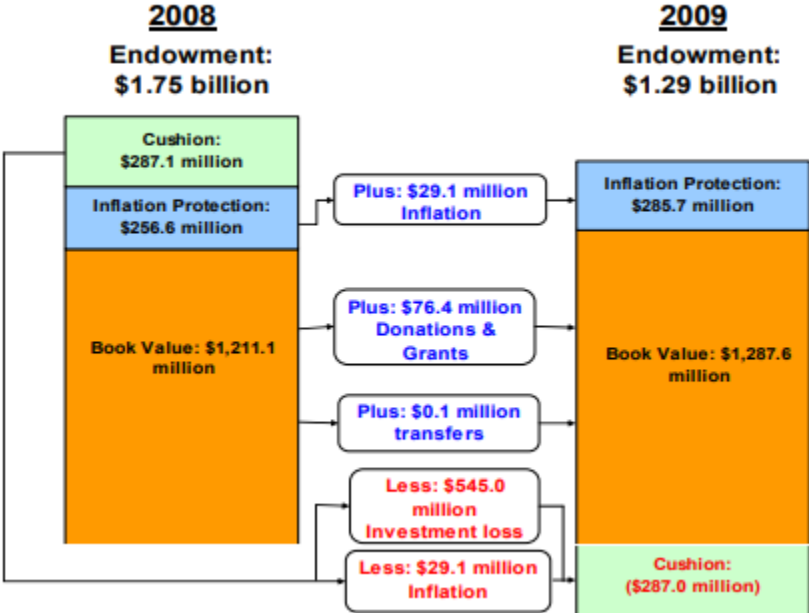
<sup>33</sup> *McMaster University and McMaster University Faculty Assn, Re* (1990), [1990 CanLII 12727](#) at p. 203; *University of Toronto (Governing Council) and University of Toronto Faculty Assn (Re)* (2006), [2006 CanLII 93321](#) at para 15; *Teplitsky Award, supra*, at p. 5

<sup>34</sup> *Teplitsky Award, supra*, at p. 9

<sup>35</sup> *Ibid* at p. 4

<sup>36</sup> Financial Report [2009](#) at p. 3

<sup>37</sup> Financial Report [2009](#) at pp. 3, 18-19



Despite the cumulative impact of these negative fiscal and economic indicators, Arbitrator Teplitzky rejected any suggestion that the Act or government policy applied. He dismissed the notion that ability to pay was a relevant factor.<sup>38</sup> Instead, he applied ordinary factors, such as the CPI and settlements in the public sector, private sector, and university comparators, to fashion an award that provided increases of 2.25% for 2009 (CPI= -0.9%) and 2.25% for 2010 (CPI= 1.8%).

The above precedent highlights the incoherence of the Administration’s current proposals. The Administration claims that, because of its present financial situation—which is, in fact, strong, and in no way resembles the perilous situation it faced in 2009—it needs relief via sub-inflationary increases. If this argument was rejected in the era of a \$169.2 million deficit, it surely cannot apply in the era of a \$213 million surplus.

<sup>38</sup> *Teplitzky Award, supra*, at at p. 5

**INTERNAL COMPARATORS ARE OF LIMITED RELEVANCE**

The Administration argues that the Arbitrator should consider increases provided to other bargaining units at the University, while proceeding to call for increases that are below every other bargaining unit at the University.<sup>39</sup> This approach inverts the historical relationship between these bargaining units and ignores the clear ruling on this issue in previous awards.

Arbitrator Gedalof squarely rejected the Administration's arguments about the relevance of its negotiations with other elements of its unionized workforce in both 2025 and 2026:

My views on the relevance of internal comparators have not changed. Salaries for faculty are not primarily driven by internal comparators. The University competes for faculty on a provincial, national and global stage. Faculty and librarians at other U-15 universities continue to provide the primary comparators for the Association's members. But internal comparators do provide important guidance, particularly where they are reflective of bargaining norms more broadly, and in the University sector in particular. I find again that while the Association is not limited to the increases the University has bargained with others on campus, this consideration militates against extraordinary non-normative increases.<sup>40</sup>

In other words, the internal comparators are of little relevance and do not drive negotiations between these parties. They simply provide a perspective that limits "extraordinary non-normative increases". In the present proceeding, where UTFA is not seeking extraordinary non-normative increases, they are of no relevance.

---

<sup>39</sup> Administration Brief at p. 60

<sup>40</sup> *Gedalof 2026*, *supra* at para [91](#); *Governing Council of The University of Toronto v University of Toronto Faculty Association*, 2025 CanLII 65826 at para [72](#)

## THE ADMINISTRATION'S ANOMALOUS APPROACH TO RETROACTIVE PAY

The Administration proposes that the ATB increase only be paid to faculty and librarians who are “actively employed on the date the arbitration award is issued (if it is received after July 1, 2026)”. In other words, the Administration argues that, if a member works after July 1, 2026, but ceases employment before the award, they would not be entitled to the ATB. The Administration’s argument was rejected by Arbitrator Gedalof in 2026, and it should be rejected again.<sup>41</sup> It would mean that entitlement to retroactive pay would be determined entirely on an arbitrary factor, i.e., when the award is released.

The Administration seeks a return to an approach to retroactive pay that has been rejected for nearly 50 years. The leading authority on this point is the 1977 decision of the BC Labour Relations Board, chaired by Paul Weiler, in *Penticton*.<sup>42</sup> In that decision, the parties reached a collective agreement on December 23, 1975, which provided for the retroactive operation of the agreement to April 1, 1975. At issue was whether two employees who had voluntarily terminated their employment in July of 1975 were entitled to retroactive wage increases.

The Board held they were. The Weiler Board reasoned that it is well understood in collective bargaining that, when working under an expired agreement, employees work with the belief that the work they perform will be compensated at a higher rate, which will be determined in the near future. This understanding leads to good labour relations. Critically, this understanding applies to all employees, including those who may leave a particular place of employment at a later date. Withholding retroactive wage increases from former employees therefore defeats their reasonable expectations while performing the work.<sup>43</sup> It also confers “a pure

---

<sup>41</sup> *Governing Council of the University of Toronto v University of Toronto Faculty Association*, 2026 CanLII 1385 at para [28](#)

<sup>42</sup> *Re Penticton and District Retirement Service and Hospital Employees' Union, Local 180* (1977), [1977 CanLII 2954](#)

<sup>43</sup> *Ibid* at 108

windfall on their previous employer” who received the benefit of these workers’ contributions without compensating them for the value of that work.<sup>44</sup>

The Administration’s attempt to depart from this well-established principle by adding a novel and plainly unfair term to the parties’ longstanding bargaining relationship should be unequivocally rejected.

---

<sup>44</sup> *Ibid* at 109

## **UPDATING PTR IS NOT A CHANGE TO ANY FRAMEWORK**

The parties agree that PTR represents an essential component of the Administration's commitment to rewarding merit and fostering a "climate of excellence at the University."<sup>45</sup> It would stand to reason, then, that the parties would share a commitment to a PTR system that maintains its value over time. However, the Administration's rejection of UTFA's proposal to partially restore the lost value of PTR illustrates the value it actually places on rewarding excellence.

In its lengthy submissions on the history of PTR and its evolution, the Administration does not appear to dispute UTFA's basic point: the value of PTR has decreased over time. The Administration simply claims that increasing PTR funding would be a "material change" to the PTR framework and that, therefore, the Arbitrator should not do it.

Contrary to the Administration's claim, UTFA's proposal would hardly represent a "drastic" change to the PTR framework, nor would it, for some reason, be "difficult and time consuming" to calculate as the Administration suggests at para 188.<sup>46</sup> It is simply an adjustment of funding to 2% of the total salary mass. UTFA has not proposed any change to the framework. UTFA's proposal, if awarded, simply requires the Administration to fund the PTR pool in a manner consistent with the pool's well-accepted objectives, restoring the relative value of merit in compensation to its previous position. The dramatic and ongoing erosion of the PTR pool as a percentage of total wages must be stopped if merit and achievement are to play any meaningful role in compensation at the University of Toronto. UTFA's proposal does just that, through a simple calculation that allows the Administration to easily determine 2% of total wages and allocate that amount for PTR using the existing framework in the AAPM.

---

<sup>45</sup> Administration Brief at para 146

<sup>46</sup> Administration Brief at para 186

Moreover, contrary to the claim at paragraph 192 of the Administration's brief, Arbitrator Gedalof did not make any findings that suggested that the Association's position was an alteration to the PTR framework. He simply found that the Association's proposal would increase total compensation beyond what he found was warranted in the circumstances before him.

The present circumstances differ, however. UTFA's proposal is for a more modest increase (2% instead of 2.5%), and PTR has continued to erode in the intervening year. Moreover, UTFA is not bringing forward a significant number of other changes that would have a significant impact on total compensation. Finally, and most importantly, UTFA continues to fall behind UBCFA, which not only has received higher ATB increases in recent years, but also has a PTR system that is tied to total salary and is pegged at **2.5%**.

Contrary to the Administration claim at paragraphs 184-185 of its brief, the PTR proposal would not have significant cost implications. The Administration asserts that PTR for 2025-2026 accounts for approximately 1.817% of the salary base for faculty and librarians. The Administration has not explained this number and it does not align with the numbers that have been disclosed to UTFA, which show that PTR represents 1.56% of total salaries. However, if the Administration's number is accurate, UTFA's proposal is only for an increase of **0.183%** of salary, which cannot constitute a drastic change.

## **SALARY FLOORS MUST BE TOP OF MARKET AND REFLECT THE STATUS QUO**

On salary floors, the Administration wants to have it both ways: UTFA's proposal is "drastic", and expensive, but it also would have little impact because nearly all members are hired above the floors:

It is unlikely to impact many prospective faculty members, whose starting salaries will continue to be animated by considerations of unit budgets, applicants' credentials and market demands.<sup>47</sup>

Objectively, it would have only little cost, even according to the Administration's estimates. The fact that the minimum published salaries are not reflected in actual hiring rates is precisely why UTFA has proposed an increase to the published minimum salary floors. The published floors are "nominal" and do not reflect reality. As such, they are a disservice to the UTFA's members and the University as a whole.

The Association does not dispute that starting salaries are negotiable at any rank. However, the Administration rightly highlights that the University of Toronto:

[...] is the largest and most distinguished university in Canada. It is consistently ranked as the top university in Canada and among the top universities worldwide. The University regularly attracts top-tier students, faculty members, and librarians both nationally and internationally.<sup>48</sup>

Regardless of their individual negotiations, no professor being hired by the country's pre-eminent postsecondary institution should receive an annualized salary lower than \$135,000.

Importantly, a salary floor adjustment would cost the Administration very little in terms of overall compensation. The Administration admits that the minimum salary

---

<sup>47</sup> Administration Brief at paras 195, 198, 209

<sup>48</sup> Administration Brief at para 61

does not affect many members. However, despite its low cost, an increase in the starting salary of faculty members would have an important upward mobility effect that would improve faculty member salaries where those improvements are most needed.<sup>49</sup>

Finally, at paragraph 194 of its Brief, the Administration acknowledges that salary floors for faculty members have not been addressed for approximately 20 years. At paragraph 213 of its Brief, the Administration likewise states that over the past 20+ years only minor increases have been made to librarians' minimum salaries. This long-standing neglect demonstrates the very need to modernize and update the salary floors. Doing so would not represent (as the Administration claims) "a drastic departure from the status quo",<sup>50</sup> but an overdue adjustment to ensure the salary floors accurately reflect the *status quo* and the inherent status of the University of Toronto, with world class faculty and librarians, as well as the largest library collection in Canada and fourth largest international collection in North America.

---

<sup>49</sup> [The Compounding Effect of Starting Salary](#)

<sup>50</sup> Administration Brief at para 196

## THE ADMINISTRATION'S FLAWED APPROACH TO BENEFITS

The Administration's approach to benefits contains several significant flaws. First, the Administration's approach to costing of benefits is difficult to follow and exaggerates the cost of UTFA's proposals. It appears that the Administration may simply be assuming 100% utilization of all incremental changes to benefits by all members. Such an approach is neither serious nor helpful. UTFA has provided alternate costing in its brief that follows actual patterns of usage.

As noted in the Administration's brief, the Benefits Plan is not an insurance plan. Rather, it is an Administration Services Only ("ASO") contract: "The University Administration pays an administrative fee for GreenShield to adjudicate and manage benefit claims. The University Administration, through combined employer and employee premiums, assumes the financial liability for claims paid."<sup>51</sup>

Simply put: an ASO contract is not an insurance contract and GreenShield is not its insurer:

What of an employer who self-insures? That phrase is a misnomer. Self-insurance is not insurance at all. Someone self-insures by *not* buying insurance. It is a phrase that just means that a person is willing to undertake a liability without obtaining insurance for that risk. Many insurance companies offer ASO contracts to people who self-insure (i.e. who do not have insurance). Under an ASO contract, an insurer provides "Administrative Services Only". That is, it will receive, adjudicate, and pay claims for an employer (its customer), but the insurer is entitled to be reimbursed for the payments that it makes on behalf of the employer. It is not acting as an insurer at all. An ASO agreement is not an insurance policy. The ASO contract provides no rights to the employees. It is just an agency agreement under which an insurance company helps the employer fulfill its contractual obligations to pay [the] benefits.<sup>52</sup>

This means that, rather than paying premiums to an insurer, the Administration pays the claims actually made by members. As such, the relevant costing is not an

---

<sup>51</sup> Administration Brief at para 222

<sup>52</sup> *Rojas v Manufacturers Life Insurance Company*, 2014 ONSC 7240 at para 26 [citation omitted]

objective figure provided by an insurer, which may inform an employer that it will increase premiums by X or Y amount. Rather, the relevant cost can only be a projection of actual usage, which will never be 100%. When utilization of any benefit is lower than the maximum, the Administration saves money.

The problem with the Administration's approach is evident with respect to the hearing aid benefit. The Administration states that the hearing aid benefit is not used by many members, yet its cost is "very high": adjusting benefit would cost \$1.18 million. It is unclear how changing a little-utilized benefit from \$1,000 per ear every three years to \$4,000 per year every 3 years could result in a cost of \$1.18 million unless a large number of members suddenly require premium hearing aids for both ears.

Similarly, it is unclear how adding kinesiologists to paramedical coverage could cost \$190,000. The proposal is not to add any money to the paramedical benefit but simply to allow members to spend that money on kinesiologists. In all likelihood, if any money will be spent on kinesiology, it will be money that is redirected from other paramedical practitioners, such as physiotherapists, registered massage therapists, chiropractors, acupuncturists, and osteopaths. Indeed, adding coverage for kinesiologists may save the Plan money, as members may utilize the practitioner best equipped to care for their needs and heal faster, rather than spending the rest of the benefit on a range of other practitioners.

Second, contrary to the Administration's repeated submissions (paras 10, 218, 245, 272), members do not "enjoy" their health benefits. Benefits provide critical support to members, who use them when they need them. They are necessary, not "generous", as the Administration suggests the mental health benefit is.<sup>53</sup> Because the Plan is self-insured, the Administration only pays when members use their benefits. This means, for example, that if members do not require mental health

---

<sup>53</sup> Administration Brief at para 255

care, the Administration will not be required to pay for their care. Where members do use their mental health benefits, the money will be well-spent.

As UTFA demonstrated in its brief, members and their families are currently living through a well-documented mental health crisis. The fact that benefits provided to other bargaining units at the University of Toronto are lower is hardly a compelling argument for providing benefits that do not meet the needs of UTFA's members.

Third, the Administration argues that UTFA's proposal to introduce dependent language that complies with the *Human Rights Code* should be rejected because GreenShield is "not agreeable" to making that change, although it provided no evidence that it even raised this issue with GreenShield.<sup>54</sup> To repeat, GreenShield is not the insurer. It administers benefits as the Administration's agent. If the Administration decides to change eligibility, there is no question of GreenShield's agreeability.

The Administration also asserts that this change would somehow be unworkable:

At present, employees must self-certify if their unmarried child is enrolled and in full-time attendance at an accredited college, university or educational institute. Extending dependent coverage to unmarried children who are attending these same institutions on a part-time basis due to disability or who are on a leave of absence due to a disability would require the development of a clear definition of when a disability would qualify an individual to fit within this definition, as well as a formal process to collect and assess relevant information in order to determine eligibility.<sup>55</sup>

It is unclear what the problem is. Currently, employees must "self-certify" their child's eligibility. There is no reason they could not do so under the Association's proposal or why a disability-based requirement would call for formal adjudication, where self-certification is currently the norm. There is also no reason why a "clear definition" cannot be developed. Simply, there are no reasons to shy away from compliance with the *Code*.

---

<sup>54</sup> Administration Brief at para 279

<sup>55</sup> Administration Brief at para 278

Lastly, the Administration seeks harsh concessions to the child care and travel benefit. As the Association argued in its brief, there is no basis to award these concessions, nor any basis to tie an increase to the Child Care Benefit to these reductions. Contrary to the Administration's assertion, this would not be a "comparatively minor trade-off".<sup>56</sup> It would be a drastic reduction in benefits, in exchange for an insufficient increase to the Child Care Benefit.

---

<sup>56</sup> Administration Brief at para 290

## **THE CHILD CARE BENEFIT HAS DECREASED IN VALUE**

The Administration's brief confirms UTFA's basic point: the per-child value of the Child Care Benefit has decreased substantially.

The benefit level was set in 2008 at \$1 million. It cannot be that the parties intended to freeze this number in perpetuity, notwithstanding inflation, increases to the cost of childcare, the growth in the membership, or changes in eligibility.

Since 2010, the parties have envisioned a benefit of roughly \$2,000 per dependent with minimal adjustments upward and downward. More recently, the parties have agreed that a broader range of children should benefit because a broader range of children equally require child care. It follows from this expansion, however, that the amount must also increase, just as it must increase to account for inflation and increases to the cost in childcare.

The Administration acts as if a \$1 million increase is extraordinary. Such an increase is only needed, however, because the total amount available for this benefit has not changed incrementally in the nearly 20 years since its inception. Doubling the pot would not even reach a goal of \$2,000 per year. It would, however, represent a crucial step towards restoring the benefit to an amount meaningful enough to assist parents with children to meet their childcare needs.