

STFXAUT RESPONSE TO STFX ADMINISTRATORS' NEGOTIATION UPDATE

The following responds to the STFX administration's recent "Negotiation Update" issued on January 21, 2013. This commentary addresses the individual statements raised in the communication distributed by administration.

A FAIR AND REASONABLE OFFER	
<p>The University has made a fair and reasonable offer, comparable to recent Atlantic and Canadian faculty settlements at other universities.</p>	<p>The administration's offer is lower than recent settlements in Nova Scotia and is lower than both the historic and forecasted CPI levels. We are the one of the lowest paid groups in the region however our administration is one of the highest paid. STFX has the highest paid University President and the highest paid Vice President in Nova Scotia (excluding Dalhousie).</p>
<p>The University's offer is made despite a series of funding cutbacks totaling 10% by the provincial government to post-secondary education, including a fourth cut of 3% this year.</p>	<p>The funding cutbacks of 10% occurred in the past and over a three to four year prior period; those known funding cuts were offset by tuition increases of 3% per year. In this year, the administration remained able to project a balanced budget. There are also known increases in government funding in future years. The pressure on projected revenue is a failure to plan for a modest decline in enrollment that MPHEC has been predicting for several years.</p>
<p>The University's offer is made at a time when the University is facing a substantial deficit and limited projected revenue.</p>	<p>The administrators' claim to be facing a substantial deficit is made without any rationale or sense of accountability. Residence vacancies are in large part due to flawed administrative policies. Tax penalties are due to flawed accounting. Heating fuel costs increases are due to improper cost forecasting. The deficit ballooned between October and January for unknown reasons, even though enrollment, vacancy rates and government funding levels were known. None of the noted excuses for a \$4Million deficit are systemic issues that should be expected to be repeated in future years. The building of two new residences in the face of enrollment decline and funding pressures in an environment in which there are currently 200</p>

	vacant rooms suggests a flawed model of administration instead of a proactive one. If the new residences are built to offset the closure of rooms in MSB, then the business case for these residences must be brought into question.
The AUT four-year demand is approximately \$8.2Million. The University's offer is approximately \$5.5 million, leaving a total monetary gap of approximately \$2.7 million, the equivalent of 55 full time positions across the University.	The gap is over-estimated to start and is the total of four years; it should be presented on an annualized basis as budgets and financial statements are prepared on an annualized basis. Further, the savings from the retirement program is sufficient to fund the noted monetary gap resulting from our outstanding proposals and further allow for savings for the University. The number of full-time positions represented by the gap can also be expressed in alternative ways. For example, in 2010-2011 (2011-12 figures are not public) the StFX President made \$305,360 (ANSUT) and VP Finance made \$212,507 (ANSUT), or a combined total of \$520,000 per year, which over four years is \$2.1 million for a gap of close to just 2 (not 55) positions.
The AUT Executive four –year demand of approximately \$8.2 million includes approximately \$5.2 million in salary increases and \$3.0 million in non-salary items.	Representing the request as a cumulative total over four years neglects to consider that budget and financials are prepared on a yearly basis and the four year cumulative number is an attempt to exaggerate the issue. Further, their estimates are overstated and no information as to the cost composition have been forthcoming. The first year salary request from STFXAUT is 1.5%, which is the same as the STFX offer, and the second year request and offer are similar. For context, a 1% increase in salary for all full time STFXAUT members is roughly \$265,000.
The University encourages the AUT Executive to share the complete details of the latest offer, allowing Members to express informed opinions and vote.	The STFXAUT has hosted numerous meetings with its members and have placed numerous postings to STFXAUT.ca to inform members. STFXAUT members are certainly not being informed by the administration's attempt to provide misleading and fabricated information (e.g., "three times recent settlements"). Members have already given the Executive a

	mandate to undertake strike action if necessary. The next vote will be to ratify an agreement, which will only materialize if administrators choose to negotiate.
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SECTION 1: Financial Impact of AUT Executive’s Non-Salary Request

<p>The total cost of the non-salary demands is \$2,982,00</p>	<p>There was no rationale provided to substantiate the numbers provided by the administrators. These are not “demands” but requests to be negotiated between STFXAUT and the administrators. On an annualized basis, not a four year cumulative total, the amount they are projecting is \$745,500 not \$2.98 million. The \$745,500 is also not substantiated and, based on STFXAUT analysis, it is a fabrication. For example:</p> <ul style="list-style-type: none"> • Course relief for Chair/Coordinators: the administration simply agreed to reinstate course relief for a handful of chairs/ coordinators of small departments who were excluded in the previous contract. The administration calculates the impact to be 387,000. In fact, the maximum impact would be a handful of 3-credit stipends assuming full replacement. • Travel fund: assuming that there is no change in the rate of conference presentations by faculty, then there should be a negligible financial impact of protecting these funds in the collective agreement. • Coordination of benefits: our proposal is to ensure that the spouses are no longer denied enrollment in the group benefits plan provided by our collective agreement. This proposal affects less than a dozen members. <p>The preceding examples indicate either an inability to reasonably forecast expenses, or a purposeful attempt to mislead the public.</p>
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SECTION 2: Summary of Significant Elements of University Non-Salary Offer per Group

OVERALL: Extension of Health and Dental benefits to those over 65 years of age	Finally! The administration was directed by Nova Scotia Human Rights Commission to no longer deny benefits to members based on age.
OVERALL: Coordination of benefits for spousal members of AUT.	This issue is a grievable issue and one that the administration would have had to make anyway, as all members should receive the full benefits, including married members without one being a “dependent” of the other.
FACULTY: Course release of at least three credits for Chairs/Coordinators with >1 member.	Our proposal was to correct the change imposed in the last Collective Agreement. The change is in the administration’s interest as there was difficulty in getting volunteers to serve as Chairs and Coordinators.
FACULTY: Travel funds included in Collective Agreement	The funds existed before but, under our proposal, would be protected by the Collective Agreement and of equal value across Faculties. Administration retains the approval process.
FACULTY: Retirement Options	The administration pulled their retirement options from the table. Nevertheless, the STFXAUT put both a retirement allowance and a phased-in retirement proposal on the table. Our proposal for the retirement allowance fixes the problem of a narrow window of eligibility. Their response accepts the eligibility parameters yet reduces the payout to make it far less of an incentive to retire. Their response amounts to a reduction to the allowance provided in the current collective agreement, and further, would remove it as a standing article in the collective agreement. Our analysis of our proposals suggests a potential for savings of well over \$3M over 5 years if only 10 people retire, with additional savings produced by the phased-in option.
FACULTY: Improved clarity regarding existing Program Redundancy and Financial Exigency language	The changes suggested by the administrators are not about “clarity” as they suggest but make the test for financial exigency and program redundancy much easier to invoke and weaken our ability to protect job security.

PART-TIME: Improved long-service supplement.	Long-service supplements need some improvement and the changes proposed are only modest.
LIBRARIANS: Librarian salary grid to parallel Faculty grid.	Status quo. Librarian salaries were already linked to the faculty grid in all prior Collective Agreements; how is this an improvement or a significant element?
LIBRARIANS: Retirement incentives same as Faculty	To reiterate, administration withdrew their retirement options. STFXAUT proposed both the retirement allowance and phased-in retirement options. (see above)
CLINICAL ASSOCIATES: Group name updated to Nurse Educators to reflect industry practice.	Does housekeeping within the agreement rise to the level of a significant element of a contract?
EXTENSION AND COADY: Changes to promotion evaluation language and work plan development.	The changes provide no benefit to our members but were tabled by the administration in the interest of strengthening managerial prerogative.
WRITING CENTRE INSTRUCTORS: Implementation of salary grid.	The administration proposed no change to the current salaries of Writing Centre Instructors but would force members to accept their current salaries.

SECTION 3: Comparative Compensation Grid

Floor of Assistant and Top of Scale Professor	Floors and tops do not address the number of steps, promotion requirements and the size of each step increment, all of which factor into life time earnings. The administration's focus on professors also ignores all other employment categories in the STFXAUT.
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SECTION 4: Comparative Health and Dental Benefits

Employer and Employee costs	Hold on! The administration admitted that they have been providing inaccurate information to the StFXAUT with respect to the value of our benefits. For example, the value of single member coverage is only \$1,010 per year, not \$1700. Our proposal for a new Health Care Spending Account would result in benefits coverage that is less than their public statements about current value of
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	<p>single member benefits, which have been overstated by 68%. Furthermore, the comparison with other institutions is somewhat meaningless (i.e., comparing apples and oranges). Paying 100% of the plan which requires a Member to pay 20% to 50% at the dentist's office for certain procedures is not 100% coverage! Also, the administration neglected to provide a comparison of pension benefits (we are amongst the few universities that have a defined contribution plan instead of defined benefits), and our analysis indicates we are significantly behind in benefit totals.</p>
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SECTION 5: Compensation Details	
Increases are between 16.18% and 21.87%.	<p>Under the administration's proposal, members' salaries will increase 1.5%, 1.5%, 1.75%, and 2.0% - not 21.87%. At CBU, one of the examples provided (despite not being in our agreed to comparator group), the increase in salaries is 2.9% in this current academic year. With an offer of 1.5% we are falling further behind comparators. More problematically, as per the administration's recurring tactic, they have included progression through the ranks which members are already entitled to receive. Steps up the salary scale (progress through the ranks) are a guaranteed condition of employment in the university sector. Combining progression through the ranks with salary increases is an inappropriate framing of increases. Under the administration's proposal, the increase from our current scale averages only 1.6875% per year for four years. Finally, it must also be kept in mind that many of our members have prorated salaries based on less than full year contracts, so the salary grid is misleading.</p>