

CUPE LOCAL 1975
UNIVERSITY OF SASKATCHEWAN EMPLOYEES' UNION

UNION'S COUNTER MONETARY OFFER OF NOVEMBER 16, 2018

Without Prejudice or Precedent

Canadian Union of Public Employees, Local 1975 Counter-Offer to the University's financial proposal of November 1, 2018.

This proposal includes all previously agreed-to items and tentatively agreed to items as of November 1, 2018 and is being offered as a package offer. The Union reserves the right to amend individual proposals that have not already been agreed to if this offer is not accepted in its entirety.

Term of Agreement

The Union agrees to the Employer's proposal of November 1, 2018.

Wage Adjustments/Compensation (Appendix 1)

- Effective January 1, 2016: 1.25 percent (is less than CUPE Local 3287, ASPA and UFSA negotiated salary increases)
- Effective January 1, 2017: 1.5 percent (less than CUPE Local 3287 and matches ASPA)
- Effective January 1, 2018: 1.25 percent (less than CUPE Local 3287 and ASPA)
- Effective January 1, 2019: 2 percent
- Effective January 1, 2020: 2 percent or an Employer paid LTD plan
 - To also be added to the salary scale at all levels of every phase.
 - For all current and former employees who were employed at the relevant time.
- Compensation Model:
 - Maintain the appeal mechanism that is currently in the Collective Agreement under Article 11.2.4 – Appeal of Position Review Decisions.
 - Information we have received about the proposed compensation model is that there are still adjustments to be made and errors to be fixed – prior to agreeing to the compensation model that has been proposed, the Union will need to review the up-to-date data.
 - Include FAPA

Article 11.3 – Regular Increment

As a Memorandum of Agreement that becomes effective on the date of implementation of the new compensation model and that expires with this collective agreement:

- Employees who are below midpoint will receive a 2 percent increment.
- Employees who are between midpoint and 2 percent above midpoint will receive an increment to bring them to a minimum of 2 percent above midpoint and in no case will they receive less than a 1 percent increment.
- Employees whose salary is greater than 2 percent above the midpoint of the new salary range will receive a 1 percent increment.

The current language in Article 11.3 shall remain in effect until implementation of the new compensation model.

Following the expiration of the Memorandum of Agreement the current language in Article 11.3 stands.

Article 17.1 – Rate of Accumulation (Vacation)

The Union agrees with the Employer’s proposal of November 1, 2018.

Article 19 – Employee Benefits Plan

19.1 Employee Benefit Plans Committee

There shall be a Joint Union-Management Committee on Employee Benefit Plans (EBP) with equal representation for the Employer and the Union to study, review, and make recommendations concerning the pension, group insurance, long-term disability, dental, and extended health care plans. ~~Recommendations to make any substantive change~~ **Any substantive changes** to any EBP shall be subject to negotiation by the parties to this Collective Agreement and documented in a memorandum of agreement.

Notwithstanding any other article of this Collective Agreement, notwithstanding any term of the Pension Plan, and notwithstanding any other document establishing the Pension Plan, any changes to the terms and conditions of the Pension Plan or pension arrangements (including contribution rates and the nature and level of benefits) require the prior written consent of the Union.

The Union’s proposal to amend the Pension plan is included as Attachment 1.

Article 23 – Hours of Work (Days off at Christmas)

The Union agrees with the Employer’s proposal of November 1, 2018.

Benefits – Flexible Spending Program

The Union agrees with the Employer’s proposal of November 1, 2018.

UNION PROPOSAL for SETTLEMENT OF THE PENSION ISSUE – November 16, 2018

This offer is a package proposal, is open for acceptance in full, but not in part. This offer is subject to review and approval of a memorandum of understanding setting out these terms and conditions, which shall include the changes to the Pension Plan text.

The Union Negotiating Committee would be willing to recommend that the membership ratify the following changes to the Pension Plan, subject to the conditions below:

- Effective January 1, 2019, member contribution rate increased from 8.5% to 9.0%.
- Effective January 1, 2019, accrual rate for future service in the pension formula reduced from 2% to 1.8%.

The Negotiating Committee would make the above recommendations provided that the University agrees to the following:

- Effective January 1, 2019, the University's minimum contribution rate would also increase to at least 9.0%.
- The University shall be prohibited from taking a full or partial contribution holiday (the use of Pension Plan surplus and/or actuarial gains to reduce the Employer's required contributions to the Plan), unless such holidays are required by the *Income Tax Act*.
- The current ad hoc indexation provision shall be replaced by a requirement that pension plan surpluses above 120% on a going-concern basis shall be used to deliver annual indexation to plan retirees, to a maximum of CPI, to the extent possible. Should there be further surplus available after retirees have received full indexation in any given year, this surplus shall be used to retroactively improve the 1.8% accrual rate to 2.0%, to the extent possible. Should there be further surplus available, this surplus shall be used to retroactively provide indexation to pensions in payment for years where indexing was not provided.
- The University shall take any and all necessary actions, including but not limited to making additional contributions to the Plan, to ensure these amendments to the Plan comply with applicable legislation and regulation.
- The University shall draft the amendments to the Plan text required by this memorandum of settlement which it shall provide to the Union for review and comment. The University shall not administer or register any amendment to the Plan required by this MOS without the prior written consent of the Union.
- There shall be no other changes to the Pension Plan, including no change to the defined benefit nature of the Plan for all current and future members.

- The following language will be added to the Collective Agreement:

Notwithstanding any other article of this Collective Agreement, notwithstanding any term of the Pension Plan, and notwithstanding any other document establishing the Pension Plan, any changes to the terms and conditions of the Pension Plan or pension arrangements (including contribution rates and the nature and level of benefits) require the prior written consent of the Union.

- The following amendment shall be made to the Collective Agreement – Section 19.1:

There shall be a Joint Union-Management Committee on Employee Benefit Plans (EBP) with equal representation for the Employer and the Union to study, review, and make recommendations concerning the pension, group insurance, long-term disability, dental, and extended health care plans. ~~Recommendations to make any substantive change~~ **Any substantive changes** to any EBP shall be subject to negotiation by the parties to this Collective Agreement and documented in a memorandum of agreement.