

Association of University and College Employees

LOCAL No. 1 (U.B.C.)

Dear Sir;

Re: University of British Columbia submission of March 7, 1977
outlining the proposed payback scheme for compliance with
AIB ruling covering AUCE Local 1

Of late, we have received word from the University of British Columbia that the Anti-Inflation Board has found aspects of our compliance plan for payback unexceptionable. We have yet to receive any official correspondence from your office to confirm this. It is our hope that such written confirmation will be forthcoming.

From the information that we have received from the University it appears that the board's major objection to our plan centres around the length of the proposed recovery period. During our negotiations with the University regarding this matter, it was mutually agreed upon that all employees would be given a maximum of twenty-four months within which to pay back moneys owed. This question was put before and ratified by our membership at a special membership meeting.

On March 7, 1977, after weeks of negotiation, the University of British Columbia forwarded our compliance plan to your office and both parties were given the assurance that they would be notified within forty-eight hours in the event that the Board found any portion of the plan objectionable. During the following week neither party received a response of any kind and it was assumed that our compliance plan met with Board approval. Since that time each affected employee has received a notice from the University stating the amount of money they owe and the options open to them for repayment. Many of these forms have been returned to the University and preparations have been made to implement the agreed upon recovery methods.

Aside from the obvious expense incurred by the University thus far, in preparation for the implementation of the plan, the mere suggestion of a twelve month recovery plan at this late date will undoubtedly cause unrest amongst our membership. As you may well understand, the issues of rollback and payback are ones which are not easily received. In our estimation, both the University and the Union have been most co-operative with respect to both aspects of the ruling. The negotiations which transpired between our two parties were conducted in good faith and to our knowledge, our objectives were well within the purview of the Anti-Inflation Legislation. During our many telephone consultations with your representative we were at no time informed that the Board had a policy regarding the length of recovery periods and we assumed that as the legislation also lacked reference to this issue we could negotiate a period which suited the needs of the affected employees. It was our intention to negotiate a payback which would meet the aim of the AIB and subsequently slightly alleviate the financial burden created by the large payback amounts owed.

... 2

*Special
Delivery 5-2-77*

moneys

Notes:

The Economic Council of Canada report on regional economic disparities released April 20, 1977 reflects that BC workers earn the second-highest incomes in Canada but BC prices are so high that the net buying power of that income is below the Canadian average. B.C. has a rating of 97, fourth behind Ontario - 106, Quebec-102 and Alberta-101. Vancouver consumer price index rose 10.9% from Oct. 75 to Mar. 77 while the Canadian Consumer price index only rose 9.9%. From Jan. 76-77 the Vanc. consumer price index rose 8.7% while the Canadian Consumer Price index rose 6.1%.

On March 1, 1977 our wages were rolled back \$32.00 across the board in compliance with rollback. This reduction represents a decrease of approx. 4% for the total bargaining unit. Our base rate went from 760.00 - 728.00. AIB proposal to reduce payback from 24 to 12 months would mean a further reduction of \$38.00 per month. This would mean that people at the base rate would be getting \$690.00.

Taking into consideration the CPI from Oct. 75 - Mar 31 77 the purchasing power of \$690.00 as of April 1, 1977 would be \$611.00. This means our purchasing power at the base rate would be below our April 1, 1975 level by \$22.00

Vancouver

TABLE III

Vancouver All-Items Index (1971=100)

	1975	1976	% Change
Jan	131.9	143.8	9.0
Feb	132.4	144.3	9.0
Mar	132.7	147.7	11.3
Apr	133.9	149.8	11.9
May	135.3	151.0	11.6
June	136.9	151.4	10.6
July	139.1	151.7	9.1
Aug	140.1	152.5	8.9
Sept	141.3	154.4	9.3
Oct	142.8	155.4	8.8
Nov	142.8	155.1	8.6
Dec	142.9	155.2	8.6
Annual Av	137.7	151.0	9.7

January
February
March

	1976	1977	Change%
January	143.8	156.3	8.7%
February	144.3	157.4	9.1%
March	147.7	158.4	7.2%

Canada

TABLE I

Canada All-Items Index (1971=100)

	1975	1976	% Change
Jan	132.4	145.1	9.6
Feb	133.4	145.6	9.1
Mar	134.1	146.2	9.0
Apr	134.8	146.8	8.9
May	135.9	148.0	8.9
June	137.9	148.7	7.8
July	139.8	149.3	6.8
Aug	141.2	150.0	6.2
Sept	141.5	150.7	6.5
Oct	142.8	151.7	6.2
Nov	144.1	152.2	5.6
Dec	144.3	152.7	5.8
Annual Av	138.5	148.9	7.5

January
February
March

	1976	1977	Change%
January	145.1	154.0	6.1%
February	145.6	155.4	6.7%
March	146.2	157.0	7.4%

1975 - 1976

Vancouver

Month	1974	1975	Change%
January	116.4	131.9	13.3
February	117.7	132.4	12.5
March	118.6	132.7	11.9
April	120.0	133.9	11.6
May	122.0	135.3	10.9
June	123.8	136.9	10.6
July	124.8	139.1	12.3
August	126.5	140.1	11.5
September	127.4	141.3	10.9
October	128.5	142.8	11.1
November	129.9	142.8	9.9
December	131.4	142.9	8.8
Annual Average Increase			11.3%

Canada

Month	1974	1975	Change (%)
January	118.1	132.4	12.1
February	119.3	133.4	11.8
March	120.5	134.1	11.3
April	121.4	134.8	11.0
May	123.4	135.9	10.1
June	125.0	137.9	10.3
July	125.9	139.8	11.0
August	127.1	141.2	11.1
September	127.9	141.5	10.6
October	129.1	142.8	10.6
November	130.5	144.1	10.4
December	131.8	144.3	9.5
Annual Average	125.0	138.5	10.8

1974 - 1975