



Faculty Union News

Volume 2, Number 3, April 18, 1996

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Members of the SMUFU Executive 1995-96

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SMUFU Elections Held March 25-29/96



Congratulations to the new Saint Mary's University Faculty Union Executive. The scrutineers report of the final results is included in this newsletter. Those elected are listed below.

Members of New SMUFU Executive for 1996-97

John Chamard President	420-5769	L266	JChamard@shark.stmarys.ca
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**SAINT MARY'S UNIVERSITY FACULTY UNION
ELECTIONS FOR EXECUTIVE OFFICERS, 1996
RESULTS AND REPORT**

Results:

President	* Chamard, John	78
	Landes, Ron	54
	Spoiled	3
Vice- President	Catano, Vic	67
	* Strongman, Doug	69
	Spoiled	1
Secretary	Klasekamp, Burkhardt	59
	* Thompson, Joyce	71
	Spoiled	4
Treasurer	* Guy Chauvin	Acclamation
Member-at- Large	* Dalton, Ann	59
	Davis, Steve	48
	Hanrahan, Bette	23
	Konopasky, Bob	49
	Murphy, Arthur	27
	* Nahrebecky, George	67
	* Tayyeb, Rashid	54
Young, George	31	

Report:

The voters list of March 18, 1996 contained 268 names. Of the eligible voters, 141 submitted signed envelopes.

The scrutineers opened the three locks on the ballot box and counted all envelopes submitted. Each envelope was checked against the "SMUFU VOTERS LIST - March 18, 1996" and the voter's name was crossed on the list. The names of voters as crossed on the VOTERS LIST were counted and that total was likewise 141.

The 141 large envelopes were opened, and the smaller envelopes containing ballots extracted. These envelopes were opened. Two complete sets of ballots were deemed spoiled, leaving 139 as the maximum number of ballots to be counted for any office. Ballots for each office (president, vice-president, secretary and member-at-large) were placed in separate boxes. When all small envelopes were opened, the ballots in each box were counted to ensure that the total did not exceed 139.

The scrutineers counted the ballots for secretary. A total of 134 votes were cast. Four ballots were spoiled. The scrutineers declared Joyce Thomson elected by a margin of twelve (12) votes.

The scrutineers next counted the ballots for member-at-large. A total of 138 votes were cast. There was one spoiled ballot. The three members with the greatest number of votes were: George Nahrebecky (68), Ann Dalton (59), and Rashid Tayyeb (54).

The scrutineers then counted the ballots for vice-president. A total of 137 votes were cast. There was one spoiled ballot. The scrutineers declared Doug Strongman the winner by a margin of two (2) votes. The closeness of this vote would suggest the possibility of a recount.

Finally, the scrutineers counted the ballots for president. A total of 135 ballots were cast. Three spoiled ballots were declared. From the remaining, the scrutineers determined a plurality of twenty-four (24) votes for John Chamard.

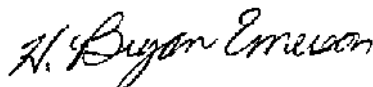
The majorities for secretary, member-at-large and president are sufficiently large that a recount should not be needed for any of them.

The ballots, the outer envelopes, the voters' list and the ballot box were removed to a safe place following the vote. All ballots were retained in the event that a recount be required.

The Executive may wish to note the message appearing on several spoiled ballots. It reads:

"As a part-time instructor, I spoil this ballot out of protest for the fact that the Faculty Union members benefit from my payment of dues but give me no support."

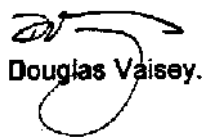
We, the undersigned scrutineers, affirm that we detected no irregularities in the balloting or the ballots. We recommend that the Executive accept the results as indicated above and that these results be communicated to the membership at the earliest possibility.



Bryan Emerson



Peter March



Douglas Vaisey.

March 31, 1996

COMMENTS ON SPOILED BALLOTS:

"As a part-time instructor, I wish to register my lack of support for any candidates for faculty Union positions. I pay union dues but the union does not support part-timers. It does not protest to the administration our poor pay, lack of privacy, & lack of job security. Full-timers take first choice of courses taught and frequently take over-load courses that could be taught by a part-timer who needs the money."

CUPE and Part-time Faculty

Over the last month or so, the Nova Scotia Labour Relations Board has been holding hearings into an application by part-time faculty for representation by CUPE.

At present, SMUFU represents part-time faculty teaching the equivalent of one full course in any term (i.e. teaching two half courses or one half of two full courses) and all other part-timers are unrepresented by any union.

The SMUFU position before the Board is that all faculty members should be represented in some way, that SMUFU does best at representing full time faculty members, and that a union other than SMUFU can best represent the interests of all part-time faculty members. We are prepared to have current part-timers who are members of SMUFU transfer to CUPE. This is the position taken by CUPE in their application to the Board.

The University appears to believe that part-time faculty not currently represented should stay unrepresented. But if they must have representation by a union, it should be SMUFU.

Stay tuned for further news which will be passed on as soon as we get it.

Changes to OAS, GIS, SPA, and CPP

It is no great secret that the Federal government is planning to make changes in the way the Canadian pension systems works. Some changes have already been made and other are now being mooted.

In 1989, the previously universal Old Age Security (OAS) program was subjected to a claw-back which made it essentially a means-tested program. The 1995 Federal budget changed OAS further to convert what remained of its "income replacement in retirement" character to pure poverty reduction. OAS is now income-tested, based on family income.

This puts it into the same category as the Guaranteed Income Supplement (GIS) and the Spouse's Allowance (SPA) which have always been means tested. A number of observers believe that the next step will be to roll all three programs into a single,

means tested program. So all of us can forget about OAS, GIS, and SPA as programs which might help us to replace income lost when we retire.

That leaves the Canada Pension Plan (CPP) as the sole government income replacement plan.

CPP pays a retirement benefit at age 65 of 25% of the maximum pensionable amount (the 1996 maximum is \$727 per month), disability benefits after ten years of contributions payable until age 65 (the 1996 maximum is \$871), and survivor benefits including a death benefit (1996 amount \$3540) and a spouse's pension (1996 maximum about \$400).

CPP was established as a pay-as-you-go pension plan in 1966. Contributions to the plan, which currently stand at 5.6% of salary between \$3,500 (the so-called basic exemption) and \$35,400 (the "maximum pensionable earnings"), were originally set at 3.6%, shared equally by employees and employers. The rate needed to fund the plan on a pay-as-you-go basis was to be reviewed every five years and new rates set as required. The characteristic of a pay-as-you-go plan is that there is no large fund from which pension payments take place (apart from a relatively small "buffer" just in case collections go down, as they have in the recent recession). Instead, the contribution rate is set so as to assure payments into the plan this year approximately equal payments out.

What those who claim that the CPP will shortly "go broke" are really saying is that the current rate of 5.6% will not be enough at some point in the future to pay the pensions due at that future date. In fact, the rate will have to go up, just as it has from 1966 to 1996.

Current projections are that the rate will have to reach 8.1% by 2006, 12.3% by 2020, and 14.3% by 2040. To put these rates in perspective, a 1994 World Bank Policy Research Report *Averting the Old Age Crisis* estimated that the average combined employer/employee contribution to government pensions in OECD countries was 16.3%. At the time, the Canadian rate was 4.6%, the US rate 12.4%, the French rate 20% and the Italian rate 26%. Of all OECD countries, only Iceland, at 2% was lower.

The current public debate revolves around the Federal government's apparent desire to not only

raise the rate, but to erode the benefits of the plan in the interests of deficit reduction.

First, let it be said that the CPP has no impact whatever on the Federal deficit. It is legally required to be pay-as-you-go with not one dollar of tax money used to subsidize payments from the plan. Changes in the plan may reduce the size of the rate increases that will be needed to keep paying out benefits, but they will not affect the Federal deficit one way or the other.

So what changes are being proposed? Here is a short list of the ideas for change that are floating around:

- Delay the payment of pensions to some point beyond age 65
- Eliminate or reduce or freeze the basic exemption
- Raise the maximum pensionable earnings
- Reduce the 25% pension amount
- Restrict access to the disability benefit in various ways
- Reduce the pay-as-you-go nature of the plan by charging more now to allow creation of a fund that will cushion the need for increases later
- Increase the number of years of contribution before eligibility for benefits
- Reduce the amount of pension indexation allowed
- Eliminate the death benefit

These possible changes have a potential impact on all of us. CAUT is lobbying the Federal government on our behalf. Because CPP is a joint Federal-Provincial program, it is also worth lobbying at the Provincial level. NSCUFA will be doing some of this, so will SMUFU and other faculty unions across the country. Individual faculty member discussions with MLAs and MPs will also be helpful.

Two information pieces are available for perusal in the Union Office (MM206a):

An Information Paper for Consultations on the Canada Pension Plan Released by the Federal, Provincial and Territorial Governments of Canada, February 1996

Monica Townson *Our Aging Society: Preserving retirement incomes into the 21st century* Canadian Centre for Policy Alternatives, January 1996

Parr-Johnston Comments Spark Province-Wide Health Alert

(Reprinted from "The Newsletter", March 1996, MSVU Faculty Association, with permission.)

Mount President Liz Parr-Johnston's recent bizarre comments at Senate, to the effect that she leaving behind her "the strongest management team in the region, possibly in Canada", have prompted fears that she may be suffering from bovine spongiform administropathy - the dreaded "Mad Administrator" disease. This is turn has led to rumours that her recent appointment as President of UNB may actually be blocked by the New Brunswick government. According to informed sources, the New Brunswick Department of Education is on record as declaring: "We're not letting any nutters from down there in to infect our stock - especially since the last two we sent them were perfectly healthy."

(This is believed to be a reference to New Brunswick imports Sheila Brown of MSVU and Tom Traves of Dalhousie. However, while Sheila Brown's alarming competence has led some to suspect that she is actually human, and merely masquerading as an administrator for some unfathomable reasons of her own, some of Traves' recent actions have led to doubts as to whether "perfectly healthy" is an entirely accurate description. It is reported, for example, that his recent attempt to withdraw funding from the Shubenacadie Wolf Centre was prompted not by financial constraints, as had hitherto been thought, but by his own obsessional fears of turning into a werewolf. In addition, the general behaviour of the administration at Mount Allison has led many to suppose that attempts to exclude Mad Administrator disease from New Brunswick are a case of too little, too late, since it seems clear that the virus has already breached the province's belated *cordon sanitaire*.)

In Nova Scotia, meanwhile, the Parr-Johnston scare has finally caused the government to send Health Inspectors into all the province's institutions of post-secondary education to test for the virus. While there is no official report on their findings as yet, early indications are apparently disturbing, to say the least. At Mount Saint Vincent, for example, clear indications have been found of a related, chronic

version of the syndrome, known in medical circles as Dyer-Mania.



Far more alarming, however, are reports from Dalhousie that the virus, hitherto believed to be species-specific, has mutated, and is now able to cross the blood/brain barrier separating administrators from faculty.

Several members of the Dalhousie Faculty Association

Executive are now believed to be suffering from what has been tentatively christened "Dalitosis" - a condition characterized by meglomania, verbal diarrhoea, and delusions of superiority to other academic institutions. Attempts have been made to hush up the outbreak, but it is believed that past DFA president Andy Wainwright is now being held in isolation, for his own safety, at the Nova Scotia Institute for the Ethically Impaired.



SSHRC Grants

Congratulations to Dr. Henry Veltmeyer of the Sociology Department for receiving a Social Sciences and Humanities Research Canada grant.

NSCUFA in Crisis

NSCUFA is the Nova Scotia Confederation of University Faculty Associations which speaks on behalf of faculty unions and associations at universities in the province and provides certain collective bargaining and grievance/arbitration services to members. Since it was founded, NSCUFA has been a strong voice for faculty members and professional librarians at Nova Scotia universities. We all support NSCUFA with a levy equal to .17% of our salaries (about one-sixth of one percent or 17 cents per hundred dollars of salary).

For a number of years, the .17% has been adequate to pay for on-going NSCUFA costs, but not to fund long-service leaves of NSCUFA staff. This means that we have built up a largish unfunded liability which cannot be covered out of the annual NSCUFA budget of about \$150,000. Over the last year, there was not even enough money to pay expenses for the

NSCUFA President to attend CAUT meetings in Ottawa, and members were asked to make their payments one month in advance to keep the office lights on.

At the last meeting of NSCUFA Council, a variety of proposals to increase the rate of the levy were defeated. The original proposal was to raise the .17% rate to .265%; the last proposal defeated was .2%.

The unwillingness of Council to raise the rate of the levy appeared to reflect two realities. Member unions/associations, particularly the larger ones, were not persuaded that faculty members were prepared to support a substantial increase in dues to pay more to NSCUFA; and they were not convinced that a smaller increase would significantly alter the financial situation vis à vis unfunded liabilities.

Instead Council directed the Executive to give lay off notices to the two NSCUFA staff members, and to develop a plan for scaled down operation over the next year. It was expected that after a year or so of belt-tightening, NSCUFA would have taken care of its unfunded liabilities and would be ready to re-establish a permanent office.

The Executive is currently meeting frequently to develop the plan. All that can be said so far is that it aims to preserve as far as possible the bargaining and grievance/arbitration services of NSCUFA, and that it will likely involve some use of facilities and service of member organizations and a good deal of contributed work on research and lobbying. Any SMUFU member who can volunteer some time to monitor the Legislature, follow or develop position papers on one of the many issues of interest to Nova Scotia academics, or assist in the lobbying effort will be making a real contribution to the collective strength of university faculty and professional librarians in Nova Scotia. To volunteer or for further information, call John Chamard (420-5769) who is in-coming Treasurer of NSCUFA.

Interim Report from SMUFU Committee on NSCUFA

In light of developments at NSCUFA, the SMUFU Committee on NSCUFA has suspended its meetings until September, pending more information on the outcome of the restructuring of NSCUFA.

Do You Have a House to Rent?



Are you going on sabbatical? Richard Vinet is looking to rent a house for a one to two year period. If you would like to contact him, please call the SMUFU office at 496-8190.

Nurses on Strike



The following is a quote from the VON Strike Update:

"40 RNs and CNAs in the VON (Halifax) Local of the Nova Scotia Nurses' Union thank nurses, patients and families, other union members, and the public for their enthusiastic support of the nurses' legal strike which began on March 28. We are striking to defend against major cuts in wages, benefits and working conditions."

Details regarding this strike are available at the Union Office and are posted on our bulletin board.

Designing an Early Retirement Plan

Vic Catano

The Presidents' consortium proposal that was recently endorsed by the government is committed to saving substantial amounts of money through increased cooperation. The plan also relies on staff attrition to achieve savings. While the Presidents' have been circumspect about this aspect of the plan, it is unlikely that the degree of savings contemplated by the consortium can be achieved without some form of buyout or early retirement program. In fact the SMUFU membership passed a motion instructing the Executive to negotiate early retirement provisions with the Administration.

Early retirement programs are complex and can range from those that are very good (University of Waterloo and Western Ontario) to those which are very poor (Memorial). There are many issues that must be resolved in negotiating such plans. If you have any thoughts on what the nature of such plans should take please send them to the SMUFU Executive c/o the Union Office. Here are some of the issues that will have to be considered.

1. What do you see as the essential features of an early retirement plan; that is what benefits should it provide?

- up front money? How much?
- incentive payments linked to age, salary, or years of service?
- bridging payments till CPP kicks in?

- additional years of pensionable service?
- opportunity to take normal pension at an earlier date with no actuarial loss?
- no loss of access to fringe benefits?
- no loss of academic privileges?

2. Should the plan offer an opportunity to consult with an independent financial advisor of your choice at the university's expense?

3. Early retirement plans are expensive. In places where there are defined benefit plans, the surplus is normally used to pay for the buyouts/retirements. This has the potential for reducing the stability of the plan for those who remain. It was the main reason why the University of Winnipeg faculty were willing to go on strike. We have a money purchase pension plan which does not provide an actuarial surplus. How should an early retirement plan be financed?

- through non-replacement of retiring staff?
- at the expense of future salary increases?
- through loans, including those from government?

4. Many early retirement schemes are available only for a short period of time; others are available on an ongoing basis. What should be the duration of the "window of opportunity"?

5. Once members decide to accept an early retirement proposal, should they have the right to change their mind? If so, over how long a time period?

6. Many early retirement plans are open to staff within a specific age range. In some plans, the employer reserves the right to accept the staff member's application. Who should decide? Should early retirement be open to all in the agreed upon age range with all those who apply accepted for the program? Should the member's department have the right to make a recommendation, as the retirement will affect it, particularly if the retiree is not being replaced? Should the Dean/Head Librarian make a recommendation? Who has the final authority to approve the request?

7. Should the employer be required, as part of the plan, to return part of the savings back to faculty through some type of faculty renewal program involving the hiring of younger faculty?

Your consideration of these issues, and your responses will be instrumental in shaping an early retirement package at Saint Mary's.

