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PROF. M. FRUMHARTZ
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CUASA PRESENTS BRIEF TO THE JUSTICE COMMITTEE OF THE ONTARIO LEGISLATURE ON BILL 179

George Hauspiel, President-Elect of CUASA, presented CUASA's brief to the Justice Committee on Tuesday, October 26th, 1982. The text of this brief is reprinted below as is the text of the brief presented by OCUFA on behalf of academic staff at Ontario Universities.

The Standing Committee has called two general meetings to discuss the impact of Bill 179 and what further steps CUASA and the membership can take. These meetings will be held as follows:

GENERAL MEETINGS TO DISCUSS BILL 179

DATES: Monday, November 8th, 1982
Tuesday, November 9th, 1982
TIME: 11:30 a.m. to 1:00 p.m. (both days)
PLACE: 435 Herzberg Building (both meetings)

CUASA'S BRIEF TO THE JUSTICE COMMITTEE OF THE ONTARIO LEGISLATURE ON BILL 179

The Carleton University Academic Staff Association is extremely concerned about the effect of Bill 179, not only on the salaries of its 650 members, but on the legitimacy and continued practice of collective bargaining at the university.

We wish the committee to note our concern about the way this bill constitutes a general attack on free collective bargaining which has been the cornerstone of employer-employee relations in this province for more than five decades. Indeed, we see in this bill a very real threat to any effective assertion of so basic a civil right as the freedom of association.

Quite aside from these general concerns we wish to draw the committee's attention to a number of particularly discriminatory and illogical provisions of the bill as it now stands.

Salary Position of the Academic Staff of Carleton University

The economic position of the academic staff at Carleton is the position of the Ontario universities in a microcosm. We are all aware that, as a consequence of the serious underfunding of the university system, employee salaries have been eroded to the point where a starting professor with eight years of university training expects to earn less than a transit driver or a postal worker.

Our collective agreement contains provisions for the rectification of anomalously low salaries, particularly those resulting from the discriminatory treatment of female members of the academic staff in the past. A special fund has been set aside for this purpose. Surely, salary adjustments paid from this fund and specifically designed to rectify these past injustices should be exempted from the provisions of the act.

Carleton, like a number of other universities in Ontario, has in place an orderly and rational career development plan under which academic staff advance in thirty small annual steps from the floor of instructor. These annual increments are contingent on the faculty member's increased productivity and value to the university as demonstrated by his or her increased proficiency in teaching and research. In effect, each of these small annual increments represents a mini-promotion. The bill, as it now stands, may well be interpreted so as to abolish these increments for academic staff above ten steps. This would result in a total disruption of what, until now, has been a rational and orderly career progress and would lead to such anomalies as junior members of the same department earning the same salary as those several years their senior, simply because the annual increment of the latter has been frozen by the proposed act.

The provincial government has so seriously underfunded the universities that not only were we not allowed to match inflation, the real incomes of faculty actually fell substantially during the 1970s. In 1971-72 a full professor with 20-24 years of teaching experience earned an average of \$23,186 a year at Carleton. By 1979-80, in constant 1971-72 dollars, a full professor with the same experience earned only \$19,149, a real decrease of more than \$4,000.

CUASA BRIEF (Cont.)

Not even an increase of more than 30% would restore our relative economic position since other groups not only kept up with inflation but have, in fact, increased their real incomes during the 70's.

The result of this severe regression of our incomes has been that the employees of Carleton University have paid a hidden subsidy toward the operation of Carleton University. To some extent we have been willing to do so since we have assumed that by accepting salary increases far lower than those generally achieved, we would be securing the position of our university. Unfortunately, our acceptance of low increases has simply invited a further erosion of our economic position. Despite considerable savings in every aspect of our operation, Carleton University continues in deficit.

The employees of Carleton University did not cause inflation and certainly did not benefit from inflation. Bill 179 will not ease inflation.

Pensions and Academic Staff

The bill ignores the differences between the various groups covered by the proposed legislation and the discriminatory impact of such legislation on some of these groups. For example, the bill fails to take into account the fact that university staff pension plans differ markedly from government employees' superannuation schemes. They are private plans and they are usually not indexed. Most are tied to the final years' earnings. This will particularly penalize those who will be forced to retire within the next three or four years. They will not only have their pre-retirement salary rolled back, but their post-retirement income for the remainder of their lives will be adversely affected.

The academic staff at Carleton University has negotiated a three year agreement in good faith. This agreement provides for three years of stability with guaranteed increases 1% below the consumer price index. If this bill becomes law, our sole reward for self-imposed restraint will be a further roll back. In other words, our members are to be penalized for showing responsibility and moderation by signing a long term agreement.

OCUFA BRIEF TO JUSTICE COMMITTEE

I Higher Education, Restraint and Underfunding

The long-term consequences of this legislation for higher education, research and, ultimately, the economic and social development of Ontario will be serious and probably irrevocable. The universities have been burdened with the effects of underfunding for a decade. Every group that has examined the current situation in the Ontario universities has come to the same conclusion. The government's own advisory body, the Ontario Council on University Affairs, described the Ontario university system as "on the brink" as early as 1979. The government's own special blue-ribbon group, the Committee on the Future Role of Universities in Ontario, painstakingly documented the disastrous consequences of underfunding. All the groups in the province that represent the constituencies of universities - OCUFA, the Council of Ontario Universities, the Canadian Union of Educational Workers, the Ontario Federation of Students, the Confederation of University Staff Associations - have repeatedly demonstrated that underfunding of Ontario's universities is a short-sighted policy which denies the contribution of the institutions to the social, political and economic well-being of our society. The university directly and indirectly creates wealth and the conditions for economic development. Mr. Kevin Burkett, Vice-Chairperson of the Ontario Labour Relations Board and arbitrator in a recent arbitration of salaries at the University of Toronto, stated the position in this way: "...not only through the training of students in professional and technical fields, in which they will earn their living and provide employment for others, but also through the invaluable contribution which the universities make to the understanding of technologies essential to economic survival in today's world." Bill 179, by imposing further arbitrary and unfair cutbacks, and in some cases rollbacks, to the salaries of university employees, will further hurt morale in the universities, damage the universities' research efforts, and make it impossible for the universities to attract and keep top professionals, exacerbating an already difficult situation.

Introduction

The Ontario Confederation of University Faculty Associations, representing 10,000 academic staff in this province, is unequivocally opposed to Bill 179. Wage controls do not represent a well developed economic policy. This Bill is merely political gesturing.

Bill 179 is both short-sighted and inherently unfair. It is short-sighted in that it will do nothing to encourage economic recovery. This Bill, along with the federal government's wage control program, will work to take money out of the economy; it will not encourage individuals to invest their earnings in the Canadian economy.

It is inherently unfair in that it singles out the public sector to bear the burden of this attempt to bring about economic recovery. On September 21st, 1982, introducing the Bill to the Legislature, the Honourable William Davis himself listed many reasons why wage controls could not be expected to solve problems of inflation, unemployment and high interest rates. Why then are 500,000 employees in the public sector of Ontario being told that their wages will be restrained? Premier Davis himself indicated that the public sector has been subject to restraints for the past ten years. How will restraining the already restrained help the province of Ontario?

The massive infringement on the rights of collective bargaining, the chosen mechanism to implement this restraint program, is reprehensible. It is contrary to the processes that have been established by this very government. The question also arises as to whether this Bill is constitutional.

In the remainder of this brief, we will discuss the effects of underfunding on higher education, the realities of academic salaries, the infringement on collective bargaining of Bill 179, and the arbitrary powers of the Inflation Restraint Board and the Cabinet.

II Academic Salaries: Myth and Reality

Every group documenting the negative effects of underfunding on the universities has included in that documentation the fact that academic salaries have deteriorated dramatically over the last decade. Faculty have been subsidizing the university operations where the government has refused to do so. These subsidies may be hidden, but, as will be shown, they are enormous. University faculty members have been forced to show restraint long before the introduction of this program. Bill 179 will have the effect of further restraining a group of employees that has already failed to benefit from the economic development they have helped to produce.

i) The Salary Structure Within the University

To assist the committee in understanding the full impact of this prolonged restraint, a few words of explanation about the compensation of full-time academic staff are included here. In general, a salary increase received by a faculty member for a given year may consist of three components: a scale increase, designed to protect the salary from the effects of inflation; a career development increment (also known as "career progress" or "progress through the ranks"), designed to recognize the increasing experience of faculty members and their increased contribution to the university; and a merit increment, designed to recognize performance of duties that are in some way exceptional. There are differences in terminology and precise definitions from university to university, but this represents the generalized structure. We will have more to say about career development increments in a later section of this brief.

ii) The Reality of Academic Salaries

It is a popular misconception that university faculty are well-paid. Faculty salaries have deteriorated so dramatically that an increase of 32.7% would be required to restore 1971 purchasing power. In 1971-72, the floor (starting) salary for the full professor (highest) rank was \$18,792. In 1981-82, the full professor floor was \$34,609. Taking inflation into account, however, the 1981-82 full professor floor salary in 1971-72 dollars was only \$14,155. In constant dollars, the starting salary has actually declined by more than \$4,500.

The starting salaries for all the professorial ranks are as follows:

FLOOR SALARIES

Rank	1971-72	1981-82	1981-82 in 1971-72 \$	difference in constant \$
Full professor	\$18,792	\$34,609	\$14,155	-\$4,637
Associate professor	14,554	26,942	11,019	- 3,535
Assistant professor	11,417	21,362	8,737	- 2,680
Lecturer	9,218	17,408	7,120	- 2,098

Salaries paid to many younger members of the professoriate do not even reach the level defined by the Metropolitan Toronto Social Planning Council as adequate for a family of four to exist on. The Council defines an adequate income for such a family as about \$24,000 per year, after taxes.

Popular misconceptions about professors' salaries are typically based on a single "average" salary, which receives widespread publicity. This figure sounds high if one thinks of the university as a place where there is a normal distribution of younger, middle-aged and older academics. The age distribution of Ontario faculty is skewed. Large numbers of academic staff were hired in the late 1960s as the universities responded to government and social imperatives to expand. The group of faculty hired

at that time was and remains very large. Severe underfunding of the universities has meant that hiring has been firmly restricted since the expansion. Few young academics have been hired. The median age of the Ontario faculty is approximately 45. The majority of the faculty have reached the two highest ranks, full and associate professors. In 1971-72, these two ranks represented 50% of full-time university faculty in Ontario. In 1981-82, these two ranks accounted for 75% of the complement. The average salary figure is skewed because it is an average of salaries for a senior group of experienced professionals.

Rank must be taken into account when presenting average salaries. We have shown above that when the 1971-72 and 1981-82 floor salaries for all of the ranks are compared in constant dollars, these salaries have actually decreased in the 10 year period. The same comparison can be made over that period for average salaries by ranks as follows:

AVERAGE SALARIES

Rank	1971-72	1981-82	1981-82 in 1971-72 \$	difference in constant \$
Full professor	\$23,926	\$49,009	\$20,045	-\$3,881
Associate professor	17,355	37,319	15,263	- 2,092
Assistant professor	13,750	29,192	11,939	- 1,811
Lecturer	11,271	24,568	10,048	- 1,223

Over the last 10 years, underfunding has produced an unacceptable situation. The province's university system now has a much more experienced, skilled, knowledgeable, and productive group of academic staff, but values them, in monetary terms, far less. Restraint heaped on restraint is particularly painful!

iii) Career Progress

Faculty members continue to develop as teachers and scholars throughout their entire careers. Faculty members, however, typically have only two, sometimes three, opportunities for promotion through the professorial ranks during an approximately 37 year long career. It is often the case that promotion from one rank to another does not mean an increase in salary based solely on that promotion. This produces an unusual career pattern in the universities. To meet this, some form of career development plan is applied. These plans require an annual judging of professors' contributions to their academic field of study, their teaching contributions, their contributions to the university community, as well as their contributions to society in general. Section 12(5) of Bill 179 prohibits the payment of increases in compensation in recognition of meritorious or satisfactory work performance if this payment would bring a person above an annual compensation of \$35,000. Because of the sweeping definition of "merit increases" in this Bill, there will be interference with the traditional career development plans of the university faculty who have so few opportunities for rank promotion during their careers.

iv) Comparison with Other Groups

University faculty have not only massively fallen behind with respect to other groups in society. The average industrial wage in Ontario has increased by 145.9% over the period 1971-72 to 1981-82. The scale increase for the Ontario professoriate has been only 89.2% in this time period. As contributors to economic wealth, we have not been allowed to share in the products of our endeavours.

Compared with others in the public sector (groups that have also not kept pace with inflation or with the private sector), the professoriate has not fared well.

v) Lifetime Earnings

The popular misconception that university professors are well-paid also fails to take into account the many years of education necessary before they can begin their careers, as well as development once the career has begun. Typically, faculty do not begin to earn a full-time salary as an academic before the age of 28. On top of this, the lifetime salary profile of university faculty is significantly different from that of other professional groups, or of the apprenticed trades, where individual salaries tend to peak out relatively quickly, usually 10-15 years after entering the field. The pattern in the universities is that faculty salaries peak after 20-25 years in the field. As a consequence, the lifetime earnings of university professors are considerably less than those of lawyers, accountants and engineers. In fact, if we take into account the effects of lost income, due to an extended training period, which could have been invested, the lifetime earnings of professors can be shown to be less than those of carpenters and school teachers and only marginally above supermarket cashiers.

vi) Disparities among and within Universities

A further damaging consequence of the wage restraints imposed by Bill 179 is that it will entrench inequalities that may be found within the university system in Ontario. In the normal course of events, attempts to correct some of these inequalities have been negotiated freely on university campuses. With the suspension, inherent in this Bill, of any effective bargaining processes, it will take many more years to correct these inequities. We refer here not only to differences within universities, such as differentials between males and females (many anomalies' funds have been established to attempt to correct such differences), but also to differences among universities (catch-up awards have been made in some institutions in recognition of these differences). During the period in which this legislation would be in effect, there will be no further opportunity to redress these imbalances.

vii) Recruitment and Retention

Bill 179 will not only have the effect of restraining the already restrained. It will also compound a problem that is seriously affecting Ontario's universities; the ability to attract and to keep top-quality professionals in the Ontario university system. Years of underfunding have produced a situation in which workloads have increased, classrooms are overcrowded, equipment and facilities have deteriorated and salaries are low. Not only is this the situation in the core disciplines, but social and technological pressures have increased the burden in the high demand areas, such as computer science, engineering and business and commerce. Even when these disciplines are given permission to hire new faculty, even when they can find the funds, they cannot attract qualified people to fill positions. It is difficult to convince students to enter graduate programs in these, and indeed most, disciplines since the financial prospects outside of the university are so much better.

III Bill 179 and Collective Bargaining

We have discussed the consequences of the wage restraints already felt and further imposed by Bill 179 on university faculty in Ontario. Unacceptable as we find this, we find the methods that Bill 179 employs for implementing restraints to be reprehensible.

The freezing of the bargaining process in the public sector in the name of financial restraint takes away rights established by this very government. Our national association, the Canadian Association of University Teachers, has expressed through its Collective Bargaining Committee opposition to such a move. In conjunction with OCUFA, it has issued a statement which summarizes our concerns:

The right to bargain collectively is fundamental in a democratic society and has been secured, like so many of our other fundamental rights, only after a long and persistent struggle. It is based upon the rights of association recently enshrined in the Canadian Charter of Rights. If this right can be treated so cavalierly, there

is no assurance that other basic rights will be respected. The real test of our democratic system is its ability to preserve fundamental rights in times of difficulty.

The Government's action is doubly reprehensible when it singles out one sector of society. The hope that other sectors may be influenced is no justification for such discriminatory action. This is like punishing an innocent minority as a threat and deterrent to others. Moreover, even within the public sector, the effects of the proposed legislation will be highly inequitable.

When government resorts to such legislation, with its ultimate threat of fines and imprisonment rather than negotiation and persuasion, to settle terms and conditions of employment, it is using reprehensible methods. Such measures cannot be justified in a democratic society. Action such as that proposed by the Ontario government to suspend the collective bargaining process, deserves nothing but condemnation.

IV The Inflation Restraint Board

The inclusion of many of the proposals within Bill 179 regarding the Inflation Restraint Board seems to give this Board more powers than the judicial system. This is surely not acceptable. This Board has the power to act without having to give any reasons for any of its decisions or actions, without having to listen to any appeals, except in rare cases. In addition, this Board has the power to change its mind regarding any decisions it has previously made. It has the power to require from anyone it sees fit information that may not even be admissible in a court of law.

V Conclusion

We call upon this committee to recommend the withdrawal of Bill 179. We do not believe that it will make any contribution to addressing the real problems that we face as citizens and academic staff. We find Bill 179 a burden on already much abused institutions. We find Bill 179, as a proposed solution to any problems, to be a dangerous illusion.