DFA Bargaining Unit General Meeting

PLEASE NOTE: THIS MEETING AND THE INFORMATION SHARED IS FOR DFA BARGAINING UNIT MEMBERS ONLY.

Make sure you are identified on the screen with your full name (or first initial and last name)

Click on "Participants" icon. Hover mouse over your name in the participant list.

Click on "Rename". Enter your full name, or first initial and last name. Click "ok"

Closed captioning is available at https://2020archive.1capapp.com/event/dalhousie/

Materials will be shared on screen. View in "screen share" to see the documents as they appear. If you want to see faces and view slides, go to "View Options" and select "side-by-side" mode.

All participants are muted and the chat function is disabled. If you have a question or comment, click on the "Participants" icon and select "raise your hand" (the option is on the bottom right of the box listing participants.) The host will unmute your mic and then lower your hand.

Identify yourself when you have been unmuted.

If you experience technical difficulties, email Kristin.Hoyt@dal.ca and we will do our best to help you.

Presented by:

David Westwood
DFA President

Paul Chang
Actuarial Consultant

Ray Larkin
Chief Negotiator

Wednesday
September 30, 2020
7:00 pm via zoom

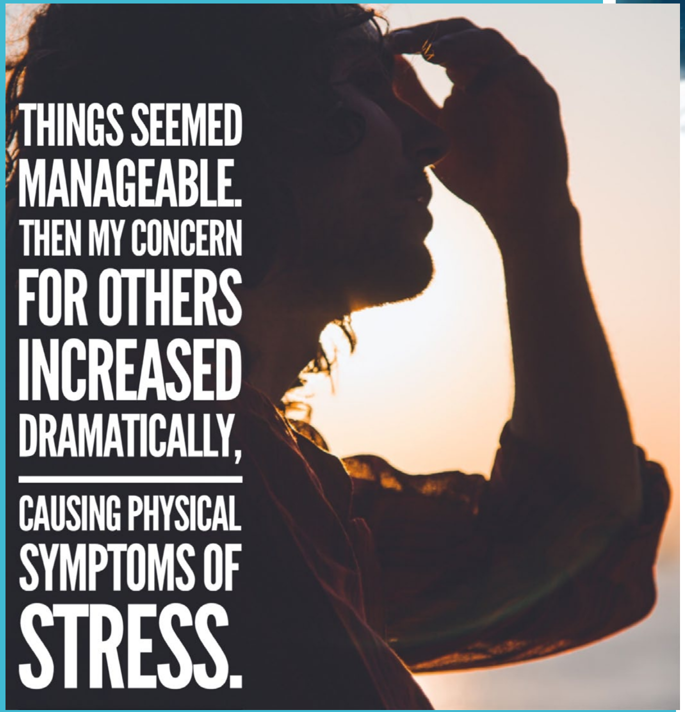
DFA
Dalhousie Faculty Association

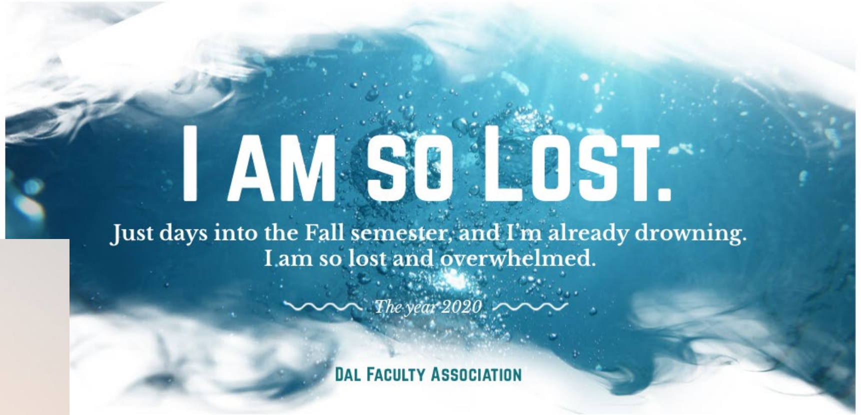
Opening Remarks

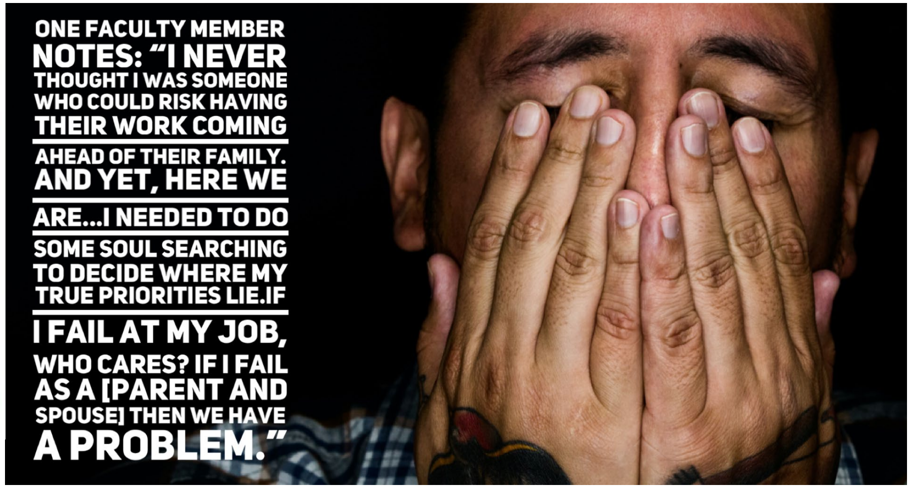
David Westwood
DFA President

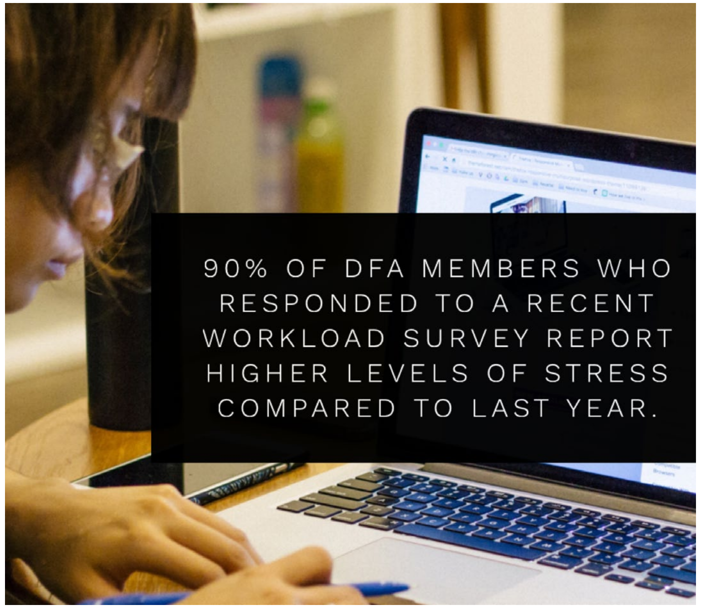
- Welcome
- Territorial Acknowledgment
- Housekeeping
  - Make sure you are identified on the zoom (first/last name)
  - We are recording presentations but not Q&A
  - Closed captioning available. Enter this in your browser https://2020archive.1capapp.com/event/dalhousie/
  - Use the “Raise hand” function during question period and we will unmute you

Workload Survey Results









DFA 2020 Bargaining Team

Ray Larkin
Chief Negotiator

Patti Doyle-Bedwell
College of Continuing Education

Tim Juckes
Psychology and Neuroscience

Elizabeth Kay-Raining Bird
Communication Sciences and Disorders

Shelley McKibbon
Kellogg Library

Barbara MacLennan
DFA Professional Officer

Lynn Purves
DFA Administrative Officer

… Move into Committee of the Whole

DALHOUSIE UNIVERSITY STAFF PENSION PLAN – DFA GENERAL MEETING

Paul Chang
September 2020

OUTLINE

Board Bargaining Proposals – CPP Integration

Board Bargaining Proposals – No RTF Transfer

Reference Material

This presentation is intended to be understood with commentary.

BOARD BARGAINING PROPOSALS – CPP INTEGRATION

CPP AND CPP CHANGES

- Both employees and employers contribute to CPP at equal contribution rates. CPP can start paying reduced monthly benefits as early as age 60 (unreduced benefits at age 65).
- Improvements to CPP benefits earned and CPP contributions are being phased in between 2019 and 2025.
- Maximum CPP benefits will be about 50% higher under the new CPP system than the old CPP system (Need 40 years under the new system to get full 50% improvement).
- By 2025, maximum contributions for both members and employers will be about 32% higher under the new CPP.

NEW CPP RATES AND CONTRIBUTIONS

			Contribution Rate and Dollar amounts apply to each party (EE and ER)				
	Projected YMPE	Projected YAMPE	New Contribution Rate Between YBE and YMPE	New Contribution Rate Between YMPE and YAMPE	New Maximum CPP Contribution	Max Contribution if no CPP changes	Maximum Increase in CPP Contributions
2020	58,700	58,700	5.25%	N/A	2,898	2,732	$166
2021	60,000	60,000	5.45%	N/A	3,079	2,797	$283
2022	61,400	61,400	5.70%	N/A	3,300	2,866	$434
2023	62,800	62,800	5.95%	N/A	3,528	2,935	$593
2024	64,200	68,700	5.95%	4.00%	3,792	3,005	$787
2025	65,600	74,800	5.95%	4.00%	4,063	3,074	$989

YBE is $3,500; Old contribution rate is 4.95% between YBE and YMPE. Maximum amounts assume earnings are greater than YAMPE

CURRENT PLAN PROVIDES CPP STACKING

- Dalhousie pension amount paid is the same before and after age 65. There is no adjustment to take into account that CPP starts at age 65 and adds to member's overall pension income. CPP is <u>stacked</u> on top of the Dalhousie pension plan benefit.

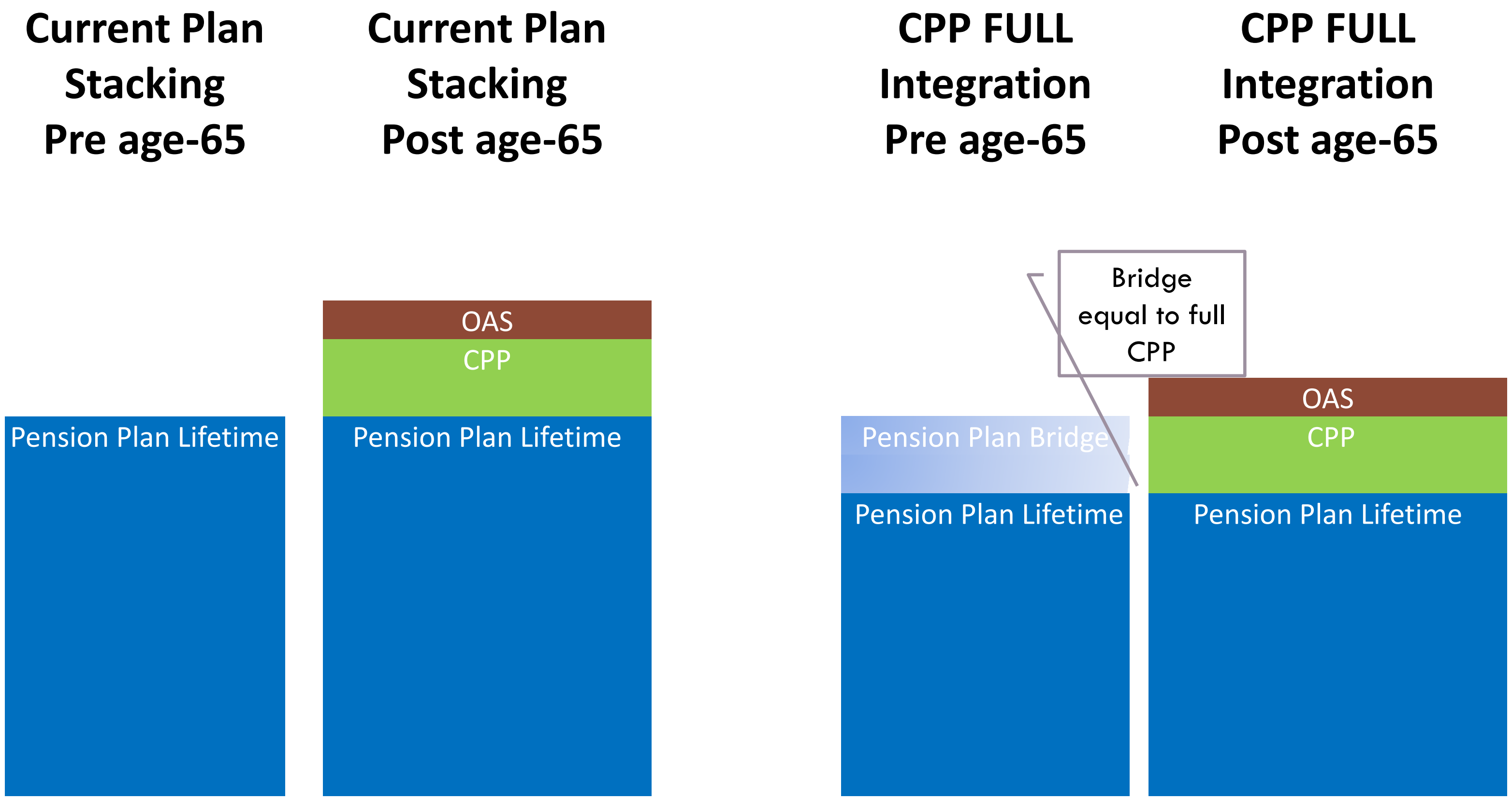
CPP INTEGRATION – WHAT IT MEANS

- CPP Integration means that the plan pension paid after age 65 would be lower than plan pension paid before age 65 to take into account all or part of the deemed CPP benefit earned during the same period the plan pension was earned.
- With CPP Integration, plan benefit would consist of a lifetime benefit plus a bridge benefit (portion payable to age 65).
- Proposed CPP Integration would not impact any benefits earned prior to plan amendment date - your Dalhousie pension formula would only change for future service.
- Majority of pension plans are integrated with CPP.

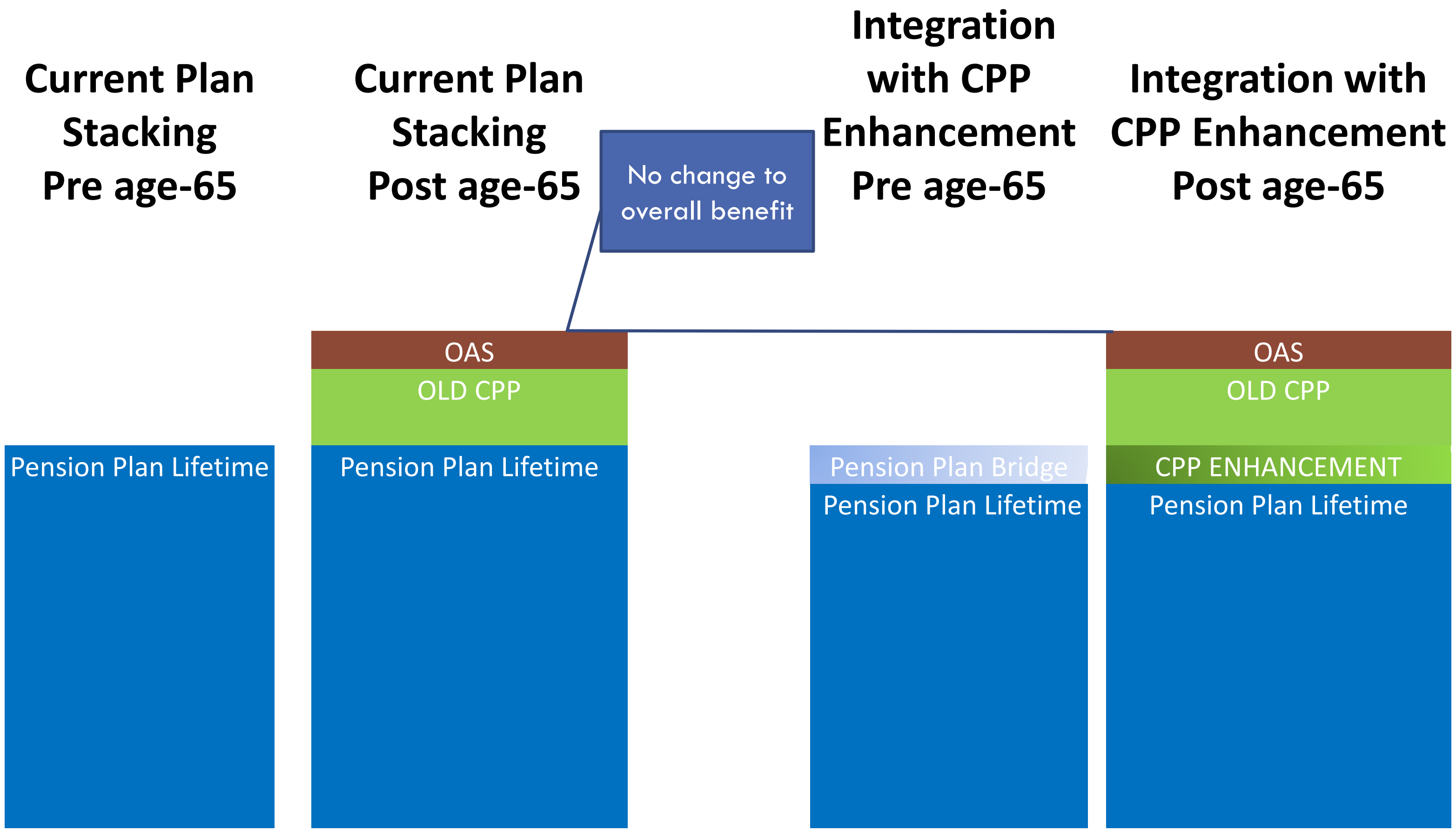
BOARD PROPOSAL - CPP INTEGRATION

- Proposed CPP Integration ranges from a) Full CPP integration to b) Integration with CPP enhancement:
- Full CPP integration typically means that the plan formula plus CPP accrual provides a total accrual rate of 2% per year (70% pension for a 35 year career). Plan benefit is reduced by the full value of CPP benefits deemed to be earned in same period.
- Integration with CPP enhancement means that you are taking into account that CPP benefits are increasing and reducing plan benefit by the incremental benefit. This is the only option where the member's overall benefit (new plan plus new CPP) does not change vs pre CPP changes (old plan and old CPP).

CURRENT PLAN AND (A) FULL CPP INTEGRATION (FULL CAREER)



CURRENT PLAN AND (B) INTEGRATION WITH CPP ENHANCEMENT (FULL CAREER)



PROPOSED INTEGRATION WITH CPP ENHANCEMENT

- The proposed Integration with CPP enhancement would reduce the pension earned from the Dalhousie pension plan for future service. It **should** also result in a reduced rate of contributions to the Plan for both the Board and members.

	Current Accrual Rate Lifetime / Bridge	Integration with CPP Enhancement Accrual Lifetime/Bridge
Up to YMPE (*65,600)	2% / 0%	1.8% / 0.2%
YMPE (*$65,600) to YAMPE (*$74,800)	2% / 0%	1.1%/ 0.9%
Above YAMPE (*74,800)	2% / 0% (up to max pension limit)	2% / 0% (up to maximum pension limit)

* Estimated 2025 values of YMPE and YAMPE

PROPOSED INTEGRATION EXAMPLE 1

Assume 15 years under original formula and 15 year under new formula. FAE3 of $120,000, YMPE3 of $70,000 and AYMPE3 of $80,000 at retirement.

LIFETIME ANNUAL PENSION FROM PLAN	Up to YMPE3	YMPE3 to YAMPE3	YAMPE3 to BAE3	TOTAL
Old Formula – 15 years	$21,000	$3,000	$12,000	$36,000
New Formula– 15 years	$18,900	$1,650	$12,000	$32,550
TOTAL Pension				$68,550
Estimate of Bridge - 15 years new formula – payable pre 65	$2,100	$1,350	$0	$3,450
CPP Enhancement payable after age 65 (15 years new CPP; 40 years for full CPP)	$2,100	$1,238	$0	$3,338

PROPOSED INTEGRATION EXAMPLE 2

Assume 15 years under original formula and 15 year under new formula. FAE3 of $160,000, YMPE3 of $70,000 and AYMPE3 of $80,000 at retirement. Assume maximum pension per year of service greater than $3,200 (2% x160k).

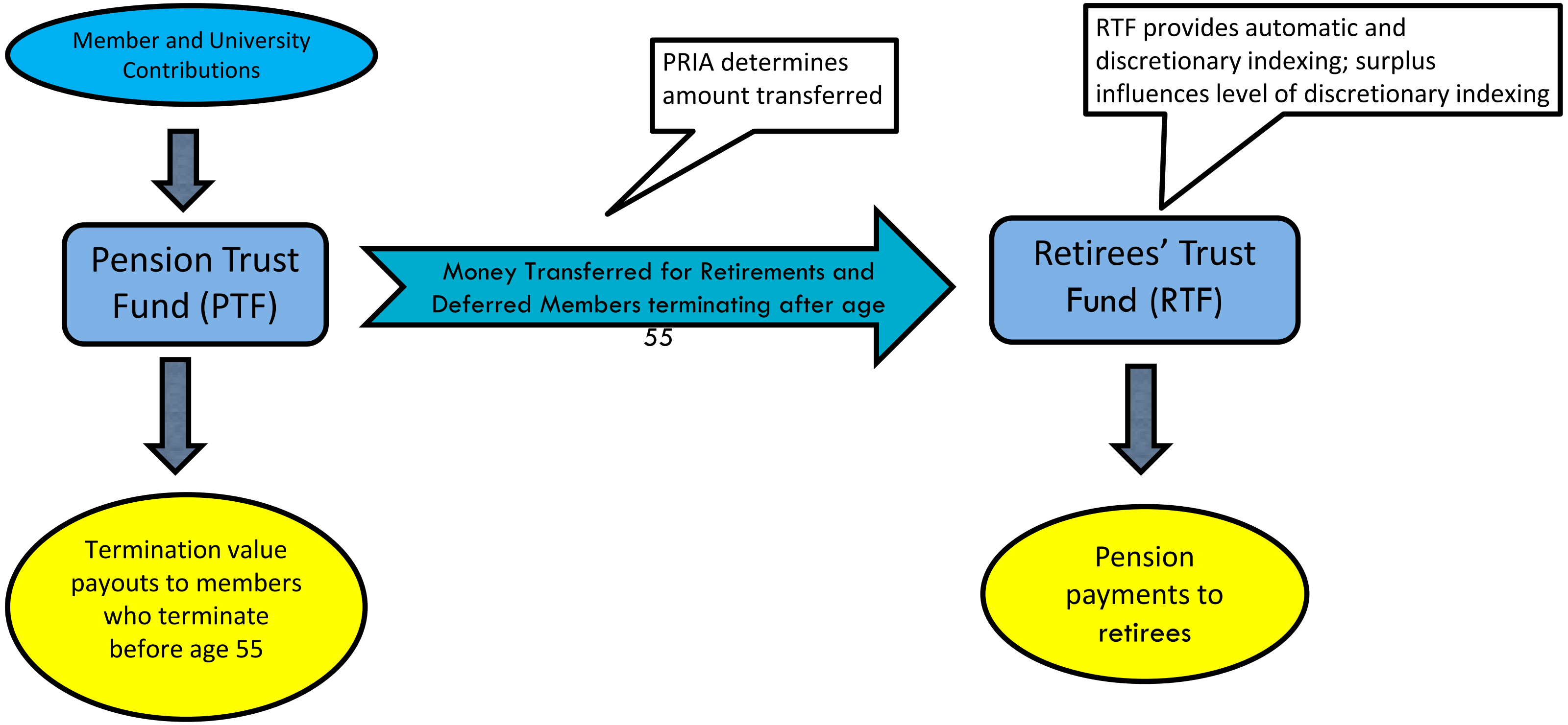
LIFETIME ANNUAL PENSION FROM PLAN	Up to YMPE3	YMPE3 to YAMPE3	YAMPE3 to BAE3	TOTAL
Old Formula – 15 years	$21,000	$3,000	$24,000	$48,000
New Formula– 15 years	$18,900	$1,650	$24,000	$44,550
TOTAL Pension				$92,550
Estimate of Bridge - 15 years new formula – payable pre 65	$2,100	$1,350	$0	$3,450
CPP Enhancement payable after age 65 (15 years new CPP; 40 years for full CPP)	$2,100	$1,238	$0	$3,338

ADDITIONAL ISSUES TO CONSIDER

- Reduction in employee contribution rate
- Timing of plan changes. CPP changes are occurring over the period 2019 to 2025
- Accrual rate between YMPE and YAMPE. Proposal is 1.1%/0.9% (lifetime/bridge) but 1.2%.0.8% is a better fit to integrate with enhanced CPP. 1.2%/0.8% would provide slightly higher lifetime pension
- Impact on other employee groups
- Potential additional concessions. Employer contributions to pension plan will be reduced as a result of plan changes. At the same time, Employer contributions to CPP are increasing.

BOARD BARGAINING PROPOSALS – NO RTF TRANSFER

DALHOUSIE PENSION PLAN CURRENTLY CONSISTS OF TWO TRUST FUNDS



PTF AND RTF FINANCIAL POSITION AT MARCH 31, 2019

	PTF ($000s)	RTF ($000s)	TOTAL ($000s)
Assets	727,614	661,653	1,389,267
Going Concern Liabilities	764,608	631,101	1,395,709
Going Concern Excess (Shortfall)	(36,994)	30,552	(6,442)
Funded Ratio	95.2%	104.8%	99.5%

BOARD CONCERN WITH EXISTING 2 FUND SYSTEM AND PRIA

In their view:

- PRIA Interest Rate of 4.55% is too low which means that more money (low interest = higher transfer) is being transferred from PTF to RTF than necessary to fund pension benefits.
- By transferring more money than required to RTF, increases the likelihood of surplus in RTF and likelihood of shortfall in PTF. Can result in discretionary indexing being granted from RTF while overall plan shortfall needs to be funded by the Board.
- Based on their view, new NS funding rules exacerbates the situation as higher funding is required in part due to the new rules and the PRIA rate.

BOARD PROPOSAL - NO RTF TRANSFER

- Asset transfers from PTF to RTF would no longer be made after January 1, 2021.
- RTF would continue to exist and pay pensioners who retired between June 30, 1982 and prior to January 1, 2021. Automatic indexing rules based on 3 year rates of return would remain the same. Ability for RTF Trustees to declare discretionary indexing from RTF surplus* would be the same.
- PTF would pay pensioners who retire on and after January 1, 2021. For PTF retirees, automatic and discretionary indexing would be determined based solely on PTF return and surplus*.

* Proposed amendment references going concern excess (as defined in the new Regulations). Based on current information, a higher level of assets will be required to meet this threshold than the prior measurement of surplus. Possibility that surplus used for RTF will also be re-interpreted in same manner.

BOARD PROPOSAL- NO RTF TRANSFER

- Transitional 5 year provision that discretionary catch-up indexing under PTF is no less than provided under RTF (NOTE: This provision is subject to surplus being available in PTF during this period).
- The “No RTF Transfer” proposal is similar in financial impact as changing PRIA from 4.55% to 5.05%. In fact, as part of the proposal, PRIA is re-defined as 5.05% within the PTF for calculations for members who choose to defer pension payments.

IMPACT ON PRE-2021 RETIREES

- Members who retired pre-2021 and post-2021 will likely receive different rates of automatic indexing. This will happen as the RTF and PTF investments will likely earn different rates of return as a result of having different investment profiles and plan management expenses (as a % of assets).

- **RTF pensioners will likely receive less automatic indexing.** As the RTF is now closed to new retirees, the average age of retirees will increase over time and the total fund value will decrease in value. As this occurs, investments will likely become more conservative and less likely to outperform the hurdle rate of 5.05%

- **RTF pensioners will also likely receive less discretionary indexing** for the same reasons noted above.

Pension indexing means that pensions are increased from time to time which enables pensioners to maintain their standard of living.

IMPACT ON POST-2021 RETIREES

- Plans with younger members and few retirees tend to invest a bit more aggressively than plans which know that they must pay out funds in the short to mid-term. However, with new NS pension funding rules, it is difficult to predict how this will impact overall PTF investment decisions. If PTF investment are more aggressive relative to RTF investments (under the current 2 fund system and the new pension legislation), a bit higher likelihood of automatic indexing, and vice versa.
- The PTF is starting at a lower funded financial position than the RTF. Therefore, for the initial period, it is less likely that discretionary indexing could be granted.

IMPACT ON THE BOARD

- Under the new NS funding rules and Plan Actuary's interpretation, this would improve the PTF and Plan's overall <u>reported</u> financial position.

NOTE - There is no new money coming into PTF or RTF and the plan rules have not changed (base amount owed to members excluding potential indexing is unchanged), so it is simply a change in the value reported. Reporting a better financial position potentially reduces the Board's short term contributions.

IMPACT ON ACTIVE MEMBERS

- No clear direct impact.
- No anticipated change to current employee contribution rate. <u>May</u> increase possibility of negotiating a lower employee contribution rate in the future.
- May result in a higher amount of money available for collective bargaining.

REFERENCE MATERIAL

CPP DEFINITIONS

- YBE – Year's Basic Exemption is equal to $3,500. Contributions are not required on amounts earned up to the YBE.
- YMPE – Yearly Maximum Pensionable Earnings is $58,700 for 2020. Contributions under old CPP are payable up to this level of earnings. Also used to determine maximum pension under old CPP. YMPE is adjusted annually by change in Canadian Average Wage Index.
- YAMPE – Yearly Adjusted Maximum Pensionable Earnings effective January 1, 2025 is equal to 1.14 times YMPE. Contributions under new CPP are payable up to this level of earnings. Also used to determine maximum pension under new CPP.

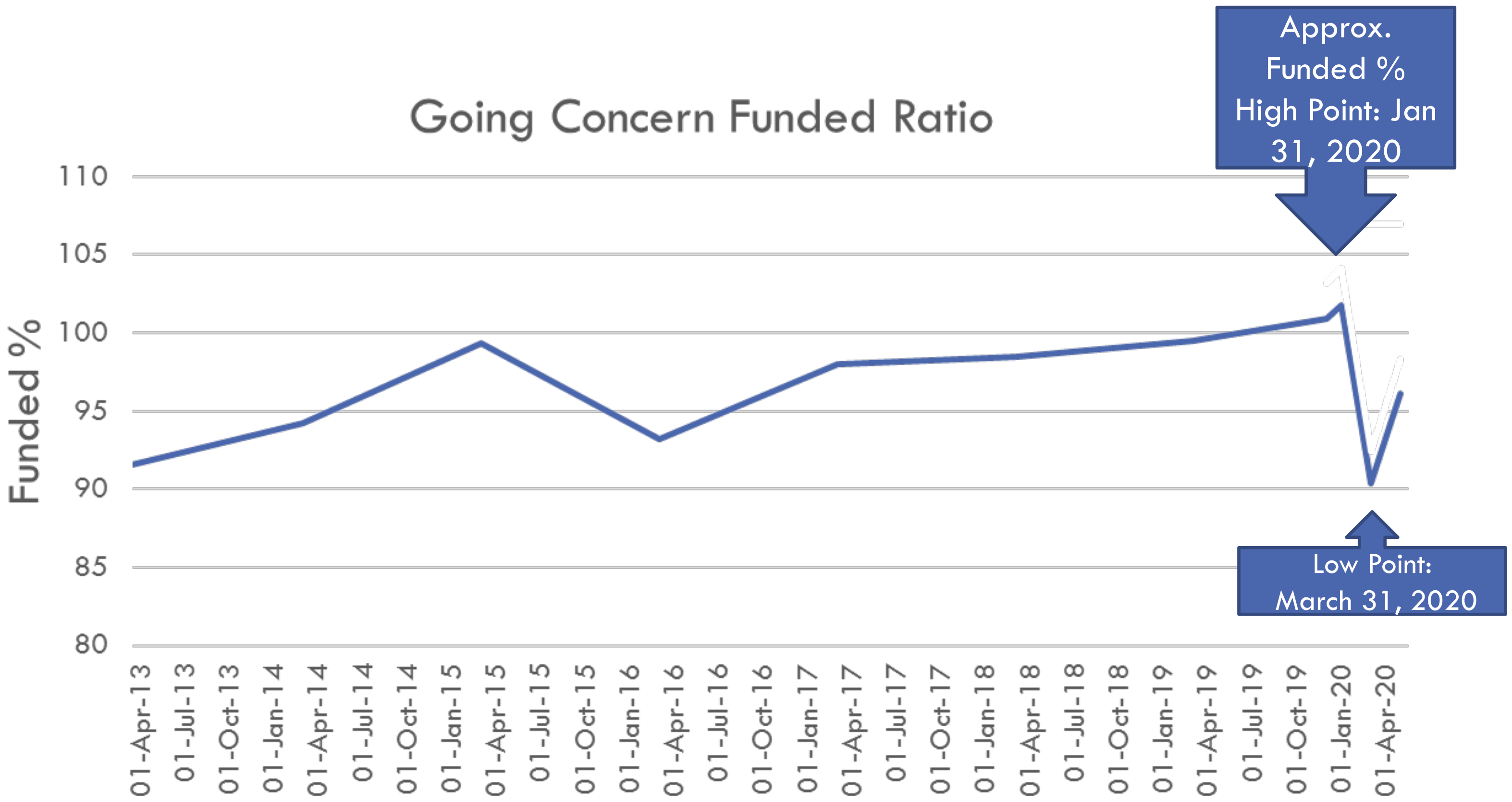
MOST RECENT FILED VALUATION
MARCH 31, 2019

Balance Sheet	$000s
Going Concern Assets	1,389,267
Going Concern Liabilities	1,395,709
Going Concern (Shortfall)	(6,442)
Going Concern Funded Ratio	99.5%

Dalhousie required to make “special contributions” over a period of time to pay off the shortfall

Annual Funding Requirements	% of Payroll	$000s
Member Contributions	8.06%	21,145
Dalhousie Current Service Contributions	9.26%	24,283
Total Current Service	17.32%	$45,428
Dalhousie Special Contributions	.35%	918
Total Dalhousie Contributions	9.61%	$25,201

PLAN FINANCIAL POSITION (ACTUAL AND ESTIMATED)



WITHOUT ANY PLAN CHANGES - NET TOTAL INCREASE ON BOARD CONTRIBUTIONS FOR NEXT 3 YEARS IS $1 TO $3 MILLION

- Based on the new funding rules and preliminary estimates of January 1, 2020 valuation provided by the Plan Actuary:
  - Each of the 2020, 2021, and 2022 contributions will be materially the same as the 2019 contribution adjusted for inflation.
  - Total Board contributions will not be materially different for the next 3 years under the transitional rules vs the old rules. Approximate impact is \$1-\$3 (depending on Funding Target %) million on a circa \$75-80 million Dalhousie contribution over the 3 years.
- **The new rules <u>may</u> have a larger impact on the Board's contribution rate at the time of the subsequent valuation scheduled for no later than Jan 31, 2023.**

RTF AUTOMATIC INDEXING

- Annual automatic indexing, up to the change in CPI, is based on RTF 3 year average fund rate of return in excess of 5.05% (PRIA of 4.55% plus 0.50% margin) (subject to offset for years in which 3 year average return was less than 5.05%).

- Over the last 30 years:
  - Full indexing equal to the change in CPI has been granted automatically about 40% of the time.
  - Partial indexing (less than full change in CPI) was granted about 25% of the time.
  - No automatic indexing was not granted about 35% of the time.

- **Automatic indexing is not impacted by RTF financial position. It is based solely on the actual RTF rate of return.**

RTF DISCRETIONARY CATCH-UP INDEXING

- Pensions in pay are eligible for discretionary catch-up indexing, as determined by the Trustees, from surplus. Discretionary indexing has been granted in the past. Some catch-up indexing can still potentially be declared.
- Current discretionary indexing decision is based on the RTF financial position only. This means that catch up indexing may be granted even when special contributions are required into the Plan (e.g. RTF is in a surplus, but combined plan is in a shortfall).
- **A higher RTF funded position increases the likelihood of discretionary indexing.**

DFA Request for Conciliation
How did we get here? What's next?

Ray Larkin
Chief Negotiator

DFA
Dalhousie Faculty Association

Request for the assistance of a conciliation officer

- On September 18,2020, the representatives of the Board of Governors presented a comprehensive package of proposals to renew the collective agreement which expired on June 30.

- The package included a proposal for three years of zero increases in all of the salary related provisions in the Agreement and proposals for reductions in pension benefits.

How did we get here?

- On June 15, 2020 at a University Town Hall meeting with DFA and NSGEU representatives led by President Saini, representatives of the Board described a dire financial crisis for the University because of the COVID-19 pandemic.
- The crisis required reducing the salaries of Dalhousie unionized employees and reducing the cost of pension benefits.
- On June 23, 2020 the Board issued a Fiscal Update which predicted a budget deficit of $18.3 million after using the reserve funds from previous years.

Dalhousie University

2020-21 Fiscal Update

June 23, 2020

page 2

2020-21 Fiscal Update Compared with 2019-20 and 2018-19 Budgets

(000's of dollars)

	2020-21 Fiscal Update		2019-20		2018-19	
	$	%	$	%	$	%
REVENUES						
Provincial Government Grants	221,110	53.9%	219,153	49.0%	217,231	50.7%
Tuition	146,430	35.7%	184,230	41.2%	169,650	39.6%
Other	42,500	10.4%	43,837	9.8%	41,527	9.7%
	410,040	100.0%	**447,220**	100.0%	**428,408**	100.0%
EXPENDITURES [1]						
Faculty and Unit Budgets	321,627	73.0%	332,454	74.3%	321,942	75.1%
Student Assistance [2]	39,430	9.0%	35,914	8.0%	34,232	8.0%
Campus Renewal	20,458	4.6%	30,758	6.9%	29,501	6.9%
Energy, Water, Taxes and Insurance	21,340	4.8%	23,840	5.3%	22,590	5.3%
Library Acquisitions	8,876	2.0%	8,860	2.0%	7,966	1.9%
IT Network Infrastructure/Classroom Technology	3,938	0.9%	3,088	0.7%	2,424	0.6%
Strategic Initiatives	6,000	1.4%	4,440	1.0%	1,884	0.4%
Equipment, Endowment Management, Contingency	6,766	1.5%	7,866	1.8%	7,869	1.8%
Revenue losses due to COVID [1]:						
Faculty and Units	6,000	1.4%				
Ancillaries	6,100	1.4%				
	440,535	100.0%	**447,220**	100.0%	**428,408**	100.0%
Surplus (Shortfall)	**(30,495)**		-		-	
Use of 2019-20 and Prior Years Reserves	**12,207**		-		-	
Surplus (Shortfall) after Use of Prior Years Reserves	**(18,288)**		-		-	

The Board predicted a decrease in enrolment and a decrease in revenue.

- The fiscal update was premised on a decrease in enrolment in 2020-2021 of 5,382 students -- a 29% decrease from 2019-2020.
- The predicted 29% decrease in enrolment would reduce the University's tuition revenues by $51.3 million from 2019-2020 with a net loss of $37.8 million after a 3% increase in tuition.
- Total revenues from tuition in 2019-20 were $184.230 million but with a 29% reduction in enrolment were expected to be $146.430 million in 2020-2021.

Expenditures in 2020-2021

- The fiscal update indicated that total expenditures for 2020-2021 were $440.535 million.
- The total expenditures included various increases and decreases in costs compared to 2019-2020.
- The $321.627 million allocated for Faculty and Service units (87% of which was for compensation - salaries, benefits and pension contributions - of all Dalhousie employees including senior administration) compared to $319.153 million in 2019-2020.
- The expenditures included an estimated $6.1 million revenue loss from student residences and the fitness centre and an estimated $6 million in losses for specialized programs and cohorts of students, the dental clinic and the Student Athletics fee.

A dire situation indeed

- These changes from 2019-2020 result in a shortfall of $30.495 million.
- The fiscal update allocates $12.207 million from reserve funds.
- This left a deficit of $18.288 million.
- Hence the Board's demand for a two-year agreement with a "wage adjustment" of -5% in 2020-2021, a "wage adjustment" of 0% in 2021-2022 and major cuts to pension benefits.

Collective Bargaining

- The DFA and Board negotiating committees met on July 16, 2020 to begin collective bargaining.
- The DFA team advised the Board team that it could not respond to the Board's demands for decreases in salary until September when the actual enrolment for 2020-2021 was known and when it was known if the Province would provide financial relief to the University.
- The DFA team proposed:
  - a one-year agreement with a modest 1.25% IMC.
  - a CDI/step of $2703 for all Members increased by the IMC.
  - harmonization of rules for promotion adjustments for all Members and adjustment of the dollar amount of all funds by the IMC.
  - DFA members receive the same Health Spending account($1000) as excluded administration employees.

DFA Monetary Proposals

- IMC increase
- Term
- CDI increases
- Promotion adjustments
- Revise scales
- Adjust maxima by IMC and promotion adjustments
- Increase UTF maxima
- Permit CDI/Step for those who have reached top rank
- Overload stipend
- Health Spending Account increase
- Increases to Anomalies fund, market differential, travel fund, supplemental leave fund and PDA
- Adjust supplemental leave fund for instructors and increase by IMC

DFA Non-Monetary Proposals

Rejected by the Board

- Article 1.14 -definition of on-line course
- Article 12.20 -Technology Instructor promotion
- Article 14.16 - Limited-term conversion
- Article 14.16(a) – Delete 14.16(a)(10) and amend 14.16(b)(1)
- Limits on limited-term appointments less than 12 months – Letter of Understanding and Article 30.02
- Article 17.11A and 20.01A -Members workload – On-line courses
- Article 17.11 D - 30 minute break after 4 hours of teaching
- Article 20.09 -funding overload administration for designated groups
- Article 25.02- Academic decision-making on online courses
- Protected leaves under the Labour Standards Code
- Article 30.32 (a)(i) -service for educational leave
- Article 32.09 - increase coverage for multi -peril insurance
- Calculation of e for Y values
- Article 35.01 term and retroactivity

DFA Non-Monetary Proposals

Accepted by the Board

- Article 23.03 A as follows:
  - Consistent with existing protections in the Collective Agreement, unless otherwise agreed, Members are sole copyright holders of their on-line lectures, teaching materials and examinations and shall retain the exclusive right to use, revise, rework and amend the copyrighted materials regardless of any support from the Board for production of the materials or of the manner of recording, storing, transmitting or broadcasting them.
- Article 30.18 as proposed by DFA on July 16,2020 adding the following sentence:
  - When a Member cancels or postpones their sabbatical or educational leave to take a pregnancy or parental leave, the Member shall retain leave credit for years of service spent on pregnancy and parental leave for use following a planned sabbatical or educational leave.
- Article 33.07 (c) as follows:
  - Upon request from a Member, the Board shall, at the Board's expense, provide the appropriate personal protective equipment needed to protect them from hazards in their workplace. Where possible, PPE for research activities shall be covered by research funds.
- Article 11.08-Composition of the Library Systems Appointments Committee
- COVID-19 Letter of Understanding *except* terms for return to workplaces

COVID-19 Letter of Understanding

- As many Members are required to work remotely, the Board will make its best efforts to provide necessary home office equipment and supports. With approval of the Dean, Members may request reimbursement for the purchase of reasonable home office equipment and supports to enable completion of essential work tasks that they incur or have incurred since March 16, 2020. As appropriate, the Dean may alternatively recommend that the member utilize/borrow existing campus-based equipment for home use. Equipment purchased with Faculty funds is the property of the Faculty and needs to be returned to campus when virtual operations end.

- Members who are required to have in person contact with students, other faculty and/or staff shall be provided with the appropriate personal protective equipment, at the Board's expense. Where possible, PPE for research activities should be covered by research funds.

- In recognition of the additional demands placed upon a Member during the COVID pandemic, all Members shall be granted an additional five (5) days of vacation in the 2021-2022 vacation year.
  - With the approval of their Dean, Members who are unable to take some/all vacation for the academic year 2019-2020 due to workload resulting from COVID will be able to carry forward remaining vacation to the year 2020-2021.

Pension Proposal: Cessation of Transfers

- This will be assessed in detail by our actuary Paul Chang.
- The DFA Bargaining Team has advised the Board Committee that it will not recommend this proposal to the DFA membership.
- The effect of the proposal will be to reduce protection of pension benefits from the impact of inflation.
- Retirees' pensions are increased when the returns on investments exceed a three-year average of 5.05%. When they don't, no indexing is granted other than discretionary indexing by the RTF trustees using up to 50% of surplus in the PTF. The cessation of transfers proposal makes it unlikely that current employees will ever receive that catch up indexing when they retire.
- It is not justified by the financial situation of the University.

Pension Proposal: CPP Integration

- Paul Chang will review this proposal in detail.
- The retirement income of DFA members is a combination of the pension in the Dalhousie Pension Plan, their Canada Pension Plan pension and ,if they are eligible, Old Age Security.
- The CPP pension is in addition to the Dalhousie pension.
- The Board's proposal is to integrate the CPP and the Dalhousie Plan by reducing the Dalhousie pension by any CPP benefits accrued after the date of integration.
- This is a drastic cut in Dalhousie pension benefits. It is not justified by the financial situation.
- The DFA Bargaining Team has advised the Board that it will not recommend this proposal to the membership.

September Enrolment Figures

Definitely NOT a 29% decrease in enrolment!

President Saini reports on September 22, 2020:

> "We can report to you now that as of September 20, our overall enrolment has increased 3.8% over the same time last year, with a 4.8% increase in domestic students and a 0.6% increase in international students. We also see an increase when we consider individual credit units — enrolment in credit units is up 3.8%."

Financial Implications

- No reduction of tuition revenues of $51,300 million; actually an increase in tuition revenues plus 3%.
- No reduction in revenue as predicted in the fiscal update.
- If the expenditures remain the same as budgeted in the fiscal update a surplus of at least $20 million.
- If **every** Dalhousie employee received an IMC of 1.25% as proposed by the DFA, the cost would be less than $3.5 million.

  ($316,426 million x 87% x 1.25% = $3,441,320)

Monetary Issues

- The Board has now proposed a three-year agreement with:
  - no IMC
  - limits on indexing of pensions
  - CPP integration

  ALL are completely unjustified by the financial circumstance of the University.

- The DFA's proposal of a one-year agreement with an IMC of 1.25% with minor enhancements for harmonizing salary rule is unquestionably affordable.

Agreed and Rejected

AGREED	REJECTED	REJECTED
COVID LoU (except return to campus terms)	One-year collective agreement	COVID LoU return to campus terms
Article 30.18 – credit for years of service while on pregnancy/parental leave	1.25% IMC increase	Article 1.14 - definition of on-line course
Article 33.07 (c) – PPE	CDI increases	Article 12.20 -Technology Instructor promotion
Article 11.08 – LSAC	Promotion adjustments	Article 14.16 - Limited-term conversion
	Revised salary scales	Article 14.16(a) - Delete 14.16(a)(10) and amend 14.16(b)(1)
	Salary maxima adjustment	Limits on LTA less than 12 months – LoU and Article 30.02
	Increase in UTF maxima	Article 17.11A and 20.01A - Members workload – On-line courses
	CDI/Step for those at top rank	Article 20.09 -funding overload administration for designated groups
	Overload stipend	Article 25.02 - Academic decision-making on online courses
	Health Spending Account Increase	Protected leaves under the Labour Standards Code
	Increases to Anomalies Fund, market differential, travel fund, supplemental leave fund, PDA	Article 30.32 (a)(i) -service for educational leave
	Adjust supplemental leave fund for instructors	Article 32.09 - increase coverage for multi-peril insurance
	Calculation of e for Y values	Article 35.01 - term and retroactivity

Why must we go to conciliation?

- Your Bargaining Team believes that a financial crisis was always a pretext for the Board's demands for changes to the Dalhousie Pension Plan.
- Despite the increased enrolment and improved financial position the Board remains firmly committed to forcing the DFA to accept those changes.
- We believe that the Board will not drop their pension proposals unless they are faced with a strike by faculty.
- They may even be prepared to force DFA members to go on strike to defend their pension benefits.

What’s next?

- This afternoon, the Minister appointed Peter Lloyd as conciliation officer.
- Over the next few weeks, the officer will meet the DFA and Board representatives and attempt to assist them reach an agreement.
- If no agreement is reached the officer will report out to the Minister. This starts a 14-day countdown.
- At the end of the 14 days, DFA members are free to take strike action and the Board is free to lock them out.

Strike mandate before conciliation

- Every indication is that the Board will not settle at conciliation without at least DFA acceptance of cessation of transfers proposal.
- Your Bargaining Team is not going to recommend the Board's pension proposals.
- To avoid a strike, the DFA needs to demonstrate that its Members are prepared to go on strike to defend their pensions. The Board needs to know that we are not bluffing.
- We are therefore recommending that the DFA conduct a strike vote before conciliation.
- Going to conciliation with a strike mandate is our best hope of avoiding a strike.
- **We will try to negotiate an enhanced offer from the Board. At the end of conciliation, we will bring back a final offer for a vote by the Members.**

Why a strike mandate at this time?

- A strong strike mandate sends a clear message: we will not accept pension changes, or an unreasonable wage offer.
  - Board has shown unwillingness to listen to reason.
  - Very little will change in conciliation until they recognize that we are prepared to strike.
  - A strong strike mandate helps our team achieve the best offer possible.
- It is not unusual to take a strike vote before the 'final offer' has been presented
  - The point is to send a **strong, unambiguous** message that there are things we will not accept.
- A new Collective Agreement requires ratification by the Membership.
  - You will always have a vote before anything can be adopted.

Key Info on Strike Preparation

- Approved by CAUT Defence Fund for strike benefits, loan for benefits, flying pickets.
- We have considerable financial reserves of our own thanks to 18 years without a strike.
- **Strike pay**
  - Electronically deposited
  - $840/week paid every two weeks ($3,600/month)
  - No deductions, no tax
  - Requires picket/strike duty (details will follow)
- **Benefits**
  - DFA pays health/dental premiums, employer and employee share
  - Pension contributions cease
- **How the voting will take place**
  - Secret ballot electronic vote (as tested earlier)
  - Voting invitation by email Friday, October 2, open until Monday, October 5.

Next Steps

- Questions today
- Additional Q&A session Thursday, October 1, 7:00 - 8:00pm (Zoom details distributed tomorrow)
- Slides from today's presentation on DFA website
- Video recording of today's presentation
- Strike FAQs
- Email invitation to vote: Friday, October 2 – Monday, October 5

Questions?

Moderated by DFA President-Elect Tara Perrot