

Association of University and College Employees

Local 1

Mar 24/77

William Guest
Public Administration Division
Compensation Branch
Anti-Inflation Board
219 Laurier Avenue, West
P.O. Box 1750
Postal Station 'B'
Ottawa, Ontario
K1P 6B1.

Dear Mr. Guest:

Re: Pay-back compliance plan - A.I.B. 008 - Non-professional
Clerical, Office and Library Workers at the University
of British Columbia.

This is written in response of your letter of April 25, 1977 and with reference to subsequent verbal communications between the parties concerned. It is the opinion of the Association of University and College Employees Local 1 that the 24-month recovery period outlined in the agreement forwarded to you on March 7, 1977 was negotiated with the University of British Columbia within the terms expressed to us by the Anti-Inflation Board and best meets the financial needs of the affected members. We further agree that the Board's decision, as expressed in your letter, would create a real hardship to this particular group as the impact of the roll-back and seventeen (17) months overpayment would be borne within a recovery period of only twelve (12) months.

The Economic Council of Canada has reported on regional economic disparities in its release of April 20, 1977 that, although employees in British Columbia earn the second highest incomes in Canada, the cost of living in British Columbia is such that the net buying power of that income is below the Canadian average. British Columbia at a rating of 94 stands fourth behind Ontario - 106, Quebec - 102, and Alberta - 101.

The required pay-back from full-time employees who have been employed by the University of British Columbia since October 1, 1975 is \$454.00 or more if overtime or premium pay has been received. The pay-back over twelve (12) months then is \$38.00 per month. This coupled with the roll-back of \$32.00 results in an immediate reduction in gross pay of \$70.00 per month for each employee. This represents, for those employees at the base rate, an immediate reduction of 9.2% from the pre-roll-back level to a wage rate of \$690.00 per month. Taking into consideration the Consumer Price Index figures from October 1, 1975 to March 31, 1977 the current purchasing power of \$690.00 is approximately \$611.00 - an amount which is actually \$22.00 less than our April 1, 1975 base rate. For the total group, pay-back over twelve (12) months results in an effective reduction of 7% and because of the distribution of the staff within the classifications, the Board's decision will result in a decrease of 7.0 - 9.2% for over 50% of the bargaining unit. This group is obviously the hardest hit because they are at the lower end of the wage scale.

As stated earlier, it is the opinion of the Association of University and College Employees Local 1 that our negotiation of a 24-month recovery period was responsibly undertaken in an attempt to alleviate the financial burden created by the large pay-back amounts owed.

In light of the hardship outlined above, the Union maintains that a recovery period of 24 months is justified. We request, therefore, that the Board consider once again the recovery period as originally negotiated by the parties to the collective agreement.

Sincerely,

Patrick Gibson, President
A.U.C.E. Local 1