

**University of Saskatchewan
Faculty Bargaining**

**Employer's Final Offer to Settle the Agreement
Tuesday, March 6, 2007**

INTRODUCTION

This is a full and complete package offer in an effort to reach a tentative agreement.

This offer includes:

- bargaining conversations to date and
- compromises and agreements reached at the table during the week of February 26, 2007 to March 2, 2007, and
- items signed off on or agreed to in principle, and
- the "deal" the Union offered the Employer on the phone Friday, March 2, 2007 and
- the Employer's significant compromise on the Equity MOAs
- the Employer's final position on outstanding matters.

Salary grids have been provided.

Summary of Costs and Outcomes of this Proposed Offer to Settle

Average cost per year to the Employer of total financial package: 3.62% per year over 4 years

Examples of Salary Increases:

Ranks	Current Average Salaries	Percentage Increase	Average Salaries July 1, 2008
Assistant	\$ 69,757	23.3%	\$ 85,996
Associate	\$ 87,578	15.3%	\$ 100,977
Professor	\$ 116,202	10.07%	\$ 127,909

PRINCIPLES

This offer is grounded by the University's core principles of fiscal responsibility, economic rationale for salary increases, a lead-payer strategy based on reasonable comparators, competitiveness in all aspects of total compensation (benefits, leaves, etc.), a desire to treat all faculty members equitably, a desire to not disadvantage any groups as a result of compensation reform, **and a need to have flexible and expedient recruitment practices.**

This proposal also continues to reflect the Employer's commitment to the academic culture and traditions of individual input to academic planning, debate and discussion which is fundamental to a University.

ECONOMIC RATIONALE AND FISCAL RESPONSIBILITY

The parties agree that it is necessary to reform the salary grid to support the recruitment and retention of faculty. **The Union has agreed to the following financial offer in exchange for the compromises described above.**

Term of the Agreement

The Employer believes that it is important to achieve some labour stability, set salary scales to facilitate recruitment and retention, and support multi-year planning initiatives.

To do that, it is in the interests of both parties to reach a one-year agreement on 2005-2006 which is past and then introduce a new three-year agreement which allows the University to move forward. On February 26, 2007, the Employer modified its offers for 2005-2006 and 2006-2009 to make this more feasible for the Union, by introducing more into base increases in 2005-2006.

As per the above, the Union has accepted the financial offer which is contingent upon spreading the costs of the agreement out over four years, as there is a significant cost associated with salary grid reform. The Employer proposed a combination of two agreements to accomplish that goal.

The Employer has packaged this final offer as a one-year agreement (2005 - 2006) and a three-year agreement (2006 – 2009).

SUMMARY OF FINANCIAL AGREEMENT:

The monetary offer described below is a generous and serious commitment of limited resources to faculty salaries:

Summary of Settlement Over Two Agreements

Year	Adjustment
July 1, 2005	<p><u>Professorial Ranks</u></p> <ul style="list-style-type: none"> • Slope adjustment resulting in an increase in the salary scales and individual base salary increases of \$0 to \$5,000 • Faculty whose base salary increase as a result of the slope adjustment is less than \$2,500 will receive an adjustment to base salary, which will not reduce CDI entitlement, to ensure a minimum total base salary increase of \$2,500 • Plus a one-time payment for the difference between \$5,000 and the amount of the base salary increase described above. <p><u>Librarian Ranks</u></p> <ul style="list-style-type: none"> • Base/Scale increase of 3% <p><u>Teaching Ranks</u></p> <ul style="list-style-type: none"> • Base/Scale increase of \$4,000 (flat amount)
July 1, 2006	<ul style="list-style-type: none"> • Base/Scale Increase Professorial Ranks \$3,000 (flat amount) • Base/Scale increase of 3% to Librarian Ranks • Base/Scale increase of \$3,000 (flat amount) Teaching Ranks
July 1, 2007	<ul style="list-style-type: none"> • Base/Scale adjustment \$3,000 (flat amount) for Professorial Ranks • Base/Scale increase of \$3,000 (flat amount) Teaching Ranks • Base/Scale increase of 3% to Librarian Ranks <p>Other:</p> <ul style="list-style-type: none"> • Increase to \$5,000 administrative stipend Department Heads and Assistant Deans • Increase allocations of funding for Special Increases by 40 to the CRC, and by 40 to the PRC
July 1, 2008	<ul style="list-style-type: none"> • Base/Scale adjustment of \$3,000 (flat amount) for Professorial Ranks • Base/Scale increase of \$3,000 (flat amount) to Teaching Ranks • Base/Scale increase of \$3,000 (flat amount) for Librarian Ranks and introduction of a new scale
Benefits / other	<ul style="list-style-type: none"> • Increase benefit cap to January 1, 2007 rate (cost of \$389,790) • Increase annual maximum dental coverage for Basic and Major from \$1,500 to \$2,000 • Improve eye examination coverage from \$65 to \$80 • Introduce Wellness Account of \$150 • Increase Employer's pension contributions by 0.5 percent

PROFESSORIAL RANKS

One-Year Agreement

July 1, 2005 to June 30, 2006

Slope adjustment will occur in 2005-2006 as described below, through a one year contract that stands alone, given that the year has passed. Salary reform will be implemented in this year, resulting in retroactive base pay increases.

Step One. The slope adjustment will occur by holding the salary of Full Professors who are at or above \$116,500 constant, while adjusting the floor of the salary of the Assistant Professor up by \$5,000, drawing a line and then adjusting all salaries up to the line. This will change the floors, CDI ceilings, and base salaries of some Professors.

Step Two. All salaries, except those of the highest paid Full Professors, will then be brought up to the new salary line. **In addition, the Employer will ensure that all Professors (including Full Professors) receive a minimum base salary increase of \$2,500.** This will result in retroactive base salary increases to July 1, 2005. **This adjustment will not affect the CDI count in the rank.**

Step Three. A calculation will be made to determine the amount of **one-time, lump-sum** payments as a transition bonus to support the movement to the new model. This one time payment will be determined by taking the difference between the \$5,000 floor adjustment and the base increases received. So, for example, if an Assistant Professor receives a \$4,000 base pay increase as a result of slope adjustment, they will then receive a one time lump sum payment of \$1,000 in the same year. A Full Professor who receives a minimum base pay adjustment of \$2,500 will also receive a one time \$2,500 lump sum payment.

Three-Year Agreement

July 1, 2006 to June 30, 2009

Year One – July 1, 2006 to June 30, 2007

To preserve the new slope of the line and ensure salaries remain competitive, salary increases in subsequent years will be applied as flat amounts rather than percentage increases, as percentage increases distort the slope of the line and reinforce any inequities that exist in the systems. Effective July 1, 2006, a base salary increase of \$3,000 will be added to the Professorial Ranks scale and to each member.

Year Two - July 1, 2007 to June 30, 2008

In 2007, part 2 of salary reform will be introduced. This allows changes to be made to career development increments and merit on a go forward basis. Historically, changes in rank among faculty at the University of Saskatchewan have been triggered by changes in salary levels rather than by academic readiness.

The new salary grid includes a definition of the number of normal steps in the career path and separates rank and salary so that base hiring and promotion through the ranks is based on achievement of academic standards. For the Professorial ranks:

Step One. Effective July 1, 2007: the career development path for Professors is divided into 18 career development steps from the time of appointment to the highest rank. Advancement through the ranks will be based on the achievement of academic standards established by faculty. A career development increase (CDI) will be applied annually. **The amounts of CDIs will be the same for each rank (\$2,429).**

Step Two. In implementation of the new grid, Assistant, Associate, and Full Professors will receive a new “CDI count”. In the Assistant and Associate Professor Rank, merit will no longer decrease CDI entitlement. Merit can be earned at any rank in addition to the CDIs. This separation of merit and CDI components of salary for Full Professors is taken into consideration when the new CDI count is calculated for the new grid, so as to not disadvantage any employee.

- Market supplements for existing faculty in Dentistry and Law will be “rolled” into salaries before CDI counts are determined for existing employees. Faculty appointed to these two colleges as of July 1, 2007 and later will not receive market supplements and Article 19.2.7 will be deleted. New employees will be hired into the ranks and placed as per the guidelines for recruitment, considering qualifications and experience.
- Effective July 1, 2007, administrative Stipends for Department Heads and Assistant Deans will be increased to a uniform \$5,000 to recognize the important role they have in **addressing equity issues**, creating positive and productive work environments and ensuring fair and reasonable workloads.
- Merit amounts will be increased on July 1, 2007 to allow more recognition of outstanding achievements of academic staff. The number of Special Increases allocated by the CRCs will be increased from **150 to 190 (by 40)**, PRC will be increased from **20 to 60 (by 40)**, based on the new increment value of \$2,429.
- **Step Three. Effective July 1, 2007 a base salary increase of \$3,000** will be added to the scale and to each member. Again, a flat amount of increase is necessary to preserve the new slope of the line and ensure salaries remain competitive, as percentage increases will distort the slope of the line and reinforce any inequities that exist in the system.

Year Three – July 1, 2008 to June 30 2008

Effective July 1, 2008 a base salary increase of \$3,000 per person and to the scale will be applied to the Professorial Ranks.

LIBRARIAN RANKS

The Employer’s survey of salary grids for Librarians at comparable institutions indicates that the 4-rank grid at the University of Saskatchewan is an appropriate model, and that in general terms the range from floor of Librarian 1 to ceiling of Librarian IV is also

appropriate, although in need of scale increases to maintain competitiveness. Unlike the Professorial ranks, there is no compelling reason to apply differential increases across the ranks. Therefore, a series of across-the-board percentage increases is applied in the first three years, followed by grid reform and a fixed-sum across-the-board increase in the final year. The increases are summarized below.

2005-06	Base / Salary increases of 3%
2006-07	Base / Salary increases of 3%
2007-08	Base / Salary increases of 3%
2008-09	Base / Salary increases of \$3,000 (flat amount) plus introduction of a new grid

Introduction of New Librarian Grid:

Following the 3 x 3% increases in the preceding three years, the ceiling of the Librarian IV has kept pace with the ceiling of the Associate Professor, and the ceiling of the Librarian III has kept pace with the Assistant Professor. The ceilings of the four Librarian ranks have been used to establish the basis for the salary scale of each rank, such that each of the Librarian ranks include 6 full increments as follows:

- Librarian I, increment \$2,000**
- Librarian II, increment \$2,000**
- Librarian III, increment \$2,200**
- Librarian IV, increment \$2,429**

The new range in each rank is shorter than in the old grid, and anchoring the new ranges at the ceilings of the ranks lifts the floors of each rank.

As with other ranks, merit increases earned effective July 1, 2007 will be separated from CDI count.

TEACHING RANKS

The ranks of Instructor and Lecturer will be fully implemented in order that demands of teaching, particularly in heavily subscribed programs, be carried in part by professional teaching faculty. To make this an attractive career path for dedicated teaching scholars, it is necessary to address the low salary grid, which is not competitive in the current environment. To be competitive, it is also necessary to develop standards for promotion through these ranks, and for tenure or permanent status, which will happen through the normal academic processes.

The Employer proposes grid reform for these ranks, such that 6 full increments plus 6 half increments are available within the Instructor and Lecturer ranks. Overlap with the next rank would occur at the 6th increment. The partial increments would provide for continued career growth for those who delay promotion or whose qualifications or position descriptions are not consistent with promotion.

In order that these ranks become competitive, significant increase to the grid is required. As these ranks have not been commonly utilized, and there are few members currently in these ranks, establishment of a new grid over the lifetime of this Collective Agreement is

realistic. Because the floors of these ranks are so low, it is necessary to apply substantial fixed-sum increases across the board, rather than percentage increases.

2005-06	Base / Scale increases of \$4,000
2006-07	Base / Scale increases of \$3,000

Move to new grid July 1, 2007. The floor of the Instructor is used as the foundation of the grid. From this point, 6 full increments of \$1,800 and 6 half increments of \$900 provide a range that fully overlaps that of the old scale. Transition from the old to the new grids is seamless.

The floor of the Lecturer is established at the 6th increment of the Instructor, and extends for 6 full increments of \$2,429 in parallel with the revised Professorial grid, with which this rank overlaps. Transition of existing members in this rank will also be seamless, and will provide them with additional scope for career development.

2007-08

With all existing faculty in these ranks now on the new grid, the new CDI's are applied on July 1, 2007. As for other ranks, merit earned as of July 1, 2007 is separated from the CDI count. A base and grid increase of \$3,000 is applied.

2008-09

A base and grid increase of \$3,000 is applied in the final year of the agreement to complete the restructuring of the grid, and makes for an attractive career at competitive salaries.

Changes to Recruitment and Retention for All Ranks

The floor of each rank determines the minimum hiring point or the normal promotion point for each range. For example, for the Professorial Ranks, the range of six (6) CDIs per rank reflects the normal time spent in each rank in preparation for promotion; although promotion can be earlier or later. If promotion is earlier, the remaining CDIs are carried forward into the next rank, to preserve a total career limit of 18. If promotion is later, the earning of CDIs is capped at six (6) until promotion occurs. The new floors and CDI ceilings will provide a hiring range that will result in successful recruitment in most conditions.

Notwithstanding the above, when hiring, where market conditions require salary flexibility, the University requires the flexibility to place a new hire at any point in or above the normal CDI range for the rank. Hiring above a CDI range represents an advancement of CDIs (if CDIs are advanced for experience or market considerations, they are deducted from the total CDIs available for the rank and career) and/or merit increments (for consideration of the career to date of the successful candidate as per current processes) **and or other salary adjustments.** This will be described in the letter of appointment.

To ensure equities or evolving market pressures are addressed for existing faculty members, an advancement of CDIs and/or merit increments can also occur for

such individuals using the existing expedited salary review process. The same advancement process described above will apply in these cases.

This same logic will be applied to the new Teaching Salary Grids, and Librarian Grids, although the CDI and/or steps are somewhat different to reflect the differing career tracks.

This is a critical issue for the Employer to allow the University to recruit effectively and quickly in the current competitive environment. The University is however, prepared to be fully transparent and report on new salaries and the reasons for such decisions. The approval process for these exceptional circumstances will be through the Provost's Office and also controlled by budgetary measures.

Date of signing

We have agreed to the following as part of the overall financial package.

1. Benefits Funding Cap:

The Employer agrees to increase the Employer funding for the 2007 calendar year for health, dental and vision to the fixed dollar of premium paid to Blue Cross for an ongoing increase in costs of **\$389,790 (estimate) bringing the total capped Employer contributions to \$2,227,193.**

- The effective date of the increase will be January 1, 2007.
- A calendar year must be used as the Blue Cross renewal is experience rated based on a calendar year.

2. Benefits Plan Design Changes:

- Increase benefit cap to January 1, 2007 rate
- Increase annual maximum dental coverage for Basic and Major from \$1500 to \$2000
- Improve eye examination coverage from \$65 to \$80
- Increase Employer's pension contributions by 0.5 percent
- Introduce a Wellness Account of \$150 per member
 - This is **fully Employer paid**, and will provide members the flexibility of additional health and dental coverage, directed in a manner which fits their personal and family needs, without the potential risk of increased costs for employees.
 - **A Wellness Account provides the ability:**
 - **to use the money before taxes to claim for medical and dental expenses eligible under CRA**
 - **or for taxable benefits to support wellness related activities such as PAC membership**
 - **As well, funds can be used to purchase additional third party coverage.**

3. Pension

The Employer agrees to provide a 0.5% increase of July 1, 2006 payroll to the Employer's contributions to the pension plans, matched by employee contributions as required by current pension plans, effective date of signing.

4. Sabbatical Travel Grants

The Employer agrees to increase Sabbatical Travel Grants from the current \$2,100 to \$4,000 per grant, effective date of signing.

5. Compassionate Leave

Agree to clarify that compassionate leave is provided with pay effective date of signing.

6. Requests for Information and Copies of Letters

In an ongoing effort to address the Faculty Association's requests for information, reports and copies of offer letters etc. the parties have agreed to a creative solution to provide access to parts of the data through About-Us (People Soft).

7. Pay Equity and Employment Equity

Agree to maintain the status quo in terms of the current Collective Agreement.

8. Employee Assistance Program

Replace MOA number 7 with new language as per the EAP Board multi-stakeholder agreement.

9. Governance

Representatives of the Board of Governors are bound by the rules of confidentiality as determined by the Board. The parties have agreed to clarify for the Union in a letter from the Board that the faculty member on the Board may discuss matters with the Faculty Association as per the terms of his or her appointment to the Board. This language will not be included in the Collective Agreement.