November 17 2025

In the Matter of a Dispute Resolution Proceeding before Arbitrator Eli Gedalof regarding the Unresolved ATB Salary Increase for the period July 1, 2025 to June 30, 2026 pursuant to the Memorandum of Agreement dated February 20, 2025

B E T W E E N:

THE GOVERNING COUNCIL OF THE UNIVERSITY OF TORONTO

(the "University Administration")

- and -

THE UNIVERSITY OF TORONTO FACULTY ASSOCIATION

("UTFA")

UNIVERSITY ADMINISTRATION'S INTEREST ARBITRATION REPLY BRIEF

HICKS MORLEY HAMILTON STEWART STORIE LLP
77 King Street West, 39th Floor
Box 371, TD Centre
Toronto, Ontario M5K 1K8

John E. Brooks
Tel: 416-864-7226
E-mail: john-brooks@hicksmorley.com

Jonathan A. Maier
Tel: 647-274-5964
E-mail: jonathan-maier@hicksmorley.com

Counsel for the University

INTRODUCTION AND OVERVIEW

1. The University Administration repeats and relies on the submissions included in its Interest Arbitration Brief filed on November 12, 2025 and the documents cited therein.

2. In reply to the submissions in UTFA's November 12, 2025 brief, the University Administration's submissions address the following points:

(a) UTFA's request for a "special adjustment to librarian salary floors" is not a matter that fits within the agreed-to jurisdictional scope of this arbitration, as articulated in paragraph 3 of the February 20 2025 Memorandum of Agreement (the "February 20 2025 MOA").[1]

(b) The issues of whether an across-the-board ("ATB") increase applies to:

(i) faculty members and librarians whose appointments began on the same date as the date on which the ATB increase is retroactively applied and whose letters of appointment expressly preclude the application of that same ATB increase to their fixed starting salaries; and

(ii) faculty members and librarians whose employment with the University ended for any reason other than retirement during the retroactive period to which the relevant ATB increase applied,

are the subject of an earlier proceeding between the parties. The parties have made detailed and written oral submissions on these issues and the University Administration repeats and relies on these submissions in addressing the application of any ATB increase retroactive to July 1, 2025.

(c) UTFA's proposal to first apply any July 1, 2025 ATB salary increase to the June 30, 2025 salary floor to raise all faculty members and librarians below the adjusted salary floor to the adjusted salary floor and to then apply that same July 1, 2025 ATB percentage salary increase to each such faculty member and librarian disregards the amount and purpose of the adjusted salary floors by requiring that all faculty members and librarians will be paid a minimum salary that surpasses the adjusted salary floor by the same amount as the ATB percentage salary increase that is awarded. This would result in such faculty members and librarians receiving an ATB adjustment that is substantially higher than their colleagues.

---

[1] February 20 2025 Memorandum of Agreement – University Administration's November 12 2025 Book of Documents, **Tab 1**.

(d) UTFA's proposal for an ATB percentage salary increase of 4% remains unreasonably high and unsupported by the relevant factors.

PRELIMINARY JURISDICTIONAL OBJECTION – UTFA'S "SPECIAL ADJUSTMENT TO LIBRARIAN SALARY FLOORS" CANNOT BE CONSIDERED IN THIS PROCEEDING

THE JURISDICTIONAL BOUNDARIES IN THE FEBRUARY 20 2025 MOA

3. In the February 20, 2025 MOA, the parties set clear and enforceable jurisdictional boundaries around the present interest arbitration process. These jurisdictional boundaries are set out in paragraphs 1 through 5(a) thereof, which are reproduced below:

> 1. Eli Gedalof will be appointed as mediator, and if necessary interest arbitrator, with respect to unresolved salary, benefit, and workload issues for the three year period July 1, 2023 to June 30, 2026, as per the terms and conditions in the August 2, 2024 emails attached hereto as Appendix A, and set out in this Memorandum of Agreement.
>
> 2. In respect of any interest arbitration, Eli Gedalof will hear and determine unresolved salary, benefit and workload issues as identified by the parties pursuant to paragraph 5(a) below for the three year period July 1, 2023 to June 30, 2026. Notwithstanding the foregoing, the parties agree that any across the board (ATB) percentage salary increase, including any salary related items that may be subject to an ATB increase, for the year 3 period of July 1, 2025 to June 30, 2026 shall not be rendered in any initial interest arbitration award and instead will be subject to the terms and conditions in paragraph 3 below.
>
> 3. Any ATB percentage salary increase, including any salary related items that may be subject to an ATB increase, for the period July 1, 2025 to June 30, 2026 will be subject to without prejudice discussions between the parties in the summer of 2025. If the parties are unable to reach agreement on an ATB percentage salary increase, including any salary related items that may be subject to an ATB increase for the period July 1, 2025 to June 30, 2026, Eli Gedalof will act as interest arbitrator to determine any ATB percentage salary increase and any salary related items that may be subject to an ATB increase, for the period July 1, 2025 to June 30, 2026, with a mutually convenient interest arbitration hearing date to be scheduled in this regard in the fall of 2025.
>
> 4. In respect of any interest arbitration regarding unresolved salary, benefit, and workload issues for the period July 1, 2023 to June 30, 2026 (save and except year 3 ATB percentage salary increase, including any salary related items that may be subject to an ATB increase, as set out in paragraph 3 above), the parties will not refer to interest arbitration any issues other than those regarding unresolved salary, benefit or workload issues identified in the mediation briefs exchanged by the parties and provided to mediator Gedalof

> on or about October 3, 2024, other than in respect of the parties proposals on any ATB percentage salary increase, including any salary related items that may be subject to an ATB increase, for the period July 1, 2024 to June 30, 2025, in circumstances where the parties respective mediation briefs did not include such ATB percentage salary increase proposal or any salary related items that may be subject to an ATB increase, for a second year.
>
> 5. The parties agree to adjourn the interest arbitration date that had been scheduled for Sunday March 2, 2025 and to re-schedule the interest arbitration date for Sunday, March 16, 2025. With respect to interest arbitration on that date:
>
> > (a) On Monday, February 24, 2025 the parties will exchange and provide to mediator-arbitrator Gedalof their positions/proposals from the without prejudice mediation process that they are taking to interest arbitration - i.e. for the purposes of relevant provisions of Article 6 and this Memorandum of Agreement what are the unresolved issues regarding salary, benefits, and workload that each party is pursuing to interest arbitration.

4. The February 20 2025 MOA confirmed the parties' agreement to a two-part interest arbitration process to determine their unresolved salary, benefit and workload issues for the three-year period July 1, 2023 to June 30, 2026. The first part of this interest arbitration process was used to determine all "unresolved salary benefit and workload issues for the period July 1, 2023 to June 30, 2026 (save and except year 3 ATB percentage salary increase, including any salary related items that may be subject to an ATB increase, as set out in paragraph 3 above)". It required the parties to exchange and file written briefs in advance of a March 16, 2025 interest arbitration date. This first part of this two-part interest arbitration process culminated in the Article 6 interest arbitration award dated July 3, 2025.[2]

5. The second part of the parties' two-part interest arbitration process was expressly reserved for "any ATB percentage salary increase, including any salary-related items that may be subject to an ATB increase, for the period July 1, 2025 to June 2026." All other unresolved matters regarding salary that arose during the

[2] *The Governing Council of the University of Toronto and UTFA*, 2025 CanLII 65826 (Gedalof) ["2025 Interest Award"]. University Administration's November 12 2025 Book of Documents, **Tab 3**

earlier period of July 1, 2023 to June 30, 2025 needed to be addressed during the first part of this interest arbitration process.

UTFA PROPOSED SALARY FLOOR INCREASES IN THE FIRST PART OF THIS PROCESS

6. As required by paragraph 5(a) of the February 20 2025 MOA, UTFA delivered and filed the proposals it was taking to the March 16, 2025 interest arbitration on February 24, 2025.[3] Included in UTFA's February 24 2025 list of proposals was a proposed "Special Adjustment to Salary Floors" specific to librarians, which is reproduced below.

A. SPECIAL ADJUSTMENTS TO SALARY FLOORS

i) Librarian Salary Minimums

Rank	July 1, 2022 (expired)	June 30, 2023 (prior to July 1, 2023, ATB)
~~Librarian I~~	$76,403	----------
Librarian ~~II~~ I	$79,720	$85,500
Librarian ~~III~~ II	$102,023	$102,023
Librarian ~~IV~~ III	$120,209	$120,209
Librarian IV		$135,836

7. It its March 7, 2025 Arbitration Brief[4], the University Administration opposed UTFA's proposed "special adjustments salary floors" applicable to librarians. UTFA's proposal was not awarded as part of the 2025 Interest Award.

[3] February 24 2025 UTFA Final Proposals. University Administration's Reply Book of Documents, **Tab 1**

[4] March 7 2025 University Administration Arbitration Brief, pp. 76-83. University Administration's Reply Book of Documents **Tab 2**

UTFA'S CURRENT "SPECIAL ADJUSTMENT TO SALARY FLOORS" IS OUTSIDE THE JURISDICTIONAL SCOPE OF THE FEBRUARY 20 2025 MOA

8. In its November 12, 2025 brief, UTFA describes its most recent proposed "special adjustment to librarian salary floors" as a proposal that "has been moderated from the previous arbitration." UTFA has proposed that its increased salary floors would apply as of June 30, 2025. For the reasons set out below, these two facets of UTFA's proposal demonstrate that it falls outside the jurisdictional boundaries set by the February 20, 2025 MOA.

9. The first part of the interest arbitration process agreed to in the February 20, 2025 MOA required the University and UTFA to advance their unresolved salary disputes covering the period July 1, 2023 to June 30, 2025. UTFA used this first part of the interest arbitration to advance a proposed set of "special adjustments to salary floors". This was the appropriate time for UTFA to have advanced the current proposal. UTFA could have sought staged increases to some or all of the salary floors that apply to librarians, whereby additional increases to the salary floors for the Librarian I and/or Librarian II ranks would have taken effect on June 30, 2025. UTFA did not do so.

10. UTFA now seeks to advance a purportedly "moderated" version of this same proposal as part of the second part of the interest arbitration process set out in the February 20, 2025 MOA. However, this second part of the interest arbitration process is reserved for the determination of "any ATB increase for the period July 1, 2025 to June 30, 2026" and "any salary related items that may be subject to an ATB increase for the period July 1, 2025 to June 30, 2026." UTFA's current proposal does not fit into either of these categories.

11. It cannot reasonably be disputed that UTFA's proposal to increase the salary floors for the Librarian I and Librarian II ranks is not a proposed "ATB percentage salary increase" for the period July 1, 2025 to June 30, 2026. UTFA has, in fact, made a separate proposal for a 4% ATB percentage salary increase. UTFA's proposal to increase the salary floors for the Librarian I and Librarian II ranks is also not a proposal

to increase “any salary related items that may be subject to an ATB increase for the period July 1, 2025 to June 30, 2026.”

12. Salary related-items that may be subject to an ATB increase were identified in the 2025 Interest Award. Arbitrator Gedalof found that the ATB increases he awarded for July 1, 2023 and July 1,2024 applied to base salary, salary floors, per course/overload stipends, and PTR breakpoints and increments. He also found that these ATB increases did not apply to “other components of salary ‘at large’”, despite UTFA’s request.[5] Notably, UTFA’s current proposal for a 4% ATB percentage salary increase retroactive to July 1, 2025 also applies to base salary, salary floors, per course/overload stipends and PTR breakpoints and increments.[6]

13. According to UTFA’s proposed increases to Librarian I and Librarian II salary floors, these salary floors would increase before its proposed 4% ATB percentage salary increase would be applied retroactive to July 1, 2025. These same salary floors would increase again by an additional 4% because of the application this proposed ATB salary increase to salary floors effective July 1, 2025. While paragraph 3 of the February 20 2025 MOA contemplates that salary floors can increase following the application of the ATB percentage salary increase for the period July 1, 2025 to June 30, 2026, it does not contemplate that salary floor increases that would take effect <u>before</u> an ATB percentage salary increase for the period July 1, 2025 to June 30, 2026 can be awarded as part of the second part of the two-part interest arbitration process in the February 20 2025 MOA.

14. Furthermore, and in the alternative, if UTFA’s proposed increase to the salary floors of the Librarian I and Librarian II ranks is a “salary related item that may be subject to an ATB increase”, which is not admitted and expressly denied, it is not a “salary-related item that may be subject to an ATB increase, <u>for the period July 1, 2025 to June 30, 2026</u>.” UTFA’s proposed increase to these salary floors clearly states that it is to be

[5] 2025 Interest Award, *supra* at para. 79.

[6] November 12 2025 UTFA Arbitration Brief, p. 5.

applied effective June 30, 2025, which is not within the temporal scope of the second part of the parties- agreed-to interest arbitration process in the February 20 2025 MOA.

15. The two-part interest arbitration process included in the February 20 2025 MOA must be followed. The language used by the parties to set the jurisdictional scope of each part of this interest arbitration process must be given meaning. The time to make proposals for the time period outside of July 1, 2025 to June 30, 2026, including proposals for increasing of salary floors effective June 30, 2025, has passed. Proposals that aligned with the earlier part of the three-year term at issue needed to be pursued during the first part of this interest arbitration process, as UTFA did with its initial proposals regarding changes to existing salary floors. UTFA cannot now make minor modifications to a salary floor proposal that it made in the first part of this arbitration process and recharacterize it as a proposal that fits within the narrower scope of the second part of this interest arbitration process. An interest arbitrator appointed pursuant to the February 20 2025 MOA cannot and should not take jurisdiction over a proposal of this nature.

16. Pursuant to Article 6.2 of the Memorandum of Agreement, UTFA can give notice to the University Administration express its desire to begin bilateral negotiations regarding salary, benefits and workload for the period beginning July 1, 2026. UTFA can choose to make this proposal as part of such negotiations.

IF JURISDICTION IS FOUND, THIS PROPOSAL SHOULD NOT BE AWARDED

17. Furthermore, and in the alternative, if it is determined that UTFA's proposal to increase the salary floors for the Librarian I and Librarian II ranks effective June 30, 2025 fits within the jurisdictional boundaries of the February 20 2025 MOS, which is not admitted and expressly denied, this proposal should not be awarded in any event. The University's opposition to the initial version of this proposal is included in its March 7, 2025 Arbitration Brief.[7] These submissions, which are summarized below, apply with equal force to what UTFA describes as its "moderated proposal on this same issue."

[7] March 7 2025 University Administration's Arbitration Brief, University Administration's Reply Book of Documents, **Tab 2**

18. In order to explain the comparatively narrow gap between the salary floors applicable to the Librarian I and Librarian II ranks, the University Administration contrasted the fixed-term and probationary nature of employment at the ranks of Librarian I and Librarian II with the increased responsibilities and level of job security that apply to librarians who are promoted to the rank of Librarian III, which is a perquisite for obtaining permanent status, and the demanding standards that must be met before a promotion to the rank of Librarian IV is granted.

19. The University Administration also noted that not all librarians are paid at the salary floor upon appointment and that it has not been hampered in its ability to attract and retain suitable candidates at all ranks, including Librarian I and Librarian II. The University Administration also indicated that UTFA's proposed alteration of the salary floors for librarians would result in unreasonable and unnecessary salary compression between librarians who would immediately receive increased salaries upon appointment and more experienced librarians who would not receive these same increases. The University Administration also contrasted UTFA's earlier proposal with the more targeted and gradual way that librarian salary floors had been adjusted in earlier Article 6 settlements.

20. The University continues to attract and retain top talent when it advertises vacancies for librarians at all ranks. The proposed increase of the Librarian I salary floor by over 11% and the proposed increase of the Librarian II salary floor by more than 18% are not necessary to enhance the University's reputation as a destination-of-choice for academic librarians at all stages of their careers, nor can these alterations to existing salary floors be compared with the much more incremental changes to salary floors that these parties have agreed to in earlier Article 6 negotiations. Increases of the scope that UTFA has proposed stand in stark contrast to this established trend and would not have been pursued to the point of impasse given the very small percentage of individuals who would be impacted by either of the increases proposed.

21. UTFA's "moderated proposal", if awarded, would still result in the salary compression consequences set out in its March 7, 2025 Arbitration Brief. UTFA's current proposal would almost triple the size of the gap between the salary floor for Librarian I and the salary floor for Librarian II despite the comparatively similar responsibilities and expectations that are applied to librarians at these two ranks. The proposed gap between the salary floors of the Librarian I and Librarian II ranks would be wider than the gap between the salary floor for Librarian II and the salary floor for Librarian III, despite the fact that the most significant differences in responsibilities and expectations are found when comparing the rank of Librarian II with the rank of Librarian III.

22. As it did in March 2025, UTFA has again referenced that the position of librarian is a "historically 'female' occupation" and that most librarians at the University of Toronto are women. It claims that "the University of Toronto primarily hires librarians at these lower ranks, leading more experienced individuals being hired at a lower level, which also serves to depress the wages for the University's librarians overall." In reply, the information included at page 81 of the University Administration's Arbitration Brief shows that for the period July 1, 2022 to March 2025, 36 librarian positions were posted, and 15 of these positions were open to individuals applying to work at the Librarian III rank.

23. UTFA has again alleged that "other factors also contribute to lower salaries and the perpetuation of gender inequities in this field, including the downplaying of increased responsibilities, such as instructional duties. The overall result is a systemic, gender-based devaluation of librarian work." The connection between these allegations and UTFA's salary floor proposal was unclear in March 2025 and remains unclear now.

24. In reply, the University Administration repeats and relies on the Report on Librarians and Gender-Based Salary Equity, which was released on November 28, 2019.[8] This report found that there was a gender-based salary gap amongst librarians employed by the University. In response to this finding, and as set out in a joint statement issued by the University Administration and UTFA dated November 28, 2019, all women

[8] https://www.provost.utoronto.ca/planning-policy/gender-pay-equity/

librarians employed by the University received a 3.9% increase to their July 2, 2019 base salary to address the gender-based salary gap that had been identified.

25. The University Administration and UTFA also agreed to establish a joint working group to explore issues that may impact the compensation of librarians who are members of equity-deserving groups. That joint working group was established. It did not identify any related compensation issues.

26. In connection with its "moderated proposal" regarding librarian salary floors, UTFA has again failed to explain how an adjustment to the salary floors for the Librarian I and Librarian II ranks has any connection to its allegations of "systemic, gender-based, devaluation of librarian work" that is again found in its submissions on this issue. These allegations offer no support for UTFA's proposal.

27. As UTFA acknowledges at page 20 of its arbitration brief, "most librarians receive salaries higher than the floor of their respective rank." In light of this acknowledgement, it is unclear why the current salary floors serve to undermine the University's status as a "top of market" destination for academic librarians. The use of these salary floors is neither "inaccurate" nor "misleading". As supported by the data in the table found at page 81 of the University Administration's Arbitration Brief, the salaries paid to librarians at the start of their careers often exceeds the relevant statutory floor by a considerable amount. The University is open and transparent with successful librarian applicants about their starting salaries.

ISSUES CONCERNING THE APPLICATION OF RETROACTIVE ATB INCREASES TO NEW HIRES AND DEPARTED NON-RETIREES REMAINS UNDECIDED

28. After proposing its 4% ATB percentage salary increase, and proposing that it apply retroactively to base salaries, salary floors, PTR breakpoints and increments, and per-course/overload stipends, UTFA claims that:

> Without prejudice to the position of both parties on the interpretation and application of ATB increases for July 1, 2023 and July 1, 2024, which is still the subject matter of a dispute between the parties, July 1, 2025 ATB adjustments will be provided to all new members and former members who were active and received a salary at any point during the relevant adjustment period, retirees who retired during the period of July 1, 2025 to June 30, 2026, and to the estates of deceased members.

29. In reply to these submissions, the University Administration repeats and relies on its written submissions of October 31, 2025 and its oral submissions of November 6, 2025 on these issues. There is no reason to treat the payment of the ATB percentage salary increase retroactive to July 1, 2025 in any way that differs from the manner in which the July 1, 2023 and July 1, 2024 ATB percentage salary increases have been treated.

30. UTFA's proposed language also appears to be grounded in the inaccurate premise that the ATB increases occur sequentially *after* the commencement of employment for any faculty member or librarian with a start date of July 1, 2025. In fact, these two things occur at the same time, rendering the payment of ATB to starting salaries inapplicable. Of note, UTFA has avoided this issue in their current proposal to increase Librarian I and Librarian II salary floors by proposing those increases take effect one day prior, on June 30, 2025.

31. Similarly, any retroactive increase awarded in this proceeding should not be extended to former employees whose employment ended for any reason other than retirement before the date on which a retroactive ATB percentage salary increase is awarded. Such individuals are no longer employees of the University and are no longer covered by the Memorandum of Agreement. Departed non-retirees lose their right to benefit from any increases that may be awarded at a later point in the Article 6 interest

arbitration process if their employment with the University ends beforehand, for any reason save and except retirement.

ADDRESSING THE PROPER APPLICATION OF AN ATB PERCENTAGE INCREASE TO THE SALARY FLOORS

32. At page 5 of its arbitration brief, UTFA claims that:

> ATB increases must first be applied to salary floors. Any members whose salaries fall below the adjusted salary floor must be increased to the salary floor. The ATB increase would then be applied to the member's base salary starting at the salary floor. For clarity, ATB increases may only be applied to salaries at or above the adjusted salary floor.

33. In reply, the University submits that all faculty members earning a salary on June 30, 2025 and whose employment has continued through to the date of the interest award in this proceeding, or who retired in the time period between June 30, 2025 and the date of the interest award will have their salary increased by the amount of any ATB percentage salary increase retroactive to July 1, 2025 that is awarded. At that same time, the salary floors in effect on June 30, 2025 be increased by the same percentage as any ATB percentage salary increase that is awarded retroactive to July 1, 2025.

34. By suggesting that all salary floors must first be increased by the same amount as any ATB percentage salary increase that is awarded, and all faculty members and librarians below the salary floor must first be placed at the adjusted salary floor before also receiving the full ATB percentage salary increase thereafter, UTFA is advancing a proposal that disregards the purpose and the amount of a salary floor. Under UTFA's proposal, any faculty member or librarian who is initially placed at the adjusted salary floor on July 1, 2025 will then have their salary increased again by the amount of the awarded ATB percentage salary increase, which would then elevate their salary again, above the adjusted salary floor, in an amount equivalent to the July 1, 2025 ATB percentage salary increase. Under UTFA's proposal, the adjusted salary floors would become meaningless, as all faculty members and librarians would be paid salaries that exceed the applicable adjusted salary floor by the amount of the ATB percentage salary increase awarded retroactive to July 1, 2025.

35. The application of any ATB percentage salary increase to the salary floors that were in place on June 30, 2025 is the only measure needed to ensure that these salary floors are properly adjusted. Any faculty member or librarian whose salary is below this adjusted salary floor on July 1, 2025 will have their salary increased to reach this adjusted salary floor. No further adjustment ought to be applied to the salaries of any such faculty member or librarian.

UTFA'S PROPOSED 4% ATB PERCENTAGE SALARY INCREASE IS EXCESSIVE

36. As it did in the most recent Article 6 interest arbitration process, UTFA has anchored its proposed ATB percentage salary increase on the notion of "catch-up", with a focus on the relationship between ATB percentage salary increases and increases to the Consumer Price Index (the "CPI") over time. The starting point for the University Administration's reply is the analysis provided in the 2025 Interest Arbitration award at paragraphs 73 and 74, which are reproduced below:

> the Association overstates the relevance of inflation as discussed in my *2023 Award,* and has effectively relied on inflation, including catch up, to the exclusion of any other relevant consideration. As is reflected in the prior settlements and awards between these parties, wages have generally kept up with inflation over time, but wages and the CPI do not move in lockstep where other factors must also be considered in each round. The Association is correct that my *2023 Award* indicated that to the extent that it had not fully restored wages against inflationary losses in the preceding years, "that erosion can be addressed by future increases…." But the sentence continued, "…if appropriate at that time, as these parties have typically done" (at para. 118).
>
> Further, the Association seeks additional increases above inflation both as catch-up and as compensation for the period during which salary increases lagged inflation. The Association's proposal, which includes increases that would be highly non-normative in the sector given the Bill 124 catch up already achieved, is not consistent with the historical "ebb and flow" of inflationary increases negotiated by these parties. Further, I reject the Association's argument that current ATB increases should be augmented, above and beyond catch up increases, to account for lost earnings in prior years. As Arbitrator Burkett held in his 1982 interest award between these parties, cited in my *2023 Award* at para. 92, prior "sub-standard" agreements are not "a loan which must be repaid in form of salary increases in excess of that required on an application of the criteria."

37. Rather than suggesting that "non-inflationary factors [be] used sparingly to justify modest deviations from ATB increases that otherwise track inflation"[9], as UTFA has done, an analysis and application of relevant factors must be completed, as was done in the 2025 Interest Award.

ADDRESSING UTFA'S INFLATION AND CPI CALCULATIONS

38. At page 8 of its brief, UTFA has included a table that compares the increase in the CPI in each year from 2005-2006 to 2024-2025 to the ATB percentage salary increases provided to faculty members and librarians in each year. UTFA's table does not total the CPI increases or ATB percentage salary increases listed therein.

39. Using the information included in the table identified above, the sum of UTFA's CPI percentage increases in the second column of its table is 44.10%. The sum of the ATB percentage salary increases provided to faculty members and librarians in the third column of UTFA's chart is 49.9%. Consequently, UTFA's table indicates that faculty members and librarians have received ATB percentage salary increases that are 5.8% higher than the accompanying CPI increases for the years between 2005-2006 and 2024-2025. This data does not support UTFA's claim that the ATB percentage salary increases have fallen behind inflation for this period of time.

40. In the first paragraph of page 11 of its brief, UTFA appears to reference the year-over-year CPI reference as of September 2025. It also references a forecast that predicts that inflation in 2025 will hold at the rate of 2%. Consideration of any CPI increases that post-date June 30, 2025 is inconsistent with the "prior year inflationary assessment" that has been adopted by interest arbitrators over the past 15 years.[10]

---

[9] November 12, 2025 UTFA Arbitration Brief at p. 7

[10] 2025 Interest Award, *supra* at para. 103.

ADDRESSING UTFA'S "REAL WAGE STAGNATION" SUBMISSIONS

41. Drawing on a study that examined wage trends across the entire Canadian economy and a table from Statistics Canada that is nationwide in scope and examines the wages earned by full-time and part-time employees across Canada aged 17 to 64 years, UTFA claims that in comparison to measurements derived from these sources, faculty members and librarians at the University of Toronto "experience virtually no wage growth." Immediately thereafter, however, UTFA acknowledges that this statement does not account for any of the salary increases provided to faculty members and librarians through the PTR process.[11]

42. UTFA's attempt to connect its proposed ATB percentage salary increase to "real wage growth" ignores the principle of total compensation and seeks to establish a comparison between the ATB increases provided to the University's faculty members and librarians and the wages paid employees in all sectors of the Canadian economy. This comparison should not inform the determination of the ATB percentage salary increase at issue in this proceeding.

43. Similarly, the salaries that are paid to the most senior academic administrators at the University are not an appropriate comparator for these proceedings. Their compensation has been and remains subject to and governed by the *Broader Public Sector Executive Compensation Act, 2014*. Changes to their compensation since this legislation has been in force, including the limited time period referenced in UTFA's arbitration brief have been made in accordance with this legislation. The terms on which these senior administrators are employed by the University are fundamentally different from the terms and conditions of employment applicable to faculty members and librarians.

[11] November 12 2025 UTFA Arbitration Brief at p. 11.

CONSIDERING THE UNIVERSITY'S FINANCIAL POSITION IN THE PROPER CONTEXT

44. At pages 13 and 14 of its arbitration brief, UTFA quotes selectively from the University's Financial Report of April 30, 2025. When a larger part of this report is reviewed, a more objective perspective of the University's financial position emerges.

45. UTFA cites the University's Financial Report's reference to the University's "strong financial position due to high demand for [its] programs and prudent fiscal management, resulting in substantial operating reserves and an excellent credit rating." UTFA did not reference the section of the report that follows immediately after this quote:

> However, the University is operating in an environment of lower revenue growth compared to the past decade, with limits on domestic and international fees. The changing immigration policy environment in Canada poses additional risks on revenue growth from international recruitment. Despite returning to more moderate levels in the last year, inflation continues to put pressure on divisional budgets. Expenses are outpacing revenue growth due to compensation increases contained in post-Bill 124 collective agreements and the rising cost of employee benefits. The economic policies of the new administration in the United States may also add upward pressure on operating and capital expenditures.[12]

46. UTFA also references what it describes at page 14 of its arbitration brief as "an across-the-board increase in operating grant funding of about 7% over three years by the Government of Ontario, starting in 2024." Here again, the remaining language in that same paragraph from the University's Financial Report provides important context:

> In 2024-25, the Province committed to a 7% increase in operating grant funding phased in over three years to 2026-27 through the PSE Financial Sustainability Fund. This welcome increase in grant funding is helping to offset some of the impact of the continued tuition freeze but provides growth on only 20% of budgeted operating revenues.

47. There has been no commitment to continue this increased funding beyond 2026-2027. There is a risk that this increase will be limited to this three-year period and that it will return to prior levels.

---

[12] April 30 2025 University of Toronto Financial Report, page 3. UTFA Book of Documents, Tab 5

48. The current financial circumstances confronting the University are more nuanced than UTFA's submissions suggest. The assessment of the University's financial circumstances included in the July 3 2025 Interest Award remains apposite approximately four months later:

> I have also considered the University's financial circumstances. It has not put forward a formal "inability to pay" argument. Neither is there evidence that it is in dire financial circumstances that would warrant faculty salaries suffering further inflationary erosion. But there can also be no doubt, as detailed in the University's brief, that changes in government policy have placed it under new and increasing financial pressure. This consideration also militates against awarding further inflationary catch-up at this time.[13]

ATB INCREASES PROVIDED BY THE RELEVANT EXTERNAL COMPARATORS DO NOT SUPPORT UTFA'S PROPOSAL

49. UTFA's 4% ATB percentage salary increase is not normative amongst the appropriate comparators. As was done in the 2025 Interest Award, a focus must be placed on the U-15 Universities within Ontario, as these universities all experienced the singular impact of Bill 124 wage restraints and the financial consequences that followed the determination of its unconstitutionality. Moreover, as UTFA itself argued in 2023, settlements outside of Ontario are in different labour markets and are therefore of limited relevance, especially in a context where the restraints initially imposed by Bill 124, and the way in which those restraints were later addressed are Ontario-specific matters.[14]

---

[13] 2025 Interest Award, *supra* at para. 78.

[14] *Governing Council of the University of Toronto and UTFA*, 2023 CanLII 85410 at paras. 67, 112 and 113 (Gedalof). University Administration's November 12 2025 Book of Documents, **Tab 6**

Post-Bill 124 Settlements and Awards – Ontario U-15 Universities													
	McMaster University		**University of Ottawa**		**Queen's University**		**University of Toronto**			**University of Waterloo**		**Western University**	
	ATB	**Term & Agreement Date**	**ATB**	**Term & Agreement Date**	**ATB**	**Term & Agreement Date**	**ATB**	**Term & Agreement Date**	**UTFA ATB Proposals**	**ATB**	**Term & Agreement Date**	**ATB**	**Term & Agreement Date**
2020-2021	1.5% + $500	July 1/19 – June 30/22 March 13/19	2%	May 1/18 – Apr. 30.21 Sep. 26/18	1.6%	May 1/19 – Jun. 30/22 Feb. 15/19	1%	Jul. 1/20 – Jun. 30/23 January 25/22 MOS Sep. 6/23 Award	1%	2.15%	May 1/18 – Apr. 30/21	1.5% + $1,000	July 1/18 – Jun 30/21 Nov. 29/18
2021-2022	1.5% + $750		1% + 1.25%	May 1/21 – Apr. 30/24 Sep. 20/21 Oct. 5/23 - Reopener	1.9%		1%		1%	1%	May 1/21 – Apr. 30/24 Feb. 19/21 Reopener – May 29/23	1.75%	
2022-2023	1%	July 1/22 – June 30/25 March 15, 2022	1% + 2%		3.5%	Jul. 1/22 – Jun. 30/25 March 1/23	8%		13.75%	1% +2% if employed on May 1/21 - or – +1% if employed on May 1/22		1%	Jul. 1/22 – Jun. 30/26 Dec. 1/22 Re-opener June 30/23
2023-2024	1% + $1050		1% + 2.25%		3%		3.5%	Jul 1/23 – Jun. 30/26 Feb 20/25 MOS Jul. 3/25 Award	6%	1% +2% if employed on May 1/21 +$2,500 OTO not to base - or- +2% if employed on May 1/22 + $1,250 OTO not to base		1% +2% +$1,750	
2024-2025	1% + $1330		2.50%	May 1/24 – Apr. 30/26 Feb. 14/25	3%		2.5%		4.5%	4.7%	May 1/24 – Apr. 30/27 Burkett Award Apr. 12/24	1% +1%	
Subtotal 2020-2025	6% + $2,300		13%		13%		16%		26.25%	12.85% - 13.85% $1,2500 - $2,500 OTO not base		9.25% + $2,750	
2025-2026	5.5% + $950	July 1/25 – June 30/28 March 17, 2025	2.5%	May 1/24 – Apr. 30/26 Feb. 14/25	2.25%	July 1/25 – Jun 30/26 May 12/25	TBD	Jul 1/23 – Jun. 30/26 Feb 20/25 MOS Jul. 3/25 Award	4%	3.6%	May 1/24 – Apr. 30/27 Burkett Award Apr. 12/24	2%	Jul. 1/22 – Jun. 30/26 Dec. 1/22 Re-opener June 30/23
2026-2027	2% + $975									2.2% + reopener			
2027-2028	2%+$1015												
Grand Total	**15.5% + $5,240**		**15.5%**		**15.25 %**		**16%**		**30.25%**	**18.65% – 19.65%** **$1,2500 - $2,500 OTO not base**		**11.25% +$2,750**	

50. As set out in the chart above, the total ATB increases that the University's faculty members and librarians have received since the start of what was its Bill 124 moderation period in 2020-2021 compares very favourably with the relevant comparators, all but one of whom were also subject to the constraints of this legislation. All of these relevant comparators have agreements which cover the 2025-2026 period. The majority of these comparators (Western University: 2%, Queen's University: 2.25% and the University of Ottawa: 2.5%) have ATB increases that are decidedly below the 4% ATB percentage salary increase sought by UTFA for this same period. Notably, Queen's University and QUFA recently agreed to extend the term of its prior collective agreement to cover the 2025-2026 academic year and agreed to a 2.25% ATB increase as part of this extension.[15]

51. The 5.5% ATB increase for 2025-2026 agreed to between McMaster University and MUFA[16] merits closer examination. In response to the determination of Bill 124's unconstitutionality, the prior Remuneration Agreement for 2022-2023 to 2024-2025 gave rise to lump-sum payments of $1,050 in 2023-2024 and a further $1,330 in 2024-2025. No re-opening of this earlier Remuneration Agreement occurred. As noted in the 2025 Interest Award, prior to 2025-2026, "faculty at McMaster [did] not appear to have reconciled with the impact of Bill 124."[17] The ATB increase agreed to for 2025-2026 is the completion of the Bill 124 reconciliation process. The characterization of the 5.5% ATB percentage salary increase that these parties agreed to for 2025-2026 as a "catch-up" payment is reflected in the parties' characterization of 2.5% of this increase as a "market adjustment." More modest ATB percentage salary increases of 2% follow in 2026-2027 and 2027-2028.

---

[15] April 28 2025 Memorandum of Agreement between Queen's University and QUFA. University Administration's Reply Book of Documents, **Tab 3**

[16] March 17 2025 Remuneration Agreement between McMaster University and MUFA. University Administration's Reply Book of Documents, **Tab 4**

[17] 2025 Interest Award, *supra* at para. 77.

52. As outlined in the University Administration's March 7, 2025 Arbitration Brief, the 4.7% ATB percentage salary increase provided to faculty members at the University of Waterloo for 2024-2025 and a further increase of 3.6% in 2025-2026 were part of a final offer selection process.[18] As the chart above shows, and as the 2025 Interest Award confirms, faculty members at the University of Waterloo received less provident post-Bill 124 "catch-up" compensation than faculty members and librarians at the University of Toronto.[19] A significant part of the ATB percentage salary increases awarded in the first two years of Arbitrator Burkett's award are properly characterized as part of the post-Bill 124 "catch-up" compensation.

53. The University of Waterloo and the FAUW are subject to a negotiation protocol that is much different than the Memorandum of Agreement that applies to the University Administration and UTFA. Notably, the University of Waterloo and the FAUW have agreed that:

> Each year, the compensation negotiating teams shall use the annual rise in the Consumer Price Index **as the starting point for the discussion of scale adjustments**.[20]
>
> [Emphasis added]

54. This language indicates that when the University of Waterloo and the FAUW seek to negotiate an ATB percentage salary increase, the parties' respective negotiating teams begin by accounting for the increase in CPI. This approach is reflected in the way that Arbitrator Burkett advised the parties that he would select the final offer that most closely aligned with a position that accounted for the annual rise in CPI, and also accounted for a "catch-up payment" based on the extent to which he found that faculty salaries had fell behind salaries at Queen's University and the University of Ottawa for both 2024-2025

---

[18] *University of Waterloo and FAUW*, unreported, Burkett, April 12 2024. University Administration's Book of Documents, **Tab 5** ["Burkett Award"]

[19] 2025 Interest Award, *supra* at para. 77.

[20] Burkett Award, *supra* at p. 3.

and 2025-2026.[21] When the FAUW submitted a final offer that mirrored Arbitrator Burkett's earlier position, it was accepted.[22]

55. None of the considerations that led to the result in the Burkett Award are relevant to the determination of the appropriate ATB percentage salary increase in the instant case. There is no further "catch-up" that should be addressed in this proceeding, either in response to the consequences of Bill 124, or in relation to the relevant external comparators. Overall, a review of the appropriate comparators does not support UTFA's request for a 4% ATB increase for the period July 1, 2025 to June 30, 2026.

CONCLUSION AND RELIEF SOUGHT

56. A holistic assessment of the relevant factors as set out in the 2025 Arbitration Award must be used to determine the appropriate ATB percentage salary increase for the period July 1, 2025 to June 30, 2026. This determination should not be driven by a myopic focus on the notion of "catch-up", as suggested by UTFA.

57. The University requests that its proposed 1.5% ATB percentage salary increase be awarded. UTFA's competing request for a much costlier and objectively unsupported 4% ATB percentage salary increase should be dismissed.

ALL OF WHICH IS RESPECTFULLY SUBMITTED

[21] Burkett Award, *supra* at p. 7.

[22] *Ibid*., at pp. 8-11.