

Summary of Offsets and Bargaining Demands

I. Context for pension conversion bargaining

QUFA and Queen's University have been engaged in discussions to explore solutions to the solvency payments pressures facing the Queen's Pension Plan. QUFA and the administration have been leading efforts to create a Jointly-Sponsored Pension Plan (JSPP) designed for the post-secondary, university sector. The University has identified the financial pressures and risks of solvency payments as a significant challenges to the institution.

"The most significant budgetary challenge the University continues to face is the pension plan deficit," (Queen's University Budget Report 2018-2019, p. 1). Specifically, government requirements for pension solvency payments present a major cost and significant risk to Queen's University. The creation and conversion to the UPP provides the opportunity for the university to secure long term solvency relief.

Without solvency relief, the costs of special solvency payments, and the impact of those payments on university operations in general, and unit budgets in particular, will be significant. "Effective September 1, 2018 (under the regulations issued in October 2016), annual special payments to fund the solvency and going concern deficits amount to \$19.0M. Annual special payments of approximately \$50M per year would be required if no solvency relief provisions were in place," (Queen's University Budget Report 2018-2019, p. 24).

It is within this context of potential special solvency payments of \$50M annually that the parties have agreed to focus the 2019 renewal of the QUFA collective agreement on changes to the agreement and conversion to the UPP. The parties share a mutual interest in achieving a negotiated outcome that will save the university annual special payments of \$50M. The parties also share a mutual interest in achieving long-term stabilization of pension benefits. The conversion to a JSPP achieves these two critical objectives.

However, the conversion to the UPP also requires certain trade-offs for QUFA members. For example, contribution rates will increase in order to achieve a relatively equal, albeit more stable, guaranteed benefit by converting from the QPP hybrid plan to the UPP. Joint governance will provide a greater voice for QUFA members in the plan's administration. At the same time, QUFA members will directly assume 50% of the risk for payments of accrued benefits. (For an outline of the cost increases as well as the advantages and disadvantages of the conversion from the QPP to the JSPP, please see Appendix A).

To offset the increased costs, increased risk, and other trade-offs for QUFA members, QUFA presents the following package of proposals without prejudice. Consent of QUFA to the conversion to the JSPP is contingent upon agreement on the conversion offsets, changes to the current collective agreement, and ratification of these proposed offsets and changes by QUFA members.

I. Offsets for Joining the UPP

See Appendix A for a comparison of pension plans. Any of these negotiated would be contingent on the formation of the UPP.

1. Non-Monetary Offsets:

- Re-establish the Dispute Resolution Mechanism that permits unilateral request for interest arbitration of monetary bargaining disputes to commence at inception of the UPP.
- Harmonize the retirement date with the UPP as at July 1 2019 (i.e. month following 65th birthday) if QUFA consents to the UPP.
- Bargaining unit employees legally eligible to participate in the UPP under the terms of the Pension Benefits Act, including Term Adjuncts, will be enrolled in the UPP.

2. Monetary Offsets:

- Phased Retirement – see Appendix B – available at July 1 2021.
- 2% ATB at July 1 2021 pending formation of UPP
- Better Benefits for Retirees: create a dental plan or improve other retiree benefits.

II. Compensation and Term

Term of agreement is May 1 2019 to July 1 2021. These terms would take effect upon ratification of the new agreement by the parties.

ATBs, to apply to salary, PERs, floors, stipends and PTR amounts etc., as follows:

- 2019-2020: 2% - payable in May 2019
- 2020-2021: 2% - payable in May 2020
- 2021-2022: 2% - payable in May 2021

See provincial comparison chart at Appendix C.

III. Normative Issues

1. Non-Debatable Fixes:

- Merit: Include 11s and 13s; investigate whether people want to continue with biennial during the life of this CA.
- Investigation Reports: QUFA needs to see them in order to respond to and represent members – we could agree to that in principle and then explore how to manage this. See Appendix D for the system in place at Ryerson. (Currently under discussion by an informal joint committee)
- Workload Standards: Need to enshrine the Workload Standard Review process and assert that WS documents must conform to the CA and cannot add provisions to it. A ratification process should be outlined too to avoid confusion.
- Cost of Replacement Teaching: has to be standardized.
- RTP Process Fixes: How leaves and deferrals are handled; consistent interpretation of 30.13.4-6; how to handle co-author's contributions.
- USATs: changes will be required if QSSET adopted but even before that 29.3.5 must change to reflect the Ryerson award so that mean scores are not permitted for personnel processes.
- Bill 148: unclear if we need adjustments but CA has to comply with legislation.

- Art 9: Include updated list of non-discrimination grounds from HR code and review Accommodation language in that light.
- Check statutory language around indigenous/aboriginal and amend accordingly.
- Article 18: Stronger language around relations with students? This may also be addressed with more member education. But Article 18.3 should also include Art. 30 in the list.
- Eliminate the requirement of SRoR for applications for GRoR.

3. Bargaining Asks

- Research component added to Continuing Adjunct assignment if they are promoted to Associate Professor status.
- Pro-rated sabbaticals for Continuing Adjuncts.

Appendix A – Comparison of QPP and UPP

Contribution Rates Comparison

Pension	Above/Below	Employee Contrib'n %	Employer Contrib'n %
QPP	<YMPE	7	6
	>YMPE	9	7.5
UPP	<YMPE	9.2	9.2
	>YMPE	11.5	11.5

Contribution Amounts assuming a salary of \$150,000

Pension	Above/Below	Emp'ee Contrib'n	Emp'r Contrib'n	Percent Change Emp'ee/Emp'r
QPP	<YMPE ¹	\$3913	3354	
	>YMPE	\$8469	7057.5	
	Total	\$12,382	10,411.5	
UPP	<YMPE	\$5182.8	5182.8	
	>YMPE	\$10821.5	10821.5	
	Total	\$16,004.3	\$16,004.3	2.41%/3.73%

¹ \$55,900 in 2018

The UPP will change a number of features that are not to the advantage of QPP members including:

- Loss of Hybrid nature of the pension with the potential for a higher than minimum guarantee pension;
- Loss of right to continue on salary while also taking the pension;
- Loss of portability – this right will be phased out but in the end, there will be no portability post 55 whereas the QPP remains portable at any age;
- Salary Cap will be lower than QPP leaving more income not covered by plan;
- (Potentially) Lower inflation adjustment once retired and in the extreme case, none.
- Higher contribution rates as above.

There are also features of the UPP that are advantageous to QUFA and QPP members:

- Higher accrual rates of 1.6% below YMPE and 2.0% above YMPE (vs. 1.4/1.8);
- Unreduced Early Retirement at age 60 with factor 80;
- Portability across campuses that have joined the plan;
- Retirement the month following your qualifying birthday;
- Joint governance – no contribution holidays;
- Greater stability (investment, political, governance).

And features that are advantageous for Queen's:

- No Solvency requirement;
- No insurance necessary;
- No direct pension management required.

Appendix B – Phased Retirement Plan

Eligibility

Applies to QUFA bargaining unit members

Start date is any July 1st three years prior to:

- June 30th coincident with or next following attainment of age 60 and completion of 10 years of pensionable service at the earliest, or
- June 30th of calendar year of 71st birthday at the latest.

Phased reduction of duties

- Three year phased retirement, with irrevocable retirement date at end of three-year period.
- Cumulative appointment over three-year phased retirement period of at least 150% but not more than 200% of full-time appointment, subject to minimum appointment of 25% in any year.
- Academic leaves to be included in total percentage of appointment.
- Full range of normal pre-phased retirement duties as agreed with Head and proportionate to percentage appointment over three years.
- Salary during phased retirement period pro-rated on basis of percentage appointment in each year.

Treatment of pension and benefits

- Continue to earn pension benefits based on full-time appointment; however, QUFA member contributions to Pension Plan will be prorated to their percentage FTE in each year. (Queen's will pay the prorated difference on behalf of the member to equal full nominal salary.
- Benefits in Article 42.6 continue with prorated employee payments and full employer subsidy.
- Full professional expense reimbursement allocation during each year of phased retirement.

Phased retirement supplement

Phased retirement program includes a supplemental equal to 75% of base salary in effect immediately prior to commencement of three year phased retirement.

Three options for payment of this supplement chosen and fixed at the time of application.

- a. Voluntary Additional Contribution to QPP (?)
- b. RRSP to maximum transferrable with balance paid as T4 income
- c. Payable as T4 income in three equal installments on July 1st of each year of phased retirement program.

Cost estimate of this program would need to be worked out. Should be costed as % of total payroll, not individual. In other words, costs calculated for only those participating in the program but costed across the entire bargaining unit. Loss of productivity less than savings from prorated salary. (back of envelope 2.5% of salary mass in total costs assuming a 5% retirement rate.)

Appendix C – ATBs Across Ontario

ATBs and Increases to Base at Ontario Universities

Ontario University	# of Faculty	2019-20 %	2020-21 %	2021-22 %
Algoma	64	1.7		
Brescia	36	3.0		
Brock	561	1.5		
Carleton	855	2.0	2.0	
Guelph	726	1.5	1.5	
King's	93	1.5		
Lakehead	315	\$2300 to base		
Laurentian	360	1.7		
McMaster	666			
Nipissing	159			
NOSM	18	2.93	3.55	4.31
OCADU	117	3.02		
Ottawa	1104	2.0	2.0	
Queen's	642			
Ryerson	834			
St. Jerome's	33	2.15	2.15	
Toronto	2349	2.0		
Trent	195			
UOIT	246			
Waterloo	1173	2.15	2.15	
Western	1014	4.1	4.03	3.9
WLU	510	1.5		
Windsor	468	1.75	2.0	
York	1356			

Appendix D – Process for Viewing Confidential Reports at Ryerson

From my contact on the RFA staff:

We have indeed developed a process in which to view the final investigator report whenever there is an investigation (sexual violence policy, incivility, harassment, discrimination, financial audit).

After a member has been disciplined as a result of an investigation we write one of the Vice President Faculty Affairs Directors requesting a copy of the investigator's report. They then issue a waiver with certain conditions such as:

- 1) The report will be used and/or disclosed by association and/or its legal counsel only as is necessary for pursuing a grievance or similar action and will not be publicly disclosed.
- 2) The Association will not provide a physical or electronic copy of the report to any person, including the faculty member subject to the complaints. The report will be controlled and available for the purposes of #2 above by the Association's legal counsel.

Once we sign the waiver they release the report to us and our counsel. If the person subject to the complaint needs to see the report so we can properly represent them they do so at our lawyers' office and someone is there to make sure copies are not made. Our members are welcome to take notes. We go over with them the conditions of them viewing the report and discuss the importance of no reprisals and confidentiality. On occasion, we ask our lawyers to draft a separate waiver for the members to sign stating that they agree to adhere by the conditions set out by the University as well as privacy and confidentiality conditions.

I should note that under the University's discrimination and harassment policy procedures our members are automatically allowed to see the interim investigators report (case analysis) prior to it being submitted to the decision maker and have the right to make comments on errors and omissions. <https://www.ryerson.ca/humanrights/what-to-expect/complaint-process/> (click the harassment and discrimination process, the SVP does not allow for this)

One other thing we have that may be of interest is that we insist on court reporters at our members interviews and to be provided a copy of the transcript automatically.