



ASSOCIATION DES PROFESSEUR(E)S DE L'UNIVERSITÉ D'OTTAWA
ASSOCIATION OF PROFESSORS OF THE UNIVERSITY OF OTTAWA

APUO General Assembly – President's Report

30 April 2013

Christian Rouillard, APUO President

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Modernisation and changes at APUO

APUO architecture and team

- o New legal counsel (January 2010);
- o New administrative director (September 2011);
- o New assistant grievance officer, 1 day/week, professor (January 2012);
- o New administrative assistant, grievances (July 2012);
- o New grievance officer, 2.5 days/week, professor (January 2013);
- o New grievance officer, full-time permanent professional (June 2013);
- o New administrative assistant, receptionist (June 2013).

APUO other changes

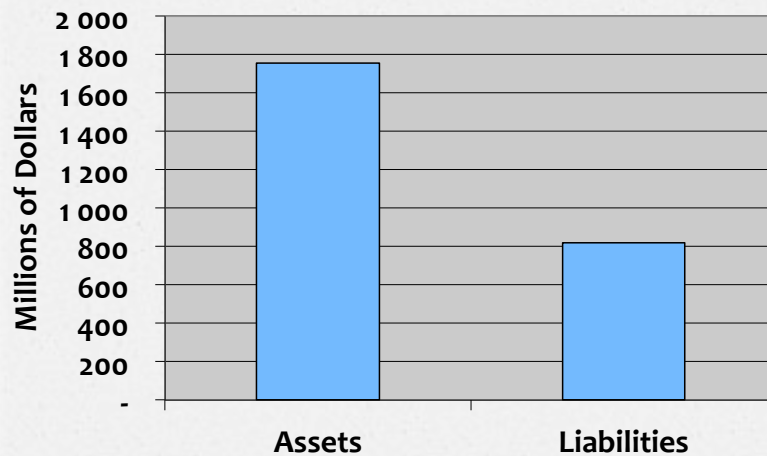
- Move to new office at 170 Waller street, in front of Faculty of Arts, next to Odell House (July 2012);
- Two sets of changes to Constitution and By-laws (October 2012 and April 2013);
- *Significant increase in APUO's long term capacity to better serve members, defend their needs and interests, and deal with all aspects of labour relations at uOttawa.*



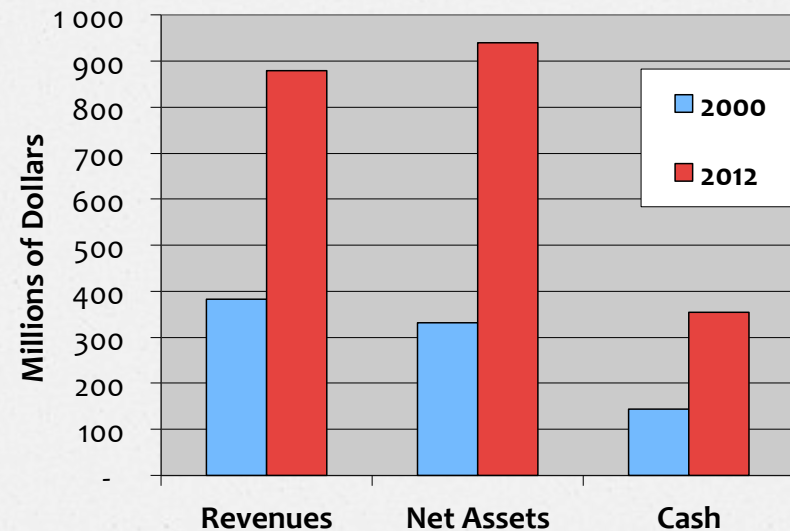
Real financial situation of the University

The financial situation of the University is very strong

Financial Position 2012
(Year End April 30, 2012)



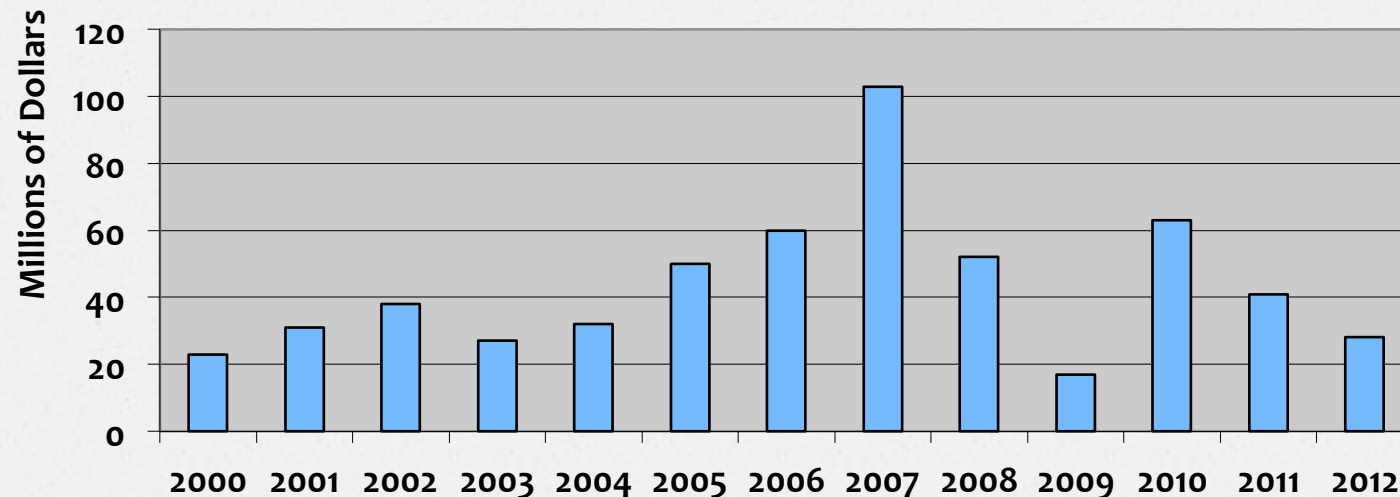
Measures of Financial Strength



Source: University Financial Statements 2012

Over 10 years of significant operating budget surpluses

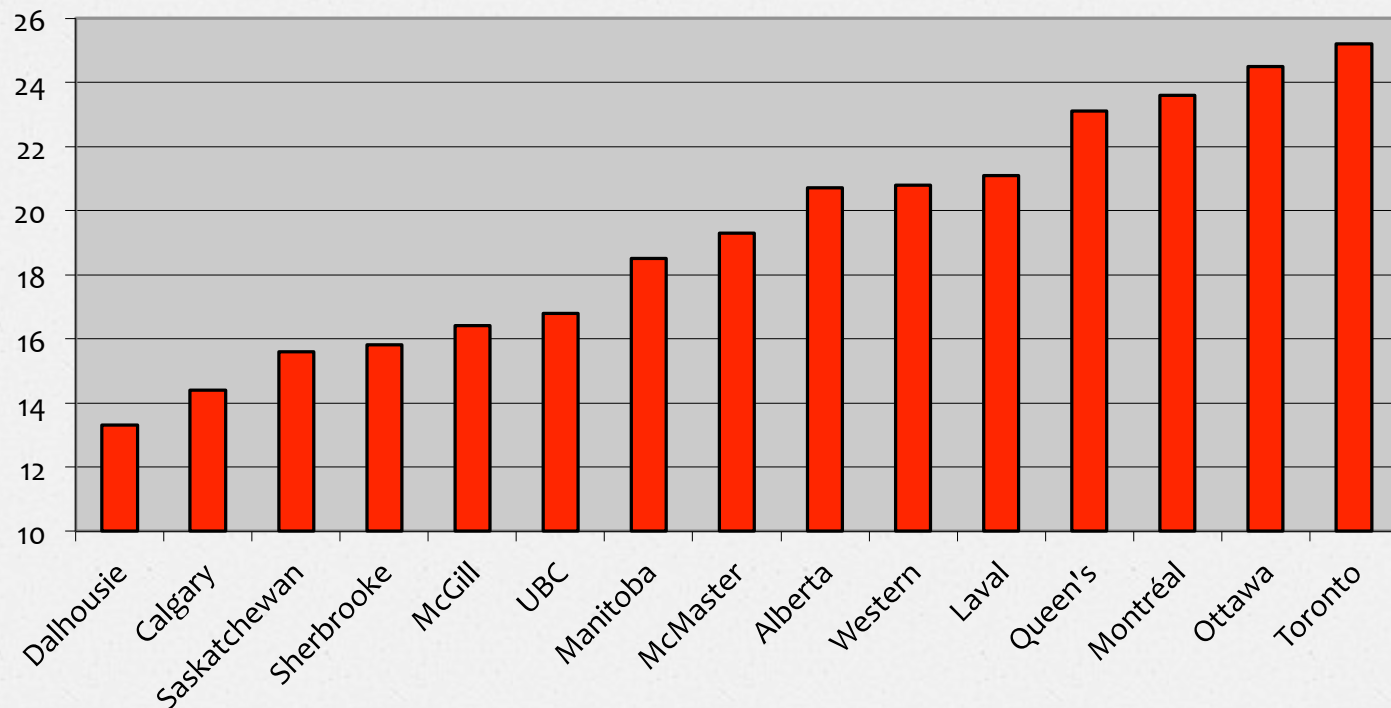
Operating Surplus(Deficit) 2000-2012



Sources: University Financial Statements 2000-2012

Employer's choice = very high student to professor ratios

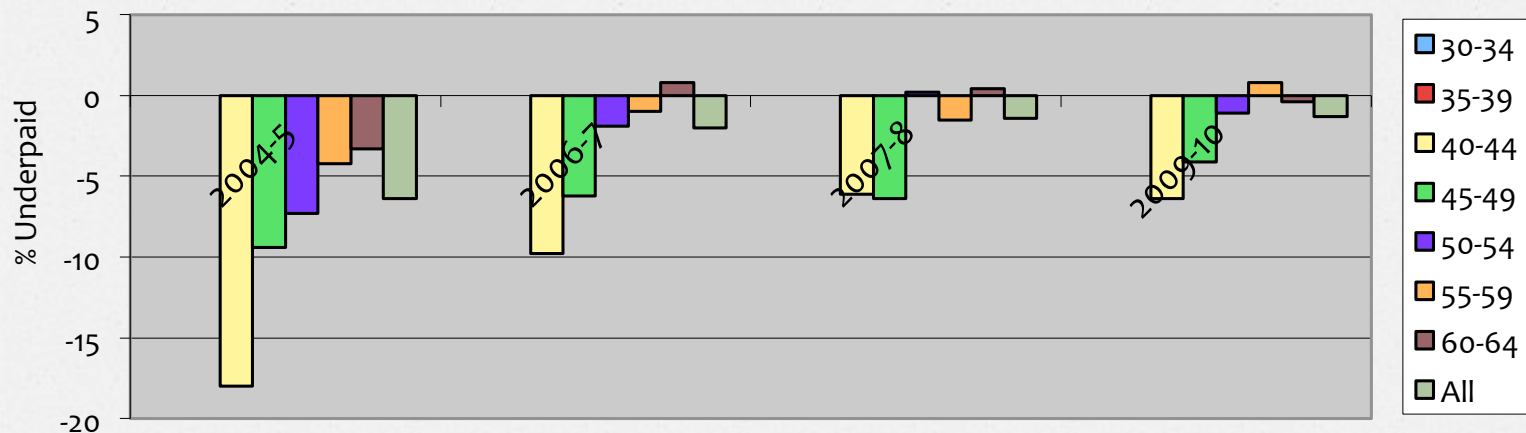
Student to faculty ratios at medical/doctoral universities (Maclean's Magazine 2011)



Source: McLean's Magazine 2012

Employer's choice = uOttawa salaries lower than comparators

Percentage difference between uOttawa full professor salaries and average full professor salaries at Comparator Universities
(by age and year)

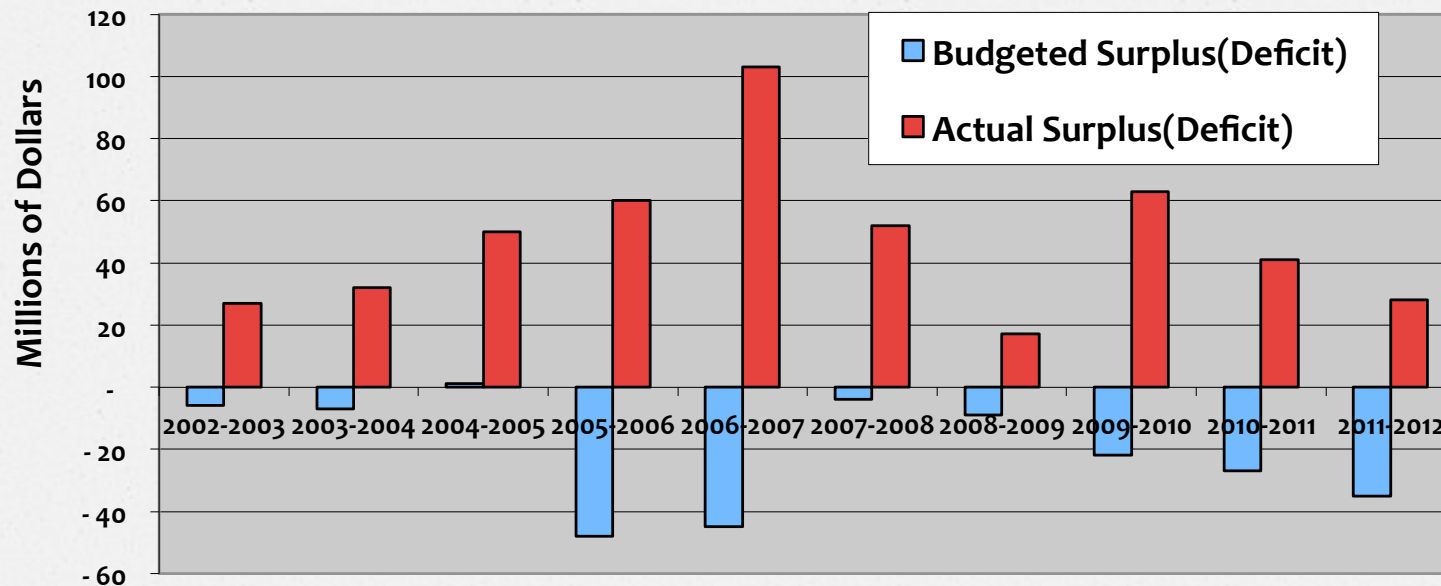


Comparator Universities include: Carleton, Guelph, Laurier, McMaster, Queen's, Western, Windsor

Source: StatsCan Universities Salary Survey, 2010

Systematic underestimation of surpluses in University's budgets

Budgeted versus actual surpluses(deficits) 2002-2013

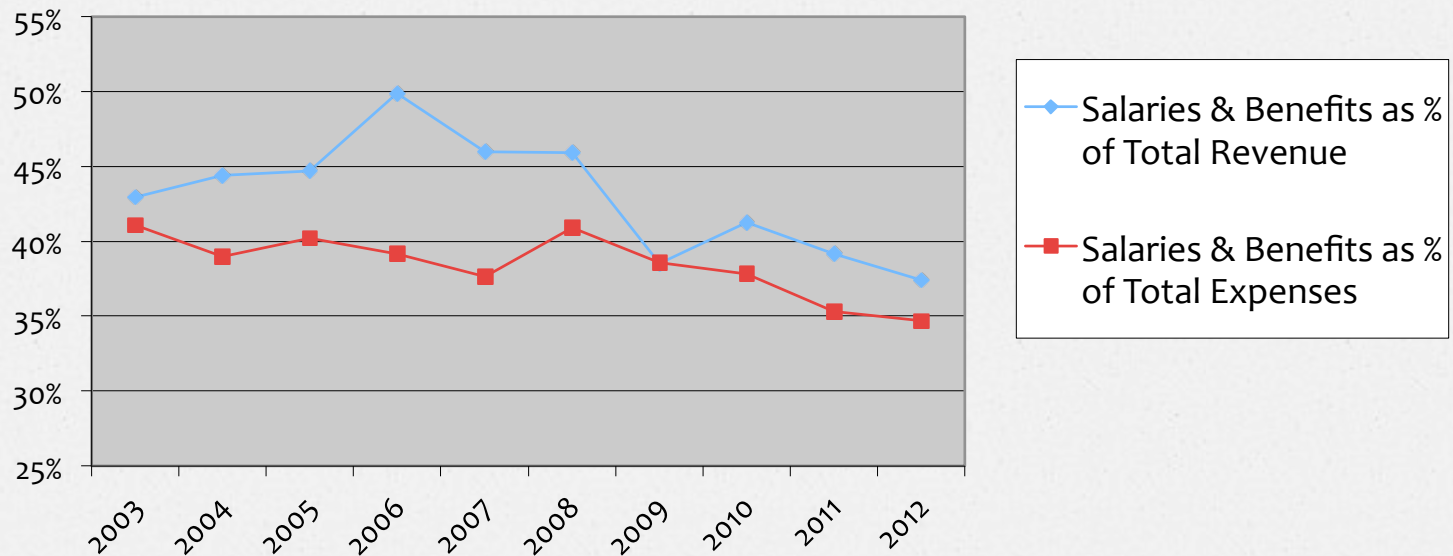


- On average surpluses have been underestimated by \$68 million annually in the University's approved budgets;
- Cumulative difference of \$676 million over 10 years.

Sources: University Budgets & Financial Statements 2002-2013

Salaries & benefits account for a smaller % of total revenue *and* total expenses

Salaries as % of revenues & expenses,
2003-2012



- Salaries & benefits as a % of total revenues have decreased significantly since 2006 high

Sources: University Financial Statements 2004-2012

Things to remember regarding the real financial situation of the University

- University is in an excellent financial situation;
- Budgetary surpluses accumulated over the last 12 years represent more than 550 millions dollars;
- Employer currently holds over 300 million dollars in hard cash, of which only 1/3 is legally bound to specific expenditures;
- Systematic discrepancy between budget estimates (expected deficit) and audited financial statements (repeated surpluses);
- Salaries and benefits account for a smaller percentage of total revenues and total expenses + remain lower than those of our comparator group.



Pension plan reform

Pension plan reform

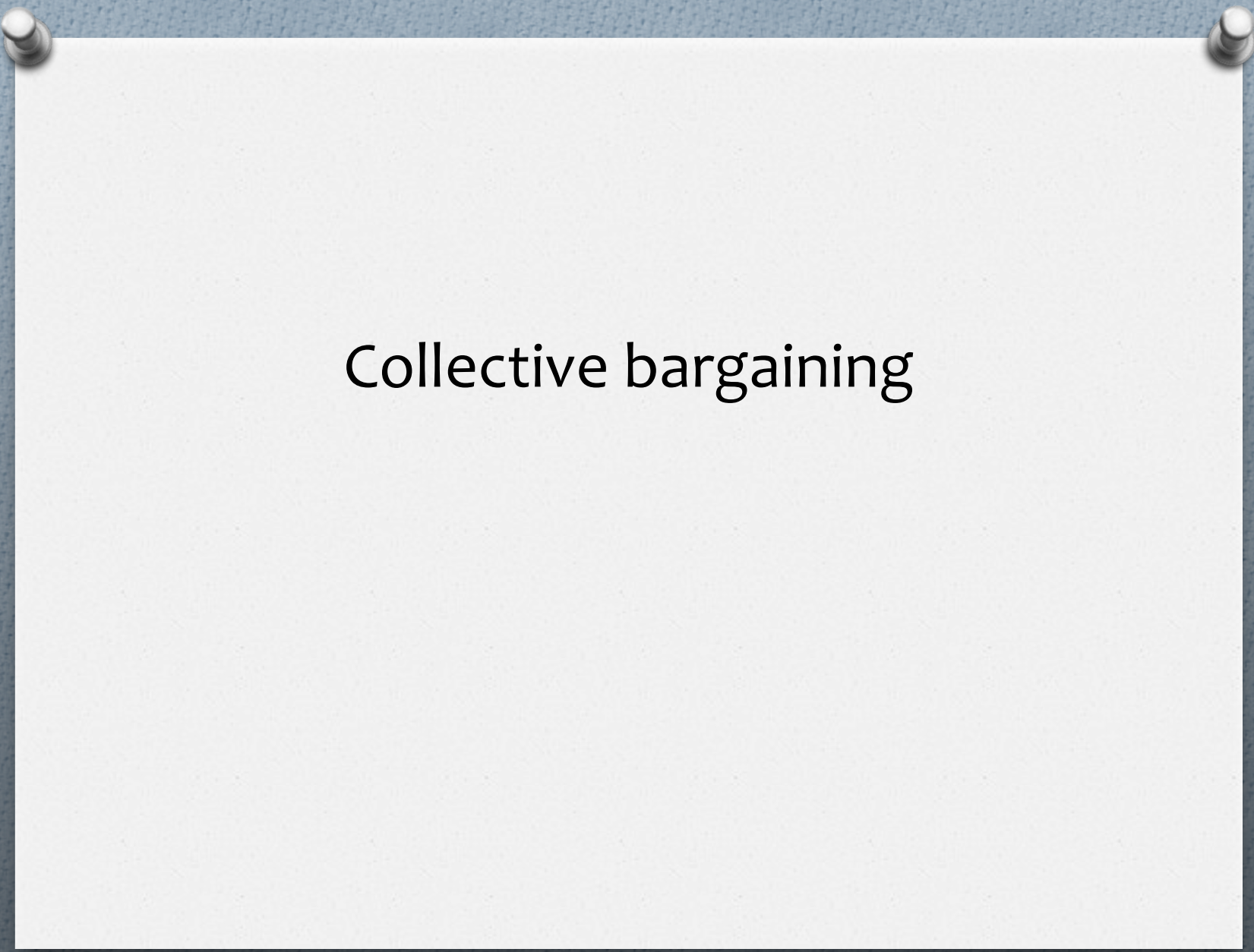
- o As it stands, the employer has yet to make a case that our pension plan is facing a significant design or structural problem requiring a permanent solution;
- o On the contrary, based on the external independent expertise (actuaries and lawyers) we used to verify all of the employer's figures and assumptions, we believe that our pension plan simply faces a temporary actuarial challenge that will be resolved in three years;
- o *To that extent, we will not support or accept any permanent reform that would increase our members' contributions and/or reduce their benefits upon retirement.*

Pension plan reform

- ◊ The solvency deficit is created by an artificial calculation imposed by law by the Ontario government;
- ◊ It can easily be resolved by the employer, who is the one legally responsible for the shortfall, and in excellent financial situation;
- ◊ Though the solvency deficit needs to be addressed by the employer, and the employer alone, APUO and the other unions on campus will nevertheless keep the discussion open with the employer to insure the long term sustainability of the pension plan on a going-concern basis (i.e. the real financial issue of pension reform).

Things to remember regarding pension plan reform

- Employer is not concerned by the long term sustainability of the pension plan, but rather by the reduction of the contributions it has to put in the plan;
- Employer wants to increase members' contributions in order to proportionally decrease its own contributions;
- Solvency deficit is the legal responsibility of the employer, it is not a shared responsibility, and it holds the financial capacity to solve it in many ways;
- There is no structural problem with the pension plan reform, but rather a temporary actuarial issue.



Collective bargaining

Collective bargaining

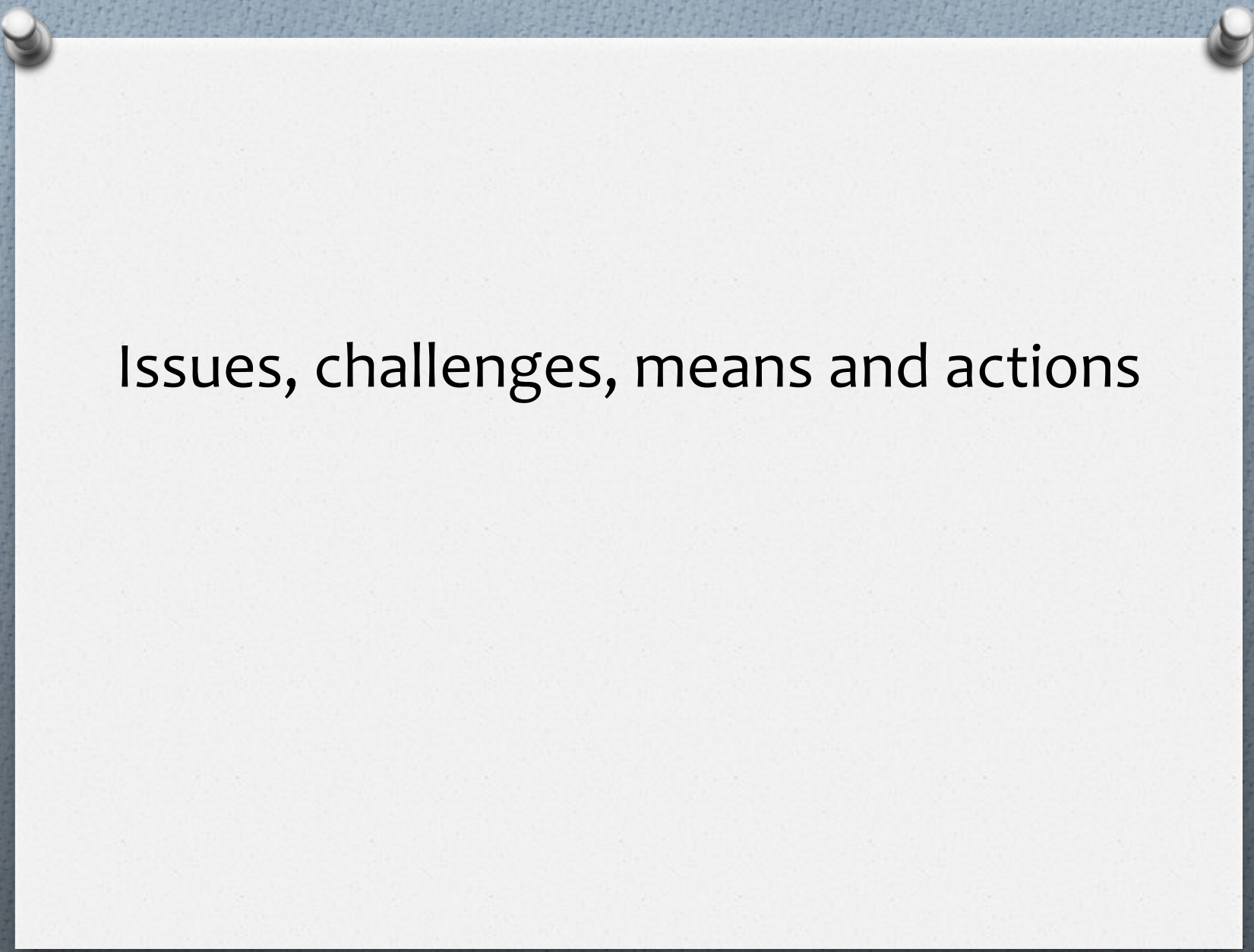
- o Bargaining sessions are held every Wednesday and Friday;
- o Employer still claims to favour efficient negotiations in order to be done as early as June...
- o ... but, employer also wants an agreement on pension plan reform in order to conclude bargaining;
- o APUO's team is extremely well prepared and highly effective – excellent coordination and accountability to the Executive Committee;

Collective bargaining

- o Responsible risk management commands that we prepare ourselves for all options, while our goal and preference remain a negotiated agreement;
- o To this end, we will create a member database of additional contact information to get in touch more effectively, especially during periods when many are away from uOttawa emails and offices;
- o Especially important this summer, as we may need to urgently update and dialogue with the membership, as negotiations progress...

Things to remember regarding the current round of collective bargaining

- o Employer is trying to impose its reform of the pension plan by (1) unilaterally putting on hold the employer/unions working group that it reactivated last summer, and by (2) introducing the issue at each bargaining table, taken individually, in order to brake inter-union solidarity, and corner the weakest team;
- o APUO's negotiating team is up to the challenge and coordination with the Executive Committee is excellent;
- o All options are on the table and what will come next is unpredictable – we have to prepare ourselves accordingly in order to assure the quality of education, and fair and equitable working conditions.



Issues, challenges, means and actions

Main issues and challenges 2013-2014

- o Tenure and promotion, beginning with (but not limited to) the Joint Committee's decisions;
- o Central administration has downloaded 'cost' of the pension plan to Faculties, i.e. pension plan 'cost' is now used as across-the-board justification to:
 - o Increase tuition fees;
 - o Cut support for research and teaching;
 - o Review programs to cut programs and positions.

Proactive means and actions

- Temporary crisis management unit (CMU) to deal with the second issue – the employer's latest actions amount to “Creating crises, and avoiding blame”;
- Regular meetings with other unions representing members of the pension plan to share expertise and concerns, and build common strategies and actions on eventual pension plan reform;
- Meetings every 3 weeks with all unions on campus and both students' associations to share knowledge and concerns about all academic affairs – community of vision and interests.

Coming up soon

- o Communication to create database of members' contact information;
- o Communication on the University's financial situation with graphics and figures;
- o Communication on pension plan reform
 - o Q & A;
 - o 3 PPT on separate issues;
- o Bargaining Bulletin;
- o New Grievances Bulletin.