From: "George Luste" < luste@utfa.org>
To: < jessica.whiteside@utoronto.ca>
Sent: Thursday, June 23, 2005 7:39 PM
Subject: Re: Comment for Bulletin article

## Jessica:

Here is my text. Please do not modify it without discussing it with me first. (If necessary I can also be reached at home at 416-xxx-xxx)

Thanks. George

We are pleased to have at last resolved the long-standing and thorny issue of ending mandatory retirement with the able assistance of mediator Kevin Burkett. However, it is regrettable that despite the assistance of the same mediator, we have not reached consensus with the Administration on salary, benefit and pension matters. We expect an arbitration panel to review these issues in the fall.

The Administration is suggesting a two-year agreement in the interest of stability. UTFA is receptive to this proposal but only if the terms of the agreement are fair. In our view, currently they are not. Thus, for example, the Administration claims that the positions it has advanced are "reflective of the important work done by our faculty and librarians," repeatedly asserting that the University of Toronto is the leader in the post-secondary sector in Canada, but its proposal is for an annual salary increase of only 2.5 per cent. This is less than has been recently agreed to at other Ontario universities such as York, Waterloo, Western, Windsor, Queen's, McMaster, Nipissing, Lakehead, Carleton, and Brock. Indeed, the Administration's salary proposal amounts to the lowest increase in Ontario, and would do next to nothing to catch up U of T faculty for the losses to inflation of about 7.5 per cent over the past eleven years.

As for pension benefits, contrary to the pattern in previous negotiations, the Administration has refused to continue the augmentation of retirees' pensions so that their value is maintained relative to inflation, and as a result retired faculty stand to lose 25 per cent of the increase in inflation during the coming year. The Administration maintains that it agreed to full augmentation only when the pension fund was in surplus. However, the pension plan is not in surplus today due to the fact that for more than a decade the Administration diverted its pension contributions to other areas of spending.

UTFA will be addressing the Administration's proposals more fully in a newsletter in the Fall which will be forwarded to all faculty and librarians.