

PARTIAL DISSENT

I have had an opportunity to read the Award of the Majority and, while I agree with many of the individual findings, find that I must respectfully dissent from that part of the decision dealing with augmentation of the pension plan for retirees.

The evidence which we received revealed that the parties have only agreed to augmentation in the past when there existed a surplus in the pension plan, based on the actuarial determinations known to the parties at the time of such agreement. Augmentation has never been agreed to, or awarded, when the pension plan was in an actuarially determined deficit position. Under the replication model, mandated on the Panel by Article 6 of the Memorandum of Agreement, this Panel should be reluctant to award any provision in circumstances where the parties themselves have failed to agree to same in their 30+ year relationship.

The retirees already have a generous indexing provision in their pension plan which adjusts their annual pension by seventy-five percent (75%) of inflation. They last received augmentation to the 100% level up to July 1, 2004. It has been the parties' practice when they have agreed to augmentation to catch up all inflation since the last augmentation. Thus, any loss to inflation occasioned by not awarding augmentation in this agreement would be caught up when the parties subsequently agree to augment in a future agreement.

In view of this, the addition of the projected \$475,000 cost for each of the next 15 years, to cover *ad hoc* augmentation to July 1, 2005, would seem to me to be a less than ideal expenditure of money. Augmentation up to July 1, 2006 may well cost even more. Almost all of the active employees would get no benefit from augmentation during this agreement while, at the same time, the increased costs would add to the growing deficit and diminish the prospect of future surpluses, with attendant pension increases and/or faculty contribution holidays for active members.

Accordingly, I would not have awarded that the Association's pension augmentation proposal be imposed.

All of which is respectfully submitted.

Dated at Toronto, this 23rd day of March, 2006.

L. Bertuzzi, University Nominee to the Panel