

IMPORTANT NOTICE !!

The President of our local has been notified by the AIB that we are entitled to an 8% increase in wages this contract year instead of the 6% previously announced. The reason for this is that with our last contract (1975-76) we were actually in the AIB's first program year and not their first guideline year. Being in their first "program year" means simply that we were obliged to submit our agreed settlement to them, but that we were not held to any particular guideline figures. This is why we were rolled back to 15% rather than all the way back to 8%. Now, however, we are in our first "guideline year" and as such we are expected to hold to the guideline maximum of 8% unless we can prove reason for receiving wages above that figure.

This information should be kept in mind when studying the two proposed options for our projected wage scale for the contract year 1976-77. The proposal for the across-the-board scale was written before this information was known to us, so please take this into consideration.

ACROSS THE BOARD

(Reprinted from the April 7th issue of Across Campus.)

Let's have another look at the University's proposed wage scale (first year):

step -	1	2	3	4	5	6
Grade I	770	790	810	830	850	870
G. I-Int	810	830	850	870	890	910
Gr. II	850	870	890	910	930	950
G. II-Int	890	910	930	950	970	990
Gr. III	950	970	990	1010	1030	1050
G. III-In	990	1010	1030	1050	1070	1090
Gr. IV	1050	1070	1090	1110	1132	1154
Gr. V	1132	1154	1176	1198	1220	1242
Gr. VI	1220	1242	1264	1286	1308	1330
Gr. VII	1308	1330	1352	1374	1396	1418

On the surface this looks like an increase of \$10 per month over the wage scale we negotiated in 1975. But, as if that were not bad enough, one must remember that off that figure must come the pay-back portion of the AIB order against us. For most people the pay-back will amount to (or average out to) about \$18 per month for two years. That means that the effective pay scale for most of us would look like this:

step -	1	2	3	4	5	6
I	752	772	792	812	832	852
I-Int	792	812	832	852	872	892
II	832	852	872	892	912	932
II-Int	872	892	912	932	952	972
III	932	952	972	992	1012	1032
III-In	972	992	1012	1032	1052	1072
IV	1032	1052	1072	1092	1114	1136
V	1114	1136	1158	1180	1202	1224
VI	1202	1224	1246	1268	1290	1312
VII	1290	1312	1334	1356	1378	1400

So the effect would be, in reality, that we would be paid \$8 a month less than we have been paid up to February this year. Add \$32 in the second year and we come out with a \$24 increase between January 1, 1976 and September 30, 1978. This represents an average increase of about 2.7% over 2 years and 9 months -- under 1% per year!

There are some other implications of this wage offer that should not be forgotten:

(1) Two year contract: The University's package of March 17 introduced for the first time in over seven months of negotiations the idea of a two year contract. This concept has the attraction of avoiding for a year the exhausting and frustrating process of negotiations. But there is the disadvantage of committing ourselves to a certain wage figure for an extended period without being able to predict either the rate of increase in the cost of living or whether or not the AIB programme will continue in its present form.

(2) Across-the-board increase: It may be the only positive aspect of the entire package, but it seems that the University is willing this year to spare us a lengthy debate on the relative merits of across-the-board and percentage increases. Their offer accepts the Union position that each employee should receive the same increase in dollars and that the spread between the top and bottom of the pay scale should not be widened.

(3) Going back on previous offer:

Possibly the most important implication of the University's new offer is what it indicates about the type of bargaining the University is conducting. On October 19, 1976 the University offered us an increase of 6% on the pay scale which was then in effect. Translated into an across-the-board increase that would have made the pay scale look like this:

step -	1	2	3	4	5	6
I	815	835	855	875	895	915
I-Inter	855	875	895	915	935	955
II	895	915	935	955	975	995
II-Int	935	955	975	995	1015	1035
III	995	1015	1035	1055	1075	1095
III-Int	1035	1055	1075	1095	1115	1135
IV	1095	1115	1135	1155	1177	1199
V	1177	1199	1221	1243	1265	1287
VI	1265	1287	1309	1331	1353	1375
VII	1353	1375	1397	1419	1441	1463

This is what the University offered based on two factors: (1) the AIB guidelines, and (2) their ability to pay.

The AIB remains in existence and will continue for an indefinite period. But there is still nothing to prevent a union and an employer from agreeing to a wage increase of more than the guideline figure. In fact, many contracts are signed which include increases of more than the guideline figure. Last year we ended up with a 15% settlement when the guidelines which were applied to us retroactively called for only 8% increases.

The University has told us in roll-back negotiations that they oppose the AIB ruling and would prefer to pay us the full increase we won last year. They would, one would think, be prepared to take that into consideration in a wage offer for the new contract.

It would be possible for us to agree with the University that any wage increase above 6% would not actually be paid until the AIB had ruled on the settlement. That way if the AIB decides to take pay out of our pockets again, at least we can avoid the whole roll-back/payback situation.

As far as the University's ability to pay goes, it is inconceivable that it has decreased from 6% last October to less than nothing now. In fact, that was a preliminary offer. No doubt they could actually afford to match the 7½ to 8% that they gave to CUPE and OTEU or the 11.7% they reportedly gave the faculty; and likely more than that. Remember, those units are paid a good deal more than we are which means that each percent of increase is more expensive than a percent of our increase.

Our Union has heard various sad stories in the past about the sad state of the University's finances. In 1974 the University pleaded poverty and offered us an insulting \$38 a month -- in the end they offered \$225. In 1975 the story was the same -- no money -- but in the end their offer was 19%. This year they claim to be on the steps of the poor-house but: (1) the provincial government grant to the Universities Council is up 12% over last year, (2) tuition fees are up 20 to 40% over last year, and (3) the AUCE payroll has been reduced by the AIB, attrition and layoffs.

Therefore, the Contract Committee is proposing the following as the minimum acceptable as a wage increase based on the University's ability to pay 6% last October and including their increased revenue as a result of the rollback and payback (the salary scale offered last October plus the \$18 payback figure):

step -	1	2	3	4	5	6
I	833	853	873	893	913	933
I-Inter	873	893	913	933	953	973
II	913	933	953	973	993	1013
II-Int	953	973	993	1013	1033	1053
III	1013	1033	1053	1073	1093	1113
III-Int	1053	1073	1093	1113	1133	1153
IV	1113	1133	1153	1173	1195	1217
V	1195	1217	1239	1261	1283	1305
VI	1283	1305	1327	1349	1371	1393
VII	1371	1393	1415	1437	1459	1481

PERCENTAGE

DOLLAR AMOUNT

Most deductions from our paycheques are made on a percentage basis. A percentage increase is therefore the most reasonable way of insuring that all members receive similar dollar amount increases. (As a general rule, people in lower classifications do not have deductions for University Pension, Group Life and Disability Insurance, while those in the higher classifications must. It is also important to note that the percentage rate of taxation rises as the salary does, so that a person in a higher classification will be in a higher tax bracket than one in a lower class.)

EQUIVALENT CASH IN HAND

The last two contracts have negotiated across-the-board increases. This has repeatedly resulted in smaller actual dollar increases for persons in the higher classifications. Therefore, it is clear that across-the-board increases do not give each member equal cash-in-hand increases.

PROMOTIONAL INCENTIVE

Adopting a percentage increase at this time will re-introduce promotional incentive, which was unfortunately reduced as a result of the necessary restructuring of the wage scale in the last contract.

COMPENSATION FOR STEP LIMITATIONS

A further advantage to adopting a percentage increase at this time would be that employees who have reached a step and/or professional limit in their classification would be somewhat better compensated for the lack of increment opportunity available to them.

The following version of the pay scale shows an 11.9% increase over the current rolled back pay scale:

Step -	1	2	3	4	5	6
I	815	837	859	882	904	927
Int.	859	882	904	927	949	971
II	904	927	949	971	994	1016
Int.	949	971	994	1016	1038	1061
III	1016	1038	1061	1083	1106	1128
Int.	1061	1083	1106	1128	1150	1173
IV	1128	1150	1173	1195	1220	1244
V	1212	1244	1269	1294	1318	1343
VI	1318	1343	1367	1392	1417	1441
VII	1417	1441	1466	1491	1515	1540

Richard - no

Jean - no

Lissett - no.