



In this issue:

- Page 1 – Negotiated Changes to the Pension Plan
- Page 2 & 3 Negotiated Changes to the Pension Plan and Legislative Pension Reform
- Page 4 – Q & A for Promotion & Tenure

Collective Agreement

Facts

Did you know that...

The Dean is required to meet prior to the end of April, with every probationary member, to discuss the Member's progress towards and the possibility of application for tenure and promotion?

(Art 21.4)

Pension & Benefits

by Scott Gillies

The P&B portfolio has been very active with many changes being negotiated and brought into effect for the Professional Pension plan. Summaries of key changes are noted below in Item #1. In addition, 2011-2012 has seen the unprecedented involvement of the Province within the university sector pension plans through legislative actions and directives to bargaining agents in an effort to influence the outcome of collective bargaining in our sector.

1. Negotiated Changes to Pension Plan Arising from Collective Bargaining

The following changes were negotiated as part of the recent round of collective bargaining.

a) *Increases to Member Contribution rates*: the pension contribution rates of Members will increase by an aggregate of 2.5% over a three year period (2012-2014).

The new collective Agreement should be printed and to the membership by September!

b) *Removal of the 'Rule of 60' Early Retirement subsidy:* previously, Members could be invited to retire at age 60 with no early retirement penalties regardless of years of pensionable service.

c) *Change to the Factor 85 to Factor 87:* on pensionable service starting after July 1, 2013, Members can retire with an unreduced pension if their Age is 62 or greater and they have at least 25 years of service under the plan (totalling 87 points). *Note:* Members who had years of service under the old Factor 85 Rule retain this accrued benefit – at retirement, a pro-rated calculation occurs to determine what, if any, early retirement penalties or subsidies will apply.

d) *Removal of All Pre-Retirement Subsidies:* Removal of all early retirement subsidies for Members who leave the pension plan prior to age 55 (minimum retirement age under legislation) to the legislated requirement in the Pension Benefits Act

e) *Right of UGFA to Nominate Pension Plan Representatives:* UGFA now has a guarantee to elect its own representative (one of two professional plan representatives to the BoG Pension Committee) subject to Board approval

f) *Commitment from the University to Greater Information Sharing:* University has committed to better and timelier sharing of pension related information with the Association

2. Legislative Initiatives to Reform Pension Plans

A) *Solvency Process* – The University has now concluded most collective agreements with bargaining units across campus. Every bargaining unit has agreed to some combination of increases to employee contributions and benefit reductions (all groups have eliminated the Rule of 60 and the majority, all pre-retirement subsidies). The University believes it is on track to meet its Solvency relief target (an actuarial calculation of future cost savings based on calculations specific to our two pension plans). If the Province agrees that our University has met its 'savings target' and is 'sustainable', then the University would enter Stage 2 of the Solvency Relief process and be given 10 years over which it could pay off the accumulated solvency deficit for both pension plans. The University will file a plan valuation in summer 2013 at which point we will learn whether Guelph will be granted this solvency relief.

B) *Drummond Report and Provincial Budget Initiatives* – The Drummond report did mention pension plans in the Broader Public Sector (BPS) as one area that needed to be addressed by the government. As with the previous Expert Commission study on Pensions in Ontario (Arthurs Report, 2009), the Province views jointly sponsored pension plans or JSPPs (where large, pooled pension plans are jointly governed by unions and employers and financial risks are shared equally) as a key strategy.

Along with tackling public sector compensation through some combination of negotiations and legislation (as is currently underway in provincial bargaining with the Teachers' Associations), the Province appears intent on affecting some kind of change in university pension plans. This is especially true of universities that have single-employer sponsored pension plans (or SEPPs) like Guelph. The Province committed funds in the past year to study the feasibility of university sector plans pooling their funds to achieve greater cost savings while still maintaining separate individual plans.

Other ongoing directions from the Province on university pension plans as reported through the BoG Pension committee include:

- Government expects single employer pension plans (SEPPs) to transition to a 50/50 cost share model for current/going concern funding of plans (probably *not* including solvency costs)
- Government will support conversion of current SEPPs to jointly sponsored plans (JSPPs) through incentives (no specifics) and the development of legislation
- Government plans to introduce a legislative framework in fall 2012 to facilitate pooling of assets of smaller public-sector pension plans, including those in the university sector, through either a new investment management entity or by building on existing large public sector pension plan investment structures.

Pension & Benefit Meetings

The Board of Governors Pension Committee continues to hold two meetings per semester.

Information continues to be shared through this venue about our plan's performance, changes to pension plans and information from the provincial ministries. In spring 2012, I was nominated and confirmed as the UGFA Plan representative to the BoG Pension committee for a two year term.

Ad Hoc Committee – the *LOU #15 Non-Pension Post Retirement Benefits* requires that an ad hoc committee, with three representatives each from the UGFA and the Employer, be formed. The UGFA representatives for this committee have been named – Scott Gillies (Past P&B Chair and incoming Collective Agreement Chair, BofG Pension Committee representative), Herb Kunze (Salary Chair) and Edward Carter (VP and incoming President). The Committee is charged with examining issues around providing non-pension retirement benefits (e.g. post-retirement health benefits), to Members who opt to take the commuted value form of pension payment. The committee has not yet met.

OCUFA Ad Hoc Committee – the OCUFA has created an informal standing committee to keep all member faculty associations apprised of developments in our sector and to advocate to the province and liaise with COU on pension issues. A meeting of representatives of OCUFA associations on pension changes is expected this summer.

Active grievances, complaints & discipline numbers

Investigations which may lead to Disciplines = 8

Grievances = 5

Concerns which may lead to a grievance = 18

CAUT investigation = 1



Questions & Answers

Tenure, Promotion and Review

Q. I am a probationary Faculty Member. Will anyone be available to help me with my submission?

A. Both the Dean and the Chair are available for mentoring. In addition, the Dean is required to meet, prior to the end of April, with each probationary faculty member to discuss the Member's progress towards, and the possibility of, application for tenure and promotion.

Q. When I'm applying for tenure and promotion to Associate Professor or for promotion to Professor, what is considered by the P&T Committees?

A. Consideration for tenure and promotion will be given to the Member's life-time contributions in Teaching, Scholarship and Service.

Q. I taught a course on course overload in fall 2011. Will this be considered by the 2012 P&T Committee?

A. Yes. The course overload will be considered by the P&T Committee.

Q. Will I know the decision of the department?

A. No. The department simply makes a recommendation to the College P&T Committee. The College P&T Committee makes the decision and you will be provided a copy of the decision.

Q. Who makes sure that the Department and College committee has my complete file?

A. The Dean will provide the Chair will a copy of all External letters of assessment related to applications for tenure and promotion. The Chair will ensure that documentation pertaining to the Member's DOE and teaching/courses are included in the Member's file prior to the Department Committee meeting.

Q. My department has a list of documents which I must submit. Is there anything else I can include?

A. Members may include any material which they believe is relevant for consideration in the P&T deliberation process.

Q. What happens if I am given an "unsatisfactory" or "needs improvement" rating in one of the three areas (teaching, scholarship, service) but am ranked, overall, as good or better?

A. A member may appeal a decision of the College committee when the overall decision is needs improvement or unsatisfactory. If it is just one of the three areas which is 'needs improvement or unsatisfactory' then an appeal is not possible.